

CABINET

Meeting held on Tuesday, 21st September, 2021 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr D.E. Clifford, Leader of the Council
Cllr K.H. Muschamp, Deputy Leader and Customer Experience and Improvement
Portfolio Holder

Cllr Marina Munro, Planning and Economy Portfolio Holder
Cllr A.R. Newell, Democracy, Strategy and Partnerships Portfolio Holder
Cllr M.L. Sheehan, Operational Services Portfolio Holder
Cllr P.G. Taylor, Corporate Services Portfolio Holder
Cllr M.J. Tennant, Major Projects and Property Portfolio Holder

The Cabinet considered the following matters at the above-mentioned meeting. All executive decisions of the Cabinet shall become effective, subject to the call-in procedure, from **4th October, 2021**.

26. DECLARATIONS OF INTEREST –

Having regard to the Members' Code of Conduct, no declarations of interest were made.

27. MINUTES –

The Minutes of the meeting of the Cabinet held on 10th August, 2021 were confirmed and signed by the Chairman.

28. GENERAL FUND REVENUE BUDGET OUTTURN 2020/21 – (Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet considered Report No. FIN2113, which set out the General Fund revenue budget outturn position for 2020/21.

It was reported that Members had received regular updates on the financial impact on the Council through the budget monitoring reports to the Cabinet. Members were advised that the outturn position set out might be adjusted as a result of the audit of the financial statements. The Cabinet was informed that, rather than providing a detailed analysis of the outturn position, the Report had set out material variations across the General Fund revenue budget, with consideration of the impact on the Council's financial position in future years.

The Executive Head of Finance advised the Cabinet on the complex position regarding Business Rates and outlined the impact the accounting treatment of the various elements of the Business Rates position had had on the outturn and the Stability and Resilience Reserve. The Executive Head of Finance outlined how Business Rates had been impacted by Covid. The Council had estimated in January, 2020 that around £50 million of Business Rates would be billed for and collected

during 2020/21. As a result of the coronavirus pandemic, the Government had supported businesses with a number of additional reliefs. In total, £23.5 million of additional business rates relief had been provided to support local businesses. It was reported that there was a timing difference in how these changes had been accounted for through the Collection Fund.

Members were advised that there were a number of timing differences to work through over the following weeks and that CIPFA's Financial Advisory Network had been engaged to provide an external assessment of the Collection Fund accounting. The Executive Head of Finance would review the report that had been received from the Financial Advisory Network and would work through the accounting and financial issues.

It was stressed that the Council would need to ensure that the next update of the Medium Term Financial Strategy would take into account the longer-term impact of the business rates outturn, given the adverse material variation of £1.171 million shown in Table 2 of the Report. Table 6 of the Report showed a transfer of £10.812 million to the COVID BRR Earmarked Reserve in accordance with year end accounting guidance. This would ensure that the Council would have funding available to support its share of the Business Rates Collection Fund deficit and any repayment of Section 31 Grant over the following two financial years.

The Cabinet RESOLVED that

- (i) the General Fund revenue budget outturn position for 2020/21, as set out in Report No. FIN2113, be noted;
- (ii) the position in relation to Business Rates, as set out in paragraphs 4.8 to 4.11 of the Report and the opportunity to review the accounting treatment of this, as set out in paragraph 4.12, be noted, with the financial implications of any change in treatment being reported to the Cabinet in the regular financial reports;
- (iii) the budget carry forward requests from 2020/21 into 2021/22, as set out in Table 3 of the Report, be approved; and
- (iv) the transfers to earmarked reserves, as set out in Table 6 of the Report, be approved.

29. **CAPITAL BUDGET OUTTURN 2020/21 –**
(Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet considered Report No. FIN2114, which set out the capital outturn position for 2020/21, subject to audit.

Members were informed that the capital outturn was broadly in line with previous reports published in April and July, 2021. The outturn on the capital programme was £22.257 million, with a slippage of £2.176 million. It was reported that a number of variations within the Capital Programme were due to timing differences on major projects and these would be treated as slippage from 2020/21 to 2021/22. The major variations related to the fit out of Voyager House and regeneration activities at Union

Street, Aldershot. The most significant financial risk faced by the Council was the impact of Covid-19 on the Council's 2021/22 budget and Medium Term Financial Strategy.

The Cabinet RESOLVED that

- (i) the capital outturn position for 2020/21, as set out in Report No. FIN2114, be noted; and
- (ii) the budget slippages and pre-spends to and from 2021/22, as set out in the Report, be approved.

30. **MOBILE HOMES FIT AND PROPER PERSON FEES POLICY –**
(Cllr Maurice Sheehan, Operational Services Portfolio Holder)

The Cabinet considered Report No. OS2111, which set out a proposed new Mobile Homes Fit and Proper Person Fees Policy.

Members were informed that the fees related to legislation that introduced the requirement that the owner or manager of a residential mobile homes site must be a fit and proper person. A fees policy in relation to this would need to be in place before the application deadline of 1st October, 2021. It was confirmed that there were, currently, four sites in the Borough where this legislation would apply. In response to a question, it was clarified that fees would be reviewed annually in line with other fees levied for the Council's services.

The Cabinet RESOLVED that

- (i) the adoption of the Mobile Homes Fit and Proper Person Fee Policy, as set out in Report No. OS2111, be approved;
- (ii) the proposed fees for 2021/22 for the mobile homes fit and proper person function, as set out in Appendix 2 of the Report, be approved; and
- (iii) the Head of Operational Services, in consultation with the Operational Services Portfolio Holder, be authorised to approve the Mobile Homes Fit and Proper Person Determination Policy.

31. **ADOPTION OF NORTH HAMPSHIRE NARRATIVE –**
(Cllr Marina Munro, Planning and Economy Portfolio Holder)

The Cabinet considered Report No. EPSH2118, which set out a proposed North Hampshire Narrative document.

Members were informed that the document provided a combined narrative for the North Hampshire area, comprising the entire Council areas of Basingstoke and Deane, Rushmoor and Hart and the north of the Test Valley Council area. The document was designed to set out what North Hampshire had to offer, along with its aspirations for development, its needs to address housing, economic and infrastructure challenges and how Councils might be assisted to deliver the growth required. It was felt that the document would help to inform conversations with key

stakeholders and would also assist authorities in providing the strategic context in any negotiations relating to a County Deal.

The Cabinet expressed support for this approach. In answer to a question, it was confirmed that the location of the exact boundary line in defining the north of the Test Valley area had not yet been decided.

The Cabinet RESOLVED that the adoption of the North Hampshire Narrative document, as set out in Appendix 1 of Report No. EPSH2118, be approved.

32. **ALDERSHOT CREMATORIUM - PROPOSAL TO UNDERTAKE FEASIBILITY STUDY TO INFORM FUTURE INVESTMENT OPTIONS –**
(Cllr Maurice Sheehan, Operational Services Portfolio Holder)

The Cabinet received Report No. OS2110, which set out a proposal for the Council to undertake a feasibility study to inform future investment options in relation the Aldershot Crematorium.

Members were informed that, due to the age of the facility and the heavy operational demands, regular extensive maintenance was required. The most recent condition survey of the crematorium had indicated that significant repair and refurbishment works were now required in addition to the regular maintenance regime. It was, therefore, considered that this an appropriate time to carry out a wider appraisal of the options available to the Council in continuing to provide this important service. It was reported that options may include a range from a light touch refurbishment to a complete rebuild of the facility.

In discussing this, Members acknowledged the importance of this facility and service and were supportive of the proposed approach. In reply to a question, it was confirmed that there was evidence of customers choosing other, more modernised facilities in preference to the Aldershot Crematorium.

The Cabinet

- (i) **RESOLVED** that the commissioning of a full feasibility study and business case assessing the investment options in respect of the Aldershot Crematorium, as set out in Report No. OS2110, be approved; and
- (ii) **RECOMMENDED TO THE COUNCIL** that a budget of £75,000 to deliver the study be approved.

33. **ALDERSHOT TOWN FOOTBALL CLUB - FINANCIAL SUPPORT –**
(Cllr Martin Tennant, Major Projects and Property Portfolio Holder)

The Cabinet considered Report No. RP2108, which set out an application from Aldershot Town Football Club for rent relief.

The Cabinet was informed that the Chairman of Aldershot Town Football Club had approached the Council as the Club had remained in a difficult financial position as a result of the pandemic and a slower than anticipated recovery in income. It was noted that the Club was an important part of the social fabric of the town and that the

Council had, on several occasions, taken reasonable steps to support its continued existence.

The Cabinet RESOLVED that, subject to Aldershot Town Football Club recommencing its payment plan for rent arrears accrued prior to the pandemic, a rent reduction on the basis of post covid recovery for the 2021/22 financial year, as set out in Report No. RP2108, be approved.

34. REVENUE BUDGET MONITORING REPORT P1 2021/22 –
(Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet considered Report No. FIN2115, which set out the anticipated financial position for 2021/22, based on the monitoring exercise carried out during July and August, 2021. Members were informed that the Covid-19 pandemic had continued to have a widespread impact on local authority budgets, particularly in relation to a significant loss of income from services and an uncertain income recovery during the current financial year. It was noted that the forecast focussed on the immediate financial pressures that had been identified and that further analysis would be undertaken on the Medium Term Financial Strategy and Savings Plan to inform the budget setting process for 2022/23. A summary of the general risks and uncertainties faced by the Council at this time was included in the Report.

The Cabinet RESOLVED that

- (i) the latest revenue forecasts and financial impact on reserve balances, as set out in Report No. FIN2115, be noted;
- (ii) the additional expenditure on IT salaries, as set out in Section of the Report, be noted; and
- (iii) the additional transfers from earmarked reserves, as set out in Table 8 of the Report, be approved.

35. CAPITAL PROGRAMME MONITORING AND FORECASTING REPORT P1 2021/22 –
(Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet received Report No. FIN2116, which provided the latest forecast regarding the Council's Capital Programme for 2021/22, based on the monitoring exercise carried out during August, 2021. The Report advised that the original Capital Programme for 2021/22, which had been agreed by the Council on 25th February, 2021, had totalled £38.510 million. Table 1 of the Report set out the reconciliation of budget changes since then, along with the projected actual capital expenditure for 2021/22. It was noted that projects of major financial significance to the Council in the Capital Programme included the regeneration projects in Aldershot town centre and Farnborough Civic Quarter and the replacement of cremators at the Aldershot Crematorium. It was explained that there was an error in Table 2 of the Report in relation to the total approved budget for Aldershot Town Centre Projects. Members were advised that this was an isolated error in relation to a single figure in the table and did not have any further impact on the table or the Report. A revised report would be published on the Council's website with the updated table. Members

were advised that, of the approved capital budget of £40.7 million, only £40.0 million was forecast to be spent by the end of 2021/22. In noting this variance, it was explained that the programme contained large and complex projects that required proactive monitoring to ensure any delays or variations in cost were clearly understood and communicated to assess the implications for the Council.

The Cabinet

- (i) **RESOLVED** that the latest Capital Programme position, as set out in Tables 1 and 2 of Report No. FIN2116, as amended at the meeting, be noted; and
- (ii) **RECOMMENDED TO THE COUNCIL** that the addition of £235,000 to the Capital Programme in 2021/22, to enable the Council to purchase the vehicles required for the food waste service, be approved.

The Meeting closed at 7.56 pm.

CLLR D.E. CLIFFORD, LEADER OF THE COUNCIL
