

REPORT OF CABINET

[\(Meeting held on 2 February 2022\)](#)

1. FINANCIAL MONITORING (MINUTE NO 55)

The Cabinet noted the latest budget forecasts of the General Fund, Capital and Housing Revenue Account (HRA), set out in full in paragraphs 4, 5 and 6 of Cabinet Report 4 of the Cabinet Agenda.

The Cabinet is pleased to see that nine months into the year, despite variations across services, the Council remains on track to deliver a General Fund budget close to that initially set.

It is clear that the HRA has faced some pressures this year resulting in additional expenditure and pressure on income, and these matters will be addressed in the proposed 2022/23 budget to mitigate against these variations occurring again into the new financial year.

2. AIR QUALITY SUPPLEMENTARY PLANNING DOCUMENT (MINUTE NO 56)

The Cabinet, having considered the feedback from both the Environment and Sustainability Overview and Scrutiny Panel and the Community, Partnerships and Wellbeing Overview and Scrutiny Panel, approved the publication of a draft Supplementary Planning Document (SPD) for consultation. The final draft document will be agreed by the Executive Head for Planning, Regeneration and the Economy in consultation with the Portfolio Holder for Planning, Regeneration and Infrastructure.

The SPD sets out an approach to Air Quality in new development and was prepared jointly between Planning and Environmental Health. The draft SPD can be found at Appendix 1 to Cabinet Report 5 of the Cabinet Agenda.

The Cabinet are encouraged by this SPD as a way of ensuring that the developers within the District are clear about the information they need to submit to enable Council officers to fully assess the impact proposed development will have on air quality. It also clearly sets out infrastructure that can be put in place to reduce emissions and ensure that sustainable development is delivered in the District.

The Cabinet look forward to the outcome of the consultation.

3. SOLENT FREEPORT – SITE SPECIFIC AGREEMENTS (MINUTE NO 57)

The Cabinet authorised the Chief Executive to enter into Site Specific Agreements with landowners and the Solent Freeport Consortium. The terms of the agreements are set out in full in Cabinet Report 6 of the Cabinet Agenda.

The Cabinet heard from a number of Members who sought reassurances on both the economic and environmental implications of the Solent Freeport.

As stated within the Cabinet report, neither the entering into Site Specific Agreements nor the designation of the Freeport by the Government will alter the requirement for sites to obtain required planning consents before development can take place. By entering into these agreements the Council ensures that landowners, their successors and tenants, use their best endeavours to deliver development that meets the Freeport objectives, which includes promoting job creation and pioneering approaches to climate change adaptation and decarbonisation.

If designated, the Solent Freeport will deliver new jobs, and importantly access to the training and up-skilling required to enable local residents to access them, investment in needed infrastructure and commit site owners to work to achieve the Freeport objectives.

The Cabinet also welcomes the ambition of the Solent Freeport to become the UK's greenest Freeport, contributing to the Council's sustainability priorities.

4. COMMUNITY GRANTS 2022/23 (MINUTE NO 58)

The Cabinet, having considered the recommendations of the Community, Partnerships and Wellbeing Overview and Scrutiny Panel, and the detailed work and considerations of the Community Grants Task and Finish Group, approved Community Grant awards totalling £130,000 in revenue grants and £85,600 in capital grants for inclusion in the Medium Term Financial Plan and proposed budget for 2022/23. The detailed awards are outlined in appendices 1 and 2 to Cabinet Report 7 of the Cabinet Agenda.

Further grant awards totalling £28,500 were approved from the Clinically Extremely Vulnerable funding held by the Council as part of the COVID-19 funding support received by the Government.

The Cabinet also approved a number of proposed changes to the process for 2023/24, as detailed in the Cabinet report. These include improvements to the application process and the opportunity to work with Community First Wessex to develop a Service Level Agreement.

The Cabinet would like to thank the Members involved in the process for recommending grant awards through a full and robust application and interview process, demonstrated in the diversity across the community of grants to be awarded in supporting the arts, families and young people, sports, mental health and to charities that support our most vulnerable households.

5. ASSET MAINTENANCE AND REPLACEMENT PROGRAMME AND GENERAL FUND CAPITAL PROGRAMME 2022/23 (MINUTE NO 59)

The Cabinet, having considered the discussions of the Corporate Affairs and Local Economy Overview and Scrutiny Panel, agreed the schedule of projects as included at appendices 2 and 3 to Cabinet Report 8 of the Cabinet Agenda, for adoption by the Council.

The proposed Capital Programme for 2022/23 totals £16.674 million. Projects are funded by NFDC resources (capital reserve and receipts received), various grants / funds and Developer Contributions / CIL.

It is important as part of the Council's overall financial health that it continues to fund the maintenance and replacement of its assets.

RECOMMENDED:

That the schedule of projects, as included at Appendix 2 and 3 of Cabinet Report 8 of the Cabinet Agenda be approved within the 2022/23 budget.

6. CAPITAL STRATEGY 2022/23 (MINUTE NO 60)

The Cabinet, having considered the discussions and recommendations of the Corporate Affairs and Local Economy Overview and Scrutiny Panel, agreed the Capital Strategy 2022/23, as outlined in Cabinet Report 9 of the Cabinet Agenda, including the MRP statement, for adoption by the Council.

The Capital Strategy is a high level document, giving an overview of how capital expenditure, capital financing and treasury management come together, with an overview of current activities and the implications for future financial sustainability. By producing this strategy report, the Council is following statutory guidance issued by the Government in January 2018. Whilst this programme gives rise to a level of external borrowing from 2022/23, this is well within the prudent level supported by the Council's overall financial position.

RECOMMENDED:

That the Capital Strategy 2022/23 be approved, including the adoption of the MRP statement, as follows:-

“For capital expenditure that has been incurred, and which has given rise to a CFR, the MRP policy for expenditure other than that incurred on investment property and dwellings, shall be to charge revenue an amount equal to the depreciation of any asset financed by loan. The MRP policy specific to investment properties and dwellings financed by loan, shall be to charge revenue an amount equivalent to the sum of borrowing utilised, over a repayment period of 50 years.”

**COUNCILLOR E HERON
CHAIRMAN**