

**MINUTES
OF THE MEETING OF THE
CABINET
TUESDAY, 12 DECEMBER 2023**

Held at 7.00 pm in the Council Chamber, Rushcliffe Arena,
Rugby Road, West Bridgford
and live streamed on Rushcliffe Borough Council's YouTube channel

PRESENT:

Councillors N Clarke (Chair), A Brennan (Vice-Chair), R Inglis, R Upton, D Virdi
and J Wheeler

ALSO IN ATTENDANCE:

Councillor J Walker

OFFICERS IN ATTENDANCE:

G Dennis	Monitoring Officer
K Marriott	Chief Executive
H Tambini	Democratic Services Manager
S Whittaker	Service Manager - Finance

41 Declarations of Interest

There were no declarations of interest made.

42 Minutes of the Meeting held on 14 November 2023

The minutes of the meeting held on Tuesday, 14 November 2023 were agreed
as a true record and signed by the Chairman.

43 Citizens' Questions

Question from Mr Jonathon Morris to Councillor Upton. Mr Morris was unable
to attend the meeting, so his question was read out by the Chair.

“Does Rushcliffe Borough Council consider it fair and reasonable for residents
of developments with Section 106 provisions to pay private management fees
to maintain the access routes to public amenities?”

Councillor Upton responded by thanking Mr Morris for his question and stated
that whilst the Council had a great deal of sympathy with the question this was
a national issue. Councillor Upton understood that the Government had
started to look at this unregulated sector, although he questioned if anything
would happen before the next General Election. Councillor Upton stated that
management companies had operated for many decades; however, over the
years, this private management company model appeared to have grown
significantly, with some increasing their powers well beyond simply grounds
maintenance. Councillor Upton confirmed that the Growth and Development
Scrutiny Group would be looking at this issue next year.

44 **Opposition Group Leaders' Questions**

Question from Councillor Jen Walker to Councillor Upton.

“The Home Builders Federation, the representative body of the home building industry in England and Wales, have published a report which ranks Rushcliffe Borough Council as the sixth in a table of LAs that hold the most unspent S106 contributions (£42.2M) and third with the largest amount of unspent education contributions (£12.6M). What is this Council doing to ensure we spend these essential infrastructure contributions?”

Councillor Upton thanked Councillor Walker for her question and responded by stating that the S106 infrastructure money was not the Council's money, rather it was being held by the Council in its capacity as an intermediary 'banker' between the project provider and the developer. Councillor Upton advised that the Council received part payments for projects, and it could take many years to accumulate sufficient money before a large project could commence. Councillor Upton confirmed that going forward, the County Council would be acting as a 'banker' for the educational contributions. Although the Council had an officer responsible for managing contributions, the onus was on the project sponsor to apply for the release of money and the Council could not compel a provider to bring a project forward; however, the Council tried to unlock any perceived barriers to development. Councillor Upton stated that Rushcliffe had seen significant housing growth in the past few years, which had resulted in a substantial increase in S106 money held, including £16m in 2021/22, whilst he reiterated that this was not the Council's money.

Councillor Walker asked a supplementary question to Councillor Upton.

“What is this Council doing proactively and in full transparency of our residents to show how this money should be spent and what are we doing to try and encourage its spending?”

Councillor Upton advised that anyone could access details of a specific planning application and get comprehensive details of where S106 money was targeted, including specific amounts. In respect of encouraging spending, Councillor Upton reiterated that the Council was very proactive, undertaking regular reviews and stated that the dedicated officer reminded project sponsors when funds were either near to or at the amount required for the money to be used.

45 **Revenue and Capital Budget Monitoring 2023/24 - Financial Update Quarter 2**

The Cabinet Portfolio Holder for Finance, Transformation and Governance, Councillor Viridi presented the report of the Director – Finance and Corporate Services, which set out the budget position for revenue and capital as at 30 September 2023. Councillor Viridi advised Cabinet that a slight amendment had been required to the alignment of the rows on part of Appendix D at Page 22 of the report and that had been updated and circulated.

Councillor Virdi stated that given the various financial challenges faced by the Council, the overall position was positive. Cabinet was reminded that wider economic risks still prevailed, whilst the position remained fragile and it was noted that the report had been considered by the Corporate Overview Group, with no significant issues arising.

In respect of revenue, Councillor Virdi confirmed that there was an overall revenue budget efficiency of £0.287m, with £100k of this still committed in relation to the Development Corporation, details of which were highlighted in Paragraph 4.3 of the report. Councillor Virdi advised that the key issues impacting the current revenue position were highlighted in Table 1 in the report. Cabinet was advised that there had been some adverse variances, which had previously been reported, including the expected income from the Crematorium and the increased vehicle costs from the Streetwise operations. Councillor Virdi reported on some positive variances in relation to utility costs, additional grant income, and a more favourable Business Rates position. Cabinet noted the pressures to the budget, including pay and inflationary pressures as detailed on Page 11 of the report. In summary, Councillor Virdi advised that he was pleased to report that the Council had achieved an overall budget efficiency during this quarter.

In respect of capital, Councillor Virdi referred to Page 10 of the report, which focused on some of the key variances in relation to the Capital Programme, with an estimated underspend of £9.292m, with £7.068m of that in relation to scheme rephasing, details of which were highlighted in Table 2 on Page 10, with a remaining £2.224m underspend, with further details of those referred to on Page 11 of the report. Councillor Virdi confirmed that £1.31m of the underspend would be advanced in relation to the replacement of refuse collection vehicles.

Councillor Virdi referred to Paragraph 4.5 of the report and to Appendix E, relating to the Special Expenses budget, which showed a slight overspend of £12.3k, which was primarily due to a reduction in community halls income, which was more than likely linked to the cost of living challenges.

Councillor Virdi concluded by confirming that the Council was currently in the process of setting the budget for next year and referred to the continued financial challenges being faced. In the last 12 months inflation had been very high; however, that had now stabilised and was reducing, it was likely that interest rates would remain high for the foreseeable future, and those factors had to be considered. It was therefore imperative that the Council continued to keep a tight control on its finances, to ensure that it had the resources to deliver its corporate priorities, whilst avoiding the need for any external borrowing. Councillor Virdi stated that whilst the Council's in year finances were relatively healthy going forward, the Council would not be complacent, and would ensure that it continued to provide excellent value for money for the Borough.

In seconding the recommendation, Councillor J Wheeler referred to the importance of properly scrutinising the Council's finances and referred to the difficult position being faced by many other councils, and that it very important, for the Council to keep a close watch on its finances, given that budgets were

set at the beginning of the year, and lots of changes took place overtime. Councillor Wheeler welcomed the clear explanations detailed in the report and referred to the work being undertaken by officers to try and increase the income from the various leisure and community facilities. Councillor Wheeler thanked officers for their hard work and stated that he looked forward to reviewing this again to ensure that the Council was achieving its goals.

The Leader advised that residents could be assured that Councillor Viridi and officers had control of the Council's finances, which were managed very prudently. The Leader referred to the underspend and that it was being re-profiled and sought confirmation that there was no need to be concerned about that, as the money would be spent.

Councillor Viridi referred to Table 2 in the report, which provided further detail on those figures, and advised that it was not always possible to spend money in year, as planned, as delays occurred, and he confirmed that the money had been allocated and would be spent on those projects, it was just being re-phased.

The Leader concluded by offering thanks to officers for keeping such good control over the Council's finances.

It was RESOLVED that the report be approved, and that:

- a) the expected revenue budget efficiency for the year of £0.287m and proposals to earmark this for cost pressures (£0.187m) and £0.1m for the DevCo to be carried forward over the next two years, as referred to in Paragraph 4.1 of the report be noted;
- b) the projected capital budget efficiencies of £9.292m, including the re-profiling of provisions totalling £6.068m to 2024/25 and £1m to 2025/26, as referred to in Paragraph 4.7 of the report be noted; and
- c) the expected outturn position of £12.3k overspend for Special Expenses as referred to in Paragraph 4.5 of the report be noted.

The meeting closed at 7.18 pm.

CHAIR