

Cheltenham Borough Council Cabinet - Minutes

Meeting date: 14 February 2023

Meeting time: 6.00 pm - 6.30 pm

In attendance:

Councillors:

Peter Jeffries, Victoria Atherstone, Flo Clucas, Mike Collins, Iain Dobie, Martin Horwood, Alisha Lewis and Max Wilkinson

Also in attendance:

Paul Jones (Executive Director of Finance, Assets and Regeneration)

1 Apologies

Apologies were received from Councillor Hay.

2 Declarations of interest

There were none.

3 Minutes of the last meeting

The minutes of the meeting held on 20 December 2022 were approved unanimously and signed as a true record.

4 Public and Member Questions and Petitions

No public or member questions or petitions had been received.

5 Housing Revenue Account Business Plan

The Deputy Leader invited the Cabinet Member for Housing to introduce the report. She thanked the housing commissioner and CBH colleagues for their strong and inspiring work in preparing an outstanding HRA business plan, which sets out to build a better future for Cheltenham by providing great homes and stronger communities, including more affordable and increasingly sustainable high-quality homes with excellent services, and well-supported communities to increase opportunities and resilience. This is underpinned by the need to ensure the long-term viability of the HRA and the council's ambition for Cheltenham to be carbon net zero by 2030, and is also set against the challenging backdrop of the UK economy, cost of living crisis, soaring energy costs, inflation, and interest rate increases. Developed in partnership with CBH and in consultation with tenants and a wide range of stake-holders, it has also been shaped by the council's latest corporate plan and set in the context of significant regulatory change following on from the government's social housing white paper and economic changes arising from the pandemic, the war in Ukraine, and subsequent cost of living crisis.

The plan sets out how we deliver an additional 450 affordable homes over the next five years, in line with our corporate plan. CBH has a record of high-quality delivery and tenant, and progress against our HRA business plan both in terms of meeting targets and key activities will be reported to Cabinet and Council annually via the HRA budget setting process.

The housing revenue account is ring-fenced within the council, and used to maintain and invest in existing homes, build new homes, and deliver services to tenants and leaseholders. The aims and priorities in this business plan are modelled over a 30-year term to understand the financial impacts of the investment aspirations within this plan and to ensure that the HRA remains financially viable. The assumptions within the model are updated annually as part of the budget-setting process. The financial model is also used to stress-test the HRA to understand the key financial risks which need to be managed in both the medium and long term to ensure that the HRA remains viable. Over the next five years the council is proposing to invest £225m into the following priorities: £97m to increase the delivery of affordable homes, including new net zero homes; £64m to improve existing homes, including investments to make homes net zero; £30m to provide safe, well-maintained homes; £21m to provide efficient and accessible housing services; £21m to support strong and socially sustainable communities. In order to deliver against our priorities, CBH will continue to drive value for money, deliver high performance and satisfaction levels, whilst maintaining costs and achieving tenant satisfaction measures.

The Cabinet Member for Finance and Assets was pleased to see that the interests of tenants and communities are always embedded in the HRA business plans, and that this is a fantastic testament to CBH culture to put people at the centre of everything.

Members were invited to vote on the recommendation, and unanimously

RESOLVED THAT:

- the strategy as set out in the HRA Business Plan 2023-28, and as detailed in Appendix 2 of the report, is approved.

6 Housing Revenue Account - Revised Forecast 2022 and Budget 2023-24

The Cabinet Member for Finance and Assets introduced his report briefly, ahead of full consideration at Council the following Monday. He said financial turmoil within the national economy put pressure on the housing revenue account, as detailed in the report. He highlighted an additional item that wasn't included in the consultation paperwork – that Cheltenham has been allocated £2.36m from the government's Local Authority Housing Fund, for the provision of more affordable homes to support of refugees, mostly from Ukraine and Afghanistan. The estimated total cost for providing these homes is £6m, and the government has provided a list of criteria to work within, notably the condensed timescale for provision of the homes. CBC and CBH officers are already working on this.

The Cabinet Member for Climate Emergency thanked the Cabinet Member and officers for their exceptional work, rising to incredible challenges at a time when many councils had buckled. They have done an impressive job which has her complete support.

Members moved to the vote, where it was unanimously

RESOLVED THAT: Council be recommended to:

1. Approve the HRA budget proposals for 2023/24 (shown at Appendix 2);
2. Approve a rent increase of 7% for social rent homes, affordable rent homes and shared ownership homes (but capping affordable rented homes rent at the Local Housing Allowance where applicable);
3. Approve changes to other rents and service charges as detailed within the report;
4. Approve the HRA capital programme for 2023/24 as shown at Appendix 3 and Appendix 4;
5. Approve entering into a Memorandum of Understanding with DLUHC (Department for Levelling Up, Housing and Communities) in respect of a £2.36 million grant for the provision of 21 affordable homes during 2023/24 under the Local Authority Housing Fund (subject to DLUHC notifying CBC that their proposed grant funding allocation has been confirmed), see section 5.5;

6. Ratify the performance and satisfaction targets set by CBH for 2023/24;
7. Note the revised HRA forecast for 2022/23.

7 Final General Fund Revenue and Capital Budget Proposals 2023-24, and Quarterly Budget Monitoring Report, October-December 2022

The Cabinet Member for Finance and Assets introduced the report briefly, noting that Cabinet colleagues will be aware of budget pressures the council has faced throughout the year. He said the challenge is that budget proposals need to be balanced, and as previously highlighted to Members, due to the extreme economic turmoil and size of the financial gap, the council is having to use every financial tool at its proposal. The budget report and associated paperwork demonstrate how this is being achieved, at the same time as making sure resources are available to deliver the priorities being achieved for the town.

The Cabinet Member for Economic Development, Culture, Tourism and Wellbeing echoed the comments on the previous item, making the point that while governments were allowed to run deficits for years, local authorities were not, and faced the huge challenge of having the balance their budgets every year.

The Cabinet Member for Safety and Communities asked for confirmation that properties in council tax band D will see an increase of £6.70 a year, 13p a week. She said this was astonishing in view of everything the council does and congratulated officers for this.

Members then moved to the vote where it was unanimously

RESOLVED THAT: Council be recommended to:

1. Approve the revised budget for 2022/23 which is reported here as part of the budget monitoring process for 31 December 2022;
2. Consider the budget assessment by the Section 151 Officer at Appendix 2 in agreeing the following recommendations;
3. Approve the final budget proposals including a proposed council tax increase for the services provided by Cheltenham Borough Council for the year 2023/24 based on a Band D property (an increase of 2.99% for a Band D property), as detailed in paragraphs 9.1 to 9.5;
4. Approve the savings / additional income totalling £1,300,000 and the budget strategy at Appendix 4;

5. Approve the use of reserves and general balances and note the projected level of reserves, as detailed at Appendix 5;
6. Approve the capital programme at Appendix 6;
7. Approve the programmed maintenance programme at Appendix 7;
8. Approve the flexible use of capital receipts strategy as detailed in Appendix 8;
9. Note that the Council will remain in the Gloucestershire business rates pool for 2023/24;
10. Approve the Medium Term Financial Strategy (MTFS) detailed in Appendix 9;
11. Approve the Pay Policy Statement for 2023/24, including the continued payment of a living wage supplement at Appendix 10;
12. Approve the proposed fees and charges schedule for 2023/24 at Appendix 11, subject to appropriate consultation where required;
13. Approve a level of supplementary estimate of £100,000 for 2023/24 as outlined in Section 19;
14. Amend the definition of a Key Decision as set out in the constitution to increase the threshold for the acquisition or disposal of land from £250,000 to £500,000, and gives delegated authority to the Monitoring Officer to make the associated change to the constitution as outlined in Section 17.

8 Award of rent support grants to voluntary sector organisations

The Cabinet Member for Finance and Assets introduced the report, saying that the rent support grants scheme enables the council to support the thriving voluntary and community sector, at the same time meeting the challenges of its commercialisation journey. In order to qualify for a discount, organisations must demonstrate how their use of the building contributes to the council's agreed corporate priorities.

Appropriate rent support for community-based organisations and services can support their viability and the benefits they provide to the social and economic well-being of the town. The council continues, however, to encourage voluntary and community sector organisations to become more self-sufficient and less reliant upon financial support from the council where possible. The report details the applications and submissions from Harvest Field Church and 10th Cheltenham Scouts, which have been assessed and reviewed.

There were no comments from Members, who unanimously

RESOLVED THAT:

1. The following recommended rent support grants be approved:
 - Harvest Field Church, Lynworth Hall, Mendip Road – a rent support grant of 54% of the current market rent;
 - 10th Cheltenham Scouts, Scout Hut, Pittville Park, Central Cross drive – a rent support grant of 72% of the current market rent;
2. Authority be delegated to the Participation and Engagement Team Leader, in consultation with the Director: One Legal, to agree the terms of a rent support grant agreement with the applicant.

9 Briefing from Cabinet Members

The Cabinet Member for Climate Emergency was delighted to put on record her congratulations to the climate team whose decision wheel is being nominated for a prestigious local government award. She also congratulated xxxxx Alex Wells, who is leaving CBC for an exciting new job.

The Cabinet Member for Safety and Communities said it was great to have been present at the Climate Youth Survey Report this week, to hear what the young people are doing and saying. She noted their surprise at being invited into what is their Council Chamber, and hoped that the work we have begun will continue over time to make sure that what is happening here is translatable to other places, not just in the UK but in Europe too. She said the council is continuing to work with the Detached Youth Work Service – work the county should be doing but isn't – and also congratulated Sam, a National Star College pupil, through whom there is the potential to redesign the national disability badge, to be reported and decided on in the course of next week. A school elsewhere in the country is so delighted with what is being proposed that it is going to adopt it, and it is good to know that Cheltenham youngsters are changing potential for people elsewhere in the country.

The Cabinet Member for Housing noted the partnership work between CBH and Clare Seed of the Public Heart campaign, installing defibrillators which are accessible 24/7 – most recently at Hester's Way Community Resource Centre and CBH Swindon Road office. Further details can be found on Circuit website, but it is hoped that many more will be installed around the town.

The Cabinet Member for Economic Development, Culture, Tourism and Well-being, thanked the team at the Holst Birthplace Museum for a recent tour, in anticipation for their celebration next year of 150 years since Holst's birth – a key priority for the Culture Board. He also reported that the 4th Cheltenham Guides had visited the

Chamber during Parliament Week, to learn more about the importance of local democracy, democracy and Parliament. By a vote, animal rights was chosen as their topic of concern, and together they worked on a letter to send to Lord Benyon, minister with responsibility for animal rights. They received a positive response and thanks and, as a result of their lobbying, specific questions on animal rights were subsequently raised in the House of Lords on behalf of Cheltenham's 4th Guides. They are rightly pleased with themselves at this outcome, and delighted that their small voice could be used through the democratic system to lobby people at any level. He thanked the guides, Lord Benyon, and Lord Shipley.

The Cabinet Member for Cyber, Regeneration and Commercial Income said he and the Head of Communications for the Golden Valley Development recently gave a presentation at the University of Gloucestershire as part of National Apprentice Week. It was well received by all present, and interesting to listen to the other speakers. He noted that the Golden Valley Development is very much on the map and generating a lot of interest from outside the area.

Chair