

## REPORT OF CABINET

(Meetings held on 7 January and 4 February 2004)

### 1. HOUSING CAPITAL ESTIMATES 2004/2005 (REPORT C – 7 JANUARY 2004) (MINUTE NO. 98)

The Cabinet considered the Housing Portfolio's draft capital estimates for 2004/05. The level of resources to be allocated to the New Forest by the Regional Housing Board is still unknown. Once this information is available it might be necessary to review the level of the Council's financial capital investment.

It was noted that it was anticipated that the level of spending on Disabled Facilities Grants would reduce following a drop in demand. Some of this work was now being funded via the new loans system and repayment of which would also produce income.

#### **RECOMMENDED:**

***That the Housing Capital Estimates as set out in Appendix 3 to Report C to the Cabinet on 7 January be approved subject to any amendments that may be required once details of the Regional Housing Board allocations have been announced and once the Council's capital financing strategy has been determined.***

### 2. BEST VALUE REVIEW OF RECREATION DEVELOPMENT (REPORT E – 7 JANUARY 2004) (MINUTE NO. 100)

The Cabinet has agreed the Best Value Improvement Plan for the Recreation Development Service. The Best Value review covered a wide range of areas including sports development; youth development; recreation development for the disabled and older people; play development; community recreation development; arts and heritage development; open space project development and countryside recreation and policy development.

Overall the Best Value Review Board said that the Service was operating at a very high standard, considering the limited resources, and had excellent prospects for improving.

Members commended officers for the breadth of work that was undertaken within Recreation Development and the strong community involvement they had achieved.

### 3. CHANGING LIVES DRAFT COMMUNITY STRATEGY (REPORT F – 7 JANUARY 2004) (MINUTE NO. 101)

The Cabinet has approved the draft Community Strategy for consultation.

The Strategy has been developed following the Changing Lives Conference and Draft Issues Report. It sets a clear vision for the District for 2025 and a set of objectives and supporting actions for 2003/05 and future years.

A wide range of organisations including all those involved in the Changing Lives process to date will be consulted on the Strategy and it is available on the LSP's website. In addition, an executive summary is being produced and will be widely publicised and made available, along with the main document in council offices and libraries.

Feedback from the consultation will be considered by the LSP in April and by the Cabinet in May. Full Council approval for the final strategy will be sought in June.

Members were pleased with the progress of the Strategy and agreed that it contained good ideas that could make a real difference to people in the district.

**4. KEYHAVEN AND COAST BEST VALUE REVIEW (REPORT G – 7 JANUARY 2004) (MINUTE NO. 102)**

The Cabinet has considered the Keyhaven and Coast Best Value Review and approved the Action plan for continuous improvement.

Members noted that there was strong support from stakeholders for the Council to continue with its role in delivering these services. There were no findings arising from any activities undertaken in the review to counter this. It was clear that, whilst the Council clearly had a financial interest in the management of these services, there was recognition of the key role that the Council played in providing an independent balance of all influences on these sites.

**5. NEW FOREST TRANSPORT STRATEGY (REPORT H – 7 JANUARY 2004) (MINUTE NO. 103)**

Following full consultation the Cabinet has adopted the revised New Forest Transport Strategy as proposed and agreed by HCC.

The document sets out the aims and objectives for the special character of the New Forest suggesting alternative modes of transport, improved integration between different types of transport and, with the use of new technology, help in the management of traffic in town and village centers.

**6. THE LOCAL GOVERNMENT ACT 2003 IMPLICATIONS FOR COUNCIL TAX (REPORT J – 7 JANUARY 2004) (MINUTE NO. 105)**

The Local Government Act 2003 enabled local authorities to reduce the council tax discount on second homes and long-term empty properties and to introduce local discounts and exemptions.

The Cabinet has agreed that the level of the Council Tax discount on second homes be reduced to 10%. Following a meeting with HCC and other district councils interested in pursuing the discretion, agreement in principle was reached that the additional resources raised as a result of reducing the discount should be combined with those of the County Council, and the Fire and Police Authorities and be utilised on shared and agreed priorities within the District.

NFDC has approximately 1500 second homes which far outweighs the number in any other district in Hampshire. This amount of second homes will have a clear impact on house prices and the purchasing ability of local people.

The Cabinet has agreed that the intention is to use the additional resources to fund affordable housing and key worker housing in the district. Members also agreed that they would like to see the Police using their portion of the additional resources to fund Community Safety wardens in the district, specifically in the Hythe/Dibden and New Milton areas.

**7. CAPITAL FINANCE IN LOCAL AUTHORITIES (REPORT A – 7 JANUARY 2004 AND REPORT B 4 FEBRUARY 2004) (MINUTE NOS. 96 AND 110)**

The Cabinet has considered new legislation that will permit the Council to decide the level of borrowing year on year for capital investment. The principle of the new system will allow the Council to be free to invest so long as its spending plans are affordable, prudent and sustainable.

Members agreed that the Prudential Code for Capital Finance, as outlined in Appendix 1 to report A on 7 January should be adopted. However, whilst they agreed, in principle, to pursue becoming debt-free by 31<sup>st</sup> March 2004 they asked for clarification of the arrangements for subsequent borrowing powers if the Council were to become debt free. It was noted that if the Council were debt free then it would be unlikely that it would need to borrow in the short term as the capital programme was already fully funded.

At the meeting on 4 February, the Director of Resources confirmed that the Council would not be restricted from borrowing in the future, after they became debt free, by the current new regulations, should they wish to do so. Members also noted that in future, to maintain a debt free position, the DEFRA grant aided Coast Protection Programme of Works would need to be funded from reserves rather than by means of a supplementary credit approval.

The Cabinet has agreed that the Council should pursue becoming debt-free by 31 March 2004. The achievement of debt free status by this date would enable the Council to qualify for the transitional relief arrangements for the years 2004/05 – 2006/07, generating an estimated additional £4.725m for affordable housing.

**8. HOUSING REVENUE ACCOUNT ESTIMATES FOR 2004/2005 (REPORT B – 7 JANUARY 2004 AND REPORT G - 4 FEBRUARY 2004) (MINUTE NOS. 97 AND 115)**

The Cabinet considered the draft Housing Revenue Account for 2004/2005 together with the anticipated impact of the draft 2004/2005 Subsidy Determination on the Council's 2004/2005 HRA estimates.

At their meeting in January, the Cabinet noted that clarification of the new formula and notification of the Draft 2004/2005 Subsidy Determination was still awaited and until these were available firm recommendations on increases in rents for Council dwellings could not be made. The Housing, Health and Social Inclusion Review Panel were therefore asked to comment on the proposals on this basis.

At their meeting on 4 February 2004 the Cabinet considered the updated draft Housing Revenue Account showing the variations from the previous report. In addition to the comments detailed in report G to 4 February meeting of the Cabinet, the Housing, Health and Social Inclusion Review Panel had also expressed the view that the increase in service charges for hostels originally proposed at 4.2 % should be limited to 3%. The Cabinet noted that the Council's policy was to recover costs from the users of a service however, they have agreed that it would be appropriate, in the circumstances, to limit this particular increase as suggested.

In the light of their discussions at both their January and February meetings the Cabinet has supported the expenditure plan proposals for the 2004/2005 Housing Revenue Account.

**RECOMMENDED:**

- (a) That an increase of 3.47% (average) in rents for Council dwellings, in line with the rent restructuring guidelines be approved;**
- (b) That the increase in service charges for hostels originally proposed at 4.2 % be limited to a 3% increase;**
- (c) That an increase of 3.6% in service charges for sheltered housing be approved;**
- (d) That an increase of 20p per week in garage rents (plus VAT for garages let to non-council tenants) be approved; and**
- (e) That the updated Housing Revenue Account budget set out in Appendix 1 to Report G to the Cabinet on 4 February 2004 and as amended by (b) above be approved.**

**9. GENERAL FUND REVENUE BUDGET AND CAPITAL PROGRAMME 2004/05 (REPORT D – 7 JANUARY 2004 AND REPORT H – 4 FEBRUARY 2004) (MINUTE NOS. 99 AND 116)**

At their meeting in January, the Cabinet considered the latest forecast for the General Fund Revenue budget and Capital Programme for 2004/2005. The budget proposals were then referred to Committees and Review Panels for final comments.

The Cabinet at their meeting in February noted that all Committees and Panels had supported the budgets presented. Members noted that the final Revenue Support Grant had been received and had only increased by £1,700. In view of the limited increase the Cabinet agreed that the additional money should be included within the capital finance provision.

The Finance and Support Portfolio Holder said that every year the Council were improving their approach to planning and control of the budget and the Council's key priorities and plans were clear. However, once again, this year, the central government grant was insufficient and NFDC had received only 0.5% equivalent rather than the 3% promised.

In supporting the proposals the Portfolio Holder drew members' attention to the following four specific issues:

- (1) The additional income from second homes had been set aside essentially for the future provision of affordable homes;
- (2) The budget has been drawn up on the assumption that the Council will achieve debt free status;
- (3) £246,000 has been set aside for future capital expenditure; and
- (4) The budget assumed a greater planning development grant than last year and whilst the final figure would not be known for a few weeks, it will not require any further changes.

In considering the issues the Cabinet has agreed that, subject to consultation with the residents at Stillwater Park, the site licence fees and service charges should be increased by a further 1% to 3.5% and the capital finance provision adjusted accordingly.

**RECOMMENDED:**

- (a) ***That the additional expenditure plan bids as detailed in paragraph 5 of report H to the Cabinet on 4 February, 2004 be approved;***
- (b) ***That the General Fund budget for 2004/05 be set at £18.658m;***
- (c) ***That the Council tax be agreed at £130.94 for a Band D property for 2004/05;***
- (d) ***That, subject to consultation with the residents, the site licence fees and service charges at Stillwater Park be increased by 3.5%;***
- (e) ***That the General Fund Capital Programme for 2004/05 be agreed as £4.193m; and***
- (f) ***That the Capital Programme for Housing for 2004/05 be set at £6.850m.***

**10. COMPREHENSIVE PERFORMANCE ASSESSMENT (REPORT A – 4 FEBRUARY 2004) (MINUTE NO. 109)**

The Cabinet has noted with pleasure the results of the Council's first Comprehensive Performance Assessment that has resulted in New Forest being rated as one of the best local authorities in the whole country. The Council's outstanding score of 'excellent' and 'improving' followed a visit from Audit Commission inspectors who looked at every aspect of the Council's functions. In particular they looked at the three key issues of quality of services provided; corporate and management effectiveness and capacity to improve. The Chairman congratulated the Chief Executive saying that this result was a testament to the dedication, hard work and commitment of all the people who worked for NFDC.

The Chairman said that CPA is an ongoing process and the Council will be rated again in the future. The Council has an improvement plan that sets challenges that will not be easy to meet without additional resources. The Cabinet will consider a report on the further development of the Council's Improvement Plan in due course.

Members agreed that there were still areas of work where a more robust approach was needed. However, they did express some surprise at the comments in the Assessment in relation to the uncertain focus of the Council's Youth Strategy. Members said that whilst the youth service as such was a County Council function the District Council played a major supporting role.

Youth was a major aspect of the Community Strategy. A Children's and Young Persons' Strategy was planned to coordinate work with young people. The Council also ran a Young People's Panel along similar lines to the Citizens' Panel. 2004 was planned as the Year of Youth with the Council hosting a number of events. Town and parish councils also provided excellent facilities for youth.

The Chairman said that the CPA had praised the Council's strong political and managerial leadership of the community; the excellent public services it provided, the high quality environment it maintained and the provision of a housing service with user satisfaction amongst the best nationally. The Council's priorities were clear and were based on extensive consultations with the community, partners and government. The Leader and the Chief Executive had a very good working relationship and councillors, managers and employees were pleased to serve New Forest.

**11. FAWLEY : PROVISION OF SKATEBOARD FACILITY (REPORT C – 4 FEBRUARY 2004) (MINUTE NO. 111)**

The Cabinet has agreed that a sum of £12,120 be allocated from developers' contributions to enable the construction of a skatepark facility at Gang Warily, Fawley.

The site is owned by the Parish Council and is their primary open space facility. It has previously been the subject of investment of developers' contributions for the provision of BMX facilities.

There has been a very significant effort made by the Parish Council to work with local young people to research the provision of these facilities. There has been long-standing interest in the provision of a skatepark facility and following representations to the Parish Council meeting in December 2001 a Working Party was set up to produce a scheme. The skateboarders themselves started to raise funds towards the project. Given the need and the length of time since this project was first considered, the Parish Council has implemented the project in the anticipation of partnership support towards this target group.

The skatepark facility was recently opened and is proving very successful.

**12. WEST TOTTON CENTRE EXTENSION (REPORT D – 4 FEBRUARY 2004)  
(MINUTE NO. 112)**

The Cabinet has agreed that a sum of £10,000 be allocated from developers' contributions to enable the completion of a feasibility study for an extension to the West Totton Centre.

The West Totton Centre, Ringwood Road, Totton was originally constructed fourteen years ago, using developers' contributions. It is the focal point in West Totton and its use has grown with the steady completion of the various phases of development in that part of the town. The extensive usage now means that the facilities are not adequate and therefore, the feasibility of an extension to the centre needs to be considered.

**13. FINANCIAL MONITORING APRIL – NOVEMBER 2003 (REPORT E – 4  
FEBRUARY 2004) (MINUTE NO. 113)**

The Cabinet considered the forecast budget variations of all portfolios and committees from the approved original estimates for 2003/2004. Members noted that officers continued to monitor budgets carefully with a view to maintaining the projected under-spending.

As set out in report E to the Cabinet on 4 February, 2004 and subject to the recommendation below, the Cabinet has agreed the revised General Fund budget, the revised capital expenditure and the revised Housing Revenue Account. In addition they have noted the financial position of Commercial Services and the actual expenditure to profiled budget positions of the General Fund and Housing Revenue Account.

***RECOMMENDED:***

***That the following supplementary estimates be approved:***

- ***£22,000 increase in costs for Stillwater Park***
- ***£160,000 increase in Leisure budgets***

**14. HOUSING STOCK OPTIONS REVIEW – STOCK CONDITION SURVEY (REPORT  
F – 4 FEBRUARY 2004) (MINUTE NO. 114)**

The Cabinet has agreed that Standing Orders in relation to Contracts be waived on the grounds of urgency and due to the specialised nature of the work, in order that specialist consultants may be appointed to enable a stock condition survey to be completed quickly to inform the stock options review.

Leading surveying consultants, Ridge and Partners, have been appointed at a cost of £15,000 to commission, supervise and interpret the results of the stock condition survey. Tenders will be invited from a minimum of two firms of surveyors, recommended by Ridge and Partners, to carry out the stock condition survey itself.

Members agreed that the stock options review was a very important matter for the Council, and they therefore supported the need to obtain sound information on which to base future decisions

**15. RESTRUCTURING OF SERVICE CHARGES IN SHELTERED HOUSING (REPORT I – 4 FEBRUARY 2004) (MINUTE NO. 117)**

Following a review by officers, the Cabinet has agreed that, subject to the views of Hampshire County Council, with effect from 5 April 2004, there will be a phasing in of a revised service charge structure for sheltered housing, as outlined in report I to the Cabinet on February 2004.

The Housing Portfolio Holder said that there was an imbalance in the way in which charges were currently applied and that the charges did not always reflect the services that were received. The revised structure would result in a fairer distribution of costs between residents.

Tenants of sheltered housing pay a weekly service charge in addition to their rent. The purpose of the service charge is to cover all the costs of running the scheme, such as warden support, and the heating and lighting in the communal areas. The charge also includes a contribution to the central control running costs. In some specific schemes the charge may also cover heating and lighting in individual flats, and a contribution towards council tax.

The review concluded that the service charges should be restructured to reflect more fairly the actual level of service received. The tenants have supported this principle. When fully implemented the revised charging structure will result in a fairer distribution of costs between sheltered housing tenants. However, to reach this point will mean an increase in charges for some tenants and a decrease for others. To mitigate the impact of these changes for tenants, the Cabinet has therefore agreed that a limit be set on the annual combined rent and service charge increases/decreases of inflation plus or minus £2 per week. The phasing in of the new charges will take place over a three year period.

To ensure continued fairness of service charges across all schemes, the charging structure will, in future, be reviewed annually as part of the budgetary review process.

**16. TENANT PARTICIPATION STRATEGY (REPORT J – 4 FEBRUARY 2004) (MINUTE NO. 118)**

The Cabinet has agreed a revised strategy to guide the Council and Housing Landlord services on ways to inform, consult and involve tenants in the development, review and monitoring of services that were provided to them. The document builds on the current strategy that helps the Council and tenants to work together to achieve aims.

The Council has a good record of consulting and working with Tenants. However, the introduction of the Cabinet system has given even greater opportunity for tenant involvement in the decision making process. The updated strategy shows how Tenants fit into the democratic process and explains the level of commitment and involvement required for each option.



The Housing Portfolio Holder supported the revised strategy and said it was an excellent opportunity for tenants to become more involved in the decision making process.

Mr Dougherty, Tenant representative, also supported the strategy but said that the Tenants' Consultative Group still had concerns relating to anti social behaviour and the need for tenants to be involved more closely with the Council in addressing those issues. It was acknowledged that the first point of reference, when an incident occurred, was the Area Housing Officer. To involve tenants at an early stage might raise data protection issues. However, it was agreed that a conference should be organised to enable all parties to discuss the best way to deal with the anti social behaviour issues and the roles that each group could play.

**Cllr M J Kendal**  
**CHAIRMAN**

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