

## **REPORT OF CABINET**

**(Meeting held on 7 December 2016)**

### **1. LOCAL GOVERNMENT REVIEW UPDATE (MINUTE 39)**

The Cabinet meeting had been preceded by a presentation by the Chief Executive which had allowed the background to Report Item 4 to the Cabinet to be evaluated in greater detail.

Members have been updated on the latest position with respect to the exploration of options for the potential devolution of powers from central government to local authorities in Hampshire. Following the failure to reach an agreement among all the local authorities in Hampshire to secure a Hampshire-wide bid, various other options have been considered. A bid was submitted by the Solent authorities, but to date there has been no indication whether this has been successful. The County Council has also undertaken a consultation on the possibility of establishing a Hampshire-wide Unitary Authority, which could then take on devolved powers, however there was no appetite for such an arrangement amongst the responders. The County Council has consequently decided that there is no merit in pursuing this option at this time, but will revisit this stance should any other bids seek to change the current structures in the County.

This Council, together with 5 other local authorities, collectively known as the “Heart of Hampshire” authorities, commissioned independent research into potential options for the future. The executive summary of this report is set out in Appendix 2 to Report Item 4 considered by the Cabinet, and the full report, together with the Government’s Autumn Statement, the County Council’s consultation response and the Chief Executive’s presentation prior to the meeting are available for inspection through the Council’s website.

The Government’s Autumn Statement made no reference to the devolution of powers and the future direction of this policy is therefore unclear. The Statement has however confirmed that the current financial constraints will continue, including the 4 year funding agreement that has already been agreed and incorporated into this Council’s Medium Term Financial Plan. The Government has announced some initiatives that may affect local communities including a new National Productivity Investment Fund with an emphasis on increasing the overall housing supply and investment in broadband; additional Business Rate reliefs; and funding for Local Enterprise Partnerships.

The Cabinet has concluded that the most productive course of action is not to seek any changes to the current local government structures, but to work with the other Councils in Hampshire on a solution that brings significant tangible benefits to residents and businesses by maximising the effectiveness of existing arrangements. The Cabinet has also agreed that it is important to ensure that the local voice and local choice of the New Forest is represented and reflected in any developments both now and in the future.

## **2. TRAFFIC MANAGEMENT AGENCY (MINUTE 40)**

The Cabinet has agreed that this Council should continue to operate a traffic management agency agreement with the County Council.

Over recent months the terms of the proposed future traffic management agency agreement have been changed to allow greater flexibility. The terms of the new agency agreement are set out in the County Council's decision of its Executive Member for Environment and Transport, "Highways Development Control Agency Arrangements and Traffic Management Agency Arrangements Update", dated 15 September 2016.

In particular, although the County Council will in future only fund traffic management schemes that meet their own objective of casualty reduction, they will now allow other schemes, such as waiting restrictions and signs, provided they are funded locally. The funding from the County Council will still be significantly reduced by 2018/19, but a number of ways of closing the budget gap have now been identified, as set out in Report Item 5 considered by the Cabinet, including an allowed increase in the fee charged for temporary road closures, which are largely for the benefit of utilities.

The Cabinet balanced carefully the relative merits of continuing the traffic management agency against the costs, including significant redundancy costs, associated with terminating the agreement. The funding from the County Council will be reduced from £99,184 in 2016/17 to £59,511 in 2017/18 and £39,674 in 2018/19. This Council currently subsidises the service by £7,716. By closing the funding gap a net additional cost to this Council will remain, but that will allow the continuation of a service that is valued by local people.

The Cabinet particularly welcome the ability to maintain some mechanism to meet local aspirations for minor traffic management schemes. The local traffic management liaison meetings that had been held historically had been highly valued by local communities and had proved effective in delivering much needed schemes. Members have asked that equivalent local liaison arrangement should be re-established under the new agency agreement.

## **3. COUNCIL TAX REDUCTION SCHEME (MINUTE 41)**

Insofar as it is entitled to by law, the Cabinet has approved the local Council Tax Reduction Scheme, to be applied to those of working age on low income. This was on the basis of recommendations from the Corporate Overview and Scrutiny Panel who had established a Working Group to evaluate options in detail.

It has been concluded that there should only be relatively minor adjustments to the current scheme and the minimum contribution should remain unchanged at 10%. Many of the claimants are under increasing pressure from other welfare reforms and raising the minimum contribution could therefore be counterproductive. The changes that are proposed are largely to mirror those to other benefits and will consequently maintain consistency and reduce confusion. One other change is the proposal to establish a Hardship Fund to assist the most vulnerable households and it is proposed that this will be funded, at least in part, by the proceeds of a new Prosecution and Penalties policy that is currently under development.

**RECOMMENDED:**

***That, in so far as it is empowered to do so by law, the Council agrees that the Local Council Tax Reduction Scheme be amended with effect on 1 April 2017 as follows:***

- (i) To remove the Work Related Activity Component in the calculation of Council Tax Reduction for new claims;***
- (ii) To limit the number of dependent children within the calculation for Council Tax Reduction to a maximum of 2 for new claims and entitlements;***
- (iii) To remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carer Element) to look after them;***
- (iv) To use the gross Universal Credit payment as income in the calculation of Council Tax Reduction;***
- (v) To award council tax reduction if there is an active Housing Benefit claim or for a period up to 6 months following nil entitlement to Universal Credit, without the need to make a new application; and***
- (vi) To establish a Hardship Fund to assist those suffering exceptional financial hardship.***

**4. THE COUNCIL TAX BASE 2017-18 (MINUTE 42)**

Insofar as it is entitled to by law, the Cabinet has approved the Tax Base for 2017/18, which is an important step in setting the Council Tax payable for that period. The factors taken into account in the calculation of the tax base are set out in Report Item 7 to the Cabinet and a summary of the tax base in 2017/18 compared to 2016/17 is attached as Appendix 3 to that report.

A prudent approach continues to be taken to forecasting the tax base, which is expected to increase slightly in 2017/18. The calculation also takes a realistic view of the likely collection rate. It is important the tax base is not overstated as any shortfall will result in interest costs falling on the Council's General Fund.

**RECOMMENDED:**

***That, in so far as it is empowered to do so by law, the Council agrees that:***

- (a) The calculation of the Council's tax base for the year 2017/18 be approved; and***
- (b) Pursuant to Report item 7 considered by the Cabinet 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 2017/18 be as follows and as detailed in Appendix 1 to that report.***

PARISH/TOWN	TAX BASE 17/18
Ashurst & Colbury	922.7
Beaulieu	511.2
Boldre	1062.4
Bramshaw	344.8
Bransgore	1816.9
Breamore	181.2
Brockenhurst	1865.8
Burley	780.4
Copythorne	1211.5
Damerham	231.7
Denny Lodge	152.1
East Boldre	382.3
Ellingham, Harbridge & Ibsley	605.7
Exbury & Lepe	112.9
Fawley	4534.6
Fordingbridge	2251.5
Godshill	224.7
Hale	260.6
Hordle	2395
Hyde	522.8
Hythe & Dibden	7360.1
Lymington & Pennington	7045.5
Lyndhurst	1444.4
Marchwood	2056
Martin	197.6
Milford on Sea	2787.8
Minstead	366.6
Netley Marsh	814.9
New Milton	10388.1
Ringwood	5225.7
Rockbourne	163.1
Sandleheath	282.6
Sopley	293.1
Sway	1688.9
Totton & Eling	9148.2
Whitsbury	101.5
Woodgreen	252.1
Whole District	69987

## 5. SUPPLEMENTARY BUDGET REQUIREMENT (MINUTE 43)

The Cabinet is recommending the approval of a Supplementary Budget Requirement to allow the replacement of public conveniences. The Council's budget for 2016/17 includes a sum of £500,000 for the renovation of the public conveniences at New Milton and at Bath Road in Lymington, using the very successful modular system. This system has, over the last 10 years, markedly reduced the running and maintenance costs of public conveniences, and vandalism has also been reduced. It was envisaged that combining the two projects into one tender would achieve economies of scale. Following surveys, it has been concluded that both blocks need

to be replaced, rather than refurbished, and the opportunity is also being taken to include a “changing places” facility to assist those with disabilities. The tenders have now been received and the total value of works is £632,000. Offsetting savings within the Portfolio’s budget totalling £97,000 have been identified to reduce the supplementary estimate required in order to proceed to £35,000.

**RECOMMENDED:**

***That in order for the replacement of the public conveniences at New Milton and Bath Road, Lymington to continue, an additional budget requirement of £132,000 be approved, noting that £97,000 of that will be offset within the Portfolio’s budgets.***

**Councillor B Rickman  
CHAIRMAN**