

REPORT OF CABINET – 6 DECEMBER 2023

PART I – ITEMS RESOLVED BY CABINET

1. DRAFT CORPORATE PLAN FOR PUBLIC CONSULTATION

PORTFOLIO – LEADER / ALL

CABINET RESOLUTION:

That Cabinet approve the draft Corporate Plan 2024-2028 (Appendix 1) for public consultation.

CABINET DISCUSSION:

The Leader was pleased to introduce the draft Corporate Plan for public consultation which set out the challenges and ambitions of the Council over the next four years. It was structured around People, Place and Prosperity. It had been informed by the administration's manifesto, the resident insight survey, the Council's Leadership Team, Elected Members and staff. She welcomed the views of partners, stakeholders and residents as part of the consultation process to further shape the plan for the future.

The Performance and Insight Manager introduced the draft Corporate Plan 2024-2028 seeking Cabinet approval for consultation. The Corporate Plan would be the primary strategy to shape the way the Council works and defines ambitions. The Plan would be underpinned by a performance management framework to monitor its delivery. The consultation period would run for 6 weeks closing at the end of January 2024. All consultation feedback would be logged and considered. The Overview and Scrutiny Panels would consider the Corporate Plan in March, before Cabinet approval in April 2024.

A non-Cabinet Member sought clarification that the plan would be monitored using data to ensure it was effective and enable continuous improvement. It was confirmed that the plan would be monitored and that Key Performance Indicators had been included in the draft Plan. These could be influenced by the consultation responses.

2. UPDATE REPORT – NEW GOVERNMENT GUIDANCE ON RECYCLING AND WASTE STRATEGY AND PLANNED SERVICE CHANGE

PORTFOLIO – ENVIRONMENT AND SUSTAINABILITY

CABINET RESOLUTION:

That:-

- a) Officers proceed to take the necessary decisions to implement the service changes for refuse collection, recycling and food waste collections as set out in Section 5 of the report, in readiness for a commencement of the new service in Summer 2025;

- b) The procurement process to acquire the necessary vehicles, wheeled bins, food caddies and other containers, including ancillary services in order to deliver the new service, is commenced;
- c) Officers continue to discuss the long-term provision for dry recycling with Hampshire County Council and partners; and
- d) The financial implications of the new service set out in the report be noted, with further clarity to come back to the Cabinet pending the Local Government Finance Settlement and completion of procurement activity to secure firm pricing.

CABINET DISCUSSION:

The Portfolio Holder for Environment and Sustainability introduced the report. He welcomed the clarity which had been received from Central Government to make recycling as simple as possible. It was acknowledged that some areas still needed more detail but that the clarity gave the Council an opportunity to work with Hampshire partners to ensure that the long term approach to recycling was the correct one. Most importantly, planning work would be carried out to roll out the new service in 2025 and to deliver on the pledges in the Waste Strategy 2022; to reduce waste and increase recycling.

The Place Operations Strategy and Performance Manager confirmed that there had been clarity from Defra in relation to recycling. Within these latest announcements, Defra's stream of work known as "consistent recycling" was rebranded as "Simpler Recycling", requiring a full range of materials to be collected, including food from all domestic households from March 2026. However, Government's preference for different recycling streams to be collected separately from each other had now been removed, meaning that all dry recyclable material could be collected together. The Council could continue to collect garden waste as a chargeable service.

The previously approved Waste Strategy had proposed a twin stream collection service. Given this change of approach from central Government, the Council needed to review collection methods. Hampshire County Council had also reported there would be a delay to the Materials Recovery Facility to be provided, to collect the additional materials for recycling until at least 2026. They would now look to carry out further work to review the optimal approach to recycling for the County. HCC had requested that all partners look to complete this work by 1 March 2024.

To allow NFDC to move forward with the changes for 2025, two phases were proposed, with wheeled bins and food waste containers being introduced initially. Further amendments would be made to the service at a later date, but would be dependent on the outcome of the work with Hampshire Partners regarding disposal infrastructure. It was anticipated that new burdens funding would be available in the current financial year and that more would follow next year. Further details on the modelling of the financial formula was awaited. Revenue funding for food waste was likely to be available in 2026.

Work was needed to be carried out on the full cost of the roll out of the new service for 2025 and a report was expected to be presented to Cabinet in February 2024.

A non-Cabinet Member acknowledged that this delay and change in approach by Government was at a cost to the Council. It was suggested that a letter be written to Government to highlight this. The Leader responded and suggested that a letter be written on the impact to the Council on the change to the approach on behalf of the Council to the Secretary of State.

A non-Cabinet member also highlighted it was important to ensure that clear communication was given to residents on the collection of waste and recycling, given these changes.

Cabinet Members spoke about the change in approach from central Government, acknowledging that that it would cause delays, but it was important to make the right decision for improving recycling and reducing waste. Making recycling more simple for residents' would be the best way forward. This was endorsed by other non-Cabinet members.

3. MEDIUM TERM FINANCIAL PLAN 2023 ONWARDS

PORTFOLIO – FINANCE AND CORPORATE / ALL

CABINET RESOLUTION:

- a) That the contents of the report and the updates to the Medium Term Financial Plan be noted; and
- b) The approach taken to set the Asset Maintenance and Replacement Programme and Capital Programme Budgets for 2024/25, be endorsed.

CABINET DISCUSSION:

The Portfolio Holder for Finance and Corporate introduced the report and highlighted that the MTFP to Cabinet in October had reported a potential deficit of £3.6 million for the financial year 2027/28. Since then, there had been the Chancellors Autumn Statement and the impact of this had been reflected in the report. Changes had been made to fees and charges and these had been incorporated into the plan. The Provisional Financial Settlement had not yet been announced.

The Strategic Director Corporate Resources and Transformation highlighted that the report gave an update on the Medium Term Financial plan since the last report had been presented in October. The Autumn Statement provided funding in relation to homelessness prevention and nutrient mitigation with the impact to this Council likely to be included within the provisional Finance Settlement. The Statement had also extended the tax incentive window for tax sites, including the Solent Freeport, which could encourage more development within this area.

The Provisional Finance Settlement was expected by 19 December, but it was not expected there would be any significant surprises.

Section 4 of the report outlined changes to the General Fund, following the October update. The latest forecast for 24/25 was a budget surplus of £241k and a forecast deficit to 27/28 of £2.9 million. Section 5 of the report provided an update on the HRA. A key area of work was in relation to the target of EPC rating of C or above for council owned housing by 2027 which was estimated to cost between £9-15 million. Careful planning therefore needed to be made in relation to this.

The approach to fees and charges and the asset maintenance and replacement programme was also set out in the report.

A non-Cabinet member questioned the extension of the tax breaks for Solent Freeport and whether there would be any benefits for local residents, as the benefits to date seemed to be focused on businesses. A response was provided from the Strategic Regeneration

Advisor who acknowledged that the Freeports had been set up quickly looking at business led incentives. However, over the last few months officers had been looking at outcomes in relation to skills and employment, infrastructure, environment and town centres. Through the Waterside Steering Group, a delivery plan would be developed in legacy terms which would then be brought forward through the decision making process in the next 9-12 months.

A question was asked about progress toward the EPC C target for the Council's housing stock, and how a lack of co-operation by tenants to allow the surveys to be carried out may be impacting the Council's ability to deliver on the target. The Assistant Director of Housing reported that the 2-year programme of surveys was expected to be completed in February 2024. Around 500 properties had not had surveys carried out due to access issues. It was expected that by January 4,000 properties would have valid EPC ratings.

Following a member question about the impact of the Autumn Statement and reviewing the impact of matters such as nutrient mitigation and the living wage, it was confirmed that work would be carried out to consider the impact to the Council.

4. RURAL ENGLAND PROSPERITY FUND: INVESTMENT PLAN FOR COMMUNITY INFRASTRUCTURE IMPROVEMENTS

PORTFOLIO – LEADER / ALL

CABINET RESOLUTION:

That the Cabinet:-

- a) Approves the Rural England Prosperity Fund Community Grant awards, totalling £216,164, as set out in Appendix 2 of the Cabinet report;
- b) Delegates to the Strategic Director of Place, Operations and Sustainability, in consultation with the Portfolio Holder for Planning and Economy, any future request to Defra to alter the 60/40 split between funds to support businesses and those supporting community infrastructure to ensure full take up of our available Rural Fund allocation; and
- c) Delegates to the Strategic Director of Place, Operations and Sustainability, in consultation with the Portfolio Holder for Planning and Economy decisions on how any further Rural Fund resources are allocated in the event that additional funds are made available via resolution b) above, or in the event that the projects set out in Appendix 2 of the Cabinet report are underspent or do not progress.

CABINET DISCUSSION:

The Portfolio Holder for Planning and Economy reported he was delighted to support the report. The application process had been made as simple as possible for organisation to apply, with three different pots of funding being available. He expressed his thanks to the officers involved in the process.

The Strategic Regeneration Advisor reported there were a number of funding routes for community projects, namely; the Rural England Prosperity Fund, Community Grants and Community Infrastructure Levy. The report for Cabinet dealt with only the rural fund for the award of £216,164. The funding was different to the other grant funds as there was a geographical restriction to rural areas only, defined by Defra and that the projects needed to be delivered by 31 March 2025.

The projects had been appraised and scored. Nine were recommended for approval. The other projects, not recommended for approval within the Cabinet paper would be passed on to other funding routes.

5. SUPPORTING THE ARMED FORCES AND THE ARMED FORCES COVENANT

PORTFOLIO – LEADER / ALL

CABINET RESOLUTION:

- a) That Cabinet note the current position with regard to the Armed Forces Community Covenant and the initiatives in place to support the Armed Forces community within the District; and
- b) That Cabinet authorise officers to work with HQ Solent Station and where appropriate SSAFA and other armed forces charities, to review the Armed Forces Community Covenant, including the enhancements outlined in section 6 of the Cabinet report. This will be formally signed by the Chairman of the Council as the District's First Citizen, in recognition of the nation's commitment to the Armed Forces community at the local level.

CABINET DISCUSSION:

The Leader presented the reported and highlighted that an amendment had been proposed to one of the recommendations. This minor amendment had been suggested by the Armed Forces Member Champion, Cllr Reid and he addressed the meeting on the amendment and the reasons for it. He reported he wished to recognise all four services across the New Forest and proposed the following amendment to recommendation 1.2:

“That Cabinet authorise officers to work with HQ Solent Station and where appropriate SSAFA and other armed forces charities.....”

This amendment was supported by the Cabinet.

A non-Cabinet member expressed his support to this report and the amendment to the recommendation.

The Service Manager for Democratic and Support Services highlighted that although the report referenced the engagement of charities such as SSAFA, the amendment was welcomed as explicit recognition of the role Armed Forces Charities played locally in supporting serving and former members of the forces, and their families. He highlighted section 4 of the report, noting there was a national Armed Forces Covenant which placed a legal duty on the Council, mainly in relation to housing and that the Council fully met its obligations in this regard. The Community Covenant was the Council's voluntary commitment to do more in support of the local armed forces community, including initiatives such as the Defence Employer Recognition Scheme.

PART II – RECOMMENDATIONS TO COUNCIL

6. TRANSFORMATION STRATEGY 2024-2028 (FUTURE NEW FOREST – TRANSFORMING TOMORROW, TOGETHER)

PORTFOLIO – LEADER / ALL

RECOMMENDED:

That Cabinet recommends to Council that the Transformation Strategy at Appendix 1 and the Year One Indicative Work Programme at Appendix 2, be approved.

CABINET DISCUSSION:

The Leader reported that after much work, she was pleased to be in a position to present the Transformation Strategy which focused on meeting the needs of residents and customers through a sustainable Council, including investment in staff to ensure the Council continued to be an employer of choice. She reported that the Strategy set out an ambitious programme, in order to respond to the challenges the Council would face as well as to be proactive in its approach.

The Assistant Director of Transformation presented the Transformation Strategy (Future New Forest – Transforming Tomorrow, Together). The Strategy would provide the framework to respond to the challenges ahead and underpins the delivery of the Corporate Plan. There were four themes; customer and digital services, people and capabilities, assets and accommodation and finance and delivery.

The clear vision of the strategy recognised a significant contribution from staff would be required in order to deliver the strategy. Staff would continue to be involved with regular information sessions and communication. In addition, a Change Champions Group had been set up to represent each service area to feed into a customer strategy.

Cabinet Members welcomed the Strategy. It was acknowledged that the strategy was to serve the community of the New Forest and that some residents did not have access to digital services. It was confirmed that it would always be possible to contact the Council using the telephone as well as see officers face to face. The importance of staff as an asset was recognised in order to deliver services and to continue to support them.

Other Members of the Council supported what had already been said by the Cabinet Members with customers being at the heart of the service. Reassurance was sought in relation to use of AI and the difficulties of this, particularly for those who were not IT literate. Any digital strategy must be developed to consider the end user.

The Assistant Director of Transformation reported that an objective of all services provided in digital form would be the ease of use for both the customer as well as for staff in the back office. Testing of the services would also be carried out to ensure they met the first objective.

The Strategic Director - Corporate Resources and Transformation, gave a tangible example of the garden waste garden subscription service which had recently been rolled out online. Of the 19,000 residents who had signed up to this service so far, 75% had used the new digital system, which demonstrated that a large proportion of users could self serve, freeing up valuable resources to support residents who wished to engage with the Council over the phone, or face-to-face.

Attachments – Appendix 1 - Background Report to Cabinet

7. COUNCIL TAX 2024/25 – SETTING THE TAX BASE

PORTFOLIO – FINANCE AND CORPORATE

RECOMMENDED:

That Cabinet recommends to Council that:-

- a) The calculation of the Council's tax base for the year 2024/25 be approved; and
- b) Pursuant to this report and in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Council as its council tax base for the year 2024/25 be as follows and as detailed in Appendix 3 of the Cabinet report:-

PARISH/TOWN	TAX BASE 24/25
Ashurst & Colbury	939.9
Beaulieu	511.9
Boldre	1,067
Bramshaw	337.8
Bransgore	1,846.8
Breamore	185.7
Brockenhurst	1,911.1
Burley	809.2
Copythorne	1,235.7
Damerham	248.3
Denny Lodge	159.2
East Boldre	384.4
Ellingham, Harbridge & Ibsley	632
Exbury & Lepe	116.3
Fawley	4,634.5
Fordingbridge	2,423.8
Godshill	225
Hale	267.7
Hordle	2,434.2
Hyde	519.8
Hythe & Dibden	7,482.5
Lymington & Pennington	7,529.6
Lyndhurst	1,478.5
Marchwood	2,075.2
Martin	200.3
Milford on Sea	2,938.7
Minstead	374.4
Netley Marsh	818
New Milton	10,619.4
Ringwood	5,501.6
Rockbourne	169.9
Sandleheath	299.6
Sopley	392.4
Sway	1,731.8

Totton & Eling	9,511.7
Whitsbury	104.7
Woodgreen	252.9
Whole District	72,371.5

CABINET DISCUSSION:

The Portfolio Holder for Finance and Corporate introduced the report. He spoke that it was a technical paper and important for all precept authorities as it related directly to the level of Council Tax income they would receive.

The Service Manager for Revenues, Benefits and Customer Services reported that the Council Tax Base for 2024/25 involved detailed calculations, looking at the number of properties in each Council Tax band for each town and parish. From this the number of council tax discounts, exemptions, band reductions as well as council tax support claims and awards had been considered and converted to Band D equivalent properties. The estimated in year collection rate was also a factor for consideration. The Council Tax base for 2024/25 was 72,371.5 properties, an increase of 99.8.

Attachments – Appendix 2 - Background Report to Cabinet

8. COUNCIL TAX REDUCTION SCHEME 2024/25, HOUSING BENEFIT INCOME DISREGARD AND NATIONAL NON-DOMESTIC RATE RELIEF POLICY REVIEW

PORTFOLIO – FINANCE AND CORPORATE

RECOMMENDED:

That Cabinet recommend to Council:-

- a) To increase the standard earnings disregard and remove the additional earnings disregard, as detailed in Section 7 of the Cabinet report, from 1 April 2024;
- b) That a Task and Finish Group review a Banded scheme during 2024;
- c) That the full disregard of war pension income in the assessment of Housing Benefit, as detailed in Section 9 of the Cabinet report, be approved; and
- d) That the updated National Non-Domestic Rate Relief policy as detailed in Section 10 of the Cabinet report, be approved.

CABINET DISCUSSION:

The Portfolio Holder for Finance and Corporate presented the report. It was highlighted that a Task and Finish Group had reviewed the Council’s scheme to ensure it was fit for purpose. The review had concluded little in the way of changes. Minor changes had been proposed to the scheme to enable it easier for the service to administer and reduce costs.

The Service Manager for Revenues, Benefits and Customer Services outlined the report. There were three aspects which the Task and Finish Group had reviewed, the local council tax support scheme, housing benefit disregard of war pension income and the national non-domestic rate relief policy.

The Council Tax support scheme supported roughly 8,000 claimants with over £9.5m in support towards paying Council Tax. The recommendation proposed a technical change to the scheme on how earnings would be treated. It was proposed to remove the additional earnings disregard and instead increase the standard earnings disregard for all claimants in work. This would simplify the process for the District Council and for claimants, enable automation of data received from Universal Credit and keep the overall cost of the scheme the same. It would also incentivise work to those not in work.

No change was proposed to the full disregard of war pension income and only minor changes were proposed to the National Non-Domestic Rate Relief Policy, attached as an Appendix to the report.

Attachments – Appendix 3 - Background Report to Cabinet

9. FREEDOM LEISURE CONTRACT VARIATION

PORTFOLIO – COMMUNITY, SAFETY AND WELLBEING / FINANCE AND CORPORATE

RECOMMENDED:

That Cabinet recommend to Council the proposals set out in the Cabinet report to vary the contract with Freedom Leisure to deal with the significant challenges presented by the unforeseen increases in energy costs, achievable via the incorporation of a mechanism for the Council to share the cost of utilities over and above the costs assumed in the bid.

CABINET DISCUSSION:

The Leader reminded those at the meeting that there was a confidential appendix attached to the report. It would be necessary to exclude the press and the public and move into a private and confidential session should anyone wish to discuss the contents of the appendix.

The Portfolio Holder for Community, Safety and Wellbeing reported that as good partners he endorsed the contents of the report.

The Strategic Director Corporate Resources and Transformation reported that the Council were being asked to consider a proposal for a contract variation to support Freedom Leisure due to the significant unforeseen energy costs which started to occur in early 2022.

It was highlighted that in some instances global supply issues had pushed up utility costs by as much as 500%. This hit the leisure industry hard with costs, particularly with the running of swimming pools. The Government had recognised the severity and significance and had introduced the Energy Bill Relief Scheme. Despite this, the overall increase in cost for year 2, borne by Freedom Leisure accounted for a utility cost variation of 152% on their budget.

In preparing the contract the proposed variation senior officers had taken expert legal advice, giving due regard to the Public Contract Regulations 2015. It was considered the variation was allowable. The Council in its role as contracting authority could not have foreseen the increase in utility costs in the extremity suffered. The majority of the utility risk and cost would still lay with Freedom Leisure. The increase does not exceed 50% of the value of the original contract.

It was believed that it was in the interest of New Forest residents to support Freedom Leisure and ensure the contract remained deliverable without a reduction in the service level. The variation is necessary to protect that position. Payment would be made from existing budgets.

The Portfolio Holder for Finance and Corporate commented that had the Council not entered into partnership with Freedom Leisure, the liability on the Council would have been 100% of the costs. Therefore he was supportive of the contract variation.

A non-Cabinet member asked about future of the service and ongoing relationship with Freedom Leisure to ensure residents would be looked after. The Strategic Director reported that the proposal would protect contract provisions and viability of the leisure service which would be positive for residents.

It was questioned whether any measures were being put in place to protect against utility costs now and in the future, for example with solar panels. It was noted that the end of life gas boilers had recently been replaced at New Milton Leisure Centre with Air Source Heat Pumps, and similar projects carried out at both Applemore and Ringwood, therefore work to reduce consumption was being carried out.

Attachments – Appendix 4 - Background Report to Cabinet