

REPORT OF CABINET

(Meeting held on 4 February 2009)

1. CHILDREN AND YOUNG PERSON PLAN : CONSULTATION (REPORT A) (MINUTE NO. 93)

The Cabinet has endorsed a response to a consultation on the Children and Young People Plan for Hampshire as attached as Appendix 1 to Report A to them. The Plan was open for consultation until 5 January 2009, however, this did not fit with reporting cycles. After consultation with the Leader and the Leisure, Culture and Youth Matters Portfolio Holder (the Lead Portfolio), it was agreed that the Chief Executive would respond before the deadline, and the Cabinet would be asked to endorse the response at their next meeting.

The first Children and Young People Plan for Hampshire was produced in 2006 and provided guidance across all agencies in organising their priorities for work with this sector. Hampshire County Council has, on behalf of the Children and Young People Management Board, now produced a refreshed version of the Children and Young People Plan. The Plan is a statutory document and the district council has a "duty to co-operate" in the creation and implementation of the Plan. However, irrespective of this, the Council has a strong history of partnership working across all agencies in its own right and through the Local Strategic Partnership and is pleased to continue this work.

The new Plan is structured differently to the first version but presents similar issues. The continuity is useful and will similarly carry through locally. The detailed response to the Strategy is set out in the report to the Cabinet however, the following points highlight the key comments made:-

- More obvious recognition of the role played by District Councils; Crime and Disorder Reduction Partnerships and other relevant bodies outside of Children's Services and Health is required.
- More recognition of the importance of positive activities and children having enjoyment and fun is required.
- Practitioners should be encouraged to act more often with early intervention, rather than "after the event". There is some mention of this in the document, though it is not as evident as it might be.
- It is best practice to engage children and young people in delivering services, however there is insufficient reference to this.
- There are no actions identified in respect of transportation issues which is a key factor affecting services for children and young people.

In considering the matter the Cabinet particularly noted the wide variety of ways in which the Council currently supports young people including play development; 8-16 clubs in health and leisure centres; the 'Night Stop' scheme; Cook to Eat projects and the healthy kids' referral schemes. Excellent work was also being done through the Crime and Disorder Reduction Partnership in the form of a 'Don't do it' scheme being rolled out to schools which aims to raise awareness of the effects of criminal

damage on the community. The Cabinet also noted that through the Housing Portfolio a grant of £5,000 from the additional housing grant money previously agreed by the Cabinet, had been made to the 'Night Stop' scheme to support their work.

Members are pleased to note that all of the work being carried out by the Council and in conjunction with a number of other partners is proving very positive for young people across the district. Once the new Plan is finally confirmed the Cabinet will be invited to engage further with the proposals.

2. RISK MANAGEMENT (REPORT B) (MINUTE NO. 94)

The Cabinet has agreed a new Risk Management Strategy together with an action plan to formalise processes and embed risk within the governance procedures already in existence in respect of performance management, service, financial and audit planning and committee reporting.

The Council has always seen Risk Management as an integral part of every day management and has therefore not developed overly bureaucratic processes simply to obtain appropriate accreditation through the Use of Resources Assessment. The new Strategy should demonstrate much more clearly that risk management is treated very seriously and help ensure that the authority continues to be risk aware but not risk averse. In short, the new Strategy will enable the Council to more consciously and systematically consider and record risk.

In supporting the proposed Strategy, members agreed that whilst Risk Management was important it should continue to be undertaken pragmatically and without unnecessary bureaucracy.

3. TRAFFIC MANAGEMENT AGENCY AGREEMENT (REPORT C) (MINUTE NO. 95)

The Cabinet has agreed a new Traffic Management Agency/Partnership Agreement with HCC as detailed in Appendix A to Report C to them. Taking into account the Council's current financial position, the Cabinet has also agreed that the financial implications of retaining the traffic management agency will be regularly reviewed. This will give the opportunity to review the continuation of the agreement each year if required. The Cabinet has also agreed a new Priority Assessment Process for Traffic Management proposals.

Notice was received from HCC to terminate the existing traffic management agreement with the aim of securing changes to improve the service by negotiating a new agreement. The new agreement will strengthen performance provisions and reduce the termination period to one year.

In addition to the new agreement, the Cabinet has also agreed that the Council's parking policies in respect of residents' parking permits will be amended as set out in Appendix C to Report C to them. Experience with the operation of the scheme has resulted in changes to the entitlement to permits. Some of the changes have been made in respect to residents' concerns about the inappropriate use of visitors' permits. As a consequence NFDC's Traffic Management Strategy was not totally consistent with current practice and therefore the opportunity has been taken to update it.

The new Traffic Management Agency arrangements will continue to give the district and town and parish councils an important opportunity to input into local traffic management issues.

4. FINANCIAL REPORT – FORECAST FULL YEAR AND ACTUAL FOR THE PERIOD APRIL 2008 TO DECEMBER 2008 (REPORT D) (MINUTE NO. 96)

Following consideration of the Council's budget performance for the first 9 months of 2008/09 on a portfolio and committee basis the Cabinet has agreed revised General Fund, Capital Programme and Housing Revenue Account budgets, as shown in Appendices 1 – 3 of Report D to them. They have also noted the actual expenditure position after 9 months (75%) compared to the budgets for the General Fund, Capital Programme and Housing Revenue Account as set out in Appendices 1 – 3 of Report D to them.

The Cabinet noted the main variations in the budget, as a direct result of the economic climate, as reductions in income from planning fees, building control, land charges and health and leisure centres. However, there has been additional interest income received and concessionary travel costs are not as high as anticipated. Overall, the position at year end is currently anticipated to be £244,000 over budget.

Members noted that the Capital Programme has reduced by a further £2,185,000 with the main variation arising from a significant expenditure reduction on Social Housing Grants due largely to the current housing market conditions, the global economic situation and the timing of grant payments already approved.

The Housing Revenue Account remains reasonably stable.

RECOMMENDED

That the following supplementary estimates be approved:-

- ***£77k in respect of the Land Drainage budget overspend;***
- ***£56k in respect of Leisure cleaning;***
- ***£145k in respect of various Health and Leisure Centre / Dibden Golf Course variations (As detailed in Appendix 4 to Report D to the Cabinet);***
- ***£85k in respect of a further Planning Application income shortfall;***
- ***£60k in respect of Building Control income shortfall; and***
- ***£100k in respect of a projected interest earnings shortfall.***

5. THE MEDIUM TERM FINANCIAL PLAN – ANNUAL BUDGET 2009/10 (REPORT E) (MINUTE NO. 97)

In accordance with the Council's Financial Strategy the Cabinet has considered proposals for:

- The General Fund Net Budget Requirement 2009/10
- The General Fund Capital Programme 2009/10 onwards

- A level of Council Tax for 2009/10
- The Housing Revenue Account budget 2009/10
- The Medium Term Financial Plan
- A Strategic Efficiency Savings Plan
- The Treasury Management Strategy for 2009/10

The Finance and Efficiency Portfolio Holder presented the main budget implications for the Council as detailed in Appendix 1 to the minutes of the Cabinet meeting.

In particular the Cabinet expressed concern at the way in which the Government set the rent increase, which for 2009/10 will be 5.8%. Members are also particularly unhappy with the arrangement whereby the Government draws back 40% of the rental income received which for 2009/10 will amount to £8.5m. The Council is part of an active campaign to lobby the Government to change the current arrangements. The Housing Portfolio Holder has written to the Government directly expressing the Council's concern and will also be writing to all tenants explaining the situation.

The Cabinet noted that the matter has been discussed at the Tenants' Committee who understand the difficulty that the Council face. However, tenants not in receipt of housing benefit will find it particularly difficult to cope.

The Leader of the Liberal Democrats said that his Group will work constructively with the Majority Group in what are extraordinary financial circumstances. He supports the need to lobby the Government forcefully to change the rules to ensure that more help can be given to those most in need.

The Cabinet acknowledge that the Council is experiencing an exceptional financial situation but confirm that members will continue to work in the best interests of the local tax payer to maintain the Council's traditional high standards of financial prudence.

RECOMMENDED:

- (a) ***That site licence fees and service charges at Stillwater Park be increased by 3%;***
- (b) ***That the additional fees and charges schedules, as set out in Appendix A(iii) of Report E to the Cabinet be approved;***
- (c) ***That a General Fund Net Budget Requirement of £22,700,000, be agreed after allowing for additional reductions in expenditure amounting to £324,000 that result in a reduced call on reserves;***
- (d) ***That a Band D Council Tax of £153.16 be agreed;***
- (e) ***That a Capital Programme for 2009/10 of £11.568m be agreed;***
- (f) ***That the HRA budget as set out in Appendix C of Report E to the Cabinet, including an average increase of 5.8% in rents for 2008/09, in line with rent restructuring guidelines, a 40p per week increase in garage rents (plus VAT for garages let to non-Council tenants) and increases in service charges in line with the detailed proposals in Section 2 of Appendix C to Report E to the Cabinet be agreed;***

- (g) That the Treasury Management prudential indicators be adopted, and the treasury management strategy and prudential indicators as set out in Appendix D of Report E to the Cabinet and as amended by the implications of the additional budget reductions as set out in (c) above be approved; and**
- (h) That the development of a Strategic Efficiency and Savings Plan be agreed to be presented for consideration by the Cabinet in April 2009.**

**Cllr B Rickman
CHAIRMAN**

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