

REPORT OF CABINET – [6 SEPTEMBER 2023](#)

PART I – ITEMS RESOLVED BY CABINET

1. FEASIBILITY STUDY TO DELIVER LONG TERM VALUE FROM APPLETREE COURT, LYNDHURST

PORTFOLIO – FINANCE AND CORPORATE

CABINET RESOLUTION:

That Cabinet approves a budget of up to £100,000 to undertake feasibility studies for a possible modernisation of Appletree Court as described in this report to inform the wider development of the Council's accommodation requirements as part of its Transformation agenda.

CABINET DISCUSSION:

The Portfolio Holder for Finance and Corporate explained that, following the Covid pandemic, the way the District Council worked had fundamentally changed. The consequence of this change was that there was greater flexibility for staff in their working arrangements but also that Appletree Court (ATC) was now underutilised, particularly in regards to office occupancy rates.

The Portfolio Holder acknowledged that there was a cost involved in undertaking the feasibility study, however the potential benefits of the annual rental and rates as well as building costs savings could be in the range of £400,000, giving a pay-back period of 4-5 years.

The Civic Buildings and Facilities Manager explained that this review formed part of the wider transformation agenda. At present, peak occupancy saw 41% of staff working at ATC at any one time. A search for alternative accommodation within the District had been undertaken, however no suitable alternative property or location had been identified. A development appraisal received from leading property consultants in January 2023 showed the sale or redevelopment of Appletree Court for alternative use was unlikely to yield a capital sum sufficient to fund a relocation to alternative premises or the construction of new headquarters premises elsewhere in the District.

It was explained that the feasibility study would give the Council a better understanding of workspace potential and would ensure that Appletree Court was a vibrant and collaborative working environment. The study would seek opportunities for third parties to use office space which would in turn enable the Council to foster new partnerships whilst developing those already in existence.

Cabinet members agreed that the post-pandemic hybrid working arrangements lend themselves to new ways that office space is utilised. The Leader confirmed that sustainability would be a factor in the evaluation of office space utilisation and that the ultimate aim was for the Council to be more cost-effective in the running of Appletree Court and to stand out as an employer of choice.

2. FINANCIAL MONITORING REPORT (based on performance April to June 2023 inclusive)

PORTFOLIO: FINANCE AND CORPORATE / ALL

CABINET RESOLUTION:

That Cabinet: -

- (a) Approves the revised formulation of the 2023/24 original budget in accordance with the new Portfolio structure (section 2.2 of the Cabinet report)
- (b) Notes the latest budget forecasts of the General Fund (section 5 of the Cabinet report), Capital (section 6 of the Cabinet report) and HRA (section 7 of the Cabinet report)
- (c) Notes the impact that the anticipated pay award is forecast to have on the Council's budgets, and the need to identify mitigating actions to address these additional costs.

CABINET DISCUSSION:

The Portfolio Holder for Finance and Corporate praised the revised budget for 23/24 following the new Portfolio structure, acknowledging the work undertaken in managing the Council's finance and the delivery of a £100,000 net gain for the year. Cabinet noted that a Central Government cap on any increase in the precept remains in place at 3% for 2023/24 and 2024/25, and 2% thereafter, against a background of a Consumer Price Index (CPI) rise for twelve months to July 2023 of 6.8%.

The Strategic Director of Corporate Finances, S151 and Transformation explained that in the main the report dealt with budgets being brought forward from the previous year, as is typical in the first monitoring report of the year. He also explained, as per the Pay Award in section 4 of the report, final figures had not yet been quantified. It was hoped that the respective Trade Unions would agree a position soon and that a subsequent report would explain how this increase in costs would be mitigated by the Council. It was also anticipated that the General Fund would see an additional recycling glass income of £100,000 due to an increase in price per tonne.

PART II – RECOMMENDATIONS TO COUNCIL

3. STRATEGIC RISK REGISTER

PORTFOLIO – LEADER / ALL

RECOMMENDED:

That Council adopt the Strategic Risk Register.

CABINET DISCUSSION:

The Leader explained that the Strategic Risk Register (SRR) was a 'living', working document that records the challenges and risks facing the Council and helps plan the direction taken in mitigating said risks.

The Insurance and Risk Officer, alongside the Executive Management Team (EMT), had undertaken a comprehensive risk review. Following this, the Audit Committee had provided input on the SRR and each risk had been evaluated on its potential impact to the Council. The Leader would remain briefed on the SRR as well as any and all developments.

The SRR also contained proposed Action Plans; these being strategies to avoid, accept or manage risks. The management of risks would be holistic, and the ownership of a risk would be assigned to a specific manager and team.

Cabinet agreed that the document must be well managed and that all members should familiarise themselves with the SRR and provide feedback on any areas of concern.

The Leader explained, following a question from a Councillor, that partnership work with the Citizens Advice Bureau on the matter of unclaimed benefits was ongoing and that the Revenue and Benefits team would continue to work to reach those vulnerable, hard-to-reach individuals who might be eligible for additional support. The Portfolio Holder for Community, Safety and Wellbeing explained that a Community Forum was in development and that the District Council would lead this, alongside charities as well as the Town & Parish Councils. This would help address the issue of how best to reach residents most in need of support. The Portfolio Holder for Finance and Corporate reiterated that the Council, within the New Forest Partnership, had recently completed a campaign to support residents with the cost-of-living crisis and to assist people in checking if they are entitled to state benefits.

The Chairman of the Audit Committee, in reference to point 5.2 of the report, informed the Cabinet that he had received answers to the questions raised by the Committee and that he was satisfied with the responses.

Attachments – Background Report to Cabinet (Appendix 1)

4. VEHICLE AND PLANT REPLACEMENT PROGRAMME

PORTFOLIO – ENVIRONMENT AND SUSTAINABILITY / FINANCE AND CORPORATE

RECOMMENDED:

That Council approve: -

- (a) A supplementary budget of £126,000 for the revised budgets for Vehicles and Plant Replacement Programme for 2023/24; and
- (b) A revised budget of £2.102 million for the Vehicle and Plant Replacement Programme for 2024/25.

Note:-

The Cabinet also resolved: -

To note the intention to develop a new fleet strategy, which will set the future approach to the replacement of our assets, capturing the opportunities to reduce emissions in line with the declared Climate and Nature Emergency.

CABINET DISCUSSION:

The Portfolio Holder for Environment and Sustainability reminded members that the Council's fleet and plant were an essential part of the Council's services, and that the Council currently utilises 265 vehicles within its fleet. These vehicles oversee the waste and recycling, housing maintenance, street scene & grounds maintenance, and parking enforcement & engineering works.

The Medium-Term Financial Plan and annual budget, agreed in February 2023, included a £3.2 million budget for the vehicles and plant replacement programme. £150,000 had been allocated to the fleet upgrade for waste strategy implementation.

An important part of the process was also the reduction in emissions from the NFDC fleet, in line with the Council's Climate Emergency Action Plan. The Council currently operated four electric vehicles and an increasing proportion of battery powered tools. It was explained that investment was required to allow a greater proportion of the fleet to be considered for electric vehicle replacement. With this, fuel options to reduce emissions in the wider fleet, such as hydrogen and lower emission hydrocarbons, would be considered. A fleet strategy would be developed which was expected to be completed in February 2024.

Cabinet agreed that replacements should occur where necessary, when a vehicle or infrastructure had reached the end of its lifespan; the Leader confirmed that there were vehicles within the fleet which had been in operation for over 10 years.

In response to a question on market pressures, the Transport and Depot Manager explained that the Council would continue to observe the market and react in an appropriate manner, ensuring that the requisite infrastructure was in place. The replacement of a vehicle would occur following a rigorous assessment where, for example, whole life costs and running costs would be measured first before a judgement was made. On a financial basis, the aim was to ensure that the Council received value for money.

Attachments – Background Report to Cabinet (Appendix 2)