
BRECKLAND COUNCIL

At a Meeting of the

CABINET

**Held on Tuesday, 4 September 2012 at 9.30 am in
Norfolk Room, The Conference Suite, Elizabeth House, Dereham**

PRESENT

Mr J.W. Nunn (Chairman)	Mr M.A. Kiddle-Morris
Councillor E. Gould	Mr I. Sherwood
Mrs L.S. Turner	

Also Present

Mr S.G. Bambridge	Mr M J Nairn
Mr J.P. Cowen	Mr W. R. J. Richmond
Mr P.J. Duigan	Mr F.J. Sharpe
Mr T. J. Jermy	

In Attendance

Dominic Chessum	- Joint Marketing & Communications Team Leader
Terry Huggins	- Chief Executive
Vicky Thomson	- Assistant Director - Democratic Services
Julie Britton	- Senior Committee Officer
Mark Finch	- Assistant Director of Finance
Daniel Cox	- Economic Development Officer
Lindy Warmer	- Senior Economic Development Officer

Action By

98/12 MINUTES (AGENDA ITEM 1)

The Minutes of the meeting held on 31 July 2012 were confirmed as a correct record and signed by the Chairman.

99/12 APOLOGIES (AGENDA ITEM 2)

Apologies for absence were received from Mr W Smith and Mr M Wassell.

100/12 DECLARATIONS (AGENDA ITEM 4)

None.

Action By

**101/12 NON-MEMBERS WISHING TO ADDRESS THE MEETING
(AGENDA ITEM 5)**

Messrs G Bambridge, P Cowen, P Duigan, T Jermy, M Nairn, W Richmond and F Sharpe.

102/12 GRANT PANEL REPORT ROUND 2 - 2012/13 (AGENDA ITEM 7)

The Executive Member for Localism, Community & Environmental Services presented the Grant Panel report and drew attention to the fact that the reports at appendices 1 and 2 were under a different Portfolio – the Executive Member for Assets & Strategic Development would be presenting these.

Members were informed that the first application submitted by the Swaffham Community Transport Project, had raised a few concerns but following re-submission and further advice the application had been approved under delegated powers. This proved that the Grant Panel did consider every application and only agreed to applications that met with the relevant criteria.

The Executive Member for Performance & Business Development thanked Breckland Council for granting both applications for Swaffham.

Mr Bambridge also thanked Breckland Council for the funding granted for improvements to the roof at Foxley Village Hall. The hall was well kept and was used by many people in the community. It also had a very active committee.

The Executive Member for Assets & Strategic Development drew Members' attention to appendices 1 and 2 of the report. Appendix 1 sought support for £15,000 to be released from the Match Funding Reserve to enhance and enable phase 4 of the ongoing Breckland Enterprise & Learning Account (BELA) project. This funding would enable the Council to assist emerging and struggling small/micro businesses in the Breckland area with 10 employees or less. Each business would be offered a small grant of up to £500 to put towards training, advice or small items of equipment of which the applicants were required to match fund 50%.

With regard to Appendix 2, Norfolk County Council had recognised the need for a Norfolk-wide business support programme by providing a budget of £200,000. Breckland Council had been allocated £80,000 and was being asked to support this grant with a proportion of Match Funding of £20,000 per year for two years. The recommendation was highlighted.

The Executive Member for Planning & Environmental Services asked if agreeing to Match Fund would be prudent in these difficult economic times.

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The Opposition Leader felt encouraged by both the aforementioned applications as he was well aware that many new businesses lacked such crucial support.

Referring to the BELA grant, the Executive Member for Performance & Business Development did not consider the small amount of funding offered to these businesses to be of much benefit. A number of Members disagreed and felt that it would be money well spent.

In response to a question about the Business Support Programme, Members were informed that the amount of funding being offered to other districts was unknown.

The Chairman felt that at this time, when the economy was stalling, we as a Council needed to support and encourage the economy. He did, however, have a slight concern about the similarities between the two schemes. The Senior Economic Development Officer explained that the BELA scheme was to assist start up micro businesses with the offer of a small grant. The latter scheme was not offering money only advice.

The Chairman wanted to know if accepting the grant from Norfolk County Council would involve the need to employ more staff. He also wanted to know whether it would be better to give the money straight to County so that it could take sole responsibility of the support scheme rather than devolving such funding to each district. In response to the first question, Members were informed that no further staff would be required; the monies from County would be used to hire consultants through a tender process. These consultants would be purchased to provide bespoke training, advice and guidance, providing additional professional support for new and existing struggling businesses. In response to the latter question, the Senior Economic Development Officer advised that Norfolk County Council had mentored such a programme before but unfortunately, it had only benefited businesses in the Norwich area.

The Overview & Scrutiny Commission Chairman was clear what this money would be used for but was unclear whether Breckland Council had to source the different suppliers/consultants itself. He thought that this scheme could continue beyond two years; if it did, he hoped that Breckland Council could build up some expertise. The Executive Member for Assets & Strategic Development explained that the authority already had a framework of various consultants who could be called in for different jobs as and when required.

The options in the report were highlighted and the Executive Member for Performance & Business Development asked if it would be prudent to take the £80,000 on offer but not authorise the

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additional funding. Members were informed that the additional funding would be used to re-visit those businesses that had been trained and would be based on a review of the outcomes achieved.

Mr Bambridge mentioned the mentoring that he had been provided with when he first started up his business which had also been partly funded by a Council initiative. This type of assistance had helped him a great deal and he urged the Cabinet to support both schemes.

There was some confusion about what each sum of money would be used for and whether both schemes were one of the same.

The Economic Development Officer clarified that the £80k grant from NCC would be used to achieve the target of 30 new business starts per year and pay for specific business start-up training and mentoring, concentrating on the first steps towards self-employment including identifying skills, funding, writing business plans, business basics and finance etc. The Match Funding request would be used to enhance the project to provide continued support to individuals who had benefited from the scheme already but needed support at their most vulnerable stage or for those who required additional mentoring or bespoke training to start their business.

The Executive Member for Performance & Business Development stated that in these challenging times, he wanted assurance that Breckland Council would be getting real value from both these schemes. He felt that the funding from Norfolk County Council should be accepted then Officers return at a later date with evidence that this scheme had been worthwhile; the additional funding could then be released. The Opposition Leader reminded Members that the additional funding was being requested to embed the support that the businesses had already received from County's funding to ensure that these businesses kept going in the future.

It was the future that the Chairman had concerns with and he highlighted the report on page 33 of the agenda – the £2.5m Council deficit. He agreed that the funding from County should be accepted as mentioned by the Executive Member above but he felt that the BELA grant should be refused and the money be used to keep existing struggling businesses going. He challenged the Portfolio Holder to consider how this money should be spent.

The proposal was clarified and it was agreed that the funding from Norfolk County Council be accepted but the £40,000 additional Match Funding and the BELA grant be refused, and the Portfolio Holder be asked to come back with proposals of how Breckland Council supported business start ups in future.

MKM

Options

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a) Breckland Enterprise & Learning Account

- To approve the match funding for Breckland Enterprise & Learning Account (BELA 4) to the value of £15,000.
- To approve a lesser amount of match funding towards Breckland Enterprise & Learning Account (BELA 4).
- To decline the match funding.

b) Enterprise Support Programme in Norfolk

- To accept the £80k NCC grant and to authorise the release of £40k over a two year period to enable a high level of enhanced support for business start ups.
- To accept the £80k NCC grant and to authorise the release of a lesser amount of additional funding which will enable a lower level of enhanced support for business start ups.
- To accept the £80k NCC grant and not to authorise any additional funding and offer no additional support for business start ups after the initial training.
- Not to accept the £80k NCC grant.

Reasons

See report.

RESOLVED that:

a) Breckland Enterprise & Learning Account (BELA) Phase 4

The Match Funding application for the amount of £15,000 be refused.

LW

b) Breckland Support Programme in Norfolk

- 1) The £80,000 grant from Norfolk County Council to deliver business start-up support throughout the District be accepted; and
- 2) the request for additional funding of £20,000 per year for two years from Breckland's Match Funding Reserve be refused.

DC

Action By

103/12 FINANCIAL PERFORMANCE QUARTER 1 2012-13 (AGENDA ITEM 8)

The Assistant Director of Finance presented the report that provided information on the forecast full year financial position of the Council as at 30 June 2012.

The report had been split into three sections – Revenue budget, Capital budget and Treasury update and each section was explained in detail.

Referring to the recommendation highlighted within table 3 on page 34 of the agenda, the Overview & Scrutiny Commission Chairman had noted the very generous Capita contribution of £30k but was surprised that Capita was asking for most of it back for improvements to its IT systems. Members were informed that this was extra money that Capita was putting back into the authority to improve Breckland Council's IT systems. The Executive Member for Planning & Environmental Services explained that these improvements were in relation to Ocella that had not been updated for some time.

Referring to the amount for property land and buildings for 2013-14 under table 2, Capital Financing Requirement, the Overview & Scrutiny Commission Chairman asked how the Council knew that it was going to spend such an amount in this particular year. The Assistant Director of Finance advised that the authority had already committed this capital funding amount from the Capital Programme but the return was unknown.

The Executive Member for Performance & Business Development felt the chart highlighting the five year efficiency gap looked quite daunting – there were a great deal of unknowns and, without doubt, a lot more work still to be done in the next five years.

The Chairman agreed and knew that this had been a very unsettling time for staff and he conveyed his thanks to all concerned for *riding the storm* with the Council that was, at the moment, trying to solve an irresolvable problem. He asked Members to bear in mind that part of the efficiencies achieved had included a windfall which he felt was not a safe source of income and should not be relied on to build the Council's services. With this in mind he said that he was a great believer in spending what he had and not what he might have tomorrow. The Assistant Director of Finance said that he was confident that this amount of income would continue.

The Chief Executive advised that the Council had achieved about a third of the 2012/13 efficiency target and pointed out that further savings had been made since the chart had been produced. The Corporate Management Team tracked these figures monthly; the

Action By

mind-set being to deliver against the monies already there and not take account of the windfall.

The Opposition Leader queried the comments that had been made within table 4 on page 34 of the report in relation to the drop in rental income and mentioned the fact that he knew of other landlords in the Thetford area that charged much less in rent. The Executive Member for Assets & Strategic Development stated that the Council charged rents at the District Valuers valuation. Council lettings were 94% let and it was not paying business rates on any empty properties.

The Chairman reminded Members that the Council did offer incentives to new tenants, such as rent free periods.

Options

- 1) To note the report and approve the virements highlighted in the appendix as detailed within table 3 at section 1 and the virement as highlighted at section 2.
- 2) To note the report and not approve the virements highlighted in the appendix as detailed within table 3 at section 1 and the virement at as highlighted at section 2.

Reasons

To provide timely information to Members on the overall finances of the Council and to make the best use of resources available.

RESOLVED that:

- 1) the virements detailed in Table 3 at Section 1 of the appendix be approved; and
- 2) the sum as shown in Section 2 of the Capital Budget be carried over to 2013/14.

MF

104/12 NEXT MEETING (AGENDA ITEM 9)

The arrangements for the next meeting on Tuesday, 9th October 2012 at 9.30am in the Norfolk Room were noted.

105/12 EXCLUSION OF PRESS AND PUBLIC (AGENDA ITEM 10)

RESOLVED that under Section 100(A)(4) of the Local Government Act 1972, the press and the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act.

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106/12 BARNHAM BROOM (AGENDA ITEM 11)

The Executive Member for Assets & Strategic Development furnished Members with the information needed in order to decide whether these changes should be agreed.

The Cabinet fully supported the proposals.

Options

See report.

Reasons

To improve asset performance.

RESOLVED that the recommendations as listed in the report, including option 2, be approved.

SU

107/12 BRECKLAND LOCAL ASSET BACKED VEHICLE - BUSINESS CASE (AGENDA ITEM 12)

The report described a proposal for a project that could provide a business case for the potential establishment of a Local Asset Backed Vehicle (LABV).

The various issues to be considered were highlighted.

The Executive Member for Assets & Strategic Development in conjunction with Executive Board would be delegated to monitor the outputs from the project and govern the spend.

Options

See report.

Reasons

See section 7.1 and 7.2 of the project mandate as attached at appendix 1 of the report.

RESOLVED that the recommendations as highlighted in the report at option 1 be approved.

RB

The meeting closed at 10.45 am

CHAIRMAN