

# CABINET

Meeting held on Tuesday, 6th February, 2018 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 Business, Safety and Regulation Portfolio Holder

Cllr Barbara Hurst, Health and Housing Portfolio Holder  
Cllr G.B. Lyon, Concessions and Community Support Portfolio Holder  
Cllr M.L. Sheehan, Leisure and Youth Portfolio Holder  
Cllr P.G. Taylor, Corporate Services Portfolio Holder  
Cllr M.J. Tennant, Environment and Service Delivery 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 **19th February, 2018**.

## 65. MINUTES –

The Minutes of the meeting of the Cabinet held on 9th January, 2018 were confirmed and signed by the Chairman.

## 66. REVENUE BUDGET, CAPITAL PROGRAMME AND COUNCIL TAX LEVEL – (Cllr David Clifford, Leader of the Council)

The Cabinet considered Report No. FIN1808, which made final recommendations on the budget, Council Tax requirement and proposals for budget savings for 2018/19 and included the key factors taken into account in preparing the budget plans. The Report also set out the Strategy for the Flexible Use of Capital Receipts, which had, previously, been contained within a separate report.

At its meeting on 7th December, 2017, the Council had approved the Medium Term Financial Strategy. This included an approved range for the General Fund balance of £1 million - £2 million and a minimum expected level for total working balances of 5% of gross expenditure. The Cabinet was advised that the Report had been prepared on the basis that there would be no change to the provisional local government finance settlement figure. It was proposed that any changes which materially altered the figures contained in the budget summary, particularly in respect of the local government finance settlement figure or the business rates estimates, would be made by the Council's Section 151 Officer, in consultation with the Leader of the Council and the Corporate Services Portfolio Holder, prior to consideration of the budget by the Council on 22nd February, 2018.

The General Fund Revenue Budget would enable the Council to deliver services at similar to current levels and identified reductions in the level of net spending of £1.55 million to be delivered during 2018/19. The General Fund summary showed that the revenue balances were expected to be around £1.7 million by the end of 2018/19.

This was towards the top end of the approved range of balances of £1 million - £2 million and was deemed to be acceptable given the levels of risks and uncertainty that had been identified. The General Fund Revenue Budget assumed a 2.99% increase in a Band D charge for Council Tax, which fell within the permissible level of increase before triggering a local referendum. The Cabinet was advised that the Business Rate Retention Scheme represented a volatile income stream and, for this reason, it was necessary to maintain sufficient reserves to meet any unforeseen shocks to the system. Future changes to the New Homes Bonus and the pace and extent of the Council's invest-to-save programme and regeneration plans would bring further potential pressures to the revenue budget over the medium term.

The Capital Programme of £28.7 million in 2018/19 was set out in Appendix 4 of the Report. Implementation of the core Programme in 2018/19 would require the use of £21.1 million, largely through borrowing, together with £7.6 million use of grants and contributions, including the Better Care Fund, and an element of developers' Section 106 contributions. The main areas where the Council would be facing increased levels of risk and uncertainty over the medium term were set out in Section 8 of the Report. Members were informed that the most significant risk was the potential for the redistribution of funding under the Fairer Funding Review, which would reallocate resources across local authorities based on an assessment of relative needs.

Under Section 25 of the Local Government Act, 2003, the Head of Financial Services, being the Council's Chief Finance Officer, was required to report to the Council on the robustness of the estimates contained in the budget and the adequacy of the reserves maintained by the Council. The Council had to have regard to this report when making its decisions on the budget. The Chief Finance Officer was satisfied that the budget was robust and that it was supported by adequate reserves.

In response to a question, it was confirmed by the Chief Finance Officer that, in view of the risks faced, it would be prudent for the Council to either maintain or increase its current level of reserves.

## **The Cabinet**

- (i) **RECOMMENDED TO THE COUNCIL** that approval be given to:
  - (a) the General Fund Revenue Budget Summary, as set out in Appendix 1 of Report No. FIN1808;
  - (b) the detailed General Fund Revenue Budget, as set out in Appendix 2 of the Report;
  - (c) the additional items for inclusion in the budget, as set out in Appendix 3 of the Report;
  - (d) the Council Tax requirement of £6,147,509 for this Council;
  - (e) the Council Tax level for Rushmoor Borough Council's purposes of £198.49 for a Band D property in 2018/19;

- (f) the Capital Programme, as set out in Appendix 4 of the Report;
  - (g) the Strategy for the Flexible Use of Capital Receipts, as set out in Appendix 5 of the Report;
  - (h) the Head of Financial Services' Report under Section 25 of the Local Government Act, 2003, as set out in Section 9 of the Report;
  - (i) the holding of reserves and the use of the Service Improvement Fund, as set out in the Report; and
- (ii) **RESOLVED** that authority be delegated to the Council's Section 151 Officer, in consultation with the Leader of the Council and the Corporate Services Portfolio Holder, to make any necessary changes to the General Fund Summary arising from the final confirmation of the Local Government Finance Settlement and the Business Rates Retention Scheme estimates.

67. **ANNUAL TREASURY MANAGEMENT STRATEGY 2018/19 AND PRUDENTIAL INDICATORS FOR CAPITAL FINANCE –**

(Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet considered Report No. FIN1802, which set out an update to the Treasury Management Strategy for 2018/19, the Annual Borrowing Strategy, the Annual Investment Strategy, the Prudential Indicators for Capital Finance and the Minimum Revenue Provision Statement. Members were reminded that the purpose of the treasury management operation was to ensure that the Council's cash flow was adequately planned, so that sufficient cash was available when needed but also that any surplus funds were invested in counterparties or instruments, in line with the Council's agreed Investment Strategy. The Strategy also provided the flexibility to pursue a range of diverse investment opportunities, within appropriate investment boundaries, in line with the advice from the Council's treasury advisers, Arlingclose. It was reported that the Council was now borrowing progressively and this would be required to service capital expenditure in the current and future years.

The Cabinet discussed the Strategy and, in response to a question, it was confirmed that the performance of the Council's advisers, Arlingclose, was closely monitored and benchmarked against other providers.

**The Cabinet RECOMMENDED TO THE COUNCIL** that approval be given to:

- (i) the Treasury Management Strategy, Annual Borrowing Strategy and Annual Investment Strategy, as set out in Appendix A of Report No. FIN1802;
- (ii) the Prudential Indicators, as set out in Appendix B of the Report; and
- (iii) the Minimum Revenue Provision Statement, as set out in Appendix C of the Report.

68. **RUSHMOOR BOROUGH COUNCIL PLAN 2018/19 –**  
(Cllr David Clifford, Leader of the Council)

The Cabinet considered Report No. DMB1802, which introduced the draft Rushmoor Borough Council Plan for 2018/19.

Members were informed that the proposed Council Plan had built on the four priorities and 34 key actions that had been identified by the Cabinet. The development of the Plan had taken into account the need to respond to the continued economic pressures and uncertainty that local government faced. It was confirmed that the document would be regularly monitored to ensure that progress was being made against the agreed priorities.

**The Cabinet RECOMMENDED TO THE COUNCIL** that the Rushmoor Borough Council Plan 2018/19, as set out in Report No. DMB1802, be approved.

69. **COUNCIL PLAN THIRD QUARTER 2017/18 PERFORMANCE UPDATE REPORT–**  
(Cllr David Clifford, Leader of the Council)

The Cabinet received Report No. DMB1801, which set out the Council's performance management monitoring information for the third quarter of the 2017/18 municipal year. In particular, the Cabinet welcomed that grant funding had recently been secured in respect of the regeneration of Aldershot town centre and that the Rushmoor Local Plan had been successfully submitted for examination.

**The Cabinet NOTED** the progress made towards delivering the Council Plan 2017/18, as set out in Report No. DMB1801.

70. **ENVIRONMENTAL LITTERING - PILOT PROJECT WITH EAST HAMPSHIRE DISTRICT COUNCIL –**  
(Cllr Martin Tennant, Environment and Service Delivery Portfolio Holder)

The Cabinet considered Report No. COMM1802, which set out details of a proposed pilot project with East Hampshire District Council to better tackle litter and dog fouling.

It was reported that, during the pilot, East Hampshire District Council would provide a dedicated, experienced and well-equipped team to issue Fixed Penalty Notices for littering and dog fouling. Members were informed that the fine for these offences would be £75 and, of this, East Hampshire District Council would receive £55 for each Fixed Penalty Notice correctly issued. It was expected that the project would be cost neutral, although it was possible that the Council would not recover all of its costs in the event of an initial high level of non-payment of fines. The full details of the proposal were set out in the Report.

The Cabinet expressed firm support for this initiative as littering and dog fouling had been identified by residents as a high priority. In response to a question, it was confirmed that the Council would work closely with East Hampshire District Council throughout the pilot and would consider delivering this service in-house, subject to a review of lessons learnt during the pilot.

**The Cabinet RESOLVED that**

- (i) the Solicitor to the Council be authorised to enter into the Agency Agreement with East Hampshire District Council for a one year environmental littering and dog fouling project, as set out in Report No. COMM1802;
- (ii) the environmental offences fixed penalty fines for littering and dog fouling on designated land be standardised at £75, with no early penalty payment discount; and
- (iii) an initial income and expenditure budget of £65,000, to be pro rata to cover one month in 2017/18 and eleven months in 2018/19, be approved.

The Meeting closed at 7.38 pm.

CLLR D.E. CLIFFORD, LEADER OF THE COUNCIL

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