

28 FEBRUARY 2011

NEW FOREST DISTRICT COUNCIL

Minutes of a meeting of the New Forest District Council held at Appletree Court, Lyndhurst on Monday, 28 February 2011.

- p Cllr Mrs P A Wyeth – Chairman
- p Cllr J Penwarden – Vice-Chairman

Councillors:

- p G C Beck
- p D A Britton
- p Mrs D M Brooks
- p Mrs F Carpenter
- p Mrs J L Cleary
- p G F Dart
- p S P Davies
- p W H Dow
- p L T Dunsdon
- p Ms L C Ford
- p H F Forse
- p C Greenfield
- p C J Harrison
- p D Harrison
- p E J Heron
- p J D Heron
- e P E Hickman
- p Mrs A J Hoare
- p Mrs M D Holding
- e J A G Hutchins
- p Mrs P Jackman
- p M J Kendal
- p C Lagdon
- p Mrs M E Lewis
- p Mrs K J Lord
- p Mrs P J Lovelace
- p B D Lucas
- p Mrs A E McEvoy
- p Mrs M McLean

Councillors:

- p G J Parkes
- e Sqn Ldr B M F Pemberton
- p L R Puttock
- M P Reid
- A W Rice
- p B Rickman
- p W S Rippon-Swaine
- p Mrs M J Robinson
- p Mrs A M Rostand
- p D J Russell
- p R F Scrivens
- p Lt Col M J Shand
- p Mrs B Smith
- p Mrs S I Snowden
- p A J Swain
- p M H Thierry
- p A R Tinsley
- p D B Tipp
- p C R Treleaven
- p F P Vickers
- p M S Wade
- p S S Wade
- p R A Wappet
- p J G Ward
- p A Weeks
- p Dr M N Whitehead
- p C A Wise
- p P R Woods
- Vacancy

Officers Attending:

D Yates, R Jackson, J Mascal, Miss G O'Rourke, A Rogers and Mrs R Rutins.

44. MINUTES (REPORT A).

RESOLVED:

That the minutes of the main ordinary and special Council meetings held on 13 December 2010 be signed by the Chairman as correct records.

45. DECLARATIONS OF INTEREST.

All members declared a personal interest in Minute No. 48 (Members' Allowances).

Cllr Kendal declared a personal interest in Minute 48 (Medium Term Financial Plan).

46. CHAIRMAN'S ANNOUNCEMENTS.

The Chairman reported that she had hosted the annual Volunteers' Reception on 15 December, attended by 40 representatives of volunteer organisations. The evening also incorporated the 2nd annual award ceremony of the New Forest Access For All and she had been honoured to present the certificates to the winners in conjunction with Cllr Mrs Holding.

Since the last Council meeting she had attended Stanley's Own Scouts Presentation Evening, and the annual memorial service hosted by RAF Ibsley Historical Group.

She was to host her Annual Civic Service on Sunday 13 March at 3.00 p.m. at St Michael and All Angels Church in Lyndhurst. All members were invited to attend.

47. LEADER'S ANNOUNCEMENTS.

The Leader did not have any announcements.

48. REPORTS OF CABINET AND COMMITTEES.

Report of the General Purposes and Licensing Committee

Cllr Puttock, Chairman of the Committee, presented the report of the meeting held on 28 January.

On the motion that the report be received and the recommendation adopted, it was

RESOLVED:

That the report be received and the recommendations adopted.

Report of Standards Committee

All Members declared a personal interest in respect of the item on Members' Allowances. Under paragraph 10 (2) of the Code of Conduct they did not have a prejudicial interest.

Cllr Ward presented the report of the meeting held on 28 January. He reminded members that, following extensive national consultation with councils, the Employers' Side had recently decided not to make a pay offer for employees for 2011/12.

On the motion that the report be received and the recommendation adopted, it was

RESOLVED:

That the report be received and the recommendation adopted.

Report of Cabinet

Cllr Kendal declared a personal interest in this item as Hampshire County Council's Executive Member for Environment, who had made decisions on Concessionary Fares. He did not feel his interest was prejudicial and remained in the meeting to speak and vote.

The Chairman moved that Standing Order 47.6 be suspended to allow the Leader of the Council and the Leader of the Opposition to exceed the time limit for making their speeches. The motion was carried.

The Leader of the Council, as Chairman of the Cabinet, presented the report of the Cabinet meetings held on 5 January and 2 February.

Item 1 (The Medium Term Financial Plan and Annual Budget 2011/2012)

Cllr Rickman made the statement on the Administration's proposed budget attached as Appendix 1 to these minutes.

Cllr Weeks, Leader of the Liberal Democrat Group, made the statement attached as Appendix 2 to these minutes.

Cllr Mrs Robinson acknowledged the hard work that had gone into achieving the savings and avoiding an increase in the council tax. The Liberal Democrat group had requested some time ago that the Communications and Graphics units be reviewed and supported the proposals, together with reductions in Democratic costs. She found it hard to understand the decision not to fill the vacancy for the Strategic Housing Manager post, as she felt this post was vital given the Government's intentions regarding housing. She expressed concern that the transfer of the management of the concessionary fares scheme to the County Council, and the related partial financial compensation to NFDC, had resulted in the cessation of concessions for certain groups using the Hythe Ferry.

In seconding the budget proposals, Cllr Wise explained that these represented a very detailed programme of changes to services and the way they worked, which was the result of many months' work. This work was ongoing. He felt the direction set was the right one and should be adhered to, that the achievements so far were a strong platform for the future, but that close monitoring was essential.

On the motion that the report be received and the recommendations adopted, it was

RESOLVED:

That the report be received and the recommendations adopted.

49. QUESTIONS UNDER STANDING ORDER 22.

There were none.

50. PORTFOLIO HOLDERS' QUESTION TIME.

Question from: Cllr Mrs Robinson to Cllr Mrs Cleary, Housing Portfolio Holder

“What does The Housing Portfolio Holder estimate the cost of overhauling the allocations and tenure policies of the council will be in the light of the tenure reform proposals in the Localism Bill?”

Answer:

The Portfolio Holder said she was aware that changes to tenure and allocation policies that might be required as a result of the proposals contained in the Localism Bill and referred to the Council's response to the recent consultation paper “Local Decisions: a fairer future for social housing”.

The Portfolio Holder said she felt it premature to investigate the costs of implementing changes before the final proposals were known. She confirmed that should the proposals in the consultation be implemented, the Council's existing policies and procedures would have to be amended. In addition the Council would have to publish a strategic policy on tenancies. Members would be made aware of the implications on resources once these were fully assessed. The Council would work with partner organisations in preparing the new strategy.

51. THE 2011/2012 COUNCIL TAX (REPORT B).

The Council considered the Council Tax for 2011/12.

RESOLVED:

- (1) That it be noted that at its meeting on 13 December 2010 the Council calculated the following amounts for the year 2011/12 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:-
 - (a) 73,047.60 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its council tax base for the year.

(b)	LOCAL COUNCIL AREA	
	ASHURST & COLBURY	934.10
	BEAULIEU	516.40
	BOLDRE	1,051.90
	BRAMSHAW	345.00
	BRANSGORE	1,870.40
	BREAMORE	185.50
	BROCKENHURST	1,849.50
	BURLEY	774.90
	COPYTHORNE	1,231.10
	DAMERHAM	236.50
	DENNY LODGE	153.70
	EAST BOLDRE	403.40
	ELLINGHAM HARBRIDGE & IBSLEY	594.70
	EXBURY & LEPE	109.00
	FAWLEY	4,904.10
	FORDINGBRIDGE	2,402.10
	GODSHILL	219.30
	HALE	265.50
	HORDLE	2,477.60
	HYDE	508.50
	HYPHE & DIBDEN	7,843.00
	LYMINGTON & PENNINGTON	7,244.30
	LYNDHURST	1,415.10
	MARCHWOOD	2,129.50
	MARTIN	189.60
	MILFORD-ON-SEA	2,763.50
	MINSTEAD	368.40
	NETLEY MARSH	834.50
	NEW MILTON	11,015.50
	RINGWOOD	5,514.00
	ROCKBOURNE	167.70
	SANDLEHEATH	281.40
	SOPLEY	306.70
	SWAY	1,696.20
	TOTTON & ELING	9,888.60
	WHITSBURY	102.00
	WOODGREEN	254.40
		<u>73,047.60</u>

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which one or more special items relate.

(2) That the following amounts be now calculated by the Council for the year 2011/12 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992:-

(a) £125,924,174 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act.

- (b) £100,813,020 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act.
- (c) £25,111,154 being the amount by which the aggregate at 10.2(a) above exceeds the aggregate at 2(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.
- (d) £9,026,090 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates and revenue support grant, increased by the amount of the sums which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax Surplus), and increased by the amount of any sum which the Council estimates will be transferred from its collection fund to its general fund pursuant to the Collection Fund (Community Charges) directions under Section 98(4) of the Local Government Finance Act 1988 (Community Charge Surplus).
- (e) £220.20 being the amount at 2(c) above less the amount at 2(d) above, all divided by the amount at 1(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its council tax for the year.
- (f) £4,707,174 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (g) £155.76 being the amount at 2(e) above less the result given by dividing the amount at 2(f) above by the amount at 1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.

(h)

LOCAL COUNCIL AREA	£
ASHURST & COLBURY	182.52
BEAULIEU	170.38
BOLDRE	174.23
BRAMSHAW	171.70
BRANSGORE	200.34
BREAMORE	177.32
BROCKENHURST	187.36
BURLEY	173.44
COPYTHORNE	166.08
DAMERHAM	187.47
DENNY LODGE	185.04
EAST BOLDRE	192.94
ELLINGHAM HARBRIDGE & IBSLEY	184.46
EXBURY & LEPE	198.88
FAWLEY	252.38
FORDINGBRIDGE	231.59
GODSHILL	201.06
HALE	186.11
HORDLE	194.74
HYDE	169.53
HYTHE & DIBDEN	226.20
LYMINGTON & PENNINGTON	245.68
LYNDHURST	199.77
MARCHWOOD	252.67
MARTIN	182.18
MILFORD-ON-SEA	188.69
MINSTEAD	181.55
NETLEY MARSH	168.35
NEW MILTON	202.49
RINGWOOD	226.23
ROCKBOURNE	229.30
SANDLEHEATH	173.58
SOPLEY	222.60
SWAY	184.80
TOTTON & ELING	263.35
WHITSBURY	175.86
WOODGREEN	180.13

being the amounts given by adding to the amount at 2(g) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

(i) PART OF THE COUNCIL'S AREA

These are the District plus Town/Parish Council elements only. (See below and page 8 of Report B to the Council on 28 February 2011 for the full amounts of Council Tax.)

LOCAL COUNCIL AREA	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
ASHURST & COLBURY	121.68	141.96	162.24	182.52	223.08	263.64	304.20	365.04
BEAULIEU	113.59	132.52	151.45	170.38	208.24	246.10	283.97	340.76
BOLDRE	116.15	135.51	154.87	174.23	212.95	251.67	290.38	348.46
BRAMSHAW	114.47	133.54	152.62	171.70	209.86	248.01	286.17	343.40
BRANSGORE	133.56	155.82	178.08	200.34	244.86	289.38	333.90	400.68
BREAMORE	118.21	137.92	157.62	177.32	216.72	256.13	295.53	354.64
BROCKENHURST	124.91	145.72	166.54	187.36	229.00	270.63	312.27	374.72
BURLEY	115.63	134.90	154.17	173.44	211.98	250.52	289.07	346.88
COPYTHORNE	110.72	129.17	147.63	166.08	202.99	239.89	276.80	332.16
DAMERHAM	124.98	145.81	166.64	187.47	229.13	270.79	312.45	374.94
DENNY LODGE	123.36	143.92	164.48	185.04	226.16	267.28	308.40	370.08
EAST BOLDRE	128.63	150.06	171.50	192.94	235.82	278.69	321.57	385.88
ELLINGHAM HARBRIDGE & IBSLEY	122.97	143.47	163.96	184.46	225.45	266.44	307.43	368.92
EXBURY & LEPE	132.59	154.68	176.78	198.88	243.08	287.27	331.47	397.76
FAWLEY	168.25	196.30	224.34	252.38	308.46	364.55	420.63	504.76
FORDINGBRIDGE	154.39	180.13	205.86	231.59	283.05	334.52	385.98	463.18
GODSHILL	134.04	156.38	178.72	201.06	245.74	290.42	335.10	402.12
HALE	124.07	144.75	165.43	186.11	227.47	268.83	310.18	372.22
HORDLE	129.83	151.46	173.10	194.74	238.02	281.29	324.57	389.48
HYDE	113.02	131.86	150.69	169.53	207.20	244.88	282.55	339.06
HYPHE & DIBDEN	150.80	175.93	201.07	226.20	276.47	326.73	377.00	452.40
LYMINGTON & PENNINGTON	163.79	191.08	218.38	245.68	300.28	354.87	409.47	491.36
LYNDHURST	133.18	155.38	177.57	199.77	244.16	288.56	332.95	399.54
MARCHWOOD	168.45	196.52	224.60	252.67	308.82	364.97	421.12	505.34
MARTIN	121.45	141.70	161.94	182.18	222.66	263.15	303.63	364.36
MILFORD-ON-SEA	125.79	146.76	167.72	188.69	230.62	272.55	314.48	377.38
MINSTEAD	121.03	141.21	161.38	181.55	221.89	262.24	302.58	363.10
NETLEY MARSH	112.23	130.94	149.64	168.35	205.76	243.17	280.58	336.70
NEW MILTON	134.99	157.49	179.99	202.49	247.49	292.49	337.48	404.98
RINGWOOD	150.82	175.96	201.09	226.23	276.50	326.78	377.05	452.46
ROCKBOURNE	152.87	178.34	203.82	229.30	280.26	331.21	382.17	458.60
SANDLEHEATH	115.72	135.01	154.29	173.58	212.15	250.73	289.30	347.16
SOPLY	148.40	173.13	197.87	222.60	272.07	321.53	371.00	445.20
SWAY	123.20	143.73	164.27	184.80	225.87	266.93	308.00	369.60
TOTTON & ELING	175.57	204.83	234.09	263.35	321.87	380.39	438.92	526.70
WHITSBURY	117.24	136.78	156.32	175.86	214.94	254.02	293.10	351.72
WOODGREEN	120.09	140.10	160.12	180.13	220.16	260.19	300.22	360.26

being the amounts given by multiplying the amounts at 2(g) and 2(h) above by the number which, in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (3) That it be noted that for the year 2011/12 the Hampshire County Council, the Hampshire Police Authority and the Hampshire Fire and Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

PRECEPTING AUTHORITY

PRECEPTING AUTHORITY	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
HAMPSHIRE COUNTY COUNCIL	691.92	807.24	922.56	1,037.88	1,268.52	1,499.16	1,729.80	2,075.76
HAMPSHIRE POLICE AUTHORITY	97.50	113.75	130.00	146.25	178.75	211.25	243.75	292.50
HAMPSHIRE FIRE AND RESCUE AUTHORITY	40.92	47.74	54.56	61.38	75.02	88.66	102.30	122.76
	830.34	968.73	1,107.12	1,245.51	1,522.29	1,799.07	2,075.85	2,491.02

- (4) That, having calculated the aggregate in each case of the amounts at 2(i) and 3 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2011/12 for each of the categories of dwellings shown below:-

PART OF THE COUNCIL'S AREA

LOCAL COUNCIL AREA	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
ASHURST & COLBURY	952.02	1,110.69	1,269.36	1,428.03	1,745.37	2,062.71	2,380.05	2,856.06
BEAULIEU	943.93	1,101.25	1,258.57	1,415.89	1,730.53	2,045.17	2,359.82	2,831.78
BOLDRE	946.49	1,104.24	1,261.99	1,419.74	1,735.24	2,050.74	2,366.23	2,839.48
BRAMSHAW	944.81	1,102.27	1,259.74	1,417.21	1,732.15	2,047.08	2,362.02	2,834.42
BRANSGORE	963.90	1,124.55	1,285.20	1,445.85	1,767.15	2,088.45	2,409.75	2,891.70
BREAMORE	948.55	1,106.65	1,264.74	1,422.83	1,739.01	2,055.20	2,371.38	2,845.66
BROCKENHURST	955.25	1,114.45	1,273.66	1,432.87	1,751.29	2,069.70	2,388.12	2,865.74
BURLEY	945.97	1,103.63	1,261.29	1,418.95	1,734.27	2,049.59	2,364.92	2,837.90
COPYTHORNE	941.06	1,097.90	1,254.75	1,411.59	1,725.28	2,038.96	2,352.65	2,823.18
DAMERHAM	955.32	1,114.54	1,273.76	1,432.98	1,751.42	2,069.86	2,388.30	2,865.96
DENNY LODGE	953.70	1,112.65	1,271.60	1,430.55	1,748.45	2,066.35	2,384.25	2,861.10
EAST BOLDRE	958.97	1,118.79	1,278.62	1,438.45	1,758.11	2,077.76	2,397.42	2,876.90
ELLINGHAM HARBRIDGE & I	953.31	1,112.20	1,271.08	1,429.97	1,747.74	2,065.51	2,383.28	2,859.94
EXBURY & LEPE	962.93	1,123.41	1,283.90	1,444.39	1,765.37	2,086.34	2,407.32	2,888.78
FAWLEY	998.59	1,165.03	1,331.46	1,497.89	1,830.75	2,163.62	2,496.48	2,995.78
FORDINGBRIDGE	984.73	1,148.86	1,312.98	1,477.10	1,805.34	2,133.59	2,461.83	2,954.20
GODSHILL	964.38	1,125.11	1,285.84	1,446.57	1,768.03	2,089.49	2,410.95	2,893.14
HALE	954.41	1,113.48	1,272.55	1,431.62	1,749.76	2,067.90	2,386.03	2,863.24
HORDLE	960.17	1,120.19	1,280.22	1,440.25	1,760.31	2,080.36	2,400.42	2,880.50
HYDE	943.36	1,100.59	1,257.81	1,415.04	1,729.49	2,043.95	2,358.40	2,830.08
HYTHE & DIBDEN	981.14	1,144.66	1,308.19	1,471.71	1,798.76	2,125.80	2,452.85	2,943.42
LYMINGTON & PENNINGTON	994.13	1,159.81	1,325.50	1,491.19	1,822.57	2,153.94	2,485.32	2,982.38
LYNDHURST	963.52	1,124.11	1,284.69	1,445.28	1,766.45	2,087.63	2,408.80	2,890.56
MARCHWOOD	998.79	1,165.25	1,331.72	1,498.18	1,831.11	2,164.04	2,496.97	2,996.36
MARTIN	951.79	1,110.43	1,269.06	1,427.69	1,744.95	2,062.22	2,379.48	2,855.38
MILFORD-ON-SEA	956.13	1,115.49	1,274.84	1,434.20	1,752.91	2,071.62	2,390.33	2,868.40
MINSTEAD	951.37	1,109.94	1,268.50	1,427.06	1,744.18	2,061.31	2,378.43	2,854.12
NETLEY MARSH	942.57	1,099.67	1,256.76	1,413.86	1,728.05	2,042.24	2,356.43	2,827.72
NEW MILTON	965.33	1,126.22	1,287.11	1,448.00	1,769.78	2,091.56	2,413.33	2,896.00
RINGWOOD	981.16	1,144.69	1,308.21	1,471.74	1,798.79	2,125.85	2,452.90	2,943.48
ROCKBOURNE	983.21	1,147.07	1,310.94	1,474.81	1,802.55	2,130.28	2,458.02	2,949.62
SANDLEHEATH	946.06	1,103.74	1,261.41	1,419.09	1,734.44	2,049.80	2,365.15	2,838.18
SOPLEY	978.74	1,141.86	1,304.99	1,468.11	1,794.36	2,120.60	2,446.85	2,936.22
SWAY	953.54	1,112.46	1,271.39	1,430.31	1,748.16	2,066.00	2,383.85	2,860.62
TOTTON & ELING	1,005.91	1,173.56	1,341.21	1,508.86	1,844.16	2,179.46	2,514.77	3,017.72
WHITSBURY	947.58	1,105.51	1,263.44	1,421.37	1,737.23	2,053.09	2,368.95	2,842.74
WOODGREEN	950.43	1,108.83	1,267.24	1,425.64	1,742.45	2,059.26	2,376.07	2,851.28

52. MEMBERSHIP OF COMMITTEES AND PANELS.**RESOLVED:**

That Cllr Kendal be appointed to serve on the Leisure, Culture and Youth Matters Review Panel in place of Cllr Lagdon.

CHAIRMAN

Attachment: Minute No. 48 – Appendices 1 and 2

Leader of the Council's Budget Speech – 28 February 2011

Local authorities face a difficult time and New Forest District Council is no exception. First we were hit by the credit crunch, we are continuing to face big inflation increases not least in fuel prices and in December we were given the toughest grant settlement in a generation. So, as I introduce my third budget as Leader, what are we doing about this?

First let me tell you a few things we are not doing.

We are not panicking. Unlike the last Labour Government we have prepared for a rainy day. We start from a strong financial base as the independent auditors have confirmed again in their latest statements. Against the urging of the opposition we have year after year taken a prudent approach to reserves for this very purpose – to make sure that we don't have to take hasty action which costs more in the long run.

We are not wingeing. We know that any sensible Central Government coming to power last May would have to take strong action to reduce the Country's debt. Though we did not cause the problem, we accept we need to play a part in the solution.

We are not cutting front line services. Getting your bins collected on time (weekly), having clean streets, having decent housing. These things matter and we will protect these and other vital services.

We are not seeing charges as an easy way of raising revenue. We will continue to look at all pricing decisions on a case by case basis and are very mindful of the tough economic climate for individuals and businesses.

We are not bringing out a massive programme of redundancies. Again by preparing early and managing vacancies we have reduced the need for redundancies, and will ensure that any we do have are handled properly.

And finally we are not raising council tax. Our policy has always been to keep rises to a minimum. Including this freeze the average rise over the past 5 years will have been 2%. Given the Government incentive this year, no change is the obvious and right option.

Even more importantly what are we doing?

Firstly, and continuing the theme I referred to last year, we are fighting even harder to be as efficient and effective as possible. I have to thank Colin Wise for masterminding an approach to budgeting that does not start and stop with one decision in February. We are continually working on an Efficiency and Savings programme that will keep us one step ahead. The tight control of finances is second nature to Conservatives. It's our priority.

This year we're doing it through 5 workstreams. The first of these deals with back office and support savings, changes that don't reduce our service to the public. The January report detailed a huge range of savings, and I'll single out one or two.

Last year we announced a restructuring of the management of our Health and Leisure Centres which aimed to deliver £600,000 of savings through a more flexible business like regime. Under Di Brooks's leadership we have made those savings. And we have improved the service to customers by improving the fitness packages we have on offer. And we now are going to deliver over £300,000 additional savings.

We will continue to review all services of the Council. A good example of this will be Communications and Graphics. It has become obvious to reduce the amount of hard copies supplied to our residents and use more of the technology available today.

In bringing forward non front-line savings I recognise that elected members need to play their part. Our allowance will stay unchanged since 2008. But that isn't enough and I've set an ambitious target of an £100,000 reduction in democratic and civic costs. If I am still Leader that will involve the reduction of Cabinet posts and moves to rationalise and improve our scrutiny structure.

Another workstream looks at the pay and conditions of our employees. Discussions on this are due to start soon. However while it is right that we look closely at the scope for savings there, it is also right that we acknowledge the magnificent contribution our employees make. We will work with them not against them and are grateful for the over 800 efficiency savings suggestions our staff have put forward. Many of these we will adopt.

It is also right that we keep the costs of our senior management down while retaining its capacity. We've been doing this for some time. Over the last six years we've already saved £600,000 here. The Chief Executive's report to Cabinet this week announces a further £250,000 saving and the prospect of more.

We will look to work closely with partners and in some cases share services with them. Last year I looked forward confidently to the proposal of sharing our Lymington Town Hall offices with the National Park Authority. Again we are delivering on this promise and making real cost savings in both bodies by working more closely together. The people of the New Forest expect no less.

But we are not just being efficient. We are still looking to invest where it makes sense. Our capital programme includes not just the work on our major offices to deliver the office optimisation savings. It also includes the cost saving prospect of working with the County Council and Town and Parish Councils on the Ringwood Gateway project.

We will also be joining other partners in the Hampshire Senate in a ground-breaking scheme against fuel poverty which aims to save householders £3.5 millions, reduce CO² emissions by 20,000 tonnes a year and create 180 jobs.

It is not always about money. Sometimes imaginative thinking can make a big difference. Another theme I had last year was helping our communities through recession. A good example would be the Brand New Forest scheme which has been enthusiastically taken up by residents, visitors and businesses alike. My thanks go to Maureen Holding for her continued work with the business community and I congratulate them on the business award and also the praise they received from the auditors.

In all that we do we listen to our public. We heard the concerns of residents in New Milton and Lymington especially around over-development. At the time the planning policies we were forced to have did not always help. Chris Treleaven has ensured that our new Core Strategy is much improved, and introduced Local Distinctive studies which have been universally welcomed locally. They will pave the way for policies which make the best of the new Localism Bill.

Housing remains a key priority for us and will have fought hard to change the absurd position under the Labour Government that took most of our tenants' money to other parts of the Country. I am sure that Jill Cleary will continue to guide us safely through the many housing proposals now coming forward. And again, we are continuing to invest where it makes sense, including a major programme on the North Milton Estate and the first new Council houses for over 20 years at Howards Mead, Pennington.

Our partners including the Police Services are going through significant change and I would like to thank Goff Beck for the energy and enthusiasm he brings to making sure we have a very effective Community Safety Partnership. Talking of partnerships, we need to work with partners but need to be much more focused on what we want to achieve. I want to see less Labour Government inspired talk shops and much more action. We need to work with the partners that matter about the things that matter.

Today is about the budget and finances. There will be other occasions to discuss the other changes which the Council face, including the transformation of the Health system, the Housing system, the Benefits system and the Localism Bill. For now all I will say is the changes put a great responsibility on councillors to lead change locally and it is responsibility we are happy to accept.

In working through the changes I am grateful for the continuing support and guidance of my Deputy Leader, Edward Heron. Under his leadership of Environment Services I am confident that we will continue to deliver the services on our streets which local people want – and in all weathers especially the experience of last winter.

As well as thanks to my colleagues I would also like to thank the Chief Executive, Executive Directors, Officers and all the staff of the Council. Thanks also go to all the Portfolio Holders, the Chairmen of all the Review Panels and all the Members of this Council.

And finally in terms of what we are doing. We are planning for the future not just for 2011/12 but for all the challenges ahead. We already know the 2012/13 settlement will

be tough and that we should not expect an easy time delivering our priorities in the years ahead. We know setting the 2011/12 budget was difficult but it is much better for the community than it could have been. The future is safe in the Conservatives' hands.

APPENDIX 2

We are all aware that budget setting is difficult for all Council's this year. So responding to the budget is also difficult. So I thought I would ask my 11 year old daughter how I should start and she said to start with the words 'I think'. So....

I think that a zero percent increase in council tax was the only appropriate course of action open to us. With the government offering an incentive of 2.5% back for the next four years. I have already previously described it as a 'no brainer', the obvious only real option available. The Lib Dem group therefore support a zero increase in Council tax.

Yet I see in the press that we are supposedly increasing council tax by 8p. In reality, the County set zero, the fire authority and police also; so where does the increase come from? The answer is that a few parishes have increased their council tax which averages out at an increase of 8p. The reality is that most of us will not see any increase.

The next question; do the Lib Dems present an alternative budget; perhaps suggesting a small reduction in Council tax. After all this is what the conservative group did at Totton Town Council. Well, you will be glad to hear that we will not be this petty given the gravity of the current situation.

Now what about the details. This is also a difficult subject. Whilst the underlying tax level is set, much of the detail is still being worked through, with some savings not even being identified until after the May elections. So it is difficult to comment on things that we don't yet know.

However, what do we know?

We know that the NFDC press & publicity machine is being severely cut back. Do I need to remind members that the Lib Dem group have been consistently asking for this for years. It is good to see that the administration eventually takes up good ideas for saving money.

Is removing the post of strategic housing manager a wise move? We will wait and see what impact it has.

Should residents be subsidising tourists coming to the forest. Or should the tourists pay more into supporting the Districts' infrastructure?

Whilst prudent reserves should be held back, we currently see interest returns of only 1 or 2%. With £2M of capital reserves, could some of this not be better used by investing in green initiatives such as PV solar panels which generate a return of about 10% and are also the right thing to do?

You will now be aware that there are other alternatives. It will be interesting times for those of us who remain in this chamber after May.