

Minutes of the **Cabinet**  
of the **Test Valley Borough Council**  
Held virtually by Microsoft Teams  
Wednesday 10 February 2021 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 I Jeffrey  
Councillor A Johnston  
Councillor T Tasker

Also in attendance

Councillor I Andersen  
Councillor D Baverstock  
Councillor Z Brooks  
Councillor T Burley  
Councillor J Burnage

Councillor D Coole  
Councillor A Dowden  
Councillor C Dowden  
Councillor N Matthews

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**Public Participation**

There was no public participation.

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**Declarations of Interest**

Councillor Tasker declared a Personal Interest in item 12 'Valley Housing Matters' as her husband is a Director of Valley Housing Limited. She left the meeting prior to the consideration of that item.

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**Urgent Items**

There were no urgent items to consider.

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**Minutes of the meeting held on 13 January 2021**

**Resolved:**

**That the minutes of the meeting held on 13 January 2021 be confirmed and signed as a correct record.**

**376 Recommendations of the Overview and Scrutiny Committee held on the 20 January 2021**

Review of Armed Forces Covenant

The Leader invited Councillor Matthews, Lead Member for the Overview and Scrutiny Review of the Armed Forces Covenant Panel to introduce the item.

Councillor Matthews thanked the panel members and officers for their support. The review had involved a number of organisations including the military, education and health authorities, welfare, charities, other local authorities and community groups. The report covered the main topics of housing, community engagement, health, business and transition. The review had highlighted that there were areas of engagement which required a better approach, particularly communication which would greatly enhance the support for the military community.

The review report has been very well received by other local authorities. The report has been distributed to 11 Brigade, the Military Administrative Unit for the area, as well as Surrey County Council, military champions and covenant champions around the south and the Ministry of Defence. The feedback that has been received has been very complimentary and a benchmark for other local authorities.

**Resolved:**

- 1. That a Civilian/military forum is created to take forward the action plan – Subsumed and intrinsically linked to the Test Valley Partnership. The composition of which will include the various professional and authority representatives from each topic in the report below. Additionally, Army Welfare Service and garrison wellbeing officers, alongside CTP and/or RFEA, where appropriate.**
- 2. That a Forces Gateway Single Point of Contact (SPOC) is created on the TVBC website - enabling all information, advice and signposting for all the applicable services, including links to housing, community engagement, health, education, business, local Forces charities and potential available grants.**

Budget Strategy Update

**Resolved:**

**That Cabinet notes that Overview and Scrutiny Committee received and approved a Budget Update and endorsed the work undertaken to deliver a Budget for 2021/22.**

377

**Revenue Budget and Council Tax Proposals 2021/22**

Consideration was given to a report of the Finance Portfolio Holder which presented the proposals for the final Revenue Budget and Council Tax for the financial year 2021/22. The report took into account the previous budget information and options for changes in service delivery that were presented to the Cabinet in December 2020 and January 2021.

The Cabinet had considered the Budget Strategy for 2021/22 in December 2020. The report showed a best, middle and worst case scenario of the budget gap the Council expected to face for 2021/22. An update of the budget forecast was presented to Cabinet in January 2021 in light of the provisional Local Government Finance Settlement and further work that had been carried out to identify the savings necessary to balance the budget for 2021/22.

The report was the culmination of a process that started in the summer of 2020. It showed the savings and additional income that has been identified to enable the Council to propose a balanced budget for 2021/22.

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 2020/21 as set out in Column 3 of Annex 1 to the report be approved.
2. That the Savings Options, Income Generation Proposals, Revenue Pressures and Covid-19 impacts as set out in Annexes 2 – 5 to the report be approved.
3. That subject to recommendation 2 above and taking due regard of the Head of Finance & Revenues' comments in Annex 9, the budget for 2021/22 as set out in Column 6 of Annex 1 be approved.
4. That subject to recommendations 2 and 3 above, the revenue estimates for each Service contained in Annex 8 to the report be approved.
5. That a Council Tax Requirement for 2021/22 of £9,573,702 be approved.
6. That a Special Expenses Levy of £333,348 be made in respect of the area of Andover to cover the cost of maintaining burial grounds, sports grounds and playgrounds.
7. That a general precept of £7,492,556 be levied for the year 2021/22.
8. That the Medium Term Forecast contained in Annex 7 to the report be noted.

9. **That a Band D Council Tax excluding Parishes and Special Expenses of £148.91 in 2021/22 be approved – an increase of £2.50 on 2020/21 levels.**
10. **That a draw of £18,700 from the Collection Fund Equalisation Reserve, as detailed in paragraph 4.7, be approved.**
11. **That a draw of £141,700 from the Budget Equalisation Reserve, as detailed in paragraph 4.11, be approved.**
12. **That delegated authority be given to the Head of Finance & Revenues 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.**

### 378 Capital Programme Update - 2020/21 to 2022/23

Consideration was given to a report of the Finance Portfolio Holder which updated Councillors on the progress of the existing 2020/21 Capital programme and included forecast changes to its timescale and total cost.

The report also provided an update on projects where the timetable has changed from that currently approved, in particular where projects are expected to slip from the current year.

The progress of the Capital Programme is reported to Councillors each year usually in May, November and February. The last update was presented on 2 December 2020 and gave details of the overall expenditure and financing of the Capital Programme for 2020/21 to 2022/23.

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 2020/21 to 2022/23 Capital Programme as shown in Annex 1 to the report, be approved.**

### 379 Treasury Management Strategy Statement and Annual Investment Strategy 2021/22

Consideration was given to a report which presented the Treasury Management and Annual Investment Strategies of the Council and had been produced in accordance with the latest statutory requirements and relevant codes of practice.

Borrowing costs are currently limited to the interest payable on long-term borrowing on PWLB loans, which have been used to fund various initiatives as defined in this strategy. There is no additional borrowing expected in this strategy.

Whilst largely unchanged from the 2020/21 strategy, the report set out the criteria within which cash surpluses can be invested and how external borrowing will be managed should the Council choose to take on debt in the year.

The report and annexes showed how the Council plans to minimise its risks to the current economic climate by stipulating creditworthiness requirements on lenders and limiting the maximum amount available to be invested at any one time.

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

**Recommended to Council:**

- 1. That the Treasury Management Strategy Statement and the Annual Investment Strategy for 2021/22 as set out in the report be approved.**
- 2. That the Minimum Revenue Provision (MRP) policy, as shown in paragraph 4.4 be approved.**
- 3. That the Prudential Indicators as set out in Annex 1 to the report be approved.**

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**Capital Strategy 2020/21 – 2025/26**

Consideration was given to a report of the Finance Portfolio Holder which set out the framework within which all Council capital expenditure is approved, monitored and financed. The CIPFA Prudential Code requires that it be updated annually. The report provided an update of the existing Capital Strategy and included forecast changes to its timescale and total cost.

The Capital Strategy highlighted the need to consider funding options for future expenditure as currently the forecasted expenditure creates a funding gap. The main drive of the strategy is to ensure that future capital expenditure is prudent, sustainable and affordable. Regular reviews will be carried out to identify potential assets for disposal in order to generate capital receipts.

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

**Recommended to Council:**

**That the updated Capital Strategy 2020/21 to 2025/26 to the report be approved.**

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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 report on the following matter on the ground that it involves 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:**

**Valley Housing Matters**

**Paragraph 3**

It is considered that this report contains 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 both the Council and third parties.

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**Valley Housing Matters**

Consideration was given to a confidential report of the Finance Portfolio Holder which set out the basis on how Valley Housing Limited's business plan, which was attached as an Annex to the report, will operate and provided a financial forecast for the next three years.

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

**Resolved:**

**That the Valley Housing Ltd business plan, attached in the Annex to the report, be approved.**

(The meeting terminated at 6.15 pm)