

CABINET

Meeting held on Tuesday, 8th February, 2022 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 **21st February, 2022**.

64. **DECLARATIONS OF INTEREST –**

Having regard to the Council's Code of Conduct for Councillors, the following declarations of interest were made:

| Item No. | Member | Interest | Reason |
|-----------------|--------------------|------------------------------|--|
| 71 | Cllr K.H. Muschamp | Personal and non-prejudicial | Council appointed Director of Rushmoor Homes Limited |
| 71 | Cllr P.G. Taylor | Personal and non-prejudicial | Council appointed Director of Rushmoor Homes Limited |

65. **MINUTES –**

The Minutes of the meeting of the Cabinet held on 18th January, 2022 were confirmed and signed by the Chairman.

66. **REVENUE BUDGET, CAPITAL PROGRAMME AND COUNCIL TAX LEVEL –** (Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet considered Report No. FIN2210, which made recommendations on the budget, Council Tax requirement and proposals for budget savings for 2022/23.

The Cabinet was reminded that the budget framework had been approved at its meeting on 19th October, 2021. The prospects for the Medium Term Financial Strategy had been considered at the Cabinet meeting on 18th January, 2022. Members were advised that the Report had been prepared on the basis that there would be no change to the provisional local government finance settlement figure,

which was due to be confirmed soon. The Medium Term Financial Strategy continued to provide a risk-based General Fund balance of £2 million being the minimum expected level for total working balances. The Cabinet was advised that, despite the uncertainties around levels of Government funding and the risks around Brexit and the general economic position, the Council had been able to prepare a sound budget that maintained services to residents. It was confirmed that the budget would also provide a platform for the Council to address future challenges. It was noted, however, that there was a significant and increasing funding gap from 2022/23 onwards.

The Capital Programme of £36.703 million in 2022/23 was set out in Appendix 3 of the Report. It was explained that the Capital Programme was focussed on delivering against the Council's key priority of town centre regeneration, with further schemes aimed at enhancing the delivery of core services through improvement and enhancement of assets. The Cabinet was informed that changes were needed to the Capital Programme figures provided in respect of computer systems and council offices within the Customer Experience and Improvement portfolio. The amended figures were provided to the Cabinet and would be reflected in the report that would be considered by the Council. 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 risks were the uncertainty around the level of local government funding provided by central government, especially in light of the implementation of the Fair Funding Review and business rates changes and ongoing pressures caused by the wider economy, including Covid-19 and inflation. In discussing the details of the Report, Members expressed their gratitude for the hard work of the finance team.

The Cabinet

- (i) **RECOMMENDED TO THE COUNCIL** that approval be given to:
- (a) the Medium Term Financial Strategy, as set out in Appendix 1 of Report No. FIN2210;
 - (b) the Savings and Transformation items for inclusion in the budget, as set out in Appendix 2 of the Report;
 - (c) the Council Tax requirement of £7,212,340 for this Council;
 - (d) the Council Tax level for Rushmoor Borough Council's purposes of £219.42 for a Band D property in 2022/23;
 - (e) the Capital Programme, as set out in Appendix 3 of the Report and amended at the meeting;
 - (f) the Strategy for the Flexible Use of Capital Receipts, as set out in Appendix 4 of the Report;
 - (g) the balances and reserves position, including proposed reserve transfers for 2022/23, as set out in Section 5 of the Report; and

- (ii) **RESOLVED** that the Council's Section 151 Officer, in consultation with the Leader of the Council and the Corporate Services Portfolio Holder, be authorised 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. **DRAFT COUNCIL PLAN 2022 - 2025 AND UPDATE –**
(Cllr Adrian Newell, Democracy, Strategy and Partnerships Portfolio Holder)

The Cabinet considered Report No. ACE2202, which set out proposed updates to the Council's three year business plan.

Members were informed that the business plan would build on the priorities that had been identified by the Cabinet and that supported the Council's longer-term vision set out in the document 'Your Future, Your Place - A vision for Aldershot and Farnborough 2030'. Members were informed that the business plan had been reworked in terms of content and layout but was still structured around the two themes of People and Place. The Plan would be presented at the Council Meeting on 24th February, 2022.

The Cabinet was informed that there were some further proposed changes to the Council Plan. These changes would be incorporated in the updated draft that would be presented to the Council. The changes included involving partners in encouraging healthier lifestyles, the inclusion of a key activity in respect of the Council's target to become carbon neutral by 2030 and the amendment of a key measure to promote an increase in the range of housing across the Borough.

The Cabinet RECOMMENDED TO THE COUNCIL that the Rushmoor Borough Council Business Plan (April 2022 to March 2025), as set out in Report No. ACE2202 and amended at the meeting, be approved.

68. **COUNCIL BUSINESS PLAN AND RISK REGISTER QUARTERLY UPDATE OCTOBER - DECEMBER 2021/22 –**
(Cllr Adrian Newell, Democracy, Strategy and Partnerships Portfolio Holder)

The Cabinet received Report No. ACE2201, which set out progress in delivering the Council Business Plan projects during the third quarter of 2021/22. Members were informed that progress against eighteen key projects was included in the Report, along with the Council's business performance monitoring information and the Council's Corporate Risk Register. It was reported that, at the end of the third quarter, 53% of live projects were on track, with the remainder showing an amber status.

The Cabinet NOTED the progress made towards delivering the Council Business Plan, as set out in Report No. ACE2201, and the risks identified within the Corporate Risk Register in January, 2022.

69. **JOINT MUNICIPAL WASTE MANAGEMENT STRATEGY –**
(Cllr Maurice Sheehan, Operational Services Portfolio Holder)

The Cabinet considered Report No. OS2201, which set out an updated Hampshire Joint Municipal Waste Management Strategy.

Members were informed that the Strategy had been developed in 2006 and had been updated in 2012. The new Strategy had been developed collaboratively with the Hampshire local authorities to reflect local and national changes since 2012. It would ensure that the Project Integra Partnership would work to meet the requirements of the Environment Bill. The Policy and Project Advisory Board had considered this document at its meeting on 26th January, 2022 and the Cabinet expressed its gratitude to the Board for the feedback received and confirmed that had been taken account of in producing the Strategy. In expressing its support for the Strategy, the Cabinet discussed how to most effectively inform residents which materials could be recycled locally at the current time.

The Cabinet RESOLVED that

- (i) the adoption of the revised Project Integra – Joint Municipal Waste Management Strategy, as set out in Report No. OS2201, be approved; and
- (ii) the Executive Director and Deputy Chief Executive, in consultation with the Operational Services Portfolio Holder, be authorised to determine how to engage Members to ensure their input on the Partnership Agreement prior to its consideration by the Cabinet.

70. **UNION YARD - DISPOSAL OF PRIVATE RESIDENTIAL STOCK TO RUSHMOOR HOMES LIMITED –**
(Cllr Martin Tennant, Major Projects and Property Portfolio Holder)

The Cabinet considered Report No. REG2201, which set out a proposal to dispose of, in principle, a leasehold interest for the private residential units contained within the Union Yard scheme.

Members were reminded that the agreed scheme comprised 100 residential units, of which eighteen had been identified as affordable units. Rushmoor Homes Limited had made an offer to acquire the units at a value agreed with the Council. The details of this process were set out in the Report and Members were assured that this represented the best option for the Council and for local residents. In answer to a question, it was confirmed that all of the units would be rented out by Rushmoor Homes Limited.

The Cabinet RESOLVED that

- (i) in principle, the disposal of a leasehold interest in the private residential element of the Union Yard development, comprising 82 units, to Rushmoor Homes Limited, at the conditional value set out in paragraph 3.7 of Report No. REG2201, be approved, with the final terms of the disposal to be considered by the Cabinet at a later date; and

- (ii) the potential implications on the Rushmoor Homes Limited business model arising from the current Government consultation on changes to the capital framework in respect of minimum revenue provision be noted.

71. **RUSHMOOR HOMES LIMITED - BUSINESS PLAN UPDATE 2022 - 2027 –**
(Mr Paul Shackley, Chief Executive)

The Cabinet considered Report No. CEX2201, which set out the third business plan for Rushmoor Homes Limited, covering the period 2022–2027. It also included the associated Shareholder Report, covering the first eighteen months of the company’s operation. The Report was presented on behalf of the Council’s Chief Executive, in his capacity as the Council’s shareholder representative.

Members were reminded that Rushmoor Homes Limited had been incorporated in April, 2020 and was wholly owned, controlled and funded by the Council. It was reported that the company’s governance arrangements required that a rolling five-year business plan should be approved by the Council and that a six-monthly shareholder report should be produced. Members heard that the business plan provided the operational, financial and risk parameters for the company and set out a clear plan for the development of the business over the following five-year period. It was the aspiration of Rushmoor Homes Limited to become the best performing landlord in the Borough, with its purpose, values and business objectives focussed on meeting local housing need through regeneration and environmental and financial sustainability.

The Cabinet expressed strong support for the company’s business plan and felt that this approach would deliver excellent results for the Council and for Rushmoor residents.

The Cabinet RECOMMENDED TO THE COUNCIL that

- (i) Rushmoor Homes Limited’s Business Plan 2022-2027, as set out in Report No. CEX2201, be approved;
- (ii) the amendment of the Shareholder Agreement to enable Rushmoor Homes Limited to purchase leasehold property, where this supported the primary aim of providing market rented homes, be approved; and
- (iii) in the event of the Government introducing a requirement to provide Minimum Revenue Provision on loans to wholly owned housing companies, an obligation on Rushmoor Homes Limited to review the Business Plan, in cooperation with the Council, be approved.

NOTE: Cllrs K.H. Muschamp and P.G Taylor declared personal and non-prejudicial interests in this item in respect of their involvement as Council appointed Directors of Rushmoor Homes Limited and, in accordance with the Members’ Code of Conduct, remained in the meeting during the discussion and voting thereon.

The Meeting closed at 8.05 pm.

CLLR D.E. CLIFFORD, LEADER OF THE COUNCIL
