

**MINUTES  
OF THE MEETING OF THE  
CABINET  
TUESDAY 9 JULY 2013**

Held At 7.00pm in the Council Chamber, Civic Centre, Pavilion Road, West Bridgford

**PRESENT:**

Councillors J N Clarke (Chairman), D G Bell, J A Cranswick, J E Fearon, N C Lawrence and D J Mason

**ALSO IN ATTENDANCE:**

Councillors G Davidson, R M Jones, A MacInnes, G R Mallender

**OFFICERS PRESENT:**

D Banks	Executive Manager - Neighbourhoods
N Carter	Service Manager, Corporate Governance
D Dwyer	Strategic Housing Manager
A Graham	Chief Executive
D Mitchell	Executive Manager - Communities
L Reid Jones	Democratic Services Manager
P Steed	Executive Manager – Finance and Commercial

**APOLOGIES FOR ABSENCE:**

There were no apologies for absence

**6. Declarations of Interest**

There were none declared.

**7. Minutes**

The minutes of the meeting held on Tuesday 11 June 2013 were approved as a correct record and signed by the Chairman.

**8. New Homes Bonus**

Councillor Clarke presented a report of the Chief Executive regarding the New Homes Bonus. The report informed Cabinet of the potential changes to the arrangements for the New Homes Bonus which were announced in the recent Comprehensive Spending Review for 2015/16. Councillor Clarke explained that despite previous commitments contained in the final scheme designed to encourage discretionary pooling of some of the New Homes Bonus with Local Enterprise Partnerships (LEPs) the Government were now proposing that £400 million of the New Homes Bonus be pooled to the LEPs on a mandatory basis. He stated that the details of the proposal were not yet finalised and therefore the position was unclear.

Councillor Clarke drew Cabinet's attention to paragraph 10 of the report which set out general aspirations with regards to the spending of the New Homes

Bonus. These included infrastructure improvements and provision of business support in relation to the emerging Core Strategy; contribution to delivering the Council's Leisure Strategy; Community Fund for local services and initiatives; support the delivery of new affordable homes. In view of the proposed changes to the arrangements Councillor Clarke stated that the commitment to supporting affordable housing in the Borough through the New Homes Bonus should continue but the allocation to other initiatives should be placed on hold until the final detail had been established. With regards the detail he believed there were a number of ways that the Government could apportion the funding, but confirmed that next year's funding would not be affected. Councillor Clarke stated that it would be sensible for the Council to bid for an allocation of the New Homes Bonus to the LEP to fund economic growth initiatives at the appropriate time.

Councillor Cranswick expressed his disappointment with regards the change in the allocation of the New Homes Bonus. He believed it was important that there was clarity before such announcements were made in order that an assessment of the impact could be made. He added that a plea for clarity should be part of the lobbying of Government.

The Chief Executive informed Cabinet that the proposals were subject to consultation and believed that the Council would wish to respond. He added that Members may also wish to raise the issue at the Joint Planning Advisory Board.

Councillor Bell concurred with comments made and stated he was pleased that the element for affordable housing was being retained.

Councillor Lawrence supported the allocation to affordable housing and believed that the Council could receive a further allocation through the LEP process. Councillor Fearon stated that it was not certain that the Council would be successful in the bidding process as the LEP covered Nottinghamshire and Derbyshire.

Councillor Clarke reiterated that it was important to bid at the appropriate time.

RESOLVED that Cabinet:

- a. notes the proposed pooling of New Homes Bonus from 2015/16 by Central Government;
- b. lobbies Central Government about delivering on its commitment to allocating New Homes Bonus to District Councils to ensure that communities that are affected by growth see some of the benefits, and
- c. supports the allocation of £830,000 of retained and future New Homes Bonus receipts for investment in affordable housing.

## 9. **Funding for Affordable Housing**

Councillor Bell presented a report of the Executive Manager - Neighbourhoods regarding funding for affordable housing. The report outlined an opportunity

for an additional programme of affordable housing development in Rushcliffe through the existing Metropolitan Housing Partnership that could be funded through the New Homes Bonus. The programme would deliver an additional 24 affordable homes by March 2015. Councillor Bell highlighted the financial implications of the proposal, which would be funded by the Capital Programme with an allocation of £830,000 from the New Homes Bonus. He informed Cabinet that the additional homes would be in Cotgrave and Keyworth as detailed in paragraph 6 of the report. He added that the proposal was to redevelop old garage sites and this could reduce the potential for anti-social behaviour. The report also updated Cabinet on potential developments within Gotham which would result in 12 additional affordable homes being developed.

Councillor Mason believed it was important for the Council to provide affordable housing as the cost of housing in Rushcliffe was higher than in adjoining local authorities. She stated that previous projects in other villages had been successful in retaining people within the area rather than them moving away.

In response to a question from Councillor Fearon the Executive Manager - Finance and Commercial confirmed that £1.718 million had been set aside from the stock transfer in 2003 for affordable housing. He explained that a further £357,000 was unallocated and this had been retained to fund activity from 2018/19 onwards. He added that this money could be used at any point but if it was used now it could not be used again in future years.

RESOLVED that Cabinet agrees:

- a. the addition of the affordable housing schemes outlined in this report to the Capital Programme, and
- b. the increase funding for Affordable Housing in the 2013/14 to 2017/18 capital programme by £830,000, the costs of which will be met from current and future New Homes Bonus receipts.

#### 10. **Member Champions 2013/14**

Councillor Clarke presented a report of the Executive Manager - Operations and Corporate Governance which set out proposals to introduce 'Member Champions' to support the relevant Cabinet Portfolio holders as necessary. He outlined the role of the champion which would be to act as information gatherers, challengers and advisors in support of the designated Portfolio holder. He explained that the responsibility would remain with the Cabinet Portfolio holder and that no special responsibility allowance would be paid to them. Councillor Clarke informed Cabinet that the champions would be appointed by him as Leader in line with the existing constitutional arrangements for the appointment of Cabinet Members. In continuing Councillor Clarke drew Cabinet's attention to the proposed changes to the Constitution in order to accommodate the introduction of the Member champions, which were set out in Appendix A of the report.

In proposing the recommendations Councillor Clarke amended recommendation b) to request that the Corporate Governance Group consider the necessary changes rather than the Community Governance Group.

Councillor Cranswick stated that it was important that the proposed changes to the Constitution were considered by the Corporate Governance Group prior to approval by Council.

Councillor Mason stated that in her role as Chairman of the Member Development Group she had knowledge of other Councils operating a similar system which had been successful. She believed the key was to have a role description with parameters and a focus to work to.

Councillor Clarke confirmed that the ultimate decision making remained with the Cabinet Portfolio holder and not with the Member Champion.

RESOLVED that Cabinet:

- a. agrees the proposal to introduce Member Champions and the associated changes to 'Article 7 – The Cabinet' within the Council's Constitution (attached as appendix A of the report), and
- b. requests that the Corporate Governance Group considers the necessary changes to the Constitution in order that these be referred to Council for agreement.

#### **11. Financial Outturn 2012/13**

Councillor Cranswick presented a report of the Executive Manager - Finance and Commercial which set out the year-end financial outturn position for 2012/13. He informed Cabinet that the draft statement of accounts had been approved by the Executive Manager - Finance and Commercial on 28 June 2013. He congratulated officers on their work.

Councillor Cranswick informed Cabinet that the overall position on the General Fund budget gave a £610,000 underspend. He added that the Council had not called upon £591,000 of Reserves as planned in the original budget strategy. An overspend in Finance and Commercial was partly due to the lower than budgeted interest receipts of £137,000. Councillor Cranswick drew Cabinet's attention to paragraph 9 of the report which detailed a payment required to Municipal Mutual Insurance in relation to outstanding liabilities of previous claims.

In relation to the Capital Programme Councillor Cranswick informed Cabinet that there were underspends on various elements of the programme as set out in paragraphs 12 and 13 of the report.

By reference to paragraph 14 of the report Councillor Cranswick stated that the level of the Council's reserves had increased, but these were earmarked for specific issues under three categories: investment, corporate and operating reserves.

In concluding Councillor Cranswick stated that the Council continued to face many significant challenges. The 2012/13 financial outturn position demonstrated how the Council managed to balance a shrinking budget with a culture of prudence, and through the capital programme focussed on investment and growth in the Borough.

Councillor Fearon re-iterated that the reserves were earmarked for initiatives and were not free reserves.

In response to questions from Cabinet Members the Executive Manager - Finance and Commercial confirmed:

- that the savings on utilities in leisure centres detailed in Appendix A were across all leisure centres.
- the overspend on Corporate Management of £108,000 comprised the £43,000 payment to Municipal Mutual Insurance with the remainder being residual write-offs arising from the 2011/12 audit of accounts
- the New Homes Bonus reserve now standing at £0.785 million was the position at the end of the financial year 2012/13.

The Chief Executive stated that it was pleasing that the accounts had been closed on time, and thanked the Finance Team for their work. He believed that the report gave Cabinet confidence that a tightly managed financial strategy was in place supported by a continuing approach of cost reduction, income generation and transformational change. He stated that the recent Comprehensive Spending Review highlighted that challenging times continued ahead and that it was important not to be complacent. He informed Cabinet that officers were working on identifying how future funding gaps will be addressed and this would come through to Members in the budget workshop process.

RESOLVED that Cabinet:

- a. notes the 2012/13 year end underspend of £610,000 (paragraph 7);
- b. notes the position regarding Municipal Mutual Insurance (MMI) (paragraph 9);
- c. approves the Capital carry forwards outlined at paragraphs 12 and 13 and **Appendix B**; and
- d. approves the changes to the Council's earmarked reserves outlined at paragraph 14.

The meeting closed at 7.40 pm.

CHAIRMAN