

Contact Officer: Andrea Woodside

KIRKLEES COUNCIL

CABINET

Tuesday 30th January 2018

Present: Councillor David Sheard (Chair)
Councillor Shabir Pandor
Councillor Peter McBride
Councillor Naheed Mather
Councillor Musarrat Khan
Councillor Viv Kendrick
Councillor Masood Ahmed
Councillor Graham Turner

Observers: Councillor Bernard McGuin
Councillor John Taylor

Apologies: Councillor Erin Hill (Currently on Maternity Leave)
Councillor Cathy Scott

411 Membership of the Committee

Apologies for absence were received on behalf of Councillors Scott and Hill.

412 Interests

No interests were declared.

413 Admission of the Public

It was noted that all agenda items would be considered in public session.

414 Deputations/Petitions

No deputations or petitions were received.

415 Public Question Time

No questions were asked.

416 Member Question Time

Cabinet received questions from Councillor McGuin in relation to (i) the implications of the development of the museum quarter upon Tolson Museum, and (ii) how the Council would ensure that local residents accessing their homes located on the bus lanes in Almondbury would not receive penalty notices.

417 Schools Forum: Report seeking approval for Kirklees School Funding formula for the financial year 2018/19

Cabinet gave consideration to a report which provided detail on the formal introduction of the National Funding Formula for schools from 2020/2021, and how this would impact upon local schools' funding formula for 2018/2019.

The report recommended the outline of the Kirklees funding formula 2018/2019 in terms of (i) specific funding factors to be used and the relative weightings and

Cabinet - 30 January 2018

values of the funding factors (ii) exceptions applications submitted to the Education and Skills Funding Agency, and the approvals given (iii) central budget provision within the Dedicated Schools Grant Schools Block of funding, the Central School Services Block and the Early Years Block and (iv) de-delegation arrangements for mainstream maintained schools.

Cabinet were asked to give approval to the outline details of the Kirklees School Funding Formula for 2018/2019 to be submitted by the deadline of 19 January 2018.

Cabinet were advised that, based upon the Education and Skills Funding Agency funding timeline, it was expected that the local authority would inform maintained schools of their 2018/2019 budgets by 28 February 2018, and that academies would be informed by 31 March 2018.

RESOLVED -

- (1) That the changes to school funding arrangements for the two 'soft' National Funding Formula funding years of 2018-2019 and 2019-2020, leading to the full introduction of the National Funding Formula for Schools from April 2020, be noted.
- (2) That the ongoing local consultation with schools and other providers in order to ensure an appropriate local response to national funding formula developments, be noted.
- (3) That the exceptions applications made to the Education and Skills Funding Agency, as detailed in paragraph 5 of the considered report, be noted.
- (4) That approval be given to the submission of the schools funding formula for 2018/2019 (based upon a positive minimum funding guarantee of 0.5% per pupil) to the Education and Skills Funding Agency.

418 Council Annual Budget Report 2018-22 incorporating Capital, Treasury Management, General Fund, Revenue and Housing Revenue Account

(Cabinet noted the provisions on the restrictions on voting, in accordance with Section 106 of the Local Government and Finance Act 1992, relevant to this item).

(Under the provision of Council Procedure Rule 36 (1) Cabinet received a representation from Councillor J Taylor).

Cabinet received a report which set out its recommendation to the meeting of Budget Council on 14 February 2018, and provided the basis upon which other political groups could consider their budget proposals for Capital, Treasury Management, General Fund Revenue and the Housing Revenue Account.

Cabinet noted that the report;

- (i) reviewed the general fund revenue budget strategies over the medium term financial plan and budget proposals to achieve a balanced general fund revenue budget in 2018-2019, and an indicative revenue budget plan for the following year.

Cabinet - 30 January 2018

- (ii) incorporated the Government's announcement on the Local Government Finance Settlement for 2018-2019 and indicative government funding forecasts for the following year, and consider the level of general fund revenue budget needed for Treasury management and Central Contingencies.
- (iii) reviewed the current levels of general fund revenue reserves and balances and made recommendations on the level of reserves.
- (iv) incorporated Housing Revenue Account (HRA) budget proposals to achieve a balanced HRA in 2018-2019, and indicative revenue budget plan for the following year, informed by the HRA 30 year business plan.
- (v) reviewed the current levels of Housing Revenue Account reserves, and made recommendations on the level of reserves.
- (vi) reviewed the multi-year plan for Capital Investment (Cabinet is required under Financial Procedure Rules to recommend to Council a multi-year plan for capital investment).
- (vii) reviewed the Treasury Management Strategy 2018-2019 (which Council must consider before the start of the financial year to comply with both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management, and with Department for Communities and Local Government (DCLG) guidance on local authority investments, requiring the Council to approve an Investment Strategy before the start of each financial year).
- (viii) made recommendations on the Council Tax requirement for 2018-2019.
- (ix) incorporated the Council's Pay Policy Statement for 2018-2019.
- (x) incorporated a statement of assurance from the Council's statutory s151 officer in relation to the robustness of budget estimates and adequacy of General Fund and HRA reserves.

RESOLVED - That the Motion be submitted to the Meeting of Budget Council on 14 February 2018 with a recommendation that;

- (i) Capital
 - the draft Capital Plan 2018-2023 be approved (appendix E)
 - the Prudential Indicators as detailed at appendix F be approved
- (ii) Treasury Management (Appendix C)
 - the borrowing strategy be approved (paragraphs 2.12-2.18 refer)
 - the investment strategy be approved (paragraphs 2.19-2.33 refer)
 - the policy for provision of repayment of debt (minimum revenue provision/MPR) be approved (appendix C refers, reflecting the changes in policy outlined in paragraphs 2.34-2.66) effective from 2017-2018, be approved
 - the treasury management indicators be approved (appendix C refers)
 - proposals to refresh the treasury management strategy for financial year 2019-2020 to reflect revised 2017 CIPFA Treasury Management and Prudential Codes, and updated Government Investment Strategy and MRP guidance to Local Authorities (Government guidance pending), be noted.

Cabinet - 30 January 2018

- (iii) General Fund Revenue
 - the Draft Revenue Budget 2018-2020 be approved, as attached at appendix A
 - the forecast levels of statutory and other Council reserves, as set out at appendix B, be noted
 - the strategy for the use of balances and reserves be approved (paragraph 3.73 refers)
 - a further reassessment of reserves requirements be undertaken at year end and reported to Members as part of the 2017-2018 financial outturn and rollover report (paragraph 3.74 refers)
 - the Council's continued participation on the Leeds City Region business rates pool for 2018-2019 be noted (paragraph 3.26 refers)
 - the Flexible Capital Receipts Strategy for 2018-2019 be approved (appendix D refers)
 - the Council Tax requirement for 2018-2019 be approved (appendix H refers)
 - the Council's Pay Policy Statement for 2018-2019 be approved (appendix I i-iv refers)
 - the Council's Statutory S151 Officer's positive assurance statement be noted (paragraphs 4.4.2 – 4.4.9 refer)
 - the Council's Statutory S151 Officer be given delegated authority to amend how the finally approved precepts are recorded in the Council's revenue budget in line with the final notifications received following decisions by the Office of Police and Crime Commissioner, the Fire and Rescue Authority and Parish Councils, should these be received after 14 February 2018 (paragraph 4.1.3 refers)

- (iv) Housing Revenue Account
 - the draft Housing Revenue Account Budget for 2018-2020 be approved (appendix A refers)
 - the strategy for the use of the Housing Revenue Account reserves, as set out at paragraphs 3.93 -3.94, be approved