

## **REPORT OF CABINET**

**(Meetings held on 7 September and 5 October 2011)**

### **1. REVIEW OF EMPLOYMENT AND TOURISM: FUTURE PROCUREMENT (REPORT A – 7 SEPTEMBER 2011) (MINUTE NO. 21)**

The Cabinet has agreed the terms of a review of Employment & Tourism to be undertaken through the Corporate Overview and Scrutiny Panel. The Employment & Tourism service has a good track record for identifying and delivering savings and efficiencies. The purpose of the review is to maintain a service which will continue to support the Council's vision and objectives but at a significantly reduced net cost.

The Corporate Plan has a specific aim on "Helping Local Businesses to Succeed". Members agreed that employment and tourism is an essential element of the New Forest area and it is important from time to time to review how the service is delivered and to look at future trends. In the current unprecedented economic times it is also important to review which core functions are the responsibility of the Council and how the working relationship with the New Forest National Park can be maximised.

In undertaking this review it is clear that employment and tourism are functions where there are complex and often conflicting/competing demands. None of the functions carried out by the Service are mandatory. Members agreed it is therefore important to keep the focus on this area's unique local identity and to work to continue to strengthen this and to maintain the role of an independent and objective community leader.

The aim of the review is to achieve a balanced way forward, meeting Council objectives, making the most of our strengths, engaging with partners, particularly the National Park Authority, and making significant savings.

### **2. FINANCIAL REPORT – OUTTURN PROJECTION BASED ON PERFORMANCE TO JULY 2011 AND ANNUAL BUDGET TIMETABLE (REPORT B – 7 SEPTEMBER 2011) (MINUTE NO. 22)**

The Cabinet has considered the Council's financial performance for the first four months of 2011/12 and has noted the revised outturn forecasts, the detailed variations and their potential impact on the Authority's revenue and capital budgets. They have also noted the updated Housing Revenue Account budget. In addition they have also agreed proposals for the 2012/2013 budget timetable.

In particular they noted the reasons for the £250,000 variance relating to car parks. The impact of the increase in VAT earlier in the year has resulted in a shortfall of £50,000 against the car park budget. In addition a revaluation of business rates for car parks has also increased costs by £150,000 and further increases are likely in future years as the benefits of transitional relief is lost.

Members noted that income per head of population from car parking in NFDC is approximately £5 which is considerably lower than neighbouring authorities and that car parking charges have never been used just as a source of income generation. The charges would shortly be reviewed with new charges being implemented from January 2011. (A report on this matter appears at Item no. 8). It is anticipated that the new charges will cover the budget shortfalls whilst remaining very competitive.

The Cabinet is pleased to note that following the reduction in Government grant in 2010, savings of approximately £2m have been built into the budget and the Council is on track to deliver them.

In response to the Government's two year financial settlement for 2011-2013 the Council developed its budget strategy for the next two years based around savings to be achieved through work streams. Work is therefore already well underway to deliver a balanced budget for 2012/13.

In line with this ongoing process the Cabinet has agreed that they will consider the first draft of the budget at their meeting on 2 November 2011. The Corporate Overview and Scrutiny Panel will be invited, at their meeting on 7 November 2011, to consider the report and to set up a Task and Finish Group.

The Task and Finish group will be asked to report back to the Corporate Overview and Scrutiny Panel on 19 January 2012. This will enable the Cabinet at their meeting on 1 February 2012 to consider any comments and make the usual budgetary recommendations to the Council 27 February 2012 which would then agree the final budget and the Council Tax.

### **3. THE CORPORATE PLAN 2012/16 – DELIVERING FOR OUR COMMUNITIES (REPORT C – 7 SEPTEMBER 2011) (MINUTE NO. 23)**

The Cabinet has agreed a draft revised Corporate Plan entitled 'Delivering for our Communities' to cover the years 2012 – 2016.

The Corporate Plan is the most important Council strategy as it needs to shape the way the Council works and define its ambitions. To do this it needs to work at both a strategic and service level to help bring all members and services together to work towards the same vision, values and priorities.

The new draft plan seeks to provide a simple and concise summary. The structure has been refined from previous versions to make it even more accessible. The draft retains the vision for the authority first set out in the 2003 plan – 'The Heart of The Forest'. It sets out a number of priorities and illustrates how they will be achieved under the revised portfolio structure. It proposes to update the Council's values from those set out in the 1990's. The Corporate Plan is an essential element of the Council's Performance Management system which will also be reviewed and updated later in the year. The Plan will provide a clear statement of intent from members for employees and will set the tone for the authority for the future.

The intention is that the draft Plan will be considered by the Corporate Overview and Scrutiny Panel at its meeting on 29 September 2011, for which purpose all elected members have been invited. Employees will also be given the opportunity to comment, particularly on the proposed changes to the Council's values.

In the light of comments made, the Cabinet will consider the Plan again in January 2012 and will put forward a final version for the Council to approve.

**4. NATIONAL NETWORK OF STRATEGIC REGIONAL COASTAL MONITORING PROGRAMMES (2012-2017) UPDATE (REPORT A – 5 OCTOBER 2011) (MINUTE NO. 29)**

In April 2010 the Cabinet considered proposals for the integration of the South East Strategic Regional Coastal Monitoring Programme into the National Network of Monitoring Programmes. They also supported an application to the Environment Agency for funding of the national network of regional monitoring programmes.

The coordinated application for approval, for a network of 6 regional programmes was submitted to the Environment Agency National Review Group in March 2010 and formal Environment Agency approval for the Southeast Programme was received on 27 January 2011. The Cabinet has now been updated on the detail of the monitoring programmes.

The approved sum for the Southeast Programme is £12.3m, as applied for, and is for the 5 year phase of this programme from April 2012 to March 2017. NFDC will lead on the programme development and implementation of the national network with input from the partner authorities. The programme will be 100% funded through the Coast Protection Act grant aid system and therefore there is no additional cost to the authority.

NFDC has taken a lead role in the development of a coordinated procurement strategy; however they will not have any involvement with the tender process to be followed by the other lead authorities. Individual contracts to be let by NFDC within the southeast programme will not exceed a value of £1.5m.

The Channel Coastal Observatory, the regional centre of excellence, hosted by NFDC will continue to operate in its present form but will “expand” to store and disseminate monitoring data from the regional programmes within the national network.

The purpose of a coordinated national procurement strategy is to make national efficiency savings in the administration of procurement processes, whilst maintaining financial responsibility within each of the 6 regional lead organisations. Operational costs will continue to be 100% funded through the national programme. Currently no additional staff will be required. All officers specifically employed for the monitoring programme are 100% funded through the grant aid system on fixed term contracts.

NFDC will be responsible for the £12.3m expenditure over 5 years (including contingencies). The grant aid process makes provision for anticipated costs to be claimed from the Environment Agency up to 3 months in advance. This reduces the risks of funds not being available to make payments and also provides a benefit to NFDC in that funds will be banked in advance of making payments.

The Cabinet is supportive of the arrangements relating to the Council's role in Project Management and Procurement for the Monitoring Programme and are very pleased to note the success of the funding application and the excellent work of the Coastal Monitoring team.

**5. REVIEW OF PRIVATE SECTOR FINANCIAL ASSISTANCE POLICY  
(REPORT B – 5 OCTOBER 2011) (MINUTE NO. 30)**

The Cabinet has agreed amendments and additions to the Council's Private Sector Financial Assistance Policy. The policy helps low income vulnerable home owners to carry out essential repairs and improvements to their property and thereby remain in their own homes. In future, zero interest loans will be offered from the existing Renovation Grant budget instead of the current non repayable grants.

The loan will be repaid when ownership of the property changes and funds will be re-cycled to pay for further loans. The loans will be available to improve heating, energy efficiency and deal with hazards that pose a significant health risk such as dangerous electrics or structural collapse.

To qualify, applicants will have to own their own home and be on an income related benefit or have a contribution of less than £15,000 when assessed by the Disabled Facilities Grant means test. The Senior Private Sector Housing Officer, in consultation with the Housing and Communities Portfolio Holder will have the discretion to reject applications that are not considered reasonable and an appropriate use of the limited budget.

The Cabinet is pleased to support the changes that mean people will be able to remain in their own communities and, at the same time, reduce the demand on social housing. The Portfolio Holder is also pleased to see that the money given as loans will eventually come back to the Council to be re-cycled and used for more loans in the future.

**6. PROPOSED INTER-TIDAL MUDFLAT RECHARGE – LYMINGTON RIVER  
(REPORT C – 5 OCTOBER 2011) (MINUTE NO. 31)**

The Cabinet has agreed arrangements for a licence to enable Wightlink, if required, to undertake works to recharge the inter-tidal mudflats on land leased by this Council at Boldre Foreshore.

The areas of mud flat at Boldre Foreshore are eroding due to natural processes, and the re-charge will be undertaken with material arising from the annual maintenance dredging undertaken in Lyminster River and marinas. However, to do the work, Wightlink require the consent of this Council and the other interested parties.

This decision is irrespective of any future decision in relation to Wightlink ferries.

**7. NOTICE OF MOTION – REDUCTION IN CARBON DIOXIDE EMISSIONS  
(REPORT D – 5 OCTOBER 2011) (MINUTE NO. 32)**

The Cabinet has considered a Notice of Motion that was put forward at the Council meeting on 18 July 2011. The Environment Overview and Scrutiny Panel at their meeting on 15 September 2011 supported the Motion, which reads as follows:-

“It is widely known that energy bills have been rising at rates well above inflation in the past few years and that this is already adversely affecting businesses and causing financial hardship to many people throughout the country on low incomes, including residents of this District.

In light of this I propose that the Council should write to the government, urging it not to make commitments to reduce carbon dioxide emissions further or faster than other major industrial nations without a world-wide binding commitment by all those other industrial nations, as such a unilateral commitment would add further increases to UK energy prices causing increasing hardship.”

The Cabinet has agreed that the Motion be referred back to the Council for a response.

**8. SETTING OF FEES FOR PARKING CLOCKS AND CAR PARK METER CHARGES AS FROM 1 JANUARY 2012 (REPORT E – 5 OCTOBER 2011) (MINUTE NO. 33)**

The Cabinet has agreed revised charges for parking clocks and car park meter charges as set out in paragraphs 3.1 and 3.2 of Report E to them. The revised charges will be introduced from 1 January 2012 and the clock prices will be fixed for two years. The Cabinet has also agreed to advertise an amendment to the District of New Forest (Off Street Parking Places) Order 2005 proposing the withdrawal of amenity permits.

Compared to 2010 the car parking service budget is showing a significant deficit. A revaluation of the rateable value of car parks has resulted in additional National Non Domestic Rateable (NNDR) costs of £150,000 in 2011/12. The increase in VAT in January 2011 has also meant that car parking income has reduced by £50,000 a year. With the loss of transitional relief the budget deficit will continue to rise if nothing is done to address it.

Members noted that the net income from car parking per head of population in the New Forest district is £5.27 whereas in adjacent areas such as Christchurch Borough Council the income per head of population is £29. The Council has already absorbed a £1.6m budget reduction through efficiency savings and the current pay and display charges have not changed since April 2009.

The proposal is to raise the cost of a short stay parking clock to £20 which equates to providing unlimited short stay parking for 40p per week. The cost of the long stay parking clock is proposed at £100 which equates to providing unlimited long stay parking for £2 per week. In neighbouring authorities of Test Valley Borough Council the equivalent cost is approximately £550 and in Christchurch Borough Council the equivalent cost is approximately £257.

In relation to Amenity Parking clocks, these are ‘car specific’ and as such are expensive to administer. The proposal therefore is to no longer issue these but to encourage people to purchase a long stay parking clock instead.

In terms of consultation the Cabinet noted that the proposals were not a change in policy. A lot of correspondence had been received on the proposals and, on balance most people accepted the reasons for the changes.

Overall members considered the proposals to be a very fair deal and that no other local authority sought to support residents and businesses in the same way.

**Cllr B Rickman  
CHAIRMAN**