

Minutes of the **Cabinet**
of the **Test Valley Borough Council**
held in Conference Room 1, Beech Hurst, Weyhill Road, Andover
on Wednesday 16 May 2018 at 5.30 pm

Attendance:

Councillor P North (Leader)	(P)	Councillor N Adams-King (Deputy Leader)	(P)
Councillor P Bundy	(P)	Councillor P Giddings	(P)
Councillor D Drew	(P)	Councillor G Stallard	(P)
Councillor M Flood	(P)	Councillor A Ward	(P)

Also in attendance:

Councillor D Baverstock	Councillor C Dowden
Councillor D Denny	Councillor S Hawke

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Minutes

Resolved:

That the minutes of the meeting held on 18 April 2018 be confirmed and signed as a correct record.

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Revenue Outturn 2017/18

Consideration was given to a report of the Finance Portfolio Holder which presented the Council's Revenue outturn for the year ended 31 March 2018. The report showed a net General Fund expenditure of £12.027M. Following the completion of the revenue outturn work there was a positive variance to be allocated. Details of how this arose were discussed in more detail in the report and the utilisation of the variance was considered.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

- 1. That the Council's Revenue outturn for 2017/18, as shown in Annexes 1 and 2 to the report, be noted.**
- 2. That the reasons for the budget variances, as shown in paragraph 3 of the report, be noted.**
- 3. That the transfer to the Homelessness Grant Reserve of £166,000 and the transfer to the Local Development Reserve of £47,000, as detailed in paragraph 3.8 of the report, be approved.**
- 4. That the transfer to the Collection Fund Equalisation Reserve of £544,000, as detailed in paragraph 3.16 of the report, be approved.**

5. **That the items, as shown in paragraph 3.17 of the report, totalling £183,400, be approved for carry forward into the 2018/19 revenue budget.**
6. **That the transfer to the Special Projects Reserve of £429,300, as identified in paragraph 4 of the report, be approved.**

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Capital Outturn 2017/18

Consideration was given to a report of the Finance Portfolio Holder which summarised expenditure on the Capital Programme in 2017/18 and explained the reasons for variances from the forecast, including a summary of the total budget slippage within the Capital Programme.

The report made recommendations for the carry forward of certain unspent capital budgets into 2018/19 as detailed throughout the report and provided an updated capital programme for 2017/18 to 2019/20.

The positive variance between budgeted and actual expenditure was £5.2M in 2017/18. Apart from Asset Management budgets the main variances to existing schemes within the Capital Programme were, slippage of projects as detailed in Annex 2 to the report offset against the increased spend of Community Asset Fund grants and purchase of additional investment properties.

The ongoing budget requirement for all outstanding projects had been reviewed in the preparation of the report and the updated Capital Programme as shown in Annex 1 to the report was recommended for approval.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Recommended:

That the updated Capital Programme, as shown in Annex 1 to the report, be approved.

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Asset Management Outturn 2017/18

Consideration was given to a report of the Finance Portfolio Holder, which compared the actual expenditure on Asset Management Plan (AMP) projects with the approved budget for 2017/18. The total revised AMP budget in 2017/18 was £3.448M. Actual expenditure in the year was £2.303M. The main reasons for the budget variance were explained in the report.

All AMP activities in the year had been reviewed and performance against budget noted throughout the report. In light of this review, all items covered by the Council's AMP had been considered and those most in need of repair or replacement included in the AMP for 2018/19.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

1. **That the expenditure for the year on Asset Management projects, as shown in Annex 1 to the report, be noted.**
2. **That the updated budget for Asset Management projects in 2018/19, as shown in Annex 2 to the report, be approved.**

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Treasury Management Outturn 2017/18

Consideration was given to a report of the Finance Portfolio Holder which reviewed the performance of the Treasury Management function in 2017/18 compared with the forecasts and policies set out for last year. Investment income for the year was £81,526 more than included in the forecast.

Despite a continually low Bank of England base rate during the year, the Council had achieved an average investment income rate of 0.61% in the year compared with an average benchmark figure of 0.21%. Actual income for the year exceeded the original estimate by £81,500.

The report summarised performance during 2017/18. It does not propose any changes in respect of Treasury Management in the future and therefore the recommendation was that the report be noted.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

That the Annual Treasury Management Report for 2017/18 and the Prudential Indicators for the year, as shown in the Annex to the report, be noted.

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Project Enterprise Outturn 2017/18

Consideration was given to a report of the Finance Portfolio Holder which summarised the financial returns made during the 2017/18 financial year from Project Enterprise projects and compared the results with the original business case for each project.

Income from Project Enterprise properties owned by the Council throughout the 2017/18 financial year generated £1.352M in rental income at an average return on investment of 7.2%. By comparison, the Council's cash investment portfolio generated an average return of 0.61% in the year. In terms of overall figures, this equated to an additional income for the Council of £1.238M as a result of the Project Enterprise investments held throughout the year.

If the income levels received in 2017/18 continued and the latest completions generated income in line with their business case, rental income in 2018/19 was expected to be around £1.89M. This level of income would reflect an average return on investment of 7.1%.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

That the outturn position for Project Enterprise investments in 2017/18 be noted.

25 Proposed amendment to the Council's Constitution

Consideration was given to a report of the Corporate Portfolio Holder which put forward an amendment to the Council's Constitution enabling a vote to be taken on suspending Council Procedure Rules relating to the duration of Committee and Sub-Committee meetings. This would enable meetings to be extended where appropriate to conclude all listed items of business.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Recommended:

- 1. That the Council's Constitution be amended as set out in this report.**
- 2. That the Head of Legal and Democratic Services be authorised to amend the Constitution accordingly.**

26 Housing Strategy Annual Progress Report 2016-2018

The report of the Housing and Environmental Health Portfolio Holder informed Cabinet of the updated Housing Strategy 2016 – 2019 Action Plan which took account of the progress achieved for 2016 – 2017 and 2017 – 2018 and considered new work priorities for the Service. The Strategy also ensured that the objectives of the Corporate priority 'LIVE' were progressed and that the Council was actively working to address the housing needs of Test Valley.

Consideration would be given in due course for the requirement of a new Housing Strategy post 2019 to reflect new legislation and corporate priorities.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

That the Housing Strategy 2016 – 2019 Action Plan Update, as shown in the Annex to the report, be approved.

27 **Project Integra - Action Plan 2018 to 2021**

Consideration was given to a report of the Environmental Portfolio Holder which provided an overview and sought approval for the Project Integra Action Plan 2018 to 2021.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

That the Project Integra Action Plan 2018 to 2021 be approved.

28 **Eastleigh Borough Council/Test Valley Borough Council Liaison Group**

The Borough Council has had a joint arrangement with Eastleigh Borough Council for many years to consider matters of mutual interest. It was necessary to appoint members to the Liaison Group.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

That Councillors Anderdon, A Dowden, Finlay and Hatley, be appointed to the Eastleigh Borough Council/Test Valley Borough Council Liaison Group.

29 **Scheme of Delegations to Officers**

The report of the Corporate Portfolio Holder sought approval of the Council's Scheme of Delegations to Officers.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

That the Scheme of Delegations to Officers annexed to the report to Annual Council, in so far as it applies to the powers and duties of the Cabinet, be approved.

30 **Scrap Metal Dealers Hearing Sub-Committee**

The Corporate Portfolio Holder informed Cabinet that, in accordance with the Constitution, Cabinet was required to establish a Sub-Committee to deal with hearing representations regarding applications for Scrap Metal Dealers Licences.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

That the membership of the Scrap Metal Dealers Hearing Sub-Committee consist of three members drawn by the Head of Legal and Democratic Services from the membership of the Cabinet.

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Exclusion of the Public

Resolved:

That pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for the consideration of the following matters on the grounds that they involve the likely disclosure of exempt information as defined in the following Paragraph of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, indicated below. The public interest in maintaining the exemption outweighs the public interest in disclosing the information for the reason given below:

Project Enterprise Outturn 2017/18 - Annex	Paragraph 3
Leisure Contract Capital Update	Paragraph 3
Valley Housing Outturn and Business Plan Update	Paragraph 3

It is considered that these items contain exempt information within the meaning of paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended. It is further considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information because the information relates to the financial or business affairs of the Council and third parties who are necessarily identified, which information is commercially sensitive and which by its disclosure would have an adverse effect upon the interests of those third parties and the Council as they seek to settle agreed terms of business.

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Project Enterprise Outturn 2017/18 - Annex

There was no consideration of the confidential information contained within the annex in relation to agenda item 11.

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Leisure Contract Capital Update

Consideration was given to the confidential report of the Community and Leisure Portfolio Holder.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Recommended:

1. That the progress on the new Leisure Contract be noted.
2. That the allocation of funding outlined in paragraphs 8.1 to 8.3 of the report be approved.

34 **Valley Housing Outturn and Business Plan Update**

Consideration was given to the confidential report of the Finance Portfolio Holder.

Having considered the options and for the reasons set out in the report, Cabinet agreed to the following:

Resolved:

1. That the Directors' annual report, as shown in Annex 1 to the report, be noted.
2. That the updated Business Plan for 2018/19 to 2020/21, as shown in Annex 2 to the report, be approved.

(Meeting terminated at 6:28 pm)