

Cabinet

Held at:	Council Chamber - Civic Centre Folkestone
Date	Wednesday, 20 February 2019
Present	Councillors Mrs Ann Berry, John Collier, Malcolm Dearden, Alan Ewart-James, Rory Love, David Monk, Dick Pascoe and Stuart Peall
Apologies for Absence	Councillors David Godfrey and Mrs Jennifer Hollingsbee
Officers Present:	Kate Clark (Committee Services Officer), Cheryl Ireland (Chief Accountant), Amandeep Khroud (Assistant Director), Tim Madden (Corporate Director - Customer, Support and Specialist Services), Susan Priest (Head of Paid Service), Charlotte Spendley (Assistant Director), Lee Walker (Group Accountant) and Jemma West (Senior Committee Services Officer)

NOTE: All decisions are subject to call-in arrangements. The deadline for call-in is Friday 1 March 2019 at 5pm. Decisions not called in may be implemented on Monday 4 March 2019.

71. **Declarations of Interest**

There were no declarations of interest.

72. **Minutes**

The minutes of the meeting held on 30 January 2019 were submitted, approved and signed by the Chairman.

73. **Housing Revenue Account Revenue and Capital Original Budget 19/20**

The report set out the Housing Revenue Account Revenue and Capital Budget for 2019/20 and proposed a decrease in weekly rents and an increase in service charges for 2019/20.

The report had also been considered at the meeting of the Overview and Scrutiny Committee held on 19 February 2019. Their comments had been circulated to the Cabinet Members at the meeting.

Proposed by Councillor Ewart-James,
Seconded by Councillor Dearden; and

RESOLVED:

1. That report C/18/76 be received and noted.
2. That Cabinet recommend to Full Council the Housing Revenue Account Budget for 2019/20 (refer to paragraph 2.1 and Appendix 1).
3. That Cabinet recommend to Full Council the decrease in rents of dwellings within the HRA on average by £0.83 per week, representing a 1.0% decrease with effect from 1 April 2019 (refer to paragraph 3.2).
4. That Cabinet recommend to Full Council the increase in service charges (refer to section 3.5).
5. That the Housing Revenue Account Capital Programme budget 2019/20 (refer to paragraph 4.1 and Appendix 2) be approved.

(Voting figures: 8 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

The Local Government Housing Act 1989 requires the Council, as a Local Housing Authority, to keep a separate Housing Revenue Account and to produce estimates to ensure that the account does not go into deficit. The authority also has a duty to set and approve rents in accordance with government guidelines that are outlined in the self-financing determination. The Constitution requires that the annual Budget and any variations to the Budget are approved by Council.

74. Treasury Management Strategy Statement 2019/20

The report set out the proposed strategy for treasury management for 2019/20 including Treasury Management Indicators.

The report had also been considered at the meeting of the Overview and Scrutiny Committee held on 19 February 2019. Their comments had been circulated to the Cabinet Members at the meeting.

Proposed by Councillor Dearden,
Seconded by Councillor Ewart-James; and

RESOLVED:

1. That report C/18/71 be received and noted.
2. That the strategy for treasury management in 2019/20 set out in the report be adopted.
3. That the Treasury Management Indicators for 2019/20 set out in the report be approved.

(Voting figures: 8 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet was asked to agree the recommendations because:-

- a) The Council must have regard to CIPFA's Code of Practice for Treasury Management in the Public Services when carrying out its duties under Part 1 of the Local Government Act 2003, including approving an annual Treasury Management Strategy Statement in advance of the financial year.
- b) The Council's Financial Procedure Rules require an annual plan and strategy for treasury management to be approved in advance of the financial year.

75. Capital Strategy 2019/20

The report set out the council's proposed strategy in relation to capital expenditure, financing and treasury management in 2019/20 to be approved by full Council.

The report had also been considered at the meeting of the Overview and Scrutiny Committee held on 19 February 2019. Their comments had been circulated to the Cabinet Members at the meeting.

Proposed by Councillor Dearden,
Seconded by Councillor Pascoe; and

RESOLVED:

1. That report C/18/75 be received and noted.
2. That Cabinet recommend to Full Council that the 2019/20 Capital Strategy set out in the appendix to the report be approved.

(Voting figures: 8 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet was asked to agree the recommendations because:-

- a) The Council must have regard to both CIPFA's Prudential Code for Capital Finance in Local Authorities and the Ministry for Housing Communities and Local Government Investment Guidance when carrying out its duties under Part 1 of the Local Government Act 2003.
- b) The Council is required to approve a Capital Strategy for the forthcoming year.

76. General Fund Budget and Council Tax 2019/20

The report set out the final General Fund budget and Council Tax requirement for 2019/20, including that part of the local tax covering district and parish services.

The report had also been considered at the meeting of the Overview and Scrutiny Committee held on 19 February 2019. Their comments had been circulated to the Cabinet Members at the meeting.

The Cabinet Member for Finance advised of an amendment to recommendation 3 of the report in that the figure of £12,605,380 should have read £12,598,350.

Proposed by Councillor Collier,
Seconded by Councillor Pascoe; and

RESOLVED:

That a further recommendation be added to the report as follows:

“To agree the establishment of an earmarked reserve titled “High Streets Regeneration” to support the delivery of regeneration projects within the Folkestone and Hythe district area. To earmark £3 million to be transferred from the council’s forecast General Reserve balance”.

(Voting figures: 8 for, 0 against, 0 abstentions).

Proposed by Councillor Dearden,
Seconded by Councillor Monk; and

RESOLVED:

- 1. That report C/18/74 be received and noted.**
- 2. That Cabinet recommend to Full Council that the final 2019/20 General Fund budget be adopted, as set out at paragraph 4 of the report.**
- 3. That Cabinet recommend to Full Council that a Council Tax requirement for 2019/20 of £12,598,350 be approved.**
- 4. That growth of 3 Area Officer posts funded through savings identified on existing budgets be approved, as outlined in section 4.3 of the report.**
- 5. To agree the establishment of an earmarked reserve titled “High Streets Regeneration” to support the delivery of regeneration projects within the Folkestone and Hythe district area. To earmark £3 million to be transferred from the council’s forecast General Reserve balance”.**

(Voting figures: 8 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet was asked to agree the recommendations because:

- a) The District Council’s General Fund budget and council tax requirement must be approved to enable Full Council to set the budget and the council taxes for 2019/20 in accordance with the Local Government Finance Act 1992.
- b) Council recognises the challenges being faced by the High Streets of all our communities at this time. It has recognised this through the establishment of the Folkestone and Hythe Regeneration Board and has already earmarked £250,000 to support the initial work of this board. However, the Council recognises that high streets throughout the Folkestone and Hythe district area are looking to deal with a number of adverse pressures and therefore the Council wishes to support efforts across the area to support and sustain high streets for the foreseeable future. The Cabinet agreed to utilise part of the current general reserve

to support the Council's work in meeting this aim through investment in planning, studies and direct investment where appropriate.

77. Update to the General Fund Medium Term Capital Programme and Budget Monitoring 2018/19

The report updated the General Fund Medium Term Capital Programme for the five year period ending 31 March 2024. The report provided a projected outturn for the General Fund capital programme in 2018/19, based on expenditure to 30 November 2018. The General Fund Medium Term Capital Programme was required to be submitted to full Council for consideration and approval as part of the budget process. The report also set out both the Prudential Indicators for capital expenditure and the Minimum Revenue Provision Statement for 2019/20 to be approved by full Council.

The report had also been considered at the meeting of the Overview and Scrutiny Committee held on 19 February 2019. Their comments had been circulated to the Cabinet Members at the meeting.

Proposed by Councillor Dearden,
Seconded by Councillor Monk; and

RESOLVED:

1. That report C/18/72 be received and noted.
2. That Cabinet recommend to Full Council that the updated General Fund Medium Term Capital Programme as set out in appendix 2 to the report be approved.
3. That Cabinet recommend to Full Council that the Prudential Indicators for capital and borrowing set out in the appendix 3 to the report be approved.
4. That Cabinet recommend to Full Council that the Minimum Revenue Provision (MRP) Policy Statement for 2019/20 set out in appendix 4 to the report be approved.

(Voting figures: 8 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet was asked to agree the recommendations because:

- a) It needed to be kept informed of the existing General Fund Medium Term Capital Programme position and take appropriate action to deal with any variance from the approved budget.
- b) Proposed extensions to existing schemes are required to be considered and approved before being included in the council's Medium Term Capital Programme.
- c) The proposed Medium Term Capital Programme needed to be considered before it is submitted to full Council for approval as part of the budget process.
- d) The Council must also have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities when carrying out its duties under Part 1 of the Local Government Act 2003.

- e) The Council is required to approve a Minimum Revenue Provision statement for 2019/20 in advance of the start of the financial year.

78. Biggins Wood - Acceptance of Grant

The report recommended the acceptance of the grant offered by the Government under its Accelerated Construction Programme for work to the site.

The report had also been considered at the meeting of the Overview and Scrutiny Committee held on 19 February 2019. Their comments had been circulated to the Cabinet Members at the meeting.

Proposed by Councillor Monk,
Seconded by Councillor Ewart-James; and

RESOLVED:

- 1. That report C/18/70 be received and noted.**
- 2. That the grant offered by the Government under its Accelerated Construction Programme for work to the site be accepted.**

(Voting figures: 8 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

The council needs to decide whether to accept the grant offered.