

REPORT OF CABINET

(Meeting held on 4 September 2013)

1. FINANCIAL MONITORING REPORT (REPORT A) (MINUTE NO 24)

The Council's strategy of strict financial management is continuing to achieve significant savings, with the net total savings against the General Fund now anticipated to be £511,000 in 2013/14. A detailed analysis of the variations to the budget was set out in the report. Improvements in income have contributed to the continuing savings identified against the 2012/13 outturn figure, which has now increased to £344,000. Additional expenditure of £174,000 has been agreed for a number of key projects including the extension of the car park area at Lymington Health and Leisure Centre and renovations to the CCTV control room to facilitate the combination of the CCTV, Community Alarms and Out of Hours services.

Early indications suggest that the new business rates and local council tax support schemes are operating broadly in line with estimates.

There has been an increase against the Capital Programme, which now amounts to £19.549 million. This has arisen from a number of causes, including the allocation of Developers' contributions to open space projects, and the rephrasing of the purchase of 2 vehicles for the kerbside collection of glass for recycling.

Financial performance in the Housing Revenue Account is broadly in line with the budget targets.

Financial performance will continue to be the subject of regular reports to the Cabinet, who are aware that the general climate of financial constraints applying to local authorities is increased in this area where the opportunities for development are strictly limited, reducing access to significant streams of government funding.

2. RISK MANAGEMENT STRATEGY AND STRATEGIC RISK REGISTER (REPORT B) (MINUTE NO 25)

In 2009 the Council, on the recommendation of the Cabinet (Cabinet minute 122 of 6 May 2009 refers) adopted a new risk management framework and Strategic Risk Register, which was more condensed and took a more pragmatic approach than previously. The Risk Management Strategy and Strategic Risk Register have been reviewed and updated again, to produce shortened and more accessible documents. The updated documents were set out in Appendices 1 and 2 to Report B to the Cabinet. These form part of the Council's overall risk management framework, which also includes, for example, work place health and safety, business continuity planning and ICT disaster recovery. The Council is under a statutory obligation, through the Accounts and Audit Regulations 2003, to have arrangements in place for managing risks. This requires a sound system of internal control that facilitates the effective exercise of the Authority's functions and includes arrangements for the management of risk. It forms part of the Council's Local Code of Practice for Corporate Governance and is one of the primary assurance strands in the Annual Governance Statement.

The Strategic Risk Register (Appendix 2) is a summary document that focusses on risks to the delivery of the Council's Corporate Plan, and is consequently closely aligned to the Delivery Plan. The details behind the Register will be considered by the Audit Committee at their meeting in September. It is intended that, in future, the Register will be reviewed annually in conjunction with the Corporate Delivery Plan.

The Cabinet is satisfied that the revised documents represent a pragmatic and realistic approach to the management of risk within the organisation.

RECOMMENDED:

- (a) That the revised Risk Management Strategy, as set out in Appendix 1 to Report B to the Cabinet, be approved; and**
- (b) That the summary Strategic Risk Register, as set out in Appendix 2 to Report B to the Cabinet, be approved.**

3. LOCAL PLAN PART 2 – SITES AND DEVELOPMENT MANAGEMENT – FURTHER CHANGES (REPORT C) (MINUTE NO 26)

On the commendation of the Planning and Transportation Portfolio Holder, the Cabinet has agreed further proposed modifications to the Local Plan Part 2 in response to matters that have arisen during the Public Examination process. The context for the preparation of the Plan has changed markedly since its initial submission for Public Examination. The Inspector has now added to delays in the process by adjourning the Hearing from 24 April 2013 until 11 October 2013 to allow the Council to carry out further work and develop further modifications which he considers are necessary to make the Plan “sound” so that it can be adopted. The Inspector’s Preliminary conclusions on compliance with the European Habitats Regulations and his Post Hearing Note 4, which set out the required changes, are attached as Appendices 1 and 2 to Report C. The Schedule of Proposed Main Modifications is set out as Appendix 3 to the Report.

The Cabinet was pleased to note that the required changes do not fundamentally affect the overall strategy of the Plan or the site allocations proposed by the Council. The only significant change is the inclusion of 2 new allocations of land for residential development in New Milton, where the Inspector considers there is a shortfall in the short term. These sites were identified through extensive consultation with the Town Council and the local ward councillors.

The Inspector also required further work to be undertaken on mitigation of the impacts of development on areas that are subject to European nature conservation designations, an issue that has become increasingly important during the preparation of the Plan. There are significant areas of European Designated habitats surrounding the Council’s Plan area. A report commissioned from consultants to meet the concerns raised by the Inspector and a revised mitigation strategy are set out as Appendices 4 and 5 to the Report, together with a sustainability appraisal at Appendix 6. A new policy has been included in the Proposed Changes in Appendix 3 to give effect to the Mitigation Strategy. One issue of note is that the proposed changes will have significant funding implications for the use of money collected under S106 agreements and the Community Infrastructure Levy once adopted.

The Proposed Modifications and the Mitigation Strategy will both be subject to a 6 week public consultation exercise, prior to being considered again at the reconvened Public Examination. It is confidently expected that these changes will allow the Plan Part 2 to be accepted as “sound”, leading to its adoption, hopefully in the Spring 2014.

The Cabinet received a presentation from Mr Tillyer raising a number of detailed issues relating, in particular, to the evidence in support of residential development allocations in Blackfield, Ringwood, Sandleheath and Dibden. Mr Tillyer will be sent a written response to each of the points made.

Members thanked the officers for their work in bringing forwards soundly-based changes to the plan, which aim to keep the Council in the strong position of having a fully adopted development plan in the near future. Members were also grateful for the training session, earlier in the week, which had explained the background behind some of the proposed changes in more detail.

4. SENIOR MANAGEMENT REVIEW (REPORT D) (MINUTE NO 27)

In June the Cabinet agreed a request from the current Head of Housing and an Executive Director that they should be allowed to enter into a flexible retirement arrangement, reducing their work commitments to 3 days a week (Minute 6, 5 June 2013 refers). The Head of Housing will retire fully in February 2014 and consultations have been taking place with staff on how his responsibilities will be covered in future.

It has been decided not to fill the Head of Housing post but to combine the housing function with some of the current taxation, benefits and customer services areas of work under a new post of Head of Housing and Customer Services. As part of the restructuring process the Audit and Accountancy Teams will be moved from Customer Services to report directly to the Executive Director, who is the S151 Officer. In addition, the parking function will be transferred to Environment Services.

5. PUSH (MINUTE NO 28)

The Cabinet considers that this Council should accept an invitation from the Partnership for Urban South Hampshire (PUSH) to rejoin that organisation. This is in view of the creation of Local Enterprise Partnerships, and the consequent increase in the role of PUSH, who will be taking the lead in a number of matters affecting the Waterside, through the Solent LEP. There are no financial implications for the current financial year, however full details of the joint arrangements and any delegation arrangements necessary will be submitted to a future meeting.

It is necessary to appoint an Executive Member to serve on the Joint Committee and also a non-executive Member to serve on the PUSH Joint Overview and Scrutiny Committee

RECOMMENDED:

- (a) That the invitation to rejoin the Partnership for Urban South Hampshire (PUSH) be accepted;**
- (b) That the Planning and Transportation Portfolio Holder be appointed as the Council's representative on the Joint Committee; and**
- (c) That the Council also appoint a non-executive Member to serve on the PUSH Joint Overview and Scrutiny Committee**

**Cllr B Rickman
CHAIRMAN**