

Minutes of the **Cabinet**
of the **Test Valley Borough Council**
held in Conference Room 1, Beech Hurst, Weyhill Road, Andover
on 12 February 2020 at 5.30 pm

Attendance:

Councillor P North (Chairman)

Councillor N Adams-King (Vice-Chairman)

Councillor P Bundy
Councillor D Drew

Councillor M Flood
Councillor A Johnston

Also in attendance:

Councillor C Dowden

Councillor S Cross

Apologies for absence were received from Councillors T Tasker and T Ward

302 **Public Participation**

No members of the public registered to speak.

303 **Declarations of Interest**

There were no declarations of interest.

304 **Urgent Items**

There were no urgent items.

305 **Minutes of the meeting held on 15 January 2020**

Resolved:

That the minutes of the meeting held on 15 January 2020 be confirmed and signed as a correct record.

306 **Recommendations of the Overview and Scrutiny Committee held on 22 January 2020**

At its meeting on 22 January, the Overview and Scrutiny Committee had considered changes to the 2020/21 budget forecast since the budget strategy had been presented in November 2019 as well as an update on the medium term financial forecast and made a number of recommendations to Cabinet for consideration.

Having considered the recommendations from the Overview and Scrutiny Committee, Cabinet agreed to the following:

Resolved:

1. That the savings option, income generation proposals and budget pressures, shown in Annexes 1 – 3, be endorsed.
2. That progress on achieving a balanced budget position for 2020/21 and over the medium term, shown in Annex 4, be endorsed.
3. That the feedback from business on budget consultation, shown in Annex 5, be endorsed.

307 **Revenue Budget and Council Tax Proposals 2020/21**

Consideration was given to the report of the Finance Portfolio Holder which presented proposals for the final Revenue Budget and Council Tax for the financial year 2020/21.

The proposed budget took into account changes in the detailed estimates arising from the budget process together with savings options and budget pressures. Since the January budget update, the budget gap had been closed.

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

Recommended to Council:

1. That the Revised Forecast for 2019/20 as set out in Column 3 of Annex 1 to the report be approved.
2. That a transfer to the Town Centres Rejuvenation Reserve of £65,600 in 2020/21 be approved as detailed in paragraph 4.10, subject to it not being required to offset any significant changes in the Final Local Government Finance Settlement.
3. That the Savings Options, Income Generation Proposals and Revenue Pressures as set out in Annexes 2 – 4 to the report be approved.
4. That subject to recommendation 3 above and taking due regard of the Head of Finance's comments in Annex 8 to the report, the budget for 2020/21 as set out in Column 6 of Annex 1 be approved.
5. That subject to recommendations 3 and 4 above, the revenue estimates for each Service contained in Annex 7 to the report be approved.
6. That a Council Tax Requirement for 2020/21 of £9,360,605 be approved.
7. That a Special Expenses Levy of £344,513 be made in respect of the area of Andover to cover the cost of providing burial grounds, public halls, sports grounds and playgrounds as detailed in Annex 9 to the report.
8. That a general precept of £7,299,271 be levied for the year 2020/21.

9. That the Medium Term Forecast contained in Annex 6 to the report be noted.
10. That a Band D Council Tax excluding Parishes and Special Expenses of £146.41 in 2020/21 be approved – an increase of £5 on 2019/20 levels.
11. That delegated authority be given to the Head of Finance in consultation with the Leader, Finance Portfolio Holder and the Chief Executive to make changes to the budget following Cabinet to take account of new issues, changes to figures notified by Parish Councils or any late changes in the final Local Government Finance Settlement.

308 Capital Programme Update 2019/20 to 2021/22

Consideration was given to a report of the Finance Portfolio Holder, which provided an update on the progress of the existing 2019/20 Capital programme and included forecast changes to its timescale and total cost.

The report also updated Councillors on projects where the timetable had changed from that currently approved, in particular where projects were expected to slip from the current year.

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

Resolved:

That the revised estimates and financing for the 2019/20 to 2021/22 Capital Programme as shown in Annex 1 to the report, be approved.

309 Treasury Management and Annual Investment Strategies 2020/21

Consideration was given to a report of the Finance Portfolio Holder which presented the Treasury Management and Annual Investment Strategies of the Council for 2020/21.

Borrowing costs were currently limited to the interest payable on short term borrowing which was used to even out the Council's cash flow throughout the year although prudential borrowing to cover the deficit in the capital programme was permitted in the strategy.

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

Recommended:

1. That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2020/21 as set out in the report be approved.

2. **That the Minimum Revenue Provision (MRP) policy be approved.**
3. **That the Prudential Indicators as set out in Annex 1 to the report be approved**

310 **Discretionary Rate Relief Policy Update**

Consideration was given to a report of the Finance Portfolio Holder regarding an updated Discretionary Rate Relief Policy. Changes to the existing policy included an increase to the amount of Retail Relief, the re-introduction of Pub Relief and a change to the way that Revaluation Relief was awarded.

The report also recommended a change to the Head of Revenues' delegated authority to enable the introduction of new discretionary reliefs where there was no net cost to the Council and eligibility criteria were clearly set out by government which would allow the Council to respond to new reliefs in a timely manner and pass on benefits of the relief to local businesses.

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

Resolved:

1. **That the updated Discretionary Rate Relief Policy, as shown in the annex to the report, be approved.**
2. **That the Head of Revenues, in consultation with the Finance Portfolio Holder, be given authority to add new Discretionary Rate Reliefs into the Discretionary Rate Relief Policy where (a) such new relief is fully funded by government (including any cost of implementation) and (b) there is clear guidance as to which businesses are eligible for the relief.**

311 **Portersbridge Street Properties**

Consideration was given to the report of the Finance Portfolio holder which presented options for how the Council could bring back in to use properties that it owns on Portersbridge Street, Romsey.

The Council owns seven houses in Portersbridge Street which had been let to Aster since 2003 and were in the process of being returned to the Council.

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

Recommended:

1. **That the budget set out in paragraph 1.9 of the confidential annex to the report be added to the Capital Programme for works to Portersbridge Street properties.**
2. **That the expenditure be financed from the budget allocated in the Capital Programme to Project Enterprise projects identified in the year.**

312 **Corporate Peer Challenge Action Plan Progress**

Consideration was given to a report of the Leader which summarised the progress made by the Council following the Corporate Peer Challenge in October 2018.

Cabinet approved an action plan which set out the actions the Council would take in addressing the recommendations of the peer team. During the period since the action plan was approved, significant work had been undertaken and progress made against key areas highlighted by the peer team.

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

Resolved:

That the progress made following the Corporate Peer Challenge as detailed in the Annex to the report, be endorsed.

(The meeting terminated at 6.05 pm)