

**6 SEPTEMBER 2017**

**NEW FOREST DISTRICT COUNCIL**

**CABINET**

Minutes of a meeting of the Cabinet held in the Council Chamber, Appletree Court, Lyndhurst on Wednesday, 6 September 2017

\* Cllr B Rickman (Chairman)

\* Cllr E J Heron (Vice-Chairman)

**Councillors:**

Mrs S V Beeton  
J E Binns

**Councillors:**

\* Mrs J L Cleary  
\* J D Heron

\*Present

**In attendance:**

**Councillors:**

Mrs D E Andrews  
W G Andrews  
P J Armstrong  
G C Beck  
Mrs S M Bennison  
G R Blunden  
Mrs F Carpenter  
S J Clarke  
S P Davies  
Ms L C Ford  
R L Frampton  
L E Harris  
M R Harris  
D Harrison

**Councillors:**

Mrs A J Hoare  
Mrs M D Holding  
A D O'Sullivan  
J M Olliff-Cooper  
L R Puttock  
W S Rippon-Swaine  
Mrs A M Rostand  
M A Steele  
Mrs B J Thorne  
R A Wappet  
Mrs C V Ward  
M L White  
C A Wise

**Officers Attending:**

Mrs F Churchill, Miss J Debnam, Mrs S Hamilton, R Jackson, Miss G O'Rourke, C Read and Mrs M Sandhu

**Apologies:**

Apologies for absence were received from Cllrs Beeton and Binns.

**22 MINUTES**

**RESOLVED:**

That the minutes of the meeting held on 2 August 2017 be signed by the Chairman as a correct record.

**23 DECLARATIONS OF INTEREST**

There were no declarations of interest made by any member in connection with an agenda item.

**24 PUBLIC PARTICIPATION**

No issues were raised in the public participation period.

**25 ORGANISATIONAL STRATEGY**

The Cabinet considered a draft Organisational Strategy to cover the period 2017 to 2022. The draft document would form the basis of consultations through the Employee Engagement Panel and the Corporate Overview and Scrutiny Panel. In addition, there would be briefing sessions, with the Chief Executive, for all members of staff. The Strategy set out the Council's approach and plans for the future delivery of services, demonstrating how this would support the Corporate Plan. The context within which the Council was operating, with significant reductions in government funding, and consequent reductions in the staffing establishment, was also set out.

**RESOLVED:**

That the draft Organisational Strategy 2017-2022, as attached as Appendix 1 to Report Item 4 to the Cabinet, be approved to form the basis for consultations.

**26 TREASURY MANAGEMENT MID-YEAR MONITORING REPORT 2017/18**

In accordance with best practice, the Cabinet considered a mid-year monitoring report on treasury management performance. Members were reminded of the wider economic context within which investment decisions were being made, as set out in Section 2 of the report.

The Council was currently investing in accordance with the low risk, high quality lending list outlined in the Treasury Management Strategy. It was intended to further diversify into more secure and/or higher yielding asset classes for surplus cash, recognising the increasing risk associated with short-term unsecured bank deposits, certificates of deposit and money market funds. The Council was currently achieving a return of 0.99%, with the asset value having increased to £73.2 million as of 31 July 2017. Exposure to unsecured bank and building society investments has also been reduced with greater investment in local authorities and pooled property fund assets and pooled multi-asset funds, which should also achieve greater returns. These achieved better returns when held for the medium term, which was the Council's intention.

The Council had not taken on any new external borrowing, with it being more cost effective to fund new capital expenditure through internal borrowing. No additional external borrowing was planned.

A change to the rules on how local authorities can access regulated financial services would mean that the default position would be that they would be treated as "retail clients", the same as individuals and small or medium sized businesses. The Council could however "opt up" to return to "professional client" status. This would allow continued access to the current asset classes without the increased fees that retail asset classes demanded. The Council would not then be able to

take advantage of some of the protections available to retail clients, as set out in Appendix 1 to Report Item 5 to the Cabinet, but this was no change from the current position. Section 5 of the report set out the further considerations that would need to be taken into account.

For the year to date the Council had operated within the Prudential Indicators and Treasury Management Indicators which had been set in February 2017 as part of the Medium Term Financial Plan.

**RESOLVED:**

- (a) That the potential impact on the Council's investment strategy of defaulting to a retail client with effect from 3rd January 2018 be noted; and

**RECOMMENDED:**

- (b) *That applications for elected professional client status be commenced immediately with all relevant institutions in order to ensure the Council can continue to implement an effective investment strategy;*
- (c) *That authority be delegated to the Section 151 Officer for the purposes of completing the applications and determining the basis of the application with respect to professional client status as either full or single service; and*
- (d) *That in electing for professional client status it be acknowledged and agreed that the Council will forgo the protections available to retail clients, as set out in Appendix 1 to Report Item 5 to the Cabinet.*

## 27 LOCAL DEVELOPMENT SCHEME

The Cabinet received a presentation on the timetable and programme for the review of the Local Plan. The timetable, known as the Local Development Scheme, was set out, and Members' attention was drawn to 3 potential risks.

Firstly, the forecast traffic growth from the Local Plan proposals, together with development from outside the Districts has reached a threshold where further investigations may be necessary as part of the Appropriate Assessment to ensure internationally protected habitats are not significantly affected. The first stage of results would be received towards the end of September and, if potential harmful effects were noted, there might need to be additional work that could delay the process.

Secondly, work to update the Strategic Flood Risk Assessment had resulted in changes to the mapping of areas at risk of flooding. This meant that potential site allocations might now be considered to be in a flood plain. Further work was necessary to establish whether the sites, for a total of 700 homes, could be safely developed and therefore included in the Local Plan. The timetable for the completion of the necessary modelling work was still somewhat uncertain, and could lead to a delay of up to 2 months for the Local Development Scheme.

The Government had also indicated that they would shortly be bringing forward changes to the National Planning Policy Framework. Of particular relevance was

the introduction of a standardised method for assessing local housing need. There was currently no indication as to how the new approach would work and this issue would need to be taken into account as the Plan moved forward.

The aspiration in the Local Development Scheme remained for the Local Plan to be submitted to the Cabinet in December.

**28 DATES OF MEETINGS****RESOLVED:**

That the following dates of meetings be approved (all Wednesdays at 10.00 a.m.).

6 June 2018	5 December 2018
4 July 2018	2 January 2019
1 August 2018	6 February 2019
5 September 2018	6 March 2019
3 October 2018	3 April 2019
7 November 2018	1 May 2019

CHAIRMAN