

REPORT OF CABINET

(Meeting held on 17 February 2021)

1. COVID-19 RESPONSE AND RECOVERY – REPORT FROM THE LEADER OF THE COUNCIL (MINUTE NO 169)

The Cabinet would like to remind everyone of the importance of staying home and reducing contact with others, as this remains the best action everyone can take to save lives. However, there really is room for optimism with the Prime Minister due to unveil the roadmap for ending England's lockdown restrictions on Monday 22 February 2021, ahead of the Council meeting.

Progress with Covid vaccinations continues, with everyone in the top four priority groups having been offered a vaccine dose. The Cabinet would like to again thank the NHS staff part of the vaccination programme locally, and to the many volunteers who continue to offer invaluable support and assistance.

With regard to the Council, as at the date of the Cabinet meeting, there were two staff with coronavirus and two staff self isolating out of the 1,234 employees. In addition, nine staff were clinically extremely vulnerable and unable to work from home. The Cabinet would like to again thank all staff for their tireless work throughout the pandemic. In relation to the Government's winter support package, the Council had, as at the date of the Cabinet meeting, paid out £15M to local businesses since November 2020.

Approval has been received from Hampshire County Council for funding of the roll out of a short term programme of community testing for people without symptoms. The appointment only scheme is aimed at Hampshire residents who travel regularly outside of their home for work, and who are not covered by an existing workplace scheme. Subject to Government approval, 11 community testing sites will begin operation in Hampshire week commencing 22 February. This equates to one per District in Hampshire. The New Forest location is the Totton Health and Leisure Centre.

The Cabinet encourage councillors to signpost residents to the most up to date information on the Council's website for support and assistance.

2. HOUSING REVENUE ACCOUNT BUDGET AND HOUSING PUBLIC SECTOR CAPITAL EXPENDITURE PROGRAMME 2021/22 (MINUTE NO 170)

The Cabinet, having approved the proposed planned maintenance and improvement works programme for 2021/22 – 2023/2024, are recommending a Housing Revenue Account Budget and Capital Programme as set out in appendices 1 and 3 to Cabinet Report 5 of the Cabinet Agenda.

The Cabinet would like to highlight the Council's continued investment in maintaining council dwellings, with over £11M to be spent in the coming year to maintain the decent home standards. A further £13M is also planned to be spent in acquiring and developing new additional council homes, as part of the overall strategy to bring on board 600 new council homes by 2026.

The proposed rent increase of 1.5% is in line with Government recommendations. This will be the second increase in rents following the four years of rents being reduced and equates to an average increase of £1.51 per week in rents.

Maintaining the Council's homes in good condition and attending to repairs remains a priority and the Cabinet considers that the budget delivers a balanced approach in support of this.

The comments of the Council's Tenant Involvement Group are included within the Cabinet report, which identify support for the content of the report, acknowledging that day to day decisions that impact upon tenants are appropriate and sensible.

RECOMMENDED:

- (a) That the HRA budget as set out in Appendix 1 to Cabinet Report 5 of the Cabinet Agenda, be agreed;***
- (b) From 04 April 2021 an increase in rents of 1.5% from the 2020/21 weekly rent level, in accordance with Government guidelines, be agreed;***
- (c) From 04 April 2021, an increase in service charges of 0.5% from the 2020/21 weekly service charge level, be agreed; and***
- (d) A Housing Capital Programme to 2023/24, as set out in Appendix 3 to Cabinet Report 5 of the Cabinet Agenda, be agreed.***

3. MEDIUM TERM FINANCIAL PLAN AND ANNUAL BUDGET 2021/22 (MINUTE NO 171)

The Cabinet, having considered the development of the Medium Term Financial Plan, is reporting to Council on the General Fund Revenue and Capital Budget requirements for 2021/22, as outlined in Cabinet Report 6 of the Cabinet Agenda.

The Cabinet would like to highlight the forecast deficit position for 2024/25 of £2.885M. Whilst this should not be of immediate concern, it demonstrates the need to continually work to balance the Council's finances under strong pressure, and to find new, innovative ways to deliver front line services.

The recommended General Fund budget is based on the current delivery model for the Council. Therefore, taking the example of the outcome of the Health and Leisure Review, to be determined, this is independent of the budget recommended to the Council. The reserve position ensures the Council is well placed to respond, much as it needed to throughout 2020 with any unexpected pressures.

The Cabinet would like to thank all Members for their work throughout the year 2020/21 and via the Council's COVID-19 Recovery Task and Finish Groups contributing to the early development of the budget as part of the emergency in-year budget set in September 2020.

RECOMMENDED:

- (a) That there is a General Fund Net Budget Requirement in 2021/22 of £19,291,410 as set out in Appendix 5 to Cabinet Report 6 of the Cabinet Agenda, including the transfers to and from reserves, as outlined in Appendix 5d to Cabinet Report 6 of the Cabinet Agenda;***
- (b) That the Band D Council Tax for 2021/22 shall be £183.36;***
- (c) That the General Fund Capital Programme for 2021/22 of £15.947m, as set out in Appendix 6 to Cabinet Report 6 of the Cabinet Agenda be approved; and***

(d) That the site licence fees and service charges at Stillwater Park be increased by 1.1% in line with RPI inflation.

4. HEALTH AND LEISURE REVIEW – PREFERRED BIDDER (MINUTE NO 172)

The Cabinet, having considered the detailed work of the Health and Leisure Review Task and Finish Group, the recommendations of the Community and Leisure Overview and Scrutiny Panel, and the petition debated by the Council in February 2020, is recommending to Council a preferred partner for the future running of the Council's five health and leisure centres.

The Cabinet would like to highlight the vision for the service:-

“Working with partners to create active communities by providing affordable, accessible leisure facilities, dedicated to improving physical and mental wellbeing and establishing a sustainable healthy lifestyle legacy for future generations.”

The Cabinet are confident that Freedom Leisure as a partner of the Council, will help deliver this vision. The proposals will provide security for the provision of health and leisure services across the District for the next 11 years, including significant investment, whilst significantly reducing the cost of the service to the residents of the New Forest. It is also considered to be a great example of the 21st century delivery models referred to in the Council's Medium Term Financial Plan, required to ensure the future financial viability of the Council.

Dealing specifically with the petition considered by the Portfolio Holder and Cabinet, the Cabinet would like to clarify that the Council will continue to own the health and leisure centre buildings. Freedom Leisure as the preferred bidder, are a very community focused organisation and the ambition is to increase community use. Cabinet are satisfied that the Council, by adopting the recommendations, is not privatising its leisure centres, instead working with a new expert partner to protect and deliver the services into the future.

The Cabinet welcome the comments made by the Chairman of both the Community and Leisure Overview and Scrutiny Panel and the Health and Leisure Task and Finish Group, in support of the recommendations. The report has been scrutinised section by section with full answers provided to questions and comments. The Community and Leisure Overview and Scrutiny Panel concluded that the recommendations to Council are the best option for the sustainability of the District Council's leisure centres and the health and wellbeing of the community.

At the Cabinet meeting, the Leader of the Council referred to a required minor amendment to the first recommendation in Cabinet Report 7 of the Cabinet Agenda to clarify the title of the preferred bidder as “Wealden Leisure Ltd trading as Freedom Leisure.”

The Cabinet would like to thank the Portfolio Holder, the Executive Head – Resources, the Council's Chief Finance Officer and their teams, and all Members who had contributed to such an enormous piece of work. The Cabinet consider that the position recommended to the Council will deliver high quality leisure services, and ensure the Council's wider financial responsibilities are met, to the benefit of all New Forest residents.

RECOMMENDED

(a) That the contract to operate and maintain the District Council's five Leisure Centres at Applemore, Lymington, New Milton, Ringwood and Totton be awarded to Wealden Leisure Ltd trading as Freedom Leisure to commence

on 1 July 2021 for an 11 year period with an option to extend for a further 4 years;

- (b) That the terms of the Contract, summarised in sections 8 and 9 of Cabinet Report 7 of the Cabinet Agenda, are noted;***
- (c) That a 4-month mobilisation period following award of contract is noted, enabling full operational control by Freedom Leisure Limited on 1 July 2021;***
- (d) That £2.242m of Prudential Borrowing to support the investment programme outlined in paragraph 14.11 of Cabinet Report 7 of the Cabinet Agenda is approved; and***
- (e) That Council discharges responsibility for an annual contract review and performance to the Community and Leisure Overview and Scrutiny Panel, who will set up a councillor working group at its next meeting.***

**COUNCILLOR B RICKMAN
CHAIRMAN**