

CABINET

Monday, 22 February 2021 (7:00 pm – 8:03 pm)

PRESENT:

Councillor House (Chair); Councillors Airey, Campbell, Corben, Craig, Kyrle and Pretty

Also in attendance: Councillors Atkinson and Grajewski

Apologies for absence were received from Councillor Bicknell

164. PUBLIC PARTICIPATION

There was no public participation on this occasion.

RECOMMENDED ITEMS (REQUIRING A DECISION)

165. RECOMMENDATIONS TO CABINET

Issues

Committees can refer items to Cabinet under the Council's Constitution. (Paper 5)

Considerations

Cabinet must consider any recommendations made by Committee's as part of their decision making process.

RESOLVED -

That Cabinet note the proposed recommendations from Policy and Performance Scrutiny Panel.

166. GENERAL FUND REVENUE BUDGET 2021/22 AND PERFORMANCE MONITORING TO DECEMBER 2020

Issues

The Budget underpins the Council's ability to meet Strategic Priorities set out in the Corporate Plan. The Budget aligns the appropriate level of resource that enables services and projects to be delivered so that there is a direct impact on residents. The Budget is a vital management mechanism to ensure financial sustainability of the Council, fulfilment of statutory obligations, financial prudence and compliance. (Paper 6)

Considerations

This year has seen an unprecedented level of uncertainty for the financial position of all services due to the impact of the Covid-19 pandemic and as such the Budget process has been adapted to reflect this. Unlike in previous years further changes to the Revised Budget for 2020/21 will not be brought for approval, this is to help measure the full impact of Covid-19 related costs and losses. However, the Medium-Term Financial Plan (MTFP) reflects the forecast outturn position and includes anticipated future impacts of the pandemic and other emerging issues.

RESOLVED –**That Cabinet:**

- (1) recommend Council approve service spending in line with forecast for 2020/21 which incorporates pressures and efficiencies as part of the Financial Monitoring to 31 December 2020 (Appendix G);**
- (2) recommend Council set the net Revenue Budget requirement for 2021/22 at £9,914,000 and note the impact on the Council's General Fund balance (para 12);**
- (3) recommend Council note the provisional Local Government Finance settlement for 2020/21 (para 16);**
- (4) recommend Council approve budget adjustments for 2021/22 in line with the Medium Term Financial Plan (Appendices B & C);**
- (5) recommend Council decrease the average Council Tax for Eastleigh Borough Council by 0.4% (1% below CPI) (para 21-25); and**
- (6) recommend Council approve the Special Expenses for Parished and Non- Parished areas (para 26).**

167. HOUSING REVENUE ACCOUNTIssues

As a result of the abolition of the Housing Revenue Account (HRA) borrowing cap in 2018, local authorities are no longer constrained over borrowing for housebuilding and a number have reopened their HRA in order to build more homes directly. (Paper 7)

Considerations

The Council disposed of all its housing stock back in 1996 as part of the large- Scale Voluntary Transfer (LSVT) and as a result closed the Housing Revenue Account (HRA). This transfer resulted in the creation of Eastleigh Housing Association who have subsequently become First Wessex and now VIVID.

Since 2012 the Council has been working in partnership to deliver affordable and market rent homes in the Borough and construction on schemes started in 2016. Across six sites, nearly 150 new affordable homes are either completed or under construction. These homes are delivered and held on behalf of the Council because any 'local housing authority' that owns 200 or more social dwellings are required to account for them within an HRA.

RESOLVED –

That Cabinet:

- (1) approve proposals to open a Housing Revenue Account (HRA) to record expenditure and income arising from the provision of Affordable Housing accommodation by the Council as a Registered Local Provider; and**
- (2) delegate authority to the Executive Head (Finance & Housing Programme) to write to the Secretary of State declaring the intention to open an HRA.**

168. CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGY

Issues

The Capital, Investment and Treasury Management Strategies set out the long-term context in which capital expenditure decisions are made and gives due consideration to both the risk and reward of these decisions and the impact on the achievement of priority objectives. (Paper 8)

Considerations

These strategies give a high-level overview of how capital expenditure, financing and treasury management activity contribute to the provision of local services along with an overview of how associated risk is managed and the implications for future financial sustainability.

RESOLVED –

That Cabinet:

- (1) recommend to Council to approve the Capital Strategy at Appendix 1;**

- (2) recommend to Council to approve the Treasury Management Strategy at Appendix 2;
- (3) recommend to Council to approve the Investment Strategy at Appendix 3; and
- (4) recommend to Council to approve the Minimum Revenue Provision (MRP) Statement at Appendix 2A.

169. COMMUNITY INVESTMENT PROGRAMME SCHEME APPROVAL

Issues

The Council introduced wheeled bin collections across the Borough in 1996. The expected life of the wheeled bins at the time was quoted as being between 15-20 years. The approved programme for the replacement of these bins has now come to an end, and provision needs to be put in place for a future replacement plan. (Paper 9)

Considerations

New services have been implemented such as kitchen waste collections and household glass collection, with fortnightly collections commencing March 2021. This has increased the number of waste receptacles that will need replacing.

The approval of this expenditure also allows the replacement of damaged bins, upgrades to larger 240 litre bins for new properties, and 1100 litre euro bins for blocks of flats.

There is also a need to hold a stock of bins, in order that the Council can ensure new residents are provided with a wheeled bin within ten working days.

RESOLVED –

That Cabinet approve expenditure for Waste Receptacles of £140,000 per year over the next five years. This is to be funded from a combination of income from the sale of receptacles and borrowing to be repaid from revenue.

170. SOLENT LOCAL ENTERPRISE PARTNERSHIP FREEPORT BID

In light of the interest declared as Chair of Eastleigh Local Area Committee, and in view of the upcoming determination of the Airport Planning Application, Councillor Campbell did not take part in this item.

Councillor Grajewski declared a non-pecuniary interest in this item as a Board Member of the Solent LEP.

Issues

Eastleigh Borough is part of a Solent wide bid currently being submitted to Government by the Solent Local Enterprise Partnership (LEP). This bid is ground-breaking as it is supported by upper tier authority (Hampshire) two unitary (Southampton and Portsmouth) and three district (Eastleigh, New Forest, and Havant) authorities. The private sector support includes the port operators, including ABP and our own airport, transport companies and the New Forest National Park.

Eastleigh Airport/Riverside is one of three sites in the Solent region that will form the basis of the bid. The Eastleigh site has been identified as a potential Freeport site as it has an airport, 38 hectares of land around the rail works and a greenfield site owned by Network Rail. (Paper 10)

Considerations

The Government is seeking bids co-ordinated by Local Enterprise Partnerships to establish a number of Freeports as part of a central Government programme that they see as important in the UK's post-COVID19 economic recovery and something that will contribute to realising the "levelling up" agenda.

The intention is to secure customs zones located at ports where business can be carried out inside the country's land border, but where different customs rules can apply to provide a competitive advantage. In doing so Freeports can significantly reduce administrative burdens and tariff controls, provide relief from duties, and import taxes, and ease tax and planning regulations. The Government's aim is to "*create onshore enterprise and manufacturing as the gateway to our future prosperity, creating thousands of jobs*".

RESOLVED –

That Cabinet:

- 1. confirm its support for the Solent Local Enterprise Partnership's bid to create a Freeport in the Solent region and**
- 2. in supporting the Freeport bid reaffirm its support for:**
 - (i). the commercial development of the Riverside site including the North East Business Park of Southampton International Airport,**
 - (ii). progressing the development of a prosperous and financially sustainable Southampton International Airport; and**
 - (iii). the construction of the link road to bypass Eastleigh town centre (Chickenhall Lane Link Road).**

[NOTE: Councillor Grajewski verbally asked questions on this item.]

171. RESPONSE TO HAMPSHIRE COUNTY COUNCIL'S LOCAL TRANSPORT 4 CONSULTATION

Issues

Hampshire County Council (HCC) is consulting residents and other stakeholders on the proposed vision, outcomes and guiding principles to inform the development of the Local Transport Plan 4 (LTP4), which will replace the existing LTP3 to provide a framework to guide all future transport planning and investment.

Considerations

Transport is a cross-cutting issue that underpins all areas of the Corporate Plan. Most actions fall within the Tackling Congestion objective, but the actions also deliver against the Council's Economic (Prosperous Place), and Health and Wellbeing (Healthy Communities) Corporate objectives.

RESOLVED –

That Cabinet notes the response to Hampshire County Council's Local Transport Plan 4 consultation attached at Appendix 1.

[Note: Councillor Grajewski spoke on this item.]

172. EXEMPT BUSINESS

RESOLVED -

- (1) That, in pursuance of Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they are likely to involve the disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act; and**
- (2) That, in pursuance of the public interest test, the public interest in disclosing the information contained in the following item of business was outweighed by the public interest in maintaining the exemption.**

173. EASTLEIGH POST OFFICE DEVELOPMENT

Issue

To consider the Eastleigh Post Office Development (Paper 12)

Consideration

The report sets out a number of matters relating to the Eastleigh Post Office Development.

RESOLVED –

That the recommendations in the report be approved.

174. PROPERTY TRANSACTION

Issue

To consider a property transaction (Paper 13)

Consideration

The report sets out a number of matters relating to a property transaction.

RESOLVED –

That the recommendations in the report be approved.

175. PROPERTY TRANSACTION

Issue

To consider a property transaction (Paper 14)

Consideration

The report sets out a number of matters relating to a property transaction.

RESOLVED –

That the recommendations in the report be approved.

176. PROPERTY TRANSACTION

Issue

To consider a property transaction (Supplementary Paper)

Consideration

The report sets out a number of matters relating to a property transaction.

RESOLVED –

That the recommendations in the report be approved.

RESOLVED ITEMS (SUBJECT TO QUESTIONS ONLY)

177. DECLARATIONS OF INTEREST

Councillor Campbell declared a non-pecuniary interest in the Solent Local Enterprise Partnership Freeport Bid (paper 10) as Chair of Eastleigh Local Area Committee. Given the forthcoming determination of the Airport Planning Application. Councillor Campbell did not take part in this item.

178. MINUTES

RESOLVED -

That the Minutes of the meeting held on 10 December 2020 be agreed as a correct record.

M6608