



Minutes

Finance, Assets, Investment & Recovery Committee Wednesday, 7th February, 2024

Attendance

Cllr Kendall (Chair)	Cllr Laplain
Cllr Barber	Cllr Parker
Cllr Barrett	Cllr Poppy
Cllr Bridge	Cllr Worsfold

Apologies

Cllr Lewis

Substitute Present

Cllr Aspinell

Also Present

Cllr Mrs Murphy
Cllr Mynott
Cllr Hirst
Cllr Mrs Pound
Cllr Sankey

Officers Present

Stuart Anderson	- Facilities Manager
Phoebe Barnes	- Director - Assets & Investments
Zoey Foakes	- Governance & Member Support Officer
Nichola Mann	- Acting Joint Director of People & Governance
Jonathan Stephenson	- Chief Executive
Tim Willis	- Interim Director - Resources
Sam Wood	- Corporate Manager - Finance

LIVE BROADCAST

[Live broadcast to start at 7pm and available for repeat viewing.](#)

361. Apologies for absence

Apologies were received from Cllr Lewis with Cllr Aspinell substituting. It was **AGREED** that Cllr Laplain be Vice Chair for this meeting only.

362. Minutes of the previous meeting

The minutes of the Finance, Assets, Investment & Recovery Committee held on the 20th December 2023 were approved as a true record.

363. Chairs report

The report began on page 13 of the agenda and highlighted the work the Officers have done.

The Chair gave further updates on:

Multi Storey Car Park – still looking at installation by the end of March 2024.

Overnight residents parking permits – details of the scheme on councils website.

WHW – Mr Anderson meeting with Brentwood North Ward members to discuss the works and make sure all their concerns are addressed. If they can make sure they get back to Mr Anderson on their availability.

Basildon & Brentwood NHS Alliance, a meeting took place last night (6th February 2024), slides will be circulated to be sent to all members of the Council.

364. Workforce Overview 2021-22, 2022-23 & 2023-24

The purpose of the report was to provide an organisational overview of workforce information and data in respect of Brentwood Borough Council (BBC).

The report provided information with regards to resource levels (by Directorate) and provided an overview of the health of the organisation, using data available to include regional and national benchmarking.

The report included data up to 31 December 2023.

Cllr Barber asked for officers to circulate to Members similar information (as in 2.3 of the report – resignation, retirement and redundancy) based on Senior Directors and above.

The report was for information only so no voting was required.

365. Q3 2023/24 Budget update report

The purpose of the report was to set out the forecast revenue and capital budget positions as at period 9 for 2023/24 and to give an overall financial update.

The commentary of the report does not attempt to cover all budgetary changes but draws attention to the key factors affecting net expenditure differences.

The General Fund is forecasting a balanced budget, this means the income generated covers the council's expenditure. The result of a balanced budget is the general fund working balance will remain unchanged.

The Housing Revenue Account (HRA) is currently forecasting a surplus position of £756k. The main cause of this underspend is due to utility bills falling. We are predicting an underspend of £632k for premises related costs, £423k specifically for utility bills. If this £756k underspend materialises it will increase the HRA's working balance or stored in to reserves to pay for future developments. The director of Housing and CLT are exploring ways to prioritise some urgent works in 2023/24 to reduce this underspend by 31st March 2024.

The overall capital programme is forecast to underspend by £40.7mil. £20mil of this is due to the delays around the regeneration fund. The total underspend will be considered as slippage into next year's programme.

The current financial backdrop poses further financial risks to the Council's budget. It should be noted that the Local Government Association has issued a statement "The lack of funding for local services in the Autumn Statement has left councils facing a growing financial crisis and 1 in 5 council leaders & CEO are very or fairly likely to issue a section 114 in this or next financial year". This statement can be found on LGA website: www.local.gov.uk.

For Brentwood, there are further financial risks to pay inflation forecasts as well as cost pressures from the current high rates of inflation. The high inflation rates, increasing bank rates and national living wage pressure will have further impact onto the ongoing budgets.

Whilst the Council is not anticipating the need to reduce any services, the financial position will have to be monitored over the year and will make the MTFS for 2024/25 and beyond even more of a challenge.

Cllr Barrett thanked the work of the officers.

The motion was **MOVED** by Cllr Kendall and **SECONDED** by Cllr Laplain. A vote was taken by a show of hands and was **RESOLVED UNANIMOUSLY**:

R1: The recommendation is for the report to be noted.

REASONS FOR RECOMMENDATIONS

Financial monitoring of the budget throughout the year complies with the duties under the Local Government Act 2003, the Housing Act 1985, the Local Government and Housing Act 1989 and the Local Government Finance Act 1992 and subsequent legislation.

366. Budget 2024/25 and Medium Term Financial Strategy 2024-29

The report and appendices set out all the relevant information in support of the Council's Budget for General Fund services and Council Tax for 2024/25, together with financial forecast information through to 2028/29. Also included is information on the Housing Revenue Account (HRA) budget for 2024/25 and the Capital Programme 2024/25 to 2028/29.

- (i) Appendix A - The General Fund budget proposals for 2024/25 to 2028/29.
- (ii) Appendix B - The Housing Revenue Account (HRA) budget proposals for 2024/25 onwards.
- (iii) Appendix C - The Capital Programme 2024-29.
- (iv) Appendix D – Fees & Charges Schedule 2024/25.
- (v) Appendix E - Pay Policy Statement.

The report summarised the detailed service budgets, together with known adjustments including the impact of the provisional central government grant funding.

The key elements of the proposed budget are:

General Fund

- 1) A proposed 2.99% increase in Council Tax for 2024/25 for Brentwood Borough Council services.
- 2) Earmarked Reserves to set aside appropriate balances to mitigate future financial risk and build up in borough regeneration.
- 3) Future uncertainty of local government financing.
- 4) The budget will be balanced in 2024/25 & 2025/26. However, there will be a budget gap in 2026/27 which will grow during the remainder of the Medium Term Financial Strategy (MTFS).

Housing Revenue Account

- 1) A balanced budget across the MTFS.
- 2) There will be a contribution to reserves to pay for the deficit in 2025/26 of £212k.
- 3) Proposed increase in rents of 7.7%
- 4) Continued investment in the delivery of Decent Homes and development of Housing within the Borough.
- 5) Significant investment in the Strategic Housing Delivery Programme ensuring the 30-year business plan is sustainable.

Capital

- 1) Total capital investment of £27.2m (General Fund) and £26.1m (HRA) in 2024/25.
- 2) Subsequent investment of £20.1m (General Fund) and £69.1m (HRA) from 2025 to 2029.

The Chair amended R6 from *Approve* the Fees & Charges Schedule in Appendix D to *Note* the Fees & Charges Schedule in Appendix D.

The Chair advised of an amended Appendix C which was tabled on the night for the committee and appended to these minutes. This was with the £18m regeneration fund removed.

The Chair thanked Mr Willis, Mr Wood and the finance team for their work on this.

Cllr Barber asked with the current state of rent arrears and the current climate, the proposed rent increase is likely to impact and increase the rent arrears. What is the current rent arrears cumulatively is and what the impact of the 7.7% increase will be on rent arrears being estimated as part of this budget. Mr Willis did not have that information to hand and would respond to this offline.

The recommendations was **MOVED** by Cllr Kendall and **SECONDED** by Cllr Laplain. A vote was taken by a show of hands and was **RESOLVED**:

Members are asked to:

- R1. Approve the General Fund Budget 2024/25 and Medium-Term Financial Strategy as set out in Appendix A.**
- R2. Approve a proposed Council Tax increase of 2.99% for 2024/25, the charge of Band D property increases to £210.70 per annum for Brentwood Council services only.**
- R3. Approve the HRA budget 2024/25 including the 30-year HRA Business Plan within Appendix B.**
- R4. Approve a proposed increase to rents of 7.7% for 2024/25.**
- R5. Approve the Capital Programme 2024-29 in Appendix C.**
- R6. Approve Note the Fees & Charges Schedule in Appendix D.**
- R7. Approve the Pay Policy Statement in Appendix E.**

REASON FOR RECOMMENDATION

Effective financial management underpins all the priorities for the Council and will enable the Council to operate within a sustainable budget environment.

The Council is required to approve the Budget as part of the Budget and Policy Framework.

367. Treasury Management Strategy 2024/25

The report and appendices set out all the relevant information in support of the Council's Treasury management strategy for 2024/25.

Cllr Poppy thanked officers for the work on producing this report.

The recommendation was **MOVED** by Cllr Kendall and **SECONDED** by Cllr Laplain. A vote was taken by a show of hands and was **RESOLVED UNANIMOUSLY:**

R1. Approve the council's Treasury management strategy for 2024/25.

Reasons for Recommendation

Effective financial management underpins all the priorities for the Council and will enable the Council to operate within a sustainable budget environment.

The Council is required to approve the Treasury management strategy in accordance with the 2021 CIPFA prudential code

368. Urgent business

There were no items of urgent business and the meeting closed at 8:30pm.

Appendix C: Capital Programme 24/25 - 28/29

	2023/24 Forecast £'000	2024/25 Budget £'000	2025/26 Budget	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000
Protecting Our Environment						
Vehicle Fleet Management	1,378	860	500	500	500	500
Open Spaces Infrastructure	100	50	50	50	50	50
Low Emissions Infrastructure	138	0		0	0	0
Total Protecting Our Environment	1,616	910	550	550	550	550
Developing Our Communities						
Brentwood Leisure centre	1,000	0	0	0	0	0
Football Hub Development	5	0	0	0	0	0
Retrofit - GF	250	0	0	0	0	0
Total Developing Our Communities	1,255	0	0	0	0	0
Improving Housing						
Home Repair Assistance Grant	5	5	5	5	5	5
Disabled Facilities Grant	250	250	250	250	250	250
HRA Decent Home Programme	10,000	8,000	8,000	5,000	5,000	4,000
Strategic Housing Delivery Programme	1,250	18,050	30,740	14,320	2,020	
HSG Capital Grants Expenditure (LAHF Grant)	1,337	0	0	0	0	0
Total Improving Housing	12,842	26,305	38,995	19,575	7,275	4,255
Delivering an Effective and Efficient Council						
Asset Management Strategy	100	100	100	100	100	100
Asset Compliance	250	100	250	250	250	250
E-Financial	51	0	0	0	100	0
ICT Strategy	100	100	100	100	100	100
ICT Hardware	125	125	125	125	125	125
Software Infrastructure	50	50	50	50	50	50
Total Delivering an Effective and Efficient Council	676	475	625	625	725	625
Growing our Economy						
Car Park Improvements	100	50	250	50	50	50
Regeneration Fund	0	0	0	0	0	0
Baytree Centre	800	5,000	8,473	7,625	0	0
Childerditch	250	2,500	1,770	0	0	0
Total Growing our Economy	1,150	7,550	10,493	7,675	50	50
Total Capital Programme	17,539	35,240	50,663	28,425	8,600	5,480

Appendix C: Capital funding 24/25 - 28/29

	2023/24 Forecast £'000	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000
Total General Capital Programme	4,952	9,190	11,923	9,105	1,580	1,480
Total HRA Capital Programme	12,587	26,050	38,740	19,320	7,020	4,000
Total Capital Programme	17,539	35,240	50,663	28,425	8,600	5,480
Funded By:						
General Fund Capital Receipts	(200)	(200)	(200)	(200)	(200)	(200)
Government Grants	(250)	(250)	(250)	(250)	(250)	(250)
Borrowing	(4,502)	(8,740)	(11,473)	(4,655)	0	(1,030)
Asset disposal or Capex reduction				(4,000)	(4,000)	0
Total General Fund Capital Funding	(4,952)	(9,190)	(11,923)	(9,105)	(4,450)	(1,480)
HRA Capital Receipts						
HRA Capital Receipts	(500)	(1,000)	(1,000)	(1,000)	(4,079)	(2,000)
HRA Grant Funding	(1,000)	(2,000)	(6,050)	(6,050)	(1,000)	(1,000)
Major Repairs Reserve	(2,941)	(2,941)	(2,941)	(2,941)	(1,941)	(1,000)
HRA Borrowing	(8,146)	(20,109)	(28,749)	(9,329)	0	0
Total HRA Capital Funding	(12,587)	(26,050)	(38,740)	(19,320)	(7,020)	(4,000)
Total Capital Funding	(17,539)	(35,240)	(50,663)	(28,425)	(11,470)	(5,480)