

REPORT OF CABINET

(Meetings held on 4 May, 1 June and 4 July 2005)

1. RURAL HOUSING DEVELOPMENT STRATEGY (REPORT A) (MINUTE NO. 145 – 4 MAY 2005)

The Cabinet has agreed a Rural Housing Development Strategy together with an Action Plan. The Strategy was attached to Report A to the Cabinet on 4 May 2005. The Cabinet's decision was taken following a detailed discussion, during which Mrs Sally Owen of Bransgore Parish Council, and Mr G Dibben, Chairman of the New Forest Villages Housing Association, addressed the Cabinet. The production of a strategy is amongst the targets for the Council's Housing Division and the Changing Lives Partnership.

The Strategy has been produced as a response to mounting evidence about the lack of affordable housing in many rural areas and the consequent impact that this is having on individual households and on rural communities. Within the limited resources available to address the continuing high levels of rural housing need, the Cabinet has a strategy that it believes will provide a sharper focus to how rural needs for affordable housing will continue to be addressed, particularly in terms of how resources are used and prioritised.

In their deliberations, members of the Cabinet were mindful that it was important to ensure that suitable affordable housing was provided. There were implications for design as well as the siting of housing and there was some concern that PPG3 (Planning Policy Guidance) would enable development outside of villages where there were no facilities or social infrastructure. It was also important to try to address the specific housing needs of Commoners.

The Strategy focuses on the rural parts of the District, both within and outside the National Park. It deals solely with affordable housing development that is intended to serve local housing need. It aims to:

- Increase the provision of affordable housing in rural settlements of the New Forest, in line with identified need, by attracting more Housing Corporation funding to the district;
- Make effective use of resources for rural affordable housing by concentrating effort in a number of priority parishes
- Increase the deliverability of rural affordable housing
- Guide the work of the Rural Housing Enabler to ensure best use of time
- Create an environment of partnership working between all the stakeholders involved in the provision of affordable housing
- Encourage parish councils and local communities to help identify need and engage with the process of developing affordable housing in their parish
- Link rural affordable housing with other benefits for the community
- Monitor the success of affordable housing development through post-scheme evaluations and satisfaction surveys

The Strategy includes an action plan which sets out clear targets. It was produced by a steering group which comprises representatives from the District Council, GOSE, the Housing Corporation, the Countryside Agency, Housing Associations, the New Forest Committee (now defunct), the Commoners' Defence Association, Community First, New Forest Association of Local Councils and Community Action Hampshire. It has been subject to wide consultation. Timing does not allow for formal consideration of the Strategy by the National park Authority, but officers of the Authority support the objectives. The Authority has been invited to join the multi-agency New Forest Housing Strategy Board so that they become closely involved in tackling housing issues in the area.

Securing the provision of affordable housing is one of the Council's corporate priorities. The new Strategy was only one aspect of the Council's overall housing and planning policies that are aimed at increasing the availability of affordable housing in the district.

**2. DIBDEN GOLF CENTRE CATERING OPERATING DEFICIT –
SUPPLEMENTARY ESTIMATE (REPORT B) (MINUTE NO. 146 – 4 MAY 2005)**

The Cabinet considered the need for a supplementary estimate of £31,650 for 2005/06 for Dibden Golf Centre catering. Reasons for the anticipated over-expenditure in the current year are set out in Report B to the Cabinet on 4 May. Steps to reduce the deficit have been put in place and the Cabinet noted that gross profit margins had recently increased towards their targets. It is hoped that the measures that have been introduced will result in over-expenditure of less than £31,650, but authority for a supplementary estimate in this amount is sought as this is the estimate based on the 2004/05 trading position. Actual performance against budgets will be reported regularly to the Portfolio Holder.

RECOMMENDED:

That a supplementary estimate of £31,650 for 2005/06 be agreed for Dibden Golf Centre catering.

**3. NEW MILTON AND LYMINGTON HEALTH AND LEISURE CENTRES –
FUNDING ARRANGEMENTS FOR EXTENSION WORK (REPORT D) (MINUTE
NO. 10 – 1 JUNE 2005)**

The Cabinet has agreed funding arrangements to enable extension work to be undertaken at both New Milton and Lympington Health and Leisure Centres.

The proposals involve an extension adjacent to the existing small workshop to the rear of the main Sports Hall at New Milton, as the current facilities are very cramped, leading to a poor working environment for the Centre Technician and conditions which are not conducive to safe and healthy working.

Additionally, it is proposed to build an extension to the rear of the main Sports Hall at Lympington. Again the main purpose is to overcome health and safety objections to current methods of working. There is a small increase in income to be gained from greater use of the Hall.

The two schemes will be combined as one contract for time and potential cost savings. The Cabinet has agreed that £18,000 be vired from the Lymington Sports Hall refurbishment budget to the budget for the combined schemes, and that a supplementary estimate of £13,000 be approved to enable the completion of these two schemes within 2005/06.

4. COMMERCIAL SERVICES DIRECTORATE – SERVICE PLAN 2005/06 (REPORT E) (MINUTE NO. 11 – 1 JUNE 2005)

The Cabinet has considered the Commercial Services Directorate Service Plan for 2005/06. The constitution of the partnership between the Council and Test Valley Borough Council requires that an annual business plan is prepared and agreed by the two parent authorities. The Plan has already been approved by the NFDC/Test Valley Commercial Services Joint Committee, subject to a few minor amendments.

The health and safety of its employees is of paramount importance to both authorities, and quarterly reports to the Joint Committee include much information on health and safety and risk management, such as steps to reduce the likelihood of accidents and injuries, and monitoring of performance. For future years, consideration will be given to including information on this subject in the service plan.

The Cabinet has noted that the Employee Side comments concerning the fulfilment of Single Status (not included in the text of the service plan but quoted verbatim in the covering report) apply predominantly to Test Valley Borough Council.

RECOMMENDED:

That the 2005/06 Service Plan for the Commercial Services Directorate, as attached to Report E to the Cabinet meeting on 1 June 2005, be approved.

5. FINANCIAL STRATEGY (REPORT B) (MINUTE NO. 18 – 4 JULY 2005)

The Council is required to approve a Financial Strategy, each year, that sets out a framework within which the Council will strategically manage its financial resources. This Council looks at a 4 year period for such planning.

One key difference to previous years is the greater emphasis now placed on risk management. This is partly as a result of the Comprehensive Performance Assessment (CPA) process, and partly to ensure a greater transparency in reporting.

The Financial Strategy defines the framework within which the Panels and the Cabinet should develop their expenditure plan proposals. Of particular note is the need to achieve efficiency savings of 2½% of net revenue and capital expenditure in each of the next 3 years. This amounts to £690k per annum and these savings must be recurring. These savings will be reported in an Annual Efficiency Statement and the 2005/06 Statement was included in Appendix 2 to Report B, and it was emphasised that this projection took no account of any bids for growth that may come forward as part of the expenditure plan process. In addition, the forecasts of likely net expenditure included targeted savings that would be required to achieve inflationary only council tax increases.

The Cabinet recognises that it will be challenging to integrate the efficiency /procurement savings with the need to direct resources to meet the Council's priorities.

This Council is one of five local authorities nationally who piloted the Use of Resources assessment process. This proved to be a time intensive process for a period of about 5 weeks, but there is no doubt that the Council has gained considerable operational benefits and, as a consequence, will be in a much better position for the CPA assessment to take place in September of this year. Some of the key points coming out of this exercise that relate to the strategic management of the Council's finances are:-

- Strategic policy decisions and project initiation documents must include a risk assessment.
- The Council has not sufficiently demonstrated that all higher spending areas are supported by priorities
- The Council needs to reduce the level of capital slippage that occurs
- The Council needs to clearly demonstrate what efficiency improvements it has delivered, including outcomes from procurement and of investments resulting in improvement in poorer performing services

A key message from the Audit Commission was that this process represented a more rigorous test to meet "Value for Money" requirements.

The concerns being expressed by the Employee Side have been noted.

RECOMMENDED:

That the Financial Strategy, as set out in paragraph 12 of Report B to the Cabinet, be approved.

6. PROVISIONAL FINAL ACCOUNTS – 2004/05 (REPORT C) (MINUTE NO. 19 – 4 JULY 2005)

Under the Accounts and Audit Regulations 2003 (England), local authorities must adopt their final accounts within 4 months of the end of the financial year. A copy of this Council's consolidated final accounts will be presented to the Final Accounts Committee on 27 July 2005. The Cabinet has considered the provisional out turn figures on the General Fund, Housing Revenue Account, Capital Programme and Commercial Services.

In addition to being able to transfer £354,000 to the Redundancy Fund, to cover actual and potential liabilities in this area, it was projected that there would be a saving of £198,000 on the latest budget approved by Cabinet. It is proposed to carry forward into 2005/06 £162,000 of expenditure where circumstances have delayed the implementation of projects. It is also proposed to transfer £150,000 to the Renewals and Replacements Reserve to cover the initial cash flow funding for the new planning system. In subsequent years this system will be funded from the Planning Delivery Grant. It is proposed to transfer £3,000 from Commercial Services and £20,000 from

the Capital Financing Reserve, relating to the commutation adjustment, leaving an unallocated saving of £9,000 against the approved budget. It is proposed that this should be transferred to the Capital Reserve. It is expected that these proposals will leave a General Fund balance of £2.036m, which is in line with the recommended 10% of the net operating budget.

With respect to the Housing Revenue Account (HRA), there is an expected additional overspend of £108,000. Allowing for savings and overspends that have been previously reported, the balance on the HRA is expected to be £3.605m, which is higher than the original budget forecast.

New Forest Commercial Services will transfer an additional £96,000 to the General Fund, in addition to savings already allocated back to portfolios/committees earlier in the year. This exceeds the original budget by £56,000.

There are projected underspends on the Capital Expenditure Programmes for both Housing and other services, as a result of slippage in various projects.

The Portfolio Holder for Finance and Support has welcomed the excellent financial results for the year, and thanked all those involved in achieving savings across most of the Council's departments.

RECOMMENDED:

That the transfer of £354,000 to the Redundancy Fund, £150,000 to the Renewals and Replacements Reserve, £162,000 to specific revenue reserves and the balance of any other General Fund outturn variation to the Capital Programme Reserve be approved

7. REVIEW OF HOUSING ASSISTANCE POLICY (GRANTS/LOANS) (REPORT D) (MINUTE NO. 20 – 4 JULY 2005)

The Cabinet has agreed a revised policy to guide the payment of grants and loans for works to help persons on low incomes with repair and improvement packages and also adaptations to meet the needs imposed by disability. The intention behind the revisions is to improve access to a wider range of persons than were previously helped. It is necessary to reduce the maximum payment in respect of Disabled Facilities Grants from £50,000 to £35,000. This scale of grant is however in the minority, mainly where there needs to be an extension to the property. The majority of grants are of relatively minor sums, for example for grab rails.

The officers will continue to work with partner organisations to respond to the changing demands imposed by the increasing emphasis on maintaining older persons in their own homes.

**8. THE COUNCIL'S IMPROVEMENT PLAN 2004/06 – PROGRESS (REPORT F)
(MINUTE NO. 22 – 4 JULY 2005)**

The Cabinet was pleased to note that there was good progress against the improvement plan, with some activity against all identified actions. A number of actions will of course be completed in the longer term, but there has been an encouraging level of progress to date.

There is increasing emphasis on joint service delivery with other agencies, which will be achieved through Local Area Agreements (LAA's) and Local Public Services Agreements (LPSA's), largely working through the Local Strategic Partnership (LSP). It has been agreed that there should be an additional topic in the Improvement Plan to cover activity in this area.

**9. MEALS ON WHEELS IN COUNCIL OWNED SHELTERED HOUSING SCHEMES
(REPORT G) (MINUTE NO. 23 – 4 JULY 2005)**

The Cabinet discussed the outcome of extensive research and consultations into the provision of meals to residents at 3 sheltered housing schemes. They concluded that the present arrangements were not equitable to all potential recipients and this must be addressed. There was some concern that the social aspect of dining together might be prejudiced at the sheltered housing schemes, as a result of withdrawing the subsidised service, but attendees will still be able to purchase a meal, at full cost, if they so wish. It has been decided that the Council will cease the provision of meals to residents of Clarks Close, Gore Grange and Winfrid House in the way that they are currently provided with effect from 1 November 2005. However, in order to achieve equality, all residents of the Council's sheltered housing schemes will be offered the opportunity to purchase Meals on Wheels at full cost if they are not entitled to receive one under existing Social Services criteria.

The Council will also cease to provide meals to Gore Grange Day Centre in the way they are currently provided with effect from 1 November 2005, unless Age Concern are willing to pay the additional subsidy of £2.77 per meal. Attendees will be offered Meals on Wheels at full cost if they are not entitled to receive a subsidised meal under existing Social Services criteria.

**Cllr M J Kendal
CHAIRMAN**

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