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## CABINET

**Date and Time:** Thursday 3 February 2022 at 7.00 pm

**Place:** Council Chamber

**Present:**

Bailey, Clarke, Cockarill, Kinnell, Neighbour (Leader), Oliver, Quaterman and Radley

**In attendance:** Axam, Crookes, Farmer, Forster (from 7.14pm), Smith

**Officers:**

Patricia Hughes	Joint Chief Executive
Emma Foy	Head of Corporate Services & S151 Officer
Joanne Rayne	Finance Manager
Helen Vincent	Committee Services Team Leader

### 101 MINUTES OF THE PREVIOUS MEETING

Minutes of the meeting held on 6 January 2022 were signed as a correct record.

### 102 APOLOGIES FOR ABSENCE

No apologies received.

### 103 DECLARATIONS OF INTEREST

The Joint Chief Executive, Patricia Hughes and the Finance Manager, Joanne Rayne declared interests for Item 8 as they are both Directors of the Housing Company.

### 104 CHAIRMAN'S ANNOUNCEMENTS

Following announcements made by The Chancellor today, The Chairman asked the portfolio holder for finance to read out a statement.

'The Chancellor today announced help for households with their energy costs. This follows a rise in the energy price cap. All domestic electricity customers will receive £200 off their energy bills from October 2022. This will be applied directly by the energy company, and it will then be recovered from customers in five equal instalments over the next five years beginning in 2023. It is effectively an interest free loan to assist households whilst the wholesale gas prices are high.

In addition, households in England in Council Tax Bands A-D will receive a £150 rebate made by authorities which will not need to be repaid. It is estimated Hart District Council will charge Council Tax to 18,045 households in bands A-D in

2022-23 meaning that the total rebate will be in excess of £2.7m across the district. This is a grant not a loan.

In addition, there will be some funding available for vulnerable people and those on low incomes who receive Council Tax Support across all bands.

Government is consulting on how these schemes are best administered although we expect that we will be responsible for all rebates and discretionary rebates.

The Chairman then asked the Joint Chief Executive to give a brief update on the associated Omicron Business Grants that was agreed under Urgency Provisions on 11 January 2022 in consultation with the Deputy Leader and Chairman of Overview and Scrutiny Committee, to prevent any delay in implementation of the grant scheme which was noted.

**105 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)**

None.

**106 MINUTES FROM THE CLIMATE CHANGE WORKING GROUP**

The minutes of the meeting held on 25 January were noted.

**107 MINUTES FROM THE CIVIC QUARTER REGENERATION WORKING GROUP**

Minutes of the meetings held on 10 January and 25 January 2022 were noted.

**108 REPORT OF SCRUTINY PANEL ON THE OPERATION OF HART HOUSING PROPERTY MANAGEMENT COMPANY**

*The Joint Chief Executive and Finance Manager left the meeting at the start of this item at 7.06pm.*

Cllr Smith supported by Cllr Farmer presented Members with a report from the Housing Company Scrutiny Panel which provided an update of the performance of the company to enable the financial projections to be included within the budget for 2022/2023. Both Members of the Scrutiny Panel highlighted to Cabinet the business plan, reports, performance of the company and challenges met.

Noting for review were the additional start-up costs being higher at the beginning than anticipated due to snagging issues and early dilapidations and extra work carried out by the Agent. Members expressed concern that all snagging costs should be recovered from the developer.

Members raised questions regarding:

- The potential small risk for Shareholders and amending the Articles of Association. Legal advice would be sought at Member's request.
- Opportunities for future growth and resources required for future investments.

- To fully support the Scrutiny Housing Panel to meet twice a year.

## **DECISION**

That:

1. The positive performance of the Housing Company against the initial business plan be noted (see 4.2)
2. The updated financial projections of the Housing company were agreed for inclusion within the budget for Hart District Council 2022/2023.
3. That Cabinet agreed not to amend the Articles of Association and bear the small risks associated with these items (see 4.4).
4. That Cabinet agreed to reverting to the original plan for the Scrutiny Panel to be convened twice per year (see 4.9).

*The Joint Chief Executive and the Finance Manager returned to the meeting at 7.27pm.*

## **109 FUTURE OF CAB YATELEY BUILDING**

Cabinet were updated on the intended change in delivery strategy of services by Hart Citizens Advice and the opportunities this presents to work with other Public Sector organisations, in delivering vital services to our community. The Hart building in Royal Oak Close, Yateley (The Building) is currently occupied by Citizen's Advice Bureau (CAB) and Members were asked to approve to progress the following:

1. CAB move from The Building into the APEX, Ground Floor, Civic Building.
2. Agree in principle for Oakley Health Group (OHG) to move into The Building, dependant on agreement of lease terms.
3. Delegation to complete lease agreements with CAB and OHG.

Members questioned the:

- Organisations benefitting from making use of the Organisation's assets and being treated fairly by the Council.
- VAT charges on the commercial rent received and the VAT liability on the rent being covered by the grant given.
- Asked for reassurance that services received from CAB will maintain a high quality and if we have influence on how they provide their services.
- Requesting CAB prioritise their front-line services and secure delivery through the grant scheme.
- Amend the recommendation to state that Office presence in the APEX Centre to be consolidated.

- Strategic decisions made by CAB to move from physical presence to operations via the internet and online.
- The additional cost of outreach sites and facilities.

Cllr Bailey moved to make an amendment to the recommendation for clarity for residents and for Cabinet to note the desire for the CAB to retain a physical presence in Yateley and to extend this model to other parts of the district and to note the expressed willingness by Oakley Health for CAB to be able to have a presence in the form of a CAB building in Yateley. Members unanimously agreed.

## **DECISION**

That Cabinet agreed:

1. The cessation of the existing Tenancy at Will arrangements with Hart Citizens Advice for the building at Royal Oak Close in Yateley.
2. A new lease with Hart Citizens Advice that would consolidate the service from Yateley to the Apex Centre within the Civic Offices, and consolidates the lease agreements into one single agreement, based on the Heads of Terms as set out in appendix 1.
3. Subject to agreement to points 1 and 2, that Cabinet agreed in principle the occupation of Oakley Health Group into The Building at Royal Oak Close, Yateley, based on the Heads of Terms as set out in appendix 2.
4. That Cabinet delegated the Joint Chief Executives in consultation with the Deputy Leader, authorisation to complete the lease agreements based on the Heads of Terms as set out in appendix 1 and 2, with both Hart Citizen Advice and Oakley Health Group (or other NHS body, so appointed to deliver, see paragraph 4.11).
5. That Cabinet recommended to Council, that subject to the conclusion of the lease arrangements with Hart Citizens Advice, as set out in appendix 1, that their core grant is increased to £220K.
6. That cabinet noted the desire for the CAB to retain a physical presence in Yateley and to extend this model to other parts of the district.
7. That Cabinet noted the expressed willingness by Oakley Health for CAB to be able to have a presence in the form of a CAB building in Yateley.

## **110 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY**

Members were presented with the draft Treasury Management Strategy Statement for 2022/23 which incorporated the Annual Investment Strategy and Prudential and Treasury Indicators for approval.

Members sought clarification on the capital programme and the element of maintenance and capital work requirements. It was explained that pure maintenance is funded through revenue budget and an update will be provided to Members. Capital budget requests are challenged before adding to the capital programme.

An updated list of investments was requested by Members, and it was agreed that this will be provided to all attendees of the Committee.

### **RECOMMENDATION to Council**

That Cabinet recommend approval to Council of the Treasury Management Strategy Statement, Annual Investment Strategy and Capital Strategy.

## **111 DRAFT BUDGET 2022/2023 AND MEDIUM-TERM FINANCIAL STRATEGY**

This report provided a summary of the revenue and capital budget proposals for 2021/2022 to be approved by Cabinet and recommended to Council. The report also included the statutory statement of the Head of Corporate Services (Section 151 Officer) to Council on the robustness of the estimates and adequacy of reserves. This proposed budget included funding provided in the provisional finance settlement for 2022/2023 which was published on December 16<sup>th</sup>, 2021. The final settlement is expected imminently.

The anticipated multi-year Spending Review was once again replaced by a short-term Spending Round. This limits any meaningful financial planning to one year. Whilst best estimates have been made for future years, this report therefore could not give any realistic projection beyond 2022/2023. The Medium-Term Financial Strategy is provided in Appendix 2.

In view of the Government statement made earlier it is anticipated that any spend on Council Tax rebates will be covered by grant from Central Government.

### **RECOMMENDATION to Council**

1. That the level of Council Tax for 2022/23 be increased by £5 and set at £186.84 for a band D property.
2. That the summary revenue budget for 2022/23 as set out in paragraph 13 of this report be approved.
3. That the capital programme for 2022/23 as detailed in Appendix 1 be approved.
4. That no changes be made to the Council Tax Support Scheme for 2022/23 but that consultation on a new scheme takes place in Quarter 3 2022/23 for implementation in 2023/24.

## **112 CABINET WORK PROGRAMME**

The Cabinet Work Programme was considered, and an amendment was made to the description of the Annual Car Parking report for March which is an annual report for on street parking and is a contractual requirement by Hampshire County Council.

## **113 EXEMPT FROM PUBLICATION**

The following item contained exempt information.

### **DECISION**

Members decided that the public interest in maintaining an exemption outweighed the public interest in disclosing the information.

In accordance with Section 100A(4) of the Local Government Act 1972, the public be excluded during the discussion of the matters referred to, on the grounds that they involved the likely disclosure of exempt information, as defined in paragraphs 1 and 2 of Part 1 of Schedule 12A of the Act, and the public interest in maintaining the exemption outweighed the public interest in disclosing the information

## **114 REORGANISATION OF CORPORATE SERVICES**

The purpose of this report set out proposals for the reorganisation of Corporate Services and aims to provide resilience, reduce the number of direct reports to head of Services and also ensure that resources are available in key areas such as procurement to match forecast demands and skills gaps. In addition, the restructure amends job descriptions which reflect the old Capita outsourced situation and further insources and accountancy service from Mendip. This paper was endorsed by the staffing committee in January 2022.

Members asked questions regarding the impact this reorganisation had on the internal audit work following the retirement of the previous head of audit. It was explained that this work was largely outsourced but these contracts would be consolidated. Client management roles that were historically in Capita contracts and are now inhouse are included in the procurement and contracts officer roles.

Members were advised that the process would start in March to April involving consultations with staff, involving new job descriptions and the new structure and will take on board Officers views for understanding the fundamental principles.

### **DECISION**

That Cabinet approved the principles of the reorganisation and new structure as set out in appendix two to enable the Head of Corporate Services to consult with staff on the proposed new structure.

*This report and its appendices are exempt from publication.*

The meeting closed at 8.16 pm