

**MINUTES
OF THE MEETING OF THE
CABINET
TUESDAY 11 OCTOBER 2011**

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, D J Mason, Mrs J A Smith

ALSO IN ATTENDANCE:

Councillors D Boote, S J Boote, G Davidson, R Jones, A MacInnes, R Mallender

OFFICERS PRESENT:

C Bullett	Deputy Chief Executive (CB)
P Randle	Deputy Chief Executive (PR)
L Reid Jones	Democratic Services Manager
D Swaine	Head of Corporate Services
P Sutton	Interim Head of Financial Services

APOLOGIES FOR ABSENCE:

There were no apologies for absence

The Chairman welcomed Paul Sutton, Interim Head of Financial Services to the Council and thanked him for the work he was doing in the Finance Department.

24. Declarations of Interest

There were none declared.

25. Minutes

The minutes of the meeting held on Tuesday 6 September 2011 were approved as a correct record and signed by the Chairman.

26. Budget 2012/13 and Financial Projections to 2015/16

Councillor Clarke presented the report of the Interim Head of Financial Services which set the context for the forthcoming budget cycle for 2012/13. He explained that the report reviewed and refreshed the Council's Medium Term Financial Strategy and forecast and outlined the successes achieved in identifying and implementing savings. He reported that the focus of the proposed budget process for 2012/13 would change from the previous year, given that the Four Year Plan was in place and as such in many respects the financial plans of the authority for 2012/13 had already been set. He continued that the focus would therefore be on the major national issues faced by the Council and in particular updating Members on proposals for Localised

Business Rates, Localising Council Tax Benefits and the proposals for the Universal Credit. Councillor Clarke stated that it was important that the Council took up opportunities to maximise income and commented on the success of the green bin scheme which had contributed greatly to mitigating savings in other areas. He drew Cabinet's attention to the progress made on the savings initiatives agreed through the budget process, and that it was necessary to ensure that the Council continued to find savings as the future was uncertain.

Councillor Mason stated that she recognised the future was going to be difficult, a prudent approach in the past had ensured the Council was debt free and this had resulted in the robust financial position. She added that the situation would have been worse if the finances had not been looked after in the past. In terms of the Medium Term Financial Forecast the figures presented a challenge, however she had confidence in Officers and the Cabinet to meet this whilst maintaining the delivery of excellent services.

Councillor Cranswick informed Members that the 3% Council Tax figure included in the report was for modelling purposes only and the Council Tax would be agreed at the Council's Budget Setting meeting in March 2012. He drew Member's attention to the £136,000 Council Tax Freeze Grant which started this year and would come to an end in 2015/16. He stated that although the Council had received the Grant the funding would have to be found from within the budget at the end of this period. He also referred to the recent announcement from the Government of the further offer of grant if authorities froze the level of Council Tax for 2012/13. However it currently appears that this grant is available for one year only. He stressed the importance of planning in advance of such grants ending in order to ensure the impact was managed.

The Deputy Chief Executive (CB) pointed out that the forecasted position took account of the actions contained within the Four Year Plan and he emphasised the importance of continuing with the approved four year plan and maximising savings. He added that over several years there had been an expectation that interest rates would rise, but that they had stubbornly refused to do so. The projections still assumed that interest rates would rise but at a much later date. The projections also assumed a reducing level income due to the impact of the national resource review. Overall the financial risks were still on the downside.

In response to a question from Councillor Fearon as to whether it was beneficial to accept the Council Freeze Grant, such as the Council Tax Freeze Grant Councillor Cranswick stated that calculations evidenced that the Council would have needed to find additional money through Council Tax had it not taken up the grant, therefore it was in the residents' interest for the Council to accept the grants.

In relation to the earmarked reserves Councillor Cranswick stated that it was intended that these would be consolidated into a small number of groups rather than specific headings as at present. He added that this would ensure the reserves were managed in a less complicated and fragmented way.

Councillor Cranswick re-iterated that the budget workshops would be different this year given that the Four Year Plan had been approved. He added that it

was intended that to help meet the challenges faced they would review what had been achieved and look for other opportunities. Given the delivery of the agreed Four Year Plan he stated that a decision had not yet been taken as to whether to hold a residents' workshop.

In response to a question from Councillor Bell regarding the Universal Credit the Deputy Chief Executive (CB) stated that it would be some time before anything positive would be received from the Department of Work and Pensions (DWP) on how it would be rolled out. It was expected that the back office function would be managed centrally, but there might be a possibility that face to face interaction with the customer could be delivered by Local Authorities from access points such as the Council's Contact Centre. He informed Members that representatives from the DWP had visited the Contact Centre recently and had given positive feedback. Any decision would be taken and applied nationally, and it was now a case of waiting for a decision from the DWP. Commenting on this Councillor Clarke stated it was important that the Council was not landed with administration costs which were greater than any recompense from the Government for running the scheme.

The Head of Revenues & ICT Services informed Members that the Government's proposal to localise Council Tax benefit was out for consultation and that the Council would be submitting a response. He stated that this would include a comment on the need to ensure that any costs to the Council were covered.

RESOLVED that Cabinet:

- (a) approve the Medium Term Financial Strategy;
- (b) note the update on savings;
- (c) approve the updated Medium Term Financial Forecast;
- (d) receive a further report to review the Council's reserves and balances;
- (e) approve the proposed Budget Process for 2012/13.

27. **New Homes Bonus**

Councillor Clarke presented the report of the Deputy Chief Executive (CB) regarding the New Homes Bonus. He explained that a potentially significant amount of funding may be receivable over the next six years from the initiative. Councillor Clarke informed Members that the New Homes Bonus was paid to all authorities as a grant, based on the national Band D Council Tax per dwelling, for the first six years after a house was brought into occupancy, either through new build or occupancy of a previously empty property. He said although the resource was not ringfenced the Government had certain expectations over how local councils would use it.

Councillor Clarke stated that taking into account the Government's intentions it was proposed that the money should be used to fund capital infrastructure projects, for use in consultation with communities to improve community facilities and to support and sustain Borough wide services potentially affected by housing growth or reduced resources. He proposed that a proportion of the New Homes Bonus also be set aside for infrastructure projects of a more general benefit, but that this be considered on completion of the Local Development Framework. With regard to the infrastructure Councillor Clarke

stated that it was important that the dualling of the A453 was delivered as early as possible. Therefore there was potential for up to £500,000 of the New Homes Bonus to be used to support the delivery of this, subject to the physical work commencing before the end of 2015/16 financial year, and provided that the funds had been received and were available. He stated that the current structure of the A453 was holding back economic growth in the greater Nottinghamshire area and therefore it was important to move this forward. Councillor Clarke reminded Members that the County Council had earmarked £20 million as their contribution to accelerating the project and he hoped that Rushcliffe's and the County Council's example would encourage the City Council to make a financial contribution.

Councillor Clarke said that the whole initiative related to supporting infrastructure and community facilities in the Borough and welcomed it.

Councillor Cranswick clarified that the New Homes Bonus funding did not mean that the Council would not have to find savings in other areas. He added that the Bonus was only available if there were new homes in the Borough and there were specific intentions about its usage.

Councillor Bell said it was important to provide the necessary funding for infrastructure projects for new homes. He said it was unfortunate that the City Council had failed to contribute to the A453 thus far and they should be made aware of the importance of improving it.

In response to a question from Councillor Mrs Smith regarding the housing growth forecasts the Deputy Chief Executive (CB) stated that these were indicative figures to demonstrate how new homes bonus works and were based more on historical data rather than future predictions, therefore the reality may be different.

Councillor Clarke confirmed that the funding was not ringfenced but was earmarked to support housing growth although the Council would have discretion to use it in the way it saw fit.

RESOLVED that:

- (a) New Homes Bonus should be set aside in its entirety for the following purposes:
 - i. Funding of capital infrastructure projects, both immediately related to housing development and for the benefit of the area as a whole;
 - ii. Funding for use in consultation with communities directly affected by housing growth; and
 - iii. Funding to support and sustain Borough-wide services potentially affected by housing growth and/or the risk from reduced resources as a result of the national set aside arrangements;
- (b) A further report on the proportion of New Homes Bonus to be set aside for infrastructure projects of more general benefit be prepared after completion of the Local Development Framework process;
- (c) Up to £500,000 of new homes bonus be earmarked to supporting the delivery of the dualling of the A453, provided that physical work

commences before the end of the 2015/16 financial year and provided that the funds have been received and are available.

28. Erosion Of Banks To Watercourse At Walcote Drive To Rugby Road, West Bridgford

Councillor Cranswick presented a report of the Head of Revenues & ICT Services regarding the erosion of the banks to the watercourse at Walcote Drive to Rugby Road, which were owned by the Council and were eroding, causing damage to the adjacent gardens and public footpath. He explained that it was estimated that the watercourse required 270m of steel piling, at an approximate cost of £160k, plus design, supervision and Wildlife Survey fees, estimated at 12%, giving an estimated total of £180,000. He informed Members that the funding was available by way of an allocation from capital contingency.

Councillor Cranswick continued by stating that if no action was taken, the erosion would continue, causing further damage to adjacent landowners. He added that the Council could face requests for compensation from the adjacent landowners due to land erosion. He said that the risk of localised flooding could increase.

Councillor Bell said that clearly the Council had no option but to do the work and therefore he supported the recommendations.

Councillor Mrs Smith commented that it was not only gardens which could be damaged, but also sheds and property, which could lead to a flooding issue.

Councillor Clarke stated that it was important for the Council to ensure that this did not happen again and asked what steps were in place with developers to ensure that drainage systems were protected so the Council did not have to pay for these in future years. The Deputy Chief Executive (PR) said that the Section 106 agreements which covered developer contributions had now become more sophisticated and could help address these matters. He pointed out that the Planning Policy Framework put the emphasis on viability in terms of requests for developer contribution, and that the risk was it became unviable and sites were not developed. The Deputy Chief Executive (PR) drew an analogy with the Section 106 monies provided for maintaining open spaces, pointing out that these are based on a 15 years period, after which the cost will fall on the Council.

In response Councillor Clarke asked that this issue be taken into account in future.

RESOLVED that:

- (a) Approval be given to the allocation of the capital sum of £160,000 plus fees in order to undertake the piling works to 270m of the banks of the watercourse between Walcote Drive and Rugby Road to treat the erosion and prevent damage to adjacent landowners;
- (b) A comprehensive survey of the site be undertaken to determine any necessary works to be included in the future capital programme.

29. **Nottinghamshire Fire and Rescue Service Review**

Councillor Fearon presented the report of the Head of Community Shaping which outlined the consultation being undertaken by Nottinghamshire Fire and Rescue Service on their proposed changes to the service across Nottinghamshire. He explained that in Rushcliffe, this would result in the reduction from two fire engines to one fire engine at West Bridgford and the introduction of a new Targeted Response Vehicle (TRV.) He informed Members that there were no proposed changes to services at Bingham and East Leake. He added that the review also proposed a relocation of the Central Fire Station to London Road, which would serve the West Bridgford population.

In response to a question from Councillor Fearon regarding kitchen fires, the Deputy Chief Executive (CB) said that there were different models of TRV, but that anything to do with a house fire would be dealt with by a fire engine and not just a TRV. He added that the consultation paper did not give any indication that the Fire Service had looked at future housing developments, but they had considered the risks and patterns of calls and incidents.

Councillor Fearon said that the proposal to relocate the Central Fire Station to London Road could mean a quicker response time than at present for the West Bridgford area.

Councillor Clarke stated that provided all the facts presented remained as they were they would support the officers' view, however if anything changed, such as a decision not to relocate the fire station, then the Council's view may change. He said that the protection of residents was crucial.

Councillor Cranswick said that the Council accepted the need to review and realign service provision to best meet the needs of those in highest risk within the Council. He added re-iterated that the Council was keen to ensure that the residents were not place at risk by the relocation of the second fire engine to Edwinstowe and that there was sufficient coverage to meet Rushcliffe's needs should there be a major incident. He added that he hope the Fire Service would review the provision of the service regularly in order to react to new housing growth and changing circumstances, and asked that this be added to the officers' comments.

RESOLVED that Cabinet approve the Officers' comments made on the review to help inform the Council's response to the consultation as set out below:

'Rushcliffe Borough Council accepts the need to review and realign service provision to best meet the needs of those in highest risk within the County. However, the Council is keen to ensure residents are not placed at risk by the relocation of the second fire engine to Edwinstowe and that there is sufficient coverage to meet Rushcliffe's needs should there be a major incident. In addition the Council also welcomes the proposed relocation of the Central Fire Station to London Road and the proposals not to further reduce service coverage at Bingham and East Leake.

Rushcliffe Borough Council asks the Fire service to review the provision of the service regularly in order to react to new housing growth and changing circumstances'.

The meeting closed at 7.40 pm.

CHAIRMAN