

CABINET

Meeting held on Tuesday, 11th December, 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

Cllr Barbara Hurst, Planning and Economy Portfolio Holder
Cllr G.B. Lyon, Corporate and Democratic Services Portfolio Holder
Cllr M.L. Sheehan, Operational Services Portfolio Holder
Cllr P.G. Taylor, Customer Experience and Improvement 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 **24th December, 2018**.

59. **MINUTES –**

The Minutes of the meeting of the Cabinet held on 13th November, 2018 were confirmed and signed by the Chairman.

60. **PROVISIONAL SETTLEMENT 2019/20 AND BUDGET UPDATE –** (Cllr Gareth Lyon, Corporate and Democratic Services Portfolio Holder)

The Cabinet received Report No. FIN1840, which provided information in relation to the Government's funding for Local Government in 2019/20, known as the Provisional Settlement.

It was explained that the announcement of the Provisional Settlement had been delayed by the Government. This would set out the funding for specific and general revenue grants, as well as capital. The Provisional Settlement announcement had been due on 6th December, 2018 and it was now expected that this would be announced later in December, with the Final Settlement announcement due in late January, 2019.

The Cabinet NOTED the latest position in relation to the Provisional Settlement and the effect it would have on the Council's 2019/20 budget, as set out in Report No. FIN1840.

61. **TREASURY MANAGEMENT OPERATIONS MID-YEAR REPORT 2018/19 –** (Cllr Gareth Lyon, Corporate and Democratic Services Portfolio Holder)

The Cabinet received Report No. FIN1836, which set out the main activities of the treasury management operations during the first half of 2018/19.

The Cabinet was informed that the Council had continued to receive treasury management advice from Arlingclose Limited, who had provided a detailed commentary on the economic background, which was set out at Appendix A to the Report. In relation to investment activity in 2018/19, Arlingclose had produced a graph that was set out at Appendix B to the Report. Whilst this indicated total investment returns generated were down on the same period in the previous year, when benchmarked against all of Arlingclose's 135 local authority clients, the current half-year performance was good. Appendix C to the Report showed the actual prudential indicators relating to capital and treasury activities for the first half of 2018/19 and compared these to the indicators which had been set in the Annual Treasury Management Strategy 2018/19, which had been approved by the Council on 22nd February, 2018.

In response to a question, it was confirmed that, when retendering for the provision of treasury management advice, the Council would consider bids from any suitably qualified, providers including any local companies that met the Council's specification and criteria.

The Cabinet RESOLVED that

- (i) the Council's treasury management operations in the first half of 2018/19, as set out in Report No. FIN1836, be noted;
- (ii) the low return of investment income returned from Payden and Rygel's Sterling Reserve pooled fund and the option to replace it with a higher yielding fund, be noted; and
- (iii) an increase of £5 million in the Collective Investment Schemes (pooled funds) investment limit, as set out in the Annual Treasury Management Strategy 2018/19, be approved in order to allow the reinvestment of the remaining Covered Bonds, due to redeem in December 2018, and to increase investment income return.

62. COUNCIL TAX SUPPORT SCHEME 2019/20 –

(Cllr Diane Bedford, Chairman of the Council Tax Support Task and Finish Group)

The Cabinet considered Report No. CTSG1801, which set out work undertaken by the Council Tax Support Task and Finish Group to review the Council's Council Tax Support Scheme. The Chairman welcomed the Group's Chairman, Cllr Mrs. D.B. Bedford, and Cllr Jennifer Evans, who was a member of the Group and had requested to address the Cabinet on this issue.

It was confirmed that the Task and Finish Group had met twice to discuss options for changes to the Council Tax Support Scheme 2019/20, in particular to the minimum contribution for working age recipients, which was set currently at 12%. The Report set out the Group's deliberations and options considered. It was confirmed that the Group's preferred option was to undertake a consultation exercise to seek views regarding an increase in the minimum contribution for working age recipients of Council Tax Support from 12% to 15%. Members were reminded that, following the consultation, any proposal to increase the minimum contribution would be brought back to the Cabinet to make a recommendation to the Council.

Cllr Evans expressed opposition to any increase of the minimum contribution from 12% and requested that the consultation should include an option to opt for no change to the current scheme.

In response to a question, it was confirmed that, with the proposed consultation only seeking views on one option, to increase the minimum contribution to 15%, it would be clear how many respondents had opted for no change.

The Cabinet RESOLVED that

- (i) the undertaking of a public consultation on the option to increase the minimum contribution payable in respect of the Council's Council Tax Support Scheme to 15%, as set out in Report No. CTSG1801, be approved;
- (ii) the deliberations and considerations of the Council Tax Support Task and Finish Group in arriving at its recommendation, as set out in the Report, be noted; and
- (iii) a report on the outcome of the consultation and any subsequent proposals to amend the Council Tax Support Scheme be considered by the Cabinet at its meeting on 5th February, 2019.

63. **AIR QUALITY PLAN TO REDUCE NITROGEN DIOXIDE CONCENTRATIONS ON THE A331 - OUTLINE BUSINESS CASE –**
(Cllr Maurice Sheehan, Operational Services Portfolio Holder)

The Cabinet considered Report No. OS1832, which set out a proposal to improve air quality on the A331 (Blackwater Valley Relief Road), in order to comply with a Ministerial Direction, served on the Council on 27th July, 2018.

The Report set out the background behind the requirement to prepare an Outline Business Case to explore measures to achieve compliance with EU limits for roadside nitrogen dioxide concentrations along the A331 within the shortest possible time. Members were informed that the Secretary of State expected the Outline Business Case to have been approved by the Cabinet by 31st December, 2018 at the latest. The scheme would be funded by the Government and would carry no financial implications for the Council. In reply to a question, it was confirmed that the Council was at risk of a financial penalty if it did not comply with the Ministerial Direction.

The Cabinet RESOLVED that

- (i) the Outline Business Plan, along with the preferred option of a 50mph speed limit on a section of the A331, as set out in in Report No. OS1832 and shown in Figure 2, be endorsed;
- (ii) the Head of Operations, in consultation with the Operational Services Portfolio Holder, be authorised to finalise and submit the Outline Business Case to the Government by 31st December, 2018;

- (iii) the Head of Operations, in the consultation with the Operational Services Portfolio Holder, be authorised to finalise and submit the Full Business Case to the Government when complete; and
- (iv) the Head of Operations be authorised to approve future income and expenditure in relation to the Plan through the budget monitoring process, whilst ensuring that expenditure should be kept in line with income.

64. **EXCLUSION OF THE PUBLIC –**

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

Minute No.	Schedule 12A Para. No.	Category
65	3	Information relating to financial or business affairs

**THE FOLLOWING ITEM WAS CONSIDERED
IN THE ABSENCE OF THE PUBLIC**

65. **APPLICATION FOR SECTION 49 REMISSION OF NON-DOMESTIC RATES –**
(Cllr Gareth Lyon, Corporate and Democratic Services Portfolio Holder)

The Cabinet considered the Exempt Report No. FIN1837, which set out an application for the remission of non-domestic rates on the grounds of hardship.

Members assessed the application from Fight Science Limited, Maida Gym, Hospital Road, Wellesley, Aldershot, taking into account the evidence of financial hardship supplied and whether it was in the interests of local taxpayers to subsidise the business. The Cabinet took into account the nature and circumstances of the business and the availability of alternative facilities in the area.

The Corporate and Democratic Services Portfolio Holder and the Principal Revenues and Benefits Officer had visited the premises to discuss the application with the proprietor. The Cabinet discussed the application and expressed support for this business, particularly in light of the company’s engagement with the local community.

The Cabinet RESOLVED that 50% hardship relief be granted to Fight Science Limited for a period of six months in the 2018/19 financial year.

66. **ADDITIONAL ITEM - COUNCIL OFFICES - REPLACEMENT HEATING BOILER –**
(Cllr Gareth Lyon, Corporate and Democratic Services Portfolio Holder)

The Cabinet considered Report No. ITFMP1802, which sought approval to vary the 2018/19 Capital Programme to allow urgent works to be undertaken to replace one of the two gas condensing boilers serving the Council Offices. The item had been

added to the agenda as a matter of urgency due to a lack of resilience in the heating of the Council Offices in the winter with only one boiler in operation.

The Cabinet was informed that the works would cost up to £35,000 to complete and this included associated works that were required to bring existing flue and ventilation arrangements up to modern day standards.

The Cabinet RESOLVED that approval be given to a variation to the 2018/19 Capital Programme of up to £35,000 to enable the replacement of the faulty boiler to be completed, as set out in Report No. ITFMP1802.

The Meeting closed at 7.58 pm.

CLLR D.E. CLIFFORD, LEADER OF THE COUNCIL
