

## **CABINET, Monday, 12th February, 2024**

**PRESENT:** Councillor

Councillors: Courtney, Dacre, Fenton-Glynn, Lynn, Patient and Wilkinson

**SUBSTITUTES PRESENT**

Councillors:

### **102 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Scullion and T Swift MBE.

Councillor Dacre, Deputy Leader (In the Chair).

*(The meeting closed at 15.43).*

### **103 ADMISSION OF THE PUBLIC**

**RESOLVED** that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in the stated paragraphs of Part 1 of Schedule 12A of the Act, namely:-

Public Health Commissioning Plan – Paragraph 3 – Financial or business affairs.

### **104 MINUTES OF THE MEETING HELD ON 15TH JANUARY 2024**

**RESOLVED** that the Minutes of the meeting of Cabinet held on 15th January 2024 be approved as a correct record and signed by the Chair.

### **105 QUESTION TIME - CABINET**

The Deputy Leader, Councillor Dacre, invited members of the public and Councillors to ask questions of the Leader and of the other Cabinet Members. An oral response would, if possible, be provided at the meeting, but if this was not possible a written response would be provided to the questioner within 7 working days. The full details of questions asked, and answers provided would also be published on the Council's website.

(a) A question was asked by Andrew McElligot regarding Council Finances.

Councillor Dacre, Cabinet Member with responsibility for Resources, responded, thanked Mr McElligot for his question and advised that Council Finances would be considered later in the meeting, where a recommendation would be made to Council and there would then be the opportunity for full debate. A written response would be provided to the question.

(b) A question was asked by Councillor Hey regarding the Community Infrastructure Levy (CIL) for Northowram and Shelf.

Councillor Patient, Cabinet Member with responsibility for Climate Action, Active Travel and Housing, responded and advised that it would not be legal to apply the CIL retrospectively. He explained that funding secured through Section 106 agreements would be used locally, but the CIL could be used anywhere. For planning applications currently received they would be looking at agreeing things like affordable house and Bio-diversity Net Gain would go live locally and would be explored. A written response would be provided to the question.

- (c) A question was asked by Councillor Leigh MBE regarding Council Finances.

Councillor Dacre, Cabinet Member with responsibility for Resources, responded and reiterated that Council Finances would be considered later in the meeting, where a recommendation would be made to Council and there would then be the opportunity for full debate. A written response would be provided to the question.

## **106 TO RECEIVE REPORTS FROM SCRUTINY BOARDS**

No reports were received from Scrutiny Boards.

## **107 APPROPRIATION OF CMBC LAND AT KINGSLEY PLACE/PARKINSON LANE**

Councillor Patient, Cabinet Member with responsibility for Climate Action, Active Travel and Housing, presented a written report of the Director, Regeneration and Strategy which sought consideration of the appropriation of Calderdale Council owned land at Kingsley Place, Parkinson Lane, Halifax (shown edged red on the plan attached at Appendix 1) ("the Land") from the current owning service, Economy, Housing and Investment to Children and Young People Services for the provision of exclusive use by Parkinson Lane school for additional car parking for the school.

This was an internal transfer of land from one council department to another to ensure that the legislative holding power correctly reflected the newly identified statutory function of the land and this had been agreed by both Council Departments. The Land would remain in Council ownership following appropriation.

The report outlined background information, options considered, financial, legal, human resources and organisational development, environmental, health and economic implications.

**RESOLVED** that the appropriation of the Land under the powers inferred in Section 122 of the Local Government Act 1972 from the statutory holding powers of Economy, Housing and Investment under the Housing Act 1985 to Children and Young People Services under Section 14 of the Education Act 1996 (The appropriation would apply only to that area of Land shown edged red on the plan attached at Appendix 1 of the Director, Regeneration and Strategy's written report) be approved.

**108 FUNDING OF INFRASTRUCTURE TO SUPPORT THE DELIVERY OF DEVELOPMENT IN SOUTHEAST CALDERDALE**

Councillor Patient, Cabinet Member with responsibility for Climate Action, Active Travel and Housing, presented a written report of the Directors Resources and Transformation and Regeneration and Strategy which sought consideration of the anticipated financial investment required by the Council between the financial years 2024/25 to 2028/29 to deliver infrastructure that would in turn facilitate the delivery of the Garden Communities at Thornhills, Brighouse, and Woodhouse, Rastrick. The infrastructure would also support the delivery of Clifton Business Park through the provision of the Clifton Link Road.

The proposal anticipated that the investment required to fund critical infrastructure necessary to enable delivery of these growth projects would be funded by revenue from roof tariff income and borrowing. The net revenue cost of borrowing would be met by income from the roof tariffs, in the form of Section 106 agreements. The report also set out the roof tariff mechanism that would allow the income from the proposed developments to be achieved.

These strategic housing and employment sites together comprised a scale of development which was locally unprecedented. Ensuring delivery was a complex challenge, especially so given that the land was in private ownership. Work had demonstrated that delivery was reliant on actions only the Council could take. The report set out the strategy for funding the investment required to unlock the potential of the land, significant private finance investment and local social value benefits.

The report outlined background information, options considered, financial, legal, human resources and organisational development, environmental, health and economic implications.

During discussions Members welcomed the report and felt that this was an incredibly important step into the future.

**\*RESOLVED that it be recommended to Council that:**

**(a) the proposed investment detailed in the Directors, Resources and Transformation and Regeneration and Strategy's written report to allow for the work to be undertaken on the A641/A643/Clifton Link Road, Community Hubs and schools infrastructure be approved;**

**(b) the Director, Regeneration and Strategy, in consultation with the Leader be given delegated authority for the delivery of the projects;**

**(c) investment of £52.423m in the Garden Communities scheme be added to the Council's Capital Programme, funded by:**

- i. Income from the roof tariff, currently forecast to be in the region of £17.459m, which would be confirmed under Section 106 agreements; and**
- ii. Borrowing of £34.964m.**

(d) as part of the budget process in 2025/26 and future years that the revenue implications from the investment be included in the Medium-Term Financial Plan. The initial estimates were shown in Appendix 1 of the Directors Resources and Transformation and Regeneration and Strategy's written report;

(e) the latest forecast Garden Communities roof tariff rates for Thornhills and Woodhouse and for other housing development sites in the Brighouse Local Plan Area be noted; and

(f) the Directors Resources and Transformation and Regeneration and Strategy in consultation with Leader and Cabinet Member with responsibility for Resources be given delegated authority to implement any changes required to the roof tariff rates detailed in the report.

**109 THIRD QUARTER PROJECTED OUTTURN REPORT REVENUE & CAPITAL MONITOR 2023/24**

Councillor Dacre, Cabinet Member with responsibility for Resources submitted a written report of the Director, Resources and Transformation which provided the Third Quarter Projected Outturn Report Revenue and Capital Monitor 2023/24. The report summarised the revenue and capital projected outturn position as at 31<sup>st</sup> December 2023 and provided an update on the actions taken since the last report to mitigate the financial pressures and the impact these actions were having.

The Council's Financial Procedure Rules required the financial position to be reported to Cabinet a minimum of three times a year for noting and to approve any significant budget changes. Members were invited to review the appendices included and consider any action required to manage the overall outturn position.

The report outlined background information, options considered, financial, legal, human resources and organisational development, environmental, health and economic implications.

During discussions Members commended all staff in the Council who worked hard to implement cost controls within the Council and highlighted the cost pressures within Adults, Health and Social Care for care services and that there was positive pressure from Government to use reserves to cover these cost pressures. Members also advised that these cost pressures were the same across the country and they were looking at costs and placements to assess and ensure the right size of packages for users.

**RESOLVED** that the:

(a) projected revenue budget outturn as at Quarter 3 and the analysis of the 2023/24 revenue outturn position, the impact of mitigating actions and position on the reserves be noted;

(b) risks to the revenue budget for 2023/24 be noted;

(c) Capital Programme of £207.146 million for the period 2023/24 to 2025/26 referred to in Section 6 of the Director, Resources and Transformation's written report and detailed in the attached appendix be approved; and

(d) additional funding and bid for the additional funding detailed in paragraphs 6.10 and 6.11 of the Director, Resources and Transformation's written report be accepted.

## **110 BUDGET PROPOSALS**

### **(A) CABINET BUDGET PROPOSALS - RECOMMENDATIONS FROM SCRUTINY**

Councillor Dacre, Cabinet Member with responsibility for Resources presented a written report of the Senior Scrutiny Officer on behalf of the Strategy and Performance Scrutiny Board. The report from Strategy and Performance Scrutiny Board set out the response of the Council's Scrutiny Boards to Cabinet's draft budget proposals that were published on 15<sup>th</sup> February 2024 for consultation. Scrutiny Members held two workshops in December 2023 and January 2024 to consider their response to the draft budget proposals. A summary of the views expressed at those workshops was agreed by Scrutiny Board Chairs and Deputy Chairs and presented to Strategy and Performance Scrutiny Board on 7<sup>th</sup> February.

The report was submitted to Cabinet as part of the overall budget consultation process. Cabinet was asked to adopt the recommendations of the report and take account of the comments made when it prepared a budget proposal for Council to consider on 26 February 2024. Cabinet was asked to consider the recommendations of Strategy and Performance Scrutiny Board outlined in the report and to take account of the comments made.

The report outlined background information, consultation and financial implications.

In the absence of Councillor Robinson, Chair of the Strategy and Performance Scrutiny Board, the Head of Legal and Democratic Services read out the following representation from Councillor Robinson to introduce the scrutiny recommendations to Cabinet:

*"This year, Calderdale's Scrutiny Boards have scrutinised Cabinet's Budget proposals a little differently. Scrutiny members attended two budget workshops in December and January. At the first workshop, Members were provided with an introduction to local government finance by the Director of Resources and Transformation and Councillor Dacre. Following this introduction, Members collaborated on a cross-party basis to consider areas of questioning ahead of the Cabinet's publication of its Budget proposals. At the second workshop, Scrutiny Members discussed the budget proposals with Councillor Dacre and the Director, Resources and Transformation. Following the second workshop, recommendations were drafted, and these draft recommendations were subsequently reviewed, revised and approved at the Strategy and Performance Scrutiny Board meeting on 7<sup>th</sup> February.*

*The agreed recommendations, as set out before you, result from robust, independent, and cross-party scrutiny. I would like to thank Scrutiny Members for their courage in asking challenging questions, and Councillor Dacre for engaging and*

*valuing the scrutiny process. The Scrutiny Board conveys its gratitude to the Director, Resources and Transformation for her time, efforts, and patience. It is easy to forget that this is Becky's first budget process in Calderdale. We are lucky to have Becky, an Officer who is so generous with her time. Thank you to Officers across the Council, no matter the grade or seniority, for their efforts in delivering public services notwithstanding increasing challenges.*

*And finally, I express my sincerest thanks to the Scrutiny team, namely Mike, Ben and Libby. They have contributed significant time and energy into this process, and the Scrutiny team continue to prove incredibly valuable to this Council.*

*May I submit these recommendations for Cabinet's consideration and propose their acceptance".*

During discussions, Members thanked Councillor Robinson for his kind words and contributions.

**RESOLVED** that the:

(a) recommendations of Strategy and Performance Scrutiny Board in relation to the Cabinet Budget Proposals for 2024/25 included in paragraph 3 of the Senior Scrutiny Officer's written report be noted; and

(b) the observations made by Scrutiny Members when they prepared a revised budget proposal to present to Council be taken into account in the budget decision making process.

**(B) CABINET BUDGET PROPOSALS - GENERAL RESPONSES**

Councillor Dacre, Cabinet Member with responsibility for Resources presented a written report of the Director, Resources and Transformation. which summarised the feedback received as part of the budget consultation to date and were requested to consider feedback on the budget proposals when finalising the budget.

The draft funding settlement for Local Govt for 2024/25 was announced by the Chancellor on 18<sup>th</sup> December 2023, with no guarantees about Government funding beyond that time. This was considered as part of the Medium-Term Financial Plan. The Council was legally required to set a balanced budget each year. Based on the Council's current financial forecasts, the local authority presented in the consultation budget report, budget deficits of £7.5 million in 2024/25, £6.2 million in 2025/26 and £4.8 million in 2026/27. The proposals focussed on the steps needed to deliver a balanced and robust budget for the next three years, from 2024/25 to 2026/27 and to find some small scope for investment in key areas of the Council.

The report provided background information and outlined financial, legal and equality, and diversity implications.

**RESOLVED** that the comments made by the public during the budget consultation period and the feedback be taken into account in the budget decision making process.

**(C) CABINET BUDGET PROPOSALS 2024/25 TO 2026/27 FOR RECOMMENDATION TO COUNCIL**

Councillor Dacre, Cabinet Member with responsibility for Resources, presented a written report of the Director, Resources and Transformation on the Cabinet Budget Proposals which provided a forecast of the Council's financial position for the period 2024/25 to 2026/27 along with Cabinet's recommendations to Budget Council for its proposals to provide a balanced budget.

The Council was legally required to set a balanced budget before the start of each new financial year. The report set out Cabinet's final budget proposals for 2024/25 and provisional budgets for 2025/26 and 2026/27, based on the latest forecasts in the Medium Term Financial Plan (MTFP). Cabinet published its draft budget proposals for consultation on 15<sup>th</sup> January 2024. The consultation had now closed and had been used to inform the final budget proposals. Budget Council would consider Cabinet's recommended budget at its meeting on 26<sup>th</sup> February 2024 in order to approve a balanced budget and set the Council Tax.

The report provided background information and outlined options considered, consultation, and financial, legal, human resources and organisational development, environmental, health, economic, equality, and diversity implications.

**\*RESOLVED that it be recommended to Budget Council on 26<sup>th</sup> February 2024 that:**

**(a) the appended 2024/25 to 2026/27 budget proposals be approved; and**

**(b) the revised position presenting in the Medium Term Financial Plan 2024-27 outlined in annex A of the Director, Resources and Transformation written report be noted.**

**111 PUBLIC HEALTH COMMISSIONING PLAN – EXEMPT**

Councillor Dacre, Cabinet Member with responsibility for Resources, presented a written report of the Director, Public Health, which sought approval for the proposed approach to Public Health commissioning which took into account the new Provider Selection Regime (PSR), which applied to the procurement of all contracts for health services from 1<sup>st</sup> January 2024, the current financial challenges facing Calderdale Council and the need to issue new contracts from 1<sup>st</sup> April 2024 for a number of existing public health services.

The report would normally form part of a joint plan with Adult Services and Wellbeing and Children and Young People's commissioning, however given the changes to procurement legislation for eligible public health services it was felt that a standalone paper was more appropriate on this occasion. The commissioning plan was submitted on an annual basis for Cabinet approval. The report detailed the proposed 2024/25 commissioning plan for public health services in response to the new PSR regulations and the Council's current financial context.

The report provided background information and outlined options considered, consultation, and financial, legal and procurement, environmental, health, economic, equality, and diversity implications.

**RESOLVED** that:

- (a) the new Provider Selection Regime (PSR) applied to the commissioning of public health services from 1<sup>st</sup> January 2024 and be assured that PSR was being considered for adoption into the Council's Contract Procedure Rules by Council at the meeting being held on the 14<sup>th</sup> February 2024 be noted;
- (b) it was anticipated that public health service contracts expiring on 31<sup>st</sup> March 2024 could be renewed in a timely way under the PSR rules be noted;
- (c) the potential risks for implementing the preferred element of the PSR set out in paragraphs 5.3-5.6 of the Director, Public Health's written report be noted;
- (d) the use of the PSR to commission public health services due to expire on 31<sup>st</sup> March 2024 be approved; and
- (e) the use of Direct Award Process A for NHS Health Checks, Direct Award Process C for the other existing contracts, and Most Suitable Provider Process for Staying Well Service to move from a grant to a contract be approved.