

CABINET held at COUNCIL CHAMBER - COUNCIL OFFICES, LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on WEDNESDAY, 18 DECEMBER 2024 at 7.00 pm

Present: Councillor P Lees (Chair)
Councillors A Coote, J Evans, N Hargreaves and N Reeve

Officers in attendance: P Holt (Chief Executive), N Katevu (Head of Legal and Monitoring Officer), J Procter (Democratic Services Officer), G Robinson (Interim Director of Finance, Revenues and Benefits), S Russel (Strategic Director of Housing, Environment and Communities) and A Webb (Strategic Director of Finance, Commercialisation and Corporate Services)

Also in attendance: Councillors J Moran (Leader of the Conservative Group) and G Sell (Leader of the Liberal Democrat Group).

CAB79 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Pavitt and Sutton. The Leader declared a pecuniary interest for item 3 as a director of Uttlesford Norse Services Limited (UNSL).

CAB80 DRAFT BUDGET 2025/26

Councillor Hargreaves presented the report regarding the draft Budget 2025/26. He said the Government settlement had been received earlier that day and was in line with expectations and the degree of uncertainty was unprecedented in recent years due to the high quantity of reforms that were being put forward by the new Government. He additionally commented:

- In his view the Council was in a remarkably good position in terms of the use of its reserves.
- In areas where the budget had been reduced the Council intended to utilise its reduced resources in an effective way.
- The Government would cover the National Insurance increase for one year only.
- The Housing Revenue Account shown in Table 12 was balanced.
- Revenue from external sources was supplemented by internal funds e.g. licensing and, in part, planning. He noted that should the Council come out of designation they would likely receive all fees in relation to planning.

The Leader added that figures for the New Homes Bonus had come in shortly before the meeting and would be incorporated into the budget. Officers said that the draft budget could be amended and updated to reflect new information as it came out, but this work needed to be done before the next meeting of Scrutiny Committee.

Members expressed concern over the effect that the prospective local government reforms could have over future budgets. The Chief Executive stressed that there had been no formal proposal or decision to move towards a unitary authority at the time of the meeting but in that event, it would be standard practice for the Council to continue to administer permanent contracts to employees.

The Strategic Director of Housing, Environment and Communities said in response to questions over void reduction figures in the Housing Revenue Account (HRA) Budget that the Council's new contract would mobilise from January (with a hand over process from UNSL) and would be implemented from April 2025. They would then begin the process of working through works related to void properties. Councillor Coote further clarified that the Council would then be able to review the progress with voids and take further steps if necessary.

The Strategic Director of Finance, Commercialisation and Corporate Services said that officers would investigate whether Uttlesford was eligible for the Government Recovery Grant that had been announced earlier that day and would apply for it if possible. However, The Chief Executive commented that to the best of his knowledge the grants were aimed at authorities with fewer expensive properties with which to raise council tax and that Uttlesford likely did not fit the criteria.

Some figures were liable to change but the Leader commented that the housing rent increase had already been approved by the Housing Board.

Members discussed the possibility of Government reform regarding planning fees allowing local governments to set their own fee levels.

Councillor Gregory left the meeting at 19.23.

Members thanked officers for their work drafting the budget.

Councillor Hargreaves proposed to approve the recommendation and was seconded by Councillor Reeve.

RESOLVED to:

- I. Note the start of the Draft Budget consultation from December 19th 2024.
- II. To note the provisional council taxbase of 40,552.16 and the continued assumption of a maximum increase in the council tax of 2.99% over the lifetime of the Medium Term Financial Plan to 2029/30. For 2025/26, the Band D equivalent (for Uttlesford's share of the bill) would be £182.02, which would be an increase of £5.28.
- III. To note the Government's intent to provide forward certainty over the HRA rental increases allowed to be 1% above CPI, which is an increase of 2.7% for 2025/26. The average increase in HRA weekly rents would be £3.52, leading to an average weekly rent payable by council tenants of £129.61

The Leader recused herself from the meeting at 19.40 due to a conflict of interest in that she was a director at UNSL.

Councillor Hargreaves took the Chair.

Councillor Coote presented the report regarding the PWC Liability Limitation Agreement Approval.

Members discussed:

- The commonality of liability limitations in the audit industry. The Strategic Director of Finance, Commercialisation and Corporate Services said they had become more commonplace in recent years.
- The number of other companies whose liabilities were included under the cap.
- That signing the deal would allow the Council to break away from UNSL and PricewaterhouseCoopers (PWC).
- Including a record in the Central Contracts Register kept by the Council or any potential liabilities contained within its contracts.

Members expressed sentiments that the agreement should have been made at the start of the Council's relationship with UNSL.

Members noted other councils e.g. Norfolk Council had signed similar agreements which allowed them to break their relationship with Norse.

The Strategic Director Housing, Environment and Communities said that the last annual audit had been commissioned through Norse, but the Council had commissioned its own end of contract audit. This would give the Council more control over the audit process which it would continue to have in future years.

Councillor Coote proposed the approval of the recommendation and was seconded by Councillor Evans.

RESOLVED to approve:

- I. The Shareholders Resolution approving PWC's LLA for UNSL's statutory audit, pursuant to Section 536(2)(b) of the Companies Act 2006.
- II. Delegation of authority to the Section 151 Officer, in consultation with the Monitoring Officer, to execute necessary documentation.

The meeting ended at 19.55.