

REPORT OF CABINET – 1 NOVEMBER 2023

PART I – ITEMS RESOLVED BY CABINET

1. FINANCIAL MONITORING REPORT (based on Performance April to September 2023 inclusive)

PORTFOLIO – FINANCE AND CORPORATE / ALL

CABINET RESOLUTION:

That Cabinet:-

- a) notes the latest budget forecasts of the General Fund (section 5), Capital (section 6), and HRA (section 7).
- b) approves an increase in the Housing Revenue Account reactive maintenance budget of £200,000 and notes a reduction in the Dwelling Rents income budget of £100,000, with offsetting adjustments to act as a budget virement from a reduction of £100,000 in the Cyclical maintenance budget, a reduction of £120,000 in the Supervision and Management Maintenance Administration budget and a reduction of £80,000 in the Major Repairs capital budget.
- c) approves an increase of £100,000 in the Housing Revenue Account Disabled Facilities Grant capital budget, with an offsetting reduction to the Major Repairs capital budget.

CABINET DISCUSSION:

The Portfolio Holder for Finance & Corporate reported that there were pressures relating to the Housing Revenue Account (HRA) budget, which were mainly due to the ambitious targets set by the Council earlier in the year. Although the Portfolio Holder was disappointed that the Council had not delivered its Community Safety project at this stage he confirmed consultations had commenced with Town and Parish Councils and that the project plan delivery in 2024. He stressed that it was important, when there is expenditure of this level, to ensure that value for money is attained and that the project is delivered properly in order to benefit the District's residents.

The Strategic Director of Corporate Resources, S151 and Transformation provided a summary of the report and explained that this was the second Financial Monitoring update of the year, this time covering April to September 2023 inclusive.

Cabinet was informed that the 2023/2024 Pay Award had not yet been settled. The current offer, following the result of the unions' balloting process, would likely see additional budget requirements. These expected costs had already been largely achieved by way of cumulative budget savings.

The Strategic Director Corporate Resources S151 and Transformation was optimistic that the Community Safety project could be delivered within the next 12 months.

Increasing car park costs to the Council, by way of income collection and rent expenditure, would be offset by the 2024 revised car parking tariffs.

Homelessness pressures were prevalent across the District. It was explained that the Council had anticipated this had reflected this expectation within the annual budget. Cabinet was pleased to note that the Government had awarded £302,000 in grant funding to the Council, meaning the additional cost to the HRA had reduced from £1million to approximately £700,000.

There had been an increase in the number of void homes which the Strategic Director explained inevitably comes with a cost. Housing officers continued to work on this matter in order to reduce the financial impact it would have on the Council.

A non-executive member raised concern over the increase in car parking charges and tariffs and how this was being used to mitigate increased costs faced by the Council. The Portfolio Holder for Finance & Corporate explained that the increase to car parking charges had been carefully considered. Due to the cap on increasing Council Tax and the increasing costs faced by the Council, the Portfolio Holder explained that in order to balance the budget, whilst also maintaining efficient services for residents, the increased car parking charges were necessary.

PART II – RECOMMENDATIONS TO COUNCIL

2. PROCUREMENT STRATEGY (2023 REFRESH)

PORTFOLIO – FINANCE AND CORPORATE

RECOMMENDED:

That Cabinet recommend to Council that the Procurement Strategy (2023 Refresh) set out in attachment Appendix 1, be adopted.

CABINET DISCUSSION:

The Portfolio Holder for Finance and Corporate reported that the paper dealt with a standard Council process and, as a refresh of the 2018 Procurement Strategy, would enable the Council to continue meeting the standards expected when undertaking the procurement of third parties.

The Strategic Director of Corporate Resources, S151 and Transformation explained that the Procurement Strategy 2023 was largely the same format and content as the 2018 version, however updates had been made on the guiding principles. These guiding principles were: Value, Compliance, Environment and Fairness. Each principle had a set of improvement goals and an action plan in order to help monitor the progress and achieve the desired aims.

A non-executive member asked whether the Council would be reviewing all other legal processes and procedures involving third parties to see how improvements could be made. Reference was made to leisure centres and the Portfolio Holder expressed that the contract in question had saved the Council a considerable amount of money whilst retaining leisure services.

The Portfolio Holder answered a further question on how the strategy would achieve value for money and he explained that the cheapest option was not always the best value for money as it could cause further expense in the near future. Therefore, the Cabinet would always assess tenders with a wider view than basic cost.

Attachments – Appendix 1 – Background Report to Cabinet