

CABINET

Minutes of the meeting held on 13 January 2022 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Ash Ashbee (Chair); Councillors Pugh, J Bayford, R Bayford, Kup and D Saunders

In Attendance: Albon, Austin, Everitt, Garner, M Saunders, Shonk, Whitehead, Wright and Yates

780. APOLOGIES FOR ABSENCE

There were no apologies made at the meeting.

781. DECLARATIONS OF INTEREST

There were no declarations of interest.

782. MINUTES OF PREVIOUS MEETING

Councillor Ashbee proposed, Councillor David Saunders seconded and Members agreed the minutes as a correct record of the meeting held on 16 December 2021.

783. COUNCIL TAX BASE

Cabinet considered the Council Tax Base proposals for 2022-23, which would be increased by 1.86% on the previous financial year.

The report also recommended maintaining the existing schemes for Local Council Tax Support and premiums on Long-Term Empty properties.

Councillor Saunders proposed, Councillor Pugh seconded and Cabinet agreed the following:

1. To approve the District's Council Tax Base for 2022-23 as 44,975.20 and the tax base for the towns and parishes in the Council's administrative area, as set out in the table at Annex 2 to the cabinet report;
2. That council tax discounts remain unchanged for 2022-23;
3. That the "Long Term Empty Premium" for properties that have been left empty and substantially unfurnished:
 - for periods of 2 years but less than 5 years, a Long Term Empty Premium be charged at 100%; and
 - for periods of 5 years but less than 10 years, a Long Term Empty Premium be charged at 200%; and
 - for periods of 10 years or more a Long Term Empty Premium be charged at 300%;
4. To determine not to revise the Council Tax Reduction Scheme for 2022-23.

784. HRA BUDGET 2022-23

Members discussed the 2022/23 HRA budget which is underpinned by a 4.1% increase in rents in 2022/23. It is anticipated that the larger proportion of the rents will be covered by increased benefit or Universal Credit payments to council tenants.

This rent increase is needed to continue to drive the HRA to a balanced and sustainable financial position. This approach will also enable the council to finance the ambitious house building programme and housing investment plan.

Councillor Whitehead spoke under Council Procedure 20.1.

Councillor Saunders proposed, Councillor Bob Bayford seconded and Cabinet agreed the draft HRA Business Plan Strategic Priorities, as set out in paragraph 2.2 to the cabinet report. These are detailed below:

The Housing Revenue Account Business Plan sets out the main strategic priorities for investment in homes and services over the long term. The draft strategic priorities, set out below, were prepared as part of the review of HRA budgets ready for the launch of the new in-house service on 1 October 2020 and subsequently were the subject of consultation with representatives of the council's tenants and leaseholders. This report now recommends that these draft strategic priorities are adopted:

- To maintain a Housing Revenue Account that is self-financing and reflects both the requirements of residents and the strategic visions and priorities of the council;
- To provide opportunities for tenants and leaseholders to become involved in the management of their homes;
- To provide safe, well maintained and energy efficient homes;
- To invest in long-term improvements to the council's housing stock and provide homes that people choose to live in;
- To increase the council's housing stock through programmes of new build and refurbishment;
- To review the alternative options for homes that cannot be maintained to meet current and future standards;
- To maintain a rent and charging policy that is both affordable for residents and ensures the resources needed for investment in homes and services;
- To maintain a minimum level of HRA reserves of £1m.

785. BUDGET 2022-23 AND MEDIUM TERM FINANCIAL STRATEGY 2022-26

Cabinet considered proposals for the council's 2022/23 budget and confirmed that the proposals were for a balanced budget for 2022-23. This announcement was made against a background where a few months back the council was forecasting a significant budget gap. However with a planned and cautious approach, combined with an efficient savings plan, cabinet was able to balance the budget.

Members were advised that despite what may seem like a lengthy and complicated process, this level of financial planning is of critical importance. That is how council would be able to continue to deliver the services that matter to people as well as protect and support the most vulnerable residents. Planning council finances in this way means the council was on the right track for balancing the budget in the coming years.

This balanced budget position has been supported in part by the welcome additional funding that has been provided to Thanet District Council by Government for 2022/23. However, much of this funding is temporary and therefore Cabinet was asked to use these monies in a financially sound way.

Members were further advised that Cabinet planned to use the extra one-off New Homes Bonus allocation to payoff debt and which would put the council on a solid financial footing ahead of the anticipated Local Government funding reforms and the uncertainty this was likely to bring. Despite the additional funding the council has received, it has still been necessary to find budget savings in order to balance next year's budget.

One of the priorities throughout the budget setting process has been to protect jobs as much as possible, and as such a key component of the budget strategy has been to look for savings from vacant posts. This review has created savings of a quarter of a million pounds. In addition to this, another £400,000 from further savings, efficiencies and income generation opportunities has also been identified. There was a proposed increase in council tax. However, it was worth noting that this proposed increase in at £5 per Band D equivalent property, represented an increase of less than 10p a week for each household.

The following Members spoke under Council Procedure Rule 20.1:

Councillor Everitt;
Councillor Yates;
Councillor Austin.

Councillor Saunders proposed, Councillor Kup seconded and Cabinet agreed to recommend the following to council, that:

1. The 2022-23 General Fund revenue budget be recommended to Council for approval;
2. The 2022-26 General Fund capital programme be recommended to Council for approval.

786. TREASURY MANAGEMENT STRATEGY & ANNUAL INVESTMENT STRATEGY 2022-23

This report is required in accordance with the CIPFA Code of Practice on Treasury Management. It covers our capital spending and financing plans and its treasury strategy, backed by prudential indicators and limits.

The report also presents for approval the Council's Minimum Revenue Provision policy, capital strategy, investment strategy and non-treasury investments report for the next financial year. This report was considered by the Governance & Audit Committee on the 1st December 2021.

Cabinet agreed the following:

1. To approve this report and annexes, including each of the key elements listed below:
 - a. The Capital Plans, Prudential Indicators and Limits for 2022-23 to 2024-25, including the Authorised Limit Prudential Indicator;
 - b. The Minimum Revenue Provision (MRP) Policy;
 - c. The Treasury Management Strategy for 2022-23 to 2024-25 and the Treasury Indicators;
 - d. The Investment Strategy for 2022-23 contained in the Treasury Management Strategy, including the detailed criteria;
 - e. The Capital Strategy for 2022-23;
 - f. The Non-Treasury Investments Report for 2022-23

Meeting concluded: 7.20 pm