

**COUNCIL – 9 OCTOBER 2023**

**REPORT OF CABINET – [4 OCTOBER 2023](#)**

**PART I – ITEMS RESOLVED BY CABINET**

**1. TENANT ENGAGEMENT STRATEGY**

**PORTFOLIO – HOUSING AND HOMELESSNESS**

**CABINET RESOLUTION:**

That Cabinet approve the current draft of the Tenant Engagement Strategy for consultation purposes with the Council's Tenants and relevant stakeholders before a final draft is presented to Cabinet and Council in early 2024.

**CABINET DISCUSSION:**

The Portfolio Holder for Housing and Homelessness reported he was delighted to present the Tenant Engagement Strategy. A significant amount of work had gone into the draft strategy which had been discussed with the Tenant Involvement Group and it had received wide ranging support.

The Tenant Engagement Manager reported that the Strategy had been written in response to The Charter for Social Housing Residents – Social Housing White Paper and the Social Housing Regulation Act 2023. It took into account best practice and had been developed in partnership with residents. There were four strategic priorities underpinning the Strategy in order to ensure that tenants were placed at the heart of housing services, that their experiences can drive and shape services as well as hold the Council to account. The priorities sought to listen to our tenants; put tenants first; know our tenants and support engagement and promote how we communicate with tenants.

Members spoke in support of the draft Strategy. A member sought confirmation that there would be extensive consultation on the strategy. This was confirmed by the Portfolio Holder and noted that any feedback received would be fully considered.

It was also questioned by a member how the proposed focus on engagement activities would be representative considering groups in communal settings may have specific views relating to their blocks. In response, the Tenant Engagement Manager acknowledged that it was a four year strategy and there was a lot of work to be carried out. The Housing Hubs would be utilised in the community and that all housing teams would be involved in listening to the voice of tenants in order to understand what the Council does well and what could be done better. It was also recognised that different tenants and communities might prefer different methods of engagement.

## **2. COMMUNITY INFRASTRUCTURE LEVY (CIL) - FRAMEWORK FOR CIL EXPENDITURE**

### **PORTFOLIO – PLANNING AND ECONOMY**

#### **CABINET RESOLUTION:**

That the Cabinet:

- (a) Agree to the proposed introduction of a framework for CIL expenditure (Appendix A) to align funds to identified infrastructure needs;
- (b) Agree to release £1m of CIL in 2023/2024 to fund local infrastructure in the short term;
- (c) Approve to the publication of the Town and Parish council CIL information note at Appendix C;
- (d) Agree to the proposal to report back to Cabinet by the end of the calendar year 2024 with a review of the allocation of the £1m and to finalise the framework for future years; and
- (e) Agree to establishing a Task and Finish Group to review the proposed CIL allocations so that they may directly advise the Portfolio Holder for Planning and Economy. The terms of reference and composition of the Group will be agreed by the Leader of the Council in consultation with Portfolio Holder for Planning and Economy, as an Executive Advisory Task and Finish Group.

#### **CABINET DISCUSSION:**

The Portfolio Holder for Planning and Economy supported the recommendations in the report. He looked forward to working with members, through a Task and Finish Group to consider the proposed CIL allocations in order to spend money on much needed infrastructure projects.

The Planning Implementation and Monitoring Team Leader confirmed that the report proposed a new system, which would include working with the local town and parish councils to seek the submission of funding bids in order to allocate and spend the CIL money. The bidding round would be opened from mid October until mid December. Officers would provide the necessary information and support to the Towns and Parishes in order to seek the best proposals.

The Portfolio Holder for Finance and Corporate confirmed his support to the proposals noting that infrastructure was necessary to follow development. It was important to ensure that work was carried out to deliver the right results with the limited resources available.

Non Cabinet members welcomed the recommendations contained in the report. A member spoke about the clarity given within the report on the type of projects which could be considered as infrastructure projects and that the guidance provided would help the Towns and Parishes in their bid submissions.

## **PART II – RECOMMENDATIONS TO COUNCIL**

### **3. MEDIUM TERM FINANCIAL PLAN 2023 ONWARDS**

#### **PORTFOLIO – FINANCE AND CORPORATE / HOUSING AND HOMELESSNESS / ALL**

##### **RECOMMENDED:**

That Council approve;

- (a) That the revised MTFP forecasts, as outlined within the Cabinet report and appendices be adopted;
- (b) That the options identified to close the budget gap for 2024/25 and through to 2027/28 are developed further;
- (c) That the Fees and Charges Policy set out in section 4f of the Cabinet report be adopted; and
- (d) That the reporting timeline as set out in section 6 of the Cabinet report be agreed

##### **CABINET DISCUSSION:**

The Portfolio Holder for Finance and Corporate presented the report. He highlighted he was delighted the Medium Term Financial Plan showed that the Council was in a strong financial position to deliver on all front line services for residents in the short term. However, it was not possible to hide behind the pressures in the plan for the General Fund for the financial years 2025/26 and 2027/28 where the funding with the realignment of the business rates would cause significant financial pressures. It was necessary to look how these could be addressed at an early stage before they were upon us.

In relation to the Housing Revenue Account, there were challenges in order to deliver additional affordable housing as well as the greener housing agenda which would be at a significant cost to the Council. Work would continue with officers to deliver on this.

The Strategic Director Corporate Resource & Transformation reported that this was the first update of the Medium Term Financial Plan since the budget had been agreed in February. He highlighted section 4 (General Fund) of the report and spoke about the funding assumptions which had been made. This included the business rate reset, Government support and pay. He drew attention to the fact there were risks associated with those assumptions, such as the rise in inflation, cost of homelessness and pay and price increases. There was a forecast deficit over the next four years of in excess of £3.5m. It was therefore necessary to work towards closing the gap between the budget requirement and funding available, by making savings and to consider income growth.

The Council had an excellent track record at being proactive in its approach to decision making. Indeed, the following Cabinet report on the agenda was forward thinking about the decision to be taken, in relation to fees and charges. This would have the potential to create additional headroom to address the budget deficit and create opportunities to reinvest in Council priorities. This was a strong position for any authority to be in.

There was a different set of challenges for the Housing Revenue Account, as set out in Section 5 of the Cabinet report. Significant capital expenditure was required to improve

Council owned housing to EPC rating of C by 2030. This was combined with an aspirational priority to increase the number of council owned properties, as well as ensuring properties had ongoing maintenance and that reactive works were carried out.

The recommendations for Council proposed to start the process to identify options to close the budget gap and would be presented to Full Council for consideration in February 2024.

A question was asked by a member regarding whether there would be money set aside now to plan for the future budget deficit. This could be detrimental to service provision to local residents who needed those services now. The member also acknowledged it was a balancing act. The Portfolio Holder for Finance and Corporate responded giving his assurance that this would not be the case and that there was currently a balanced budget. The Council usually carried £3m in the general fund as a reserve, which was considered to be a prudent level. He reported there might be a point between the different financial years where a small excess could be carried over in order to smooth out the transition between the different income streams, but this would have negligible impact on the expenditure of the Council.

A member raised concern in relation to the £1m homelessness budget which was set to decrease over the next three years, particularly as fixed term mortgages would come to an end and there could be an increase in homelessness. The Portfolio Holder for Housing and Homelessness acknowledged this point, but he felt the situation would not get worse and it would be closely monitored. The relevant scrutiny panel would also receive regular updates on the homelessness.

In response to a question about the target for Council housing to be at EPC level C by 2030 and the financial burden associated with this, it was confirmed that the target of 2030 was being worked towards. Government support was expected to continue as this was a significant financial pressure on the Council.

#### **Attachments – Background Report to Cabinet (Appendix 1)**

#### **4. ANNUAL FEES AND CHARGES FOR 2024 – CAR PARKING AND KEYHAVEN MOORINGS**

##### **PORTFOLIO: ENVIRONMENT AND SUSTAINABILITY**

##### **RECOMMENDED:**

That Council approve:

- i. that the 2024 town & village and amenity car park tariffs be increased by £1.00 per tariff, except for the 1-hour tariff which will remain at £1.00, and the “up to 20 hours” tariff which will increase by £3.
- ii. that the 1-hour tariff is applicable in all car parks throughout the year.
- iii. that the increase in charges for NFDC parking clocks be agreed; namely;
  - Short stay annual clocks from £30.00 to £40.00
  - Long stay annual clocks from £140.00 to £220.00
  - Long stay quarterly clocks from £40.00 to £65.00

- iv. that the Council allocate 4 days of free parking in town centre car parks to support local businesses during December 2023, as detailed in section 7 of the Cabinet report.
- v. that the Keyhaven fees and charges as detailed at Appendix A to the Cabinet report be approved.

### **CABINET DISCUSSION:**

The Portfolio Holder for Environment and Sustainability presented the report. He thanked the Overview and Scrutiny Panel for its input and comments. The approach to the fees and charges in the current economic climate was felt to be fair and balanced and the recommendations were fully supported. Moving forwards, the Portfolio Holder reported that the development of a parking strategy was essential and he looked forward to working with members of a Task and Finish Group.

The Assistant Director for Place Operations reported that the fees and charges for car parking and Keyhaven moorings were proposed to be introduced from 1 January 2024 and therefore needed to be determined in the autumn. There were 44 Council owned car parks in the District and the council also sold short and long stay car parking clocks to 32,000 people. Historically, the District Council had not raised car parking charges, in some cases they had not increased since 2018. The proposed charges were set out in the recommendations. Benchmarking had been carried out with other comparable local authorities, in Fareham and Christchurch.

There was a proposed price increase to the short and long stay parking clocks and this cost had also been benchmarked. It was proposed that a Parking Strategy be developed on the longer term development of the service.

In relation to Keyhaven Moorings, a 10% increase was recommended across all fees and this was comparable with other mid-stream moorings in Lymington and Hamble.

Some non Cabinet members raised concern about the rise in parking charges and in particular to the parking clock, suggesting this was a significant percentage price increase, particularly in relation to the long stay parking clock. It was felt that people could stop using town centre car parks, opting to park on the street as an alternative. There could potentially be a detrimental impact on local businesses, particularly those who might purchase the clocks for their members of staff.

The Portfolio Holder for Environment and Sustainability responded acknowledging that increases were never welcomed, however he felt the proposals still offered exceptional value for money. He spoken about the charges in adjoining areas being significantly higher than those proposed in the report. A short stay parking clock with the proposed increase would cost less than 80p per day to park in a car park for up to 3 hours and could be used 7 days a week. Other charges had not increased for up to 6 years, however, it was no longer sustainable to leave them as they were. The hourly rate of £1 in car parks would remain, which was positive in order to support local residents and businesses. This would continue to be available in all car parks.

Other members expressed the view that the proposed new car parking charges would provide good value for money when compared to the surrounding local authorities. It was also acknowledged that the fees and charges needed to pay for the maintenance and upkeep of the car parks.

Finally, other Portfolio Holders spoke in support of the recommendations contained in the report, reiterating previous comments that the proposed rise in cost would continue to provide exceptional value for money, particularly when looking at the benchmarking with comparable authorities. The car parking strategy would enable a further analysis of the costs involved to maintain the car parks.

**Attachments – Background Report to Cabinet (Appendix 2)**