

Cabinet

**Tuesday, 5th February, 2013
6.00 - 7.15 pm**

Attendees	
Councillors:	Steve Jordan (Leader of the Council), John Rawson (Cabinet Member Finance), Rowena Hay (Cabinet Member Sport and Culture), Peter Jeffries (Cabinet Member Housing and Safety), Andrew McKinlay (Cabinet Member Built Environment), Jon Walklett (Cabinet Member Corporate Services) and Roger Whyborn (Cabinet Member Sustainability)
Also in attendance:	Councillor Penny Hall

Minutes

1. APOLOGIES

There were none.

2. DECLARATIONS OF INTEREST

Councillor Roger Whyborn declared a personal and prejudicial interest in Agenda Item 10-Community Pride Fund as he is Chair of St Margaret's Hall User Group.

Councillor Andrew McKinlay declared a personal and prejudicial interest in Agenda Item 10 as he is a Member of the St Margaret's Hall Management Committee.

Councillor Rowena Hay declared a personal and prejudicial interest in Agenda Item 10 as she is a Trustee of Oakley Regeneration Partnership.

3. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 15 January were approved and signed as a correct record.

4. PUBLIC QUESTIONS AND PETITIONS

There were none.

5. REPORT OF THE EVENT MANAGEMENT SCRUTINY TASK GROUP

The Chair of the Event Submissions Scrutiny Task Group (STG), Councillor Penny Hall, was invited to address Cabinet. She explained that the STG had been formed in February 2012 at the last meeting of the Environment Overview and Scrutiny Committee and a number of individuals and organisations had expressed their unease at a major event being proposed in Cheltenham at Council in February 2012.

The Chair of the Event Submissions STG explained that the working group set out to investigate current practice both within the council and other local

authorities and the findings were outlined in paragraphs 4.12 and 5. The report was first considered by the Overview and Scrutiny Committee in October 2012, was debated in full Council in December and brought back to O & S in January. It had been a challenging experience and the Chair wished to thank the working group for their input. Particular thanks were given to Rosalind Reeves and Saira Malin from Democratic Services and to all other officers involved. The introduction of a Safety Advisory Group (SAG) represented a great step forward for the council.

When asked what would happen should proposals for major events come forward for the same date the Chair of the STG explained that further work was being undertaken by officers to address such potential issues. She emphasised that the SAG had no decision making powers but it made recommendations to the final decision-maker.

The Leader of the Council agreed that it was sensible to have one point of contact for anyone wishing to hold an event. He asked how many SAGs one could expect to have in an average year. In response the Chair of the STG explained that this was an unknown but as O&S intended to follow up the implementation of the recommendations in November 2013 this would be examined then. The Cabinet Member Housing and Safety explained that there had already been 5 meetings of the SAG since the beginning of the year. The Leader questioned whether the SAG would have to be convened each time should there be a regular annual event. The Cabinet Member Housing and Safety explained that this would very much depend on what was being planned.

The Cabinet Member Housing and Safety said it was now necessary to tidy up the loose ends of the process but it was a good basis to start from. He was mindful of resources that these groups would involve and he also raised the issue of communication between the SAG and the Events Consultative Group. The Chair of the STG commented that the process was now in place so in her view this should not necessarily be more costly than how events were dealt with previously.

Further questions were raised as to the requirement to stipulate on the form the number of people expected to an event. This was often difficult for community events. In response the Chair of the Scrutiny Task Group explained that this requirement followed current practice but in the future an audit trail would be held of how many people had attended a previous event.

The Leader of the Council agreed that this process would minimise bureaucracy and was a good step forward. Members supported the thrust of the recommendations and once the outstanding issues were resolved a report would be brought back to Cabinet for approval.

RESOLVED that

1. the report of the Scrutiny Task Group be noted.
2. a further report from the Cabinet Member Housing and Safety be brought back to a future meeting of Cabinet outlining how the recommendations of the Scrutiny Task Group could be implemented

3. the scheduled follow up of the implementation of the recommendations by Overview & Scrutiny in November 2013 be noted.

6. FINAL GENERAL FUND BUDGET PROPOSALS 2013/14 (INCLUDING SECTION 25 REPORT)

The Cabinet Member Finance introduced the report and explained that there were no significant differences between the final budget proposals 2013/14 and those that had been presented in draft at Cabinet on 21 December 2012 for consultation. However, the draft budget had been published prior to the announcement of the government 2013/14 financial settlement and the figures had been slightly better than predicted which meant that the budget gap would be closed entirely.

With regard to changes to the draft budget, the Cabinet Member Finance reported that Overview and Scrutiny had requested a £2000 expenditure for the training of members of planning committee. In terms of capital items £170,000 was proposed for the refurbishment of the new café as part of the redevelopment scheme of the Art Gallery & Museum and £30,000 would be allocated to the replacement of pool hall lighting to LEDs at leisure@ subject to a business case. The Cabinet Member Finance informed the meeting that a supplementary capital programme would be coming to Cabinet and Council for decision later in the year. This would encompass the capital receipt from the sale of Midwinter and North Place and Portland Street car parks. Such capital monies could be used to facilitate further investment in infrastructure in the town.

RESOLVED THAT it be recommended to Council that:

1. **The revised budget for 2012/13 with a projected underspend of £260.5k be noted and that the proposals for its use be approved as detailed in Appendix 3.**

Having considered the budget assessment by the Section 151 Officer at Appendix 9 :

2. **the final budget proposals including a proposed council tax for the services provided by Cheltenham Borough Council of £187.12 for the year 2013/14 (a 0% increase based on a B and D property) be approved.**
3. **the growth proposals, including one off initiatives at Appendix 3, be approved.**
4. **the savings / additional income and the budget strategy at Appendix 4 be approved.**
5. **the proposed capital programme at Appendix 6, as outlined in Section 8 be approved.**
6. **the proposed Property Maintenance programme at Appendix 7, as outlined in section 9 be approved**

7. the potential liability in respect of Municipal Mutual Insurance, as outlined in Section 10, be noted and that £80k has been built into the revised budget as a provision to cover the potential exposure to this liability be noted.

8. a level of supplementary estimate of £100,000 for 2013/14 as outlined in section 13 be approved.

7. FINAL HOUSING REVENUE ACCOUNT REVENUE BUDGET 2013/14

The Cabinet Member Finance introduced the report and noted that this was an innovative and encouraging budget. This reflected sound financial management and set out a positive agenda for the future, particularly with regard to the options for new build in the town.

The Cabinet Member Finance went on to report that in addition to substantial investment in repairs and maintenance, energy saving measures and adaptation for disabled people, it also proposed expenditure on measures aimed at ensuring the security and wellbeing of tenants. Enhanced services were proposed for the elderly, the disabled and the young and there would be an expansion of employment services to tenants and their families. Both Cabinet and CBH had been working on addressing the impact of the complex changes to the welfare system, and wished to provide the right response to enable tenants to understand the new system. It was considered right therefore that CBH should respond to this by providing more information, advice and support to people struggling to cope with changes in their benefits and as such the budget proposed a range of measures to help people understand the new system, manage their money and pay their rent. It also included more help for tenants in moving to more suitable accommodation if they chose to do so.

This budget would also allow CBH to strengthen their community services. This would be particularly important in the Moors and the Tewkesbury Road area, where it can reinforce the work being done following the recent Big Local lottery grant.

The HRA budget had been through a consultation process with the Tenant Scrutiny Improvement Group, which was generally supportive.

Members supported the budget and congratulated CBH on what it had achieved in St Pauls Phase 1 which had proved there was demand for affordable housing. With further HRA funding there should be a further 60 properties to meet the need.

RESOLVED that it be recommended to Council that:

- 1. the revised HRA budget and capital programme for 2012/13 be noted.**
- 2. the HRA budget for 2013/14 as shown at Appendix 2 including a proposed average rent increase of 3.43% (applied in accordance with national rent restructuring guidelines) and increases in other rents and charges as detailed at Appendix 5 be approved.**
- 3. the 2013/14 HRA capital programme as shown at Appendices 3 and**

4 be approved.

4. **the 2013/14 management fees and charges for Cheltenham Borough Homes as detailed in Section 4 be approved.**

8. TREASURY MANAGEMENT AND ANNUAL INVESTMENT STRATEGY 2013/14

The Cabinet Member Finance introduced the report which had been endorsed by the Treasury Management Panel. He confirmed that the Treasury Management Strategy Statement and Annual Investment Strategy 2013/14 were well within the Prudential Indicators which the Council was required to conform with under the Local Government Act 2003.

With regard to investment policy the Cabinet Member confirmed that the priority was security and to this end there had been revisions to the lending list in Appendix 3. The Council was only lending to those institutions with high long-term ratings and for a maximum duration of between 3 and 12 months. He emphasised that the list was not set in stone, but would be reviewed with Sector, the Council's treasury consultants, and officers during the year according to changes in financial markets.

RESOLVED that it be recommended to Council that the Treasury Management Strategy Statement and Annual Investment Strategy for 2013/14 at Appendix 2 be approved including

1. **The general policy objective 'that Council should invest prudently the surplus funds held on behalf of the community giving priority to security and liquidity'.**
2. **That the Prudential Indicators for 2013/14 including the authorised limit as the statutory affordable borrowing limit determined under Section 3 (1) Local Government Act 2003 be approved.**
3. **Revisions to the Council's lending list and parameters as shown in Appendix 3 are proposed in order to provide some further capacity. These proposals have been put forward after taking advice from the Council's treasury management advisers Sector and are prudent enough to ensure the credit quality of the Council's investment portfolio remains high.**
4. **For 2013/14 in calculating the Minimum Revenue Provision (MRP), the Council will apply Option 1 in respect of supported capital expenditure and Option 3 in respect of unsupported capital expenditure as per section 21 in Appendix 3.**

9. REFRESH OF THE CHELTENHAM CHARTER

The Leader of the Council introduced the report. He explained that CBC had endorsed the first version of the Cheltenham Charter with the five parish councils in 2008. This version had now been updated to include changes to legislation, such as the Localism Act, neighbourhood planning and the community right to challenge and the community right to bid. He said that there was broadly a positive working relationship between the Council and the Parishes.

RESOLVED THAT

The charter (attached as appendix 2) be endorsed and that the commitments within it be adhered to.

10. COMMUNITY PRIDE FUND

The Head of Legal Services advised those Cabinet members who had a close association with the organisations involved or who held management or trustee positions within those organisations to declare a personal and prejudicial interest in this item.

Having declared a personal and prejudicial interest in this item Councillors Hay, McKinlay and Whyborn left the room and hence did not participate in the discussion.

The Leader of the Council introduced the item and explained that it had been a positive process. There had been great interest in the funding available and bids to the value of £95,000 had been submitted for a total funding pot of £38,000. He thanked the panel for considering the bids. 16 bids had been supported, some partially and some in full. A number of new groups had appeared which was encouraging.

Members noted that the Panel may meet at a later date to consider bids where more information had been requested and that the decision to determine how best to allocate the remaining funds would be taken by the Leader and Cabinet would be notified. They welcomed the cross section of groups which had applied for funding and the geographical spread across the town.

RESOLVED THAT

- 1. The list of projects to be funded from community pride funds as set out in appendix 2 and community building grants as set out in appendix 3 be approved.**
- 2. The decision to determine how best to allocate the remaining funds will be taken by the Leader, be noted.**

11. DECISIONS OF CABINET MEMBERS AND OFFICERS

The Cabinet Member Housing and Safety informed members that he had taken a decision which was to append the agreed communications protocol to the management agreement between Cheltenham Borough Homes and Cheltenham Borough Council.

12. SECTION 8 : ANY OTHER ITEM(S) THAT THE LEADER DETERMINES TO BE URGENT AND REQUIRES A DECISION

The Leader explained that an urgent item had come forward for Cabinet to take a decision on with regard to the appropriation to planning purposes of North Place and Portland Street car parks. This decision was necessary prior to the North Place and Portland Street item being discussed at Planning Committee on 21 February. Due to the item containing commercially sensitive information and legal advice it would be taken in exempt session.

**13. LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS
RESOLVED**

That in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3 and 5, Part (1) Schedule (12A) Local Government Act 1972, namely:

Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Paragraph 5: Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

14. CHELTENHAM BOROUGH HOMES - DEVELOPMENT OPTIONS REVIEW

The Cabinet Member Housing and Safety introduced the report and explained that following the success of St Paul's Phase One Cabinet had mandated CBH to achieve the best available deal in negotiations with the proposed developers for St Paul's Phase 2, Cakebridge Place and the Garage Sites redevelopment.

He reported that the Housing and Communities Agency (HCA) has now confirmed that a grant would be made available to CBH provided that a start on the garage sites could be achieved before the end of March 2013. CBH, in discussion with CBC, has agreed that this is achievable. It was therefore proposed that progress be advanced on the garage sites ahead of the balance of the intended programme, i.e. St Paul's Phase 2 and Cakebridge Place. The Cabinet Member Housing and Safety would be taking an imminent delegated decision with regard to ownership of the site.

The Cabinet Member Housing and Safety highlighted that recommendations 3 and 4 of the report had been amended to reflect that Cabinet was making recommendations to Council.

When asked whether the question of ownership of new build properties was still outstanding, Grahame Lewis, Executive Director, explained that this delegated decision would be taken the following day. Bob Dagger, Director, CBH confirmed that in order to be eligible for receipt of the HCA grant CBH ownership of the site was required.

There remained complications with regard St Paul's Phase 2 and Cakebridge Place developments as outlined in the report and thus it was proposed that the garage sites development decision be taken in advance. It was confirmed that Cakebridge Place and St Paul's would therefore be brought back to Cabinet.

The Leader of the Council welcomed the HCA grant which would facilitate a further provision of affordable housing provision in the town.

RESOLVED THAT

- 1. the transfer of the four garage sites (at Brook Road, Burma Avenue, Imjin Road and Malvern Street shown edged red on the plans appended to this Report) to CBH at nil consideration be approved.**
- 2. CBH be authorised to enter into a JCT Design and Build Contract with Lovell Partnerships Ltd.**
- 3. Council be recommended to source loan finance for the development of the garage sites from the Public Works Loans Board (PWLB) on a 40 year annuity basis and then advance the funds to CBH.**
- 4. Council be recommended to support the provision of development finance and in due course access to PWLB funding for the long term finance required by the scheme.**

15. APPROPRIATION FOR PLANNING PURPOSES-REPORT ON NORTH PLACE AND PORTLAND STREET

The Cabinet Member Finance introduced the report and explained that the developer had requested the council to exercise its powers to appropriate North Place and Portland Street car parks for planning purposes. The appropriation would facilitate the redevelopment of the site.

The Leader asked whether there had been any precedent where appropriating property for planning purposes had taken place. The Head of Property and Asset Management explained that the proposal had arisen in discussions with the developer and he confirmed that other authorities had appropriated property in similar circumstances.

Members felt that the appropriation was an appropriate measure, technical in nature, to facilitate the redevelopment of the land and would ensure maximum flexibility going forward for the redeveloped site which would be of major benefit to the town.

RESOLVED THAT:

- 1. Under Section 122(1) of the Local Government Act 1972 North Place and Portland Street car parks be appropriated to planning purposes.**
- 2. the sites be disposed of under Section 233 of The Town and Planning Act 1990.**

Chairman