

## Cabinet

**Tuesday, 13th December, 2011  
6.00 - 6.55 pm**

<b>Attendees</b>	
<b>Councillors:</b>	Steve Jordan (Leader of the Council), John Rawson (Cabinet Member Built Environment), Klara Sudbury (Cabinet Member Housing and Safety), Andrew McKinlay (Cabinet Member Sport and Culture), John Webster (Cabinet Member Finance and Community Development), Roger Whyborn (Cabinet Member Sustainability) and Colin Hay (Cabinet Member Corporate Services)

## Minutes

**1. APOLOGIES**

**2. DECLARATIONS OF INTEREST**

There were none.

**3. MINUTES OF THE LAST MEETING**

The minutes of the meetings held on 15 November 2011 and 6 December 2011 were approved as a correct record and signed by the Chair.

**4. PUBLIC QUESTIONS AND PETITIONS**

There were none.

**5. LEISURE AND CULTURE REVIEW CONSULTATION**

The Cabinet Member Sport and Culture introduced the report which sought approval by Cabinet of the outcomes for the Leisure and Culture Review. The Cabinet Member highlighted Section 3 of the report which detailed the consultation event which covered the entire scope of the review and Section 5 which outlined the key messages. A revised set of outcomes had been prepared using feedback from the event and these were outlined in Sections 6.2 of the report.

The Cabinet Member Sport and Culture proposed that an amendment be made to the report in so far as adding as a secondary outcome to the Art Gallery and Museum and the Leisure@ and Sports, Play and Healthy Lifestyles service areas. This was as follows : "That the council generates the greatest return (financially, economically and socially)from its investment in the buildings. Members supported the enhanced outcomes as they agreed that financial implications should not be taken in isolation.

The Cabinet Member explained that the next phase would be to look at how the Council was currently delivering services in these areas to see if this matched up with the identified outcomes.

Members were confident that these were positive outcomes for Leisure and Culture services to achieve.

## **RESOLVED**

**That the outcomes for the Leisure and Culture Review as outlined in Section 6 of the report be approved.**

### **6. QUARTERLY BUDGET MONITORING REPORT 2011/12 - POSITION AS AT NOVEMBER 2011**

The Director Resources introduced the report which had been circulated with the agenda. He stated that the previous budget monitoring report in August 2011 had projected an overspend of £476 000. Since then SLT had focussed on mitigating this with a freeze on supplies and services and recruitment decisions were made only where there was a concrete business case. As a result of this it was now anticipated that a balanced budget would be delivered.

The Cabinet Member Finance and Community Development highlighted that budget monitoring was a crucial part of the bridging the gap work. The budget was examined on a weekly basis enabling any glitches to be detected and for early remedial action to be taken. He reported that council tax collection rates had improved although the number of businesses had decreased which reflected on how the town was performing.

The Cabinet Member Sustainability highlighted the net over recovery of income on recycling activities of £158 000 in 2011/12 due to the higher than anticipated tonnages processed (due to the success of the alternate weekly collection) and higher than anticipated recycle prices.

The Leader of the Council stated that there were some 92 different Bridging the Gap projects underway and whilst not all would be achievable it was important that as soon as they were showing signs of going off course remedial action was taken. He complimented the senior management team and the relevant officers for their valuable contributions to this work.

## **RESOLVED**

- 1. That the contents of the report including the key projected variances to the original 2011/12 budget which have enabled the council to deliver a balanced revised budget be noted.**
- 2. That the current freeze on spending against supplies and service expenditure budgets, is continued, where possible, until further notice. This has been factored into the revised 2011/12 budget.**

### **7. GENERAL FUND REVENUE AND CAPITAL REVISED BUDGET 2011/12 AND INTERIM BUDGET PROPOSALS 2012/13 FOR CONSULTATION**

The Cabinet Member Finance and Community Development introduced the report which outlined the revised budget 2011/12 and the Interim Budget Proposals 2012/13 for consultation. He proposed an amendment to the third recommendation of the report to read "Approve the growth proposals, including

one off initiatives at Appendix 3 and use of the New Homes Bonus as indicated in paragraph 5.3". Members supported this amendment.

The Cabinet Member informed the meeting that next year's budget would be balanced without the need for significant cuts. The Government's offer to pay for a freeze in council tax next year would be taken advantage of. The following items had been built into the base budget :

- the reinstatement of £110 k for the subsidised County Council verges contract
- £20k for maintaining the 8000 highway trees
- Funding for the Taxi marshalls scheme

In addition he reported that parking charges would be frozen for another year, lettings fees for the Town Hall and Pump Room would be frozen for a year, there would be investment in IT infrastructure and capital funding had been allocated from the civic pride reserve to improve town centre infrastructure and paving as requested by the Cheltenham Task Force.

£250 000 of the £583 559 in New Homes Bonus would be used to maintain services by supporting the revenue budget. In addition £50 000 would be allocated to continue support for youth work. £142 000 each would be allocated to the environment improvement and promoting Cheltenham schemes that were established last year.

Actively managing vacancies and staffing levels to minimise the impact of service reviews had resulted in a proposed 4.9 FTE reduction, none of which were compulsory. The Cabinet Member highlighted that times remained uncertain and the Government settlement would be cut by £500 000.

He wished to put on record his thanks to the finance team and the senior leadership team for their contributions in keeping control of the budget.

Members welcomed the draft budget and reiterated their thanks to officers. The Cabinet Member Built Environment referred to the success of the Icelandic bank litigation which was an illustration of the resilience of the council.

The Cabinet Member Corporate Services referred to the way the Council had conducted its business through the work on bridging the gap which had involved every member of staff. The amount of work undertaken over the last two years had ensured a balanced budget and this was to the staff's credit.

The Leader of the Council said that the balanced budget was a reward for the hard work undertaken over the last few years. It was hoped that a similar situation would be reached next year but he warned about the cut in government funding. He believed that it was appropriate to bring some of the New Homes Bonus into the base budget. The remainder would be earmarked for valuable youth work and supporting the Environmental Improvement Fund and Promoting Cheltenham fund.

The Director Resources clarified that the figure in the second and third bullet points of paragraph 5.3 of the report should read £142k. In addition an amended Appendix 4 had been tabled which contained cosmetic changes.

## **RESOLVED THAT**

- 1. The revised budget for 2011/12 be noted.**
- 2. The interim budget proposals for consultation including a proposed council tax for the services provided by Cheltenham Borough Council of £187.12 for the year 2012/13 (a 0% increase based on a Band D property) be approved.**
- 3. The growth proposals, including one off initiatives at Appendix 3 and the use of the New Homes Bonus as indicated in paragraph 5.3 be approved.**
- 4. The proposed capital programme at Appendix 6, as outlined in Section 9 be approved.**
- 5. Authority be delegated to the Director Resources, in consultation with the Cabinet Member for Community Development and Finance, to determine and approve any additional material that may be needed to support the presentation of the interim budget proposals for consultation.**
- 6. Consultation responses be sought by 14<sup>th</sup> January 2012.**

## **8. HOUSING REVENUE ACCOUNT REVENUE AND CAPITAL REVISED BUDGET 2011/12 AND INTERIM BUDGET PROPOSALS 2012/13 FOR CONSULTATION**

Having declared a personal and prejudicial interest in this item the Cabinet Member Corporate Services left the room and did not participate in the debate.

The Cabinet Member Finance and Resources stated that the Housing Revenue Account was a good news story. The Self-Financing settlement from central government had been better than expected at £27.9m (reduced from £38.4m originally budgeted for). This meant that the net impact of self financing next year was of more than £2m which would give the Council a strong start in delivering the strategic aims proposed in the draft HRA business plan. These were new build, improvement of stock including environmental and fuel efficiency works and service improvements. Consultation on plans had now been completed and feedback would be available in early January.

The Cabinet Member highlighted paragraph 3.1.3 of the report detailing how the debt settlement was arrived at. This gave the council an affordable settlement which should produce significant extra resources to make a difference in communities. Both additional capital and revenue funds would be available to invest in the stock.

CBH were currently evaluating plans for new build and further investment in the existing stock. CBH had put forward growth bids totalling £190k for service improvements, for enhancing the safer estates service, fuel reduction initiatives, improvements in health and safety management and further work to help with

financial exclusion. The cost of these was largely offset by other savings identified by CBH giving a net increase in the CBH budget of £68k.

The Cabinet Member reported that rents would again be rising in line with the national formula. He highlighted that the important change was that from next year the money from rent increases would stay in Cheltenham and be used for the benefit of all tenants.

The Cabinet member commended the community development approach CBH had adopted to housing management. He recognised the achievements of CBH to date in managing the council's housing stock. He took the opportunity to thank all those involved, CBC finance staff and CBH.

The Leader of the Council welcomed the report but sought assurance from CBH that work was ongoing within CBH to create efficiencies. In response the Cabinet Member explained that salaries at CBH were frozen and economies had been made. Bob Dagger, Assistant Chief Executive CBH, outlined the savings that CBH had made in terms of reactive repair work, estate cleaning and general management savings. The growth proposals were aligned to the emerging strategy in the HRA business plan. He stressed that CBH viewed the HRA as an extremely valuable resource which would be used with the utmost care.

#### **RESOLVED**

- 1. That the revised HRA budget for 2011/12 be noted.**
- 2. That the interim HRA budget proposals for consultation including a proposed average rent increase of 6.43% (applied in accordance with rent restructuring guidelines) and increases in other rents and charges as detailed at Appendix 5 be approved.**
- 3. That the proposed HRA capital programme at Appendix 6 be approved.**
- 4. That authority be delegated to the Director Resources, in consultation with the Cabinet Member for Community Development and Finance, to determine and approve any additional material that may be needed to support the presentation of the interim budget proposals for consultation.**
- 5. That consultation responses be sought by 26<sup>th</sup> January 2012.**

#### **9. NOMINATIONS TO OUTSIDE BODIES-HILLVIEW COMMUNITY ASSOCIATION**

The Leader informed Members that as no nominations had been received for the vacancy to Hillview Community Association this item had been withdrawn from the agenda and would form part of the Council appointments process following the elections in May 2012.

#### **10. BRIEFING FROM CABINET MEMBERS**

The Cabinet Member Sustainability informed the meeting that the Council would be responding to the Government consultation on the change of Feed in Tariffs for solar PV installations. The proposed size in reduction of the tariff was

considerable and this would have a significant impact on domestic households and indeed on the public and private sector.

The Cabinet Member Housing and Safety updated members on the second bidding round for funding for projects for young people. The closing date was 9 December and 11 bids had been received for the £13 000 funding. A decision would be made in due course but particular consideration would be given to those groups who had not been reached in the first bidding round.

The Cabinet Member Corporate Services told members that GO had gone live in the Forest of Dean last week and they had been comfortable with the process. He also repeated that two members of CBC staff, Paul Jones and Amanda Atfield, had been appointed to the GO shared services senior management team. GO would be going live in Cheltenham in April 2012.

**11. 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 paragraphs 3 and 5, Part (1) Schedule (12A) of the Local Government Act 1972.**

**12. LEASE OF 30 ST GEORGES PLACE-RENT REQUEST FOR RENT SUBSIDY FROM VISION 21 GLOUCESTERSHIRE**

The Cabinet Member Built Environment introduced the report which set out the background to the request from Vision 21 Gloucestershire for a rent subsidy for the 2010 rent review. Members considered the report and approved the officer recommendations.

**RESOLVED**

**That the officer recommendations be approved.**

**13. EXEMPT MINUTES OF THE MEETING HELD ON 15 NOVEMBER 2011**

The exempt minutes of the meeting held on 15 November 2011 were approved and signed as a correct record.

**Chairman**