

Minutes of a meeting of the **CABINET** held in the Council Chamber, Council Offices, Priors Road, Spalding, on Tuesday, 16 July 2024 at 6.30 pm.

PRESENT

C N Worth (Leader)

P A Redgate (Deputy  
Leader)  
T A Carter

A Casson  
E J Sneath

G J Taylor  
J Tyrrell

Apologies for absence were received from or on behalf of Councillors J R Astill, H J W Bingham and R Gibson.

The Deputy Chief Executive - Corporate Development (S151), the Assistant Director - Regulatory, the Assistant Director - Corporate, the Housing Transformation Manager, the Deputy Head of Service - Operations (Revenue and Benefits), the Strategic Finance Manager, the Democratic Services Manager and the Democratic Services Officer.

In Attendance: Councillor B Alcock (Chairman, Performance Monitoring Panel), Councillor A C Beal (Chairman, Governance & Audit Committee) and Councillor A R Woolf (Chairman, Policy Development Panel),

**9. MINUTES**

The minutes of the Cabinet meeting held on 4 June 2024 were agreed and signed by the Leader.

**10. DECLARATIONS OF INTEREST.**

There were none.

**11. QUESTIONS RAISED BY THE PUBLIC UNDER THE COUNCIL'S CONSTITUTION (STANDING ORDERS).**

There were none.

**12. TO CONSIDER ANY MATTERS WHICH HAVE BEEN SUBJECT TO CALL-IN.**

There were none.

Action By

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**13. TO CONSIDER MATTERS ARISING FROM THE POLICY DEVELOPMENT AND PERFORMANCE MONITORING PANELS**

There were none.

**14. SOCIAL HOUSING REGULATION – Q1 2024/25 REVIEW**

Consideration was given to the report of the Assistant Director - Housing, which provided the Cabinet with an update on progress made towards delivering the outcomes of the Social Housing (Regulation) Act 2023, including revised consumer standards.

The Portfolio Holder for Strategic and Operational Housing presented the report, which highlighted the large amount of important work that had been undertaken to date.

The Social Housing (Regulation) Act 2023 delivered a number of key changes, including allowing the Regulator of Social Housing additional powers. These changes:

- Strengthened the regulator's enforcement powers, making it easier for them to intervene where they believed that landlord services were failing tenants;
- Placed the relationship between the regulator and the Housing Ombudsman's Service on a statutory footing;
- Extended the regulator's powers, paving the way for the introduction of revised consumer standards, covering all aspects of landlord service;
- Introduced a pro-active regime of inspections, inspecting all landlords with other 1,000 units a minimum of once every four years.

In order to ensure that the outcomes of the consumer standards were delivered, the Portfolio Holder for Strategic and Operational Housing had ensured that steps were in place to allow her to scrutinise the service regularly by chairing monthly compliance meetings and quarterly governance meetings, as well as chairing the Transformation Board. She was satisfied that she was fully aware of the progress in delivering the Consumer Standards . However, it was also important that Cabinet and Scrutiny were kept informed on the current position of the service.

The report set out an updated position on the following areas:

- Consumer standards
- Rent standard
- Tenant Satisfaction Measures
- Housing Ombudsman Complaint Handling Code
- Competence and Conduct Standard

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Further reports providing updates on the position would be provided on a quarterly basis.

The following points were raised:

- There was much work to be done in this area, however good progress was being made. Tenant involvement was key to progression.
- Was there the capacity and time available within the department for the appropriate staff training to be undertaken?
  - The Portfolio Holder for Strategic and Operational Housing responded that at this stage, she was confident that there was sufficient capacity. However, this issue would always be reflected within the Risk Register as it was important that capacity and resource was maintained in order to uphold the standards required.
- Some tenants had indicated dissatisfaction when responding to the TSM (Tenant Satisfaction Measures) survey - what actions were being undertaken to ascertain the reasons for their dissatisfaction?
  - With regard to the original TSM (Tenant Satisfaction Measures) survey, responses were anonymous so tenants could not be responded to directly - little could therefore be done with that data set. However, all tenants would receive an annual report detailing the complaints and what had been done so far. In addition, the handling of complaints was now managed directly by Housing (instead of corporately), and these were now being dealt with more effectively. Going forward, there would be a requirement in the scope for future surveys undertaken to include further analysis of data received. A Complaint Working Group had also been established, reviewing themes and trends of complaints - it was important not only to deal with the complaints, but also to learn from them, and this was already being taken forward. The Portfolio Holder for Strategic and Operational Housing was confident that a huge amount of work had already been undertaken, to listen to and deal with complaints.
- Within the position statement for Consumer Standards, there were a number of policies listed for future implementation – would these be coming forward to the Policy Development

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Panel for scrutiny, prior to final approval?

- The Portfolio Holder for Strategic and Operational Housing confirmed that these would be programmed into the Panel's Work Programme. She also confirmed that from the outset, there had been a desire to heavily involve the relevant scrutiny panels in considering the work being undertaken. It was very important to have all members involved in this huge piece of work.

**DECISION:**

That the work underway to align services with the new regulatory regime, and the Council's progress towards delivering the outcomes of the consumer standards, be noted.

*(Other options considered:*

- *Do nothing – to retain progress updates through operational arrangements with the Portfolio Holder for Strategic and Operational Housing. This option was not considered to be appropriate as the Regulator of Social Housing was clear that Councillors were responsible for ensuring that the Council, in its role as a registered provider, was meeting the regulatory standards set.*

*Reasons for decision:*

- *To provide assurance to Cabinet on the Council's preparations for regulatory inspection and provide updated information on ongoing work towards delivering the outcomes of the consumer standards.)*

**15. ENVIRONMENT POLICY**

Consideration was given to the report of the Assistant Director – Regulatory which sought approval for a new South & East Lincolnshire Councils Partnership Environment Policy to underpin the Sub-Regional Strategy.

The Portfolio Holder for Health and Wellbeing, Conservation and Heritage and Tourism presented the report.

The Environment Policy was a new policy for South Holland District Council and was a commitment made in the Alignment and Delivery Plan in 2024/25 and followed on from the adoption of the Climate Change and Environment Strategy in 2023/24. Environment policies had been in place at East Lindsey District Council and Boston Borough Council since 2022 however, these had been reviewed and were now aligned to a single Partnership Environment Policy. All three councils were being asked to adopt the revised policy through their executive arrangements. Scrutiny had already been undertaken by the Policy Development Panel at

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SHDC, and the policy had been recommended for adoption by it.

The Environment Policy set out four key themes:

- Protecting and recovering our natural environment;
- Mitigating and adapting to climate change;
- Protecting and enhancing our built environment; and
- Ensuring a sustainable approach to waste and resource management

**DECISION:**

That the Environment Policy be adopted.

*(Other options considered:*

- *Not to adopt the Environment Policy.*

*Reasons for decision:*

- *To provide the mandate for delivery of the new Environment priority contained within the Sub-Regional Strategy.)*

**16. OFFICER AND MEMBER ICT POLICIES**

Consideration was given to the report of the Assistant Director – Corporate which sought Cabinet’s approval for the proposed ICT Policies for Officers and Members.

In the absence of the Portfolio Holder – Corporate and Communications, the Leader presented the report.

SHDC’s ICT Policies were due for refresh. The policies were last refreshed in 2022 and since that time the ICT landscape had changed, meaning the policies needed to be updated to reflect the latest technological advances, user requirements and security threats.

The key changes to each policy were detailed within the report.

**DECISION:**

That the policies set out in the report be approved.

*(Other options considered:*

- *None – the existing ICT policy set required review.*

*Reasons for decision:*

- *To ensure that the Council had robust and effective ICT policies in place.)*

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**17. Q4 PERFORMANCE REPORT 23/24**

Consideration was given to the report of the Assistant Director – Corporate which provided an update on how the Council was performing for the period 1 January 2024 to 31 March 2024.

In the absence of the Portfolio Holder – Corporate and Communications, the Leader presented the report.

It was noted that:

- 29.69% of the Council’s performance metrics presented a positive position against targets;
- 17.19% were below or slightly below target;
- 50% were data only metrics, and therefore used primarily to monitor trends

The Q4 Performance Report revealed areas of both improvement and decline since Q3. Key highlights included:

- Homelessness Prevention
- Customer service
- South Holland Centre
- Assets
- End of year collection rates for Council Tax and Business Rates

The following points were raised:

- There were continued concerns around Fly Tipping however, it was encouraging to note the increase in performance in this area in Q4. The number of Fixed Penalty Notices issued for littering continued to remain consistent.
- Members queried whether the information relating to gym membership in Q4 was correct – officers felt that the figures were too low and this would be clarified.
- It was likely that the move by Spalding Gentleman’s Society to Ayscoughfee Hall could only increase attendance there in the future.

**DECISION:**

That the contents of the report be noted.

*(Other options considered:*

- *Not to monitor performance – this was not recommended.*

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*Reasons for decision:*

- *To ensure that Council performance was properly scrutinised.)*

**18. 23/24 OUTTURN REPORT & 22/23 ABBREVIATED OUTTURN INCLUDING AUDIT UPDATE**

Consideration was given to the report of the Deputy Chief Executive – Corporate (S151) which detailed the 2023/24 outturn position and the summary outturn position for 2022/23 and provided an update on the overall financial reporting and audit position.

The Portfolio Holder – Finance presented the report.

The Financial outturn reporting was on track with all backlogs addressed. The 2022/23 and 2023/24 Statement of Accounts were to be published imminently. It was to be noted that the 'backstop' proposals (detailed in Appendix C), to clear the backlog of 2022/23 local authority audits in England by 30 September 2024, awaited a decision to be made by the new Government. The outturn report and reserves position in 2023/24 were deemed positive due to the excellent work of the finance teams and which continued in 2024/2025 with the close monitoring of budgets, savings and efficiency targets.

In respect of 2023/2024 outturn at Appendix A:

**General Fund revenue outturn**

As at 31 March 2024, the General Fund outturn position was an underspend of £116,000 against an overspend of £340,000 at Q3, with the detail set out at Appendix A. The largest changes since the Q3 forecast were as follows:

- Planning & Strategic Infrastructure improved £114,000 from Q3 due to vacancy savings and forecasted agency costs not materialising;
- Wellbeing & Community Leadership position improved £118,000 from Q3 forecast due to proactive management of demand in the Homelessness Service and additional income for Private Sector Housing;
- A Minimum Revenue Provision £75,000 higher than Q3 had resulted from the refinancing of 2022-23 capital financing.

Treasury management return on investment continued to perform well, with the General Fund having received £327,000 interest in excess of the full year budget.

The 2023/24 budget included an efficiency target of £877,000 of

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which £695,000 was achieved, representing 79% against the target. This was considered a good achievement.

A release from reserves of £300,000 of the New Homes Bonus received in Q2 was included in the outturn provision.

### **Housing Revenue Account (HRA) revenue outturn**

As at 31 March 2024, the HRA showed a surplus of £701,000 compared to the budgeted surplus of £2m. Significant contributing factors in the variance from budget included: the inflationary environment, demand for services, new and more demanding statutory responsibilities and depreciation. The HRA outturn position was detailed at Table 3 of Appendix A.

### **Capital**

Table 5 detailed the General Fund capital outturn position with spend of £7m against a revised budget of £9.2m (representing 76% of planned spend). Table 7 detailed the revised 2024/25 budget with the inclusion of the slippage from 2023/24 which formed one of the recommendations to Full Council.

The HRA capital outturn, detailed at Table 8, showed that £16.5m had been spent against the approved budget of £23.9m (representing 69%) as at 31 March. Table 10 illustrated the revised 2024/25 budget with the inclusion of slippage, which was a further recommendation to Full Council.

In respect of the 2022/23 outturn position at Appendix B:

Members were asked to note that this was an abbreviated report as many aspects of the 2022/23 outturn had already been addressed through previous financial reporting processes. The highlighted points were as follows:

- Table 1 of Appendix B detailed a deficit position of £850,000 for the revenue outturn as of 31 March 2023;
- Table 2 detailed the HRA outturn surplus position of £303,000;
- The General Fund Capital outturn was £14.7m and the HRA Capital outturn £6.9m. Slippage from 2022/23 was added to the 2023/24 programme as part of the Q1 Finance Report through Full Council approval;
- The Council held investments of £43.2m as at 31 March 2023; and
- Investment income was £970,000 above budget, which constituted £584,000 improvement for the General Fund and £386,000 for the HRA.

The following points were raised:



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- Members relayed credit to officers for the good work outlined within the report and added an understanding that a standard nationally agreed caveat was to be in place for the 2022/23 accounts.
- Members expressed concern regarding the following areas:
  - general budget misalignments; the circumstances should the Council's finances not had been unexpectedly cushioned in 2023/2024 by £500,000 of increased investment income; and the accuracy of budget forecasting, especially in relation to the South Holland Centre.
  - The Deputy Chief Executive – Corporate Development (S151) referred to the misalignments noted in 2023/24 and responded that enhanced budget monitoring processes were in place for 2024/25 which included regular budget meetings held between Budget Holders and Business Partners and that a clear narrative had been relayed to Budget Holders regarding accountability, specifically 'no budget, no spend'. A proactive approach was being taken in respect of 'controllable issues', whilst 'uncontrollable issues' were dealt with on an ad hoc basis, such as the reduction of income received from Planning fees. Whilst budgets were inevitably subject to change, positivity was expressed regarding the budget management systems that were now in place to deal with such eventualities; and
  - The Portfolio Holder for Finance added that Assistant Directors were being held to account by Portfolio Holders regarding their budgets, and that there was a greater understanding of the purpose behind each budget line. Through the work of the current and previous Portfolio Holders, it had been possible to reduce the financial support of the South Holland Centre significantly, from £250k to £100k.

**DECISION:**

- 1) That Cabinet notes the general fund outturn position for 2023/24 being an underspend of £116k as detailed in Table 1 of Appendix A and approves the transfer of the surplus to the Transformation Reserve.
- 2) That Cabinet notes the outturn revenue position of the HRA for 2023/24, a surplus of £701k against a budgeted surplus of £2.016m, as detailed in Table 3 of Appendix A.

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- 3) Cabinet note the outturn for 2022/23, reserve balances, including the final year end adjustments, and that due to delay with the closure for 2022/23 all revenue, treasury and capital year end adjustments have been dealt with through the year as part of the Quarterly Monitoring, Reporting to Audit and Governance for Treasury matters and as part of the 2024/25 budget setting process.
- 4) That Cabinet note that the 2022/23 year end audit will likely be impacted upon, due to the “Backstop” following the letter from the Minister for Local Government on 8 February 2024 and subsequent uncertainty following the 4<sup>th</sup> July General Election.

**RECOMMENDATIONS TO COUNCIL:**

- 5) That Cabinet recommends to Full Council to approve the reserves transactions and balances as set out in Appendix A - Table 2.
- 6) That Cabinet recommends to Full Council to amend the Capital Programme for 2024/25 as shown in Table 7 to take into account the changes set out in Appendix A.
- 7) That Cabinet recommends to Full Council to amend the HRA Capital Programme for 2024/25 as shown in Table 10 to take into account the changes set out in Appendix A.
- 8) That Cabinet recommend to Full Council to approve the capital financing adjustments – Table 3, reserve transactions and balances for 2022/23 as set out in Appendix B – Table 5.

*(Other options considered:*

- *To not approve the revised capital programme, reserve adjustments and financing movements outlined.*

*Reasons for decision:*

- *To ensure the Council’s outturn financial position for 2023/23 and 2023/24 was considered and related decisions approved. It was important that the Cabinet were aware of the financial position of the General Fund and HRA to ensure that they could make informed decisions that were affordable and financially sustainable for the Council.)*

**19. DEBT WRITE OFF**

Consideration was given to the report of the Deputy Chief Executive – Corporate Development (S151) which sought approval for the write off of uncollectable debt.

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The Portfolio Holder – Finance presented the report.

Members agreed that only the principles of the report would be discussed and there was therefore no need for the meeting to go into private session.

**DECISION:**

That the amounts identified in the report, as detailed below, be approved for write off:

Council Tax	£37,052.45
Business Rates	£28,583.72
Housing Benefit Overpayment	£22,003.03
Total	£87,639.20

*(Other options considered:*

- *Not to approve the amounts for write off, however this would leave uncollectable debt showing on the Council's records.*

*Reasons for decision:*

- *All recovery methods have been considered and where appropriate pursued, before making the decision to write off. Debts will be written off against provisions in the Council's accounts.*
- *Officer time can be maximized on greatest returns, at the same time as ensuring robust procedures for debt management are in place across all revenue streams.*

**20. ANY OTHER ITEMS WHICH THE LEADER DECIDES ARE URGENT.**

There were none.

(The meeting ended at 7.15 pm)

(End of minutes)

Any RECOMMENDATIONS TO COUNCIL detailed above will be submitted for consideration to the meeting of the full Council on 31 July 2024.