

## REPORT OF CABINET

(Meeting held on 1 February 2017)

### 1. ICT STRATEGY (MINUTE 55)

The Cabinet is recommending the adoption an ICT Strategy to cover the next 12 -18 months. A short time frame is necessary to allow the Council to respond flexibly in a rapidly changing context. It is important to be able to adjust the Strategy to respond to new opportunities, take advantage of new technology and respond to the evolving needs of the organisation.

The Strategy, which is attached as Appendix 1 to Report Item 4 considered by the Cabinet, covers the ICT Projects Portfolio; the structure and organisation of the ICT team; the ICT Technology Roadmap and an operating model. Special consideration is also being given to Members' ICT requirements. Members have welcomed the action that is now being taken to update this Council's ICT systems to reflect the advances that have already been made elsewhere. Although significant investment will be needed this should lead to greater efficiency and allow savings to be made in the longer term.

#### **RECOMMENDED:**

***That the ICT Strategy, as attached as Appendix 1 to Report Item 4 considered by the Cabinet, be approved.***

### 2. COMMUNITY GRANTS (MINUTE NO 6)

In the light of concerns about the transparency of the process for the consideration of applications for community grants, the Community Overview and Scrutiny Panel established a task and finish group to review the process for receiving and evaluating applications for community grants. The task and finish group had then evaluated the 17 applications that had been received against the new criteria. Each applicant organisation was invited to make a presentation to the task and finish group to provide key information to support their case. They were asked to evidence their accounts, make out a business case and explain how the money, if granted, would be used to meet the needs of, and benefit, residents of this District. They were also asked to explain how their funding request related to this Council's priorities, as set out in the Corporate Plan. The presentations from applicant organisations were held over a two day period in early January.

The task and finish group had made recommendations to the Community Overview and Scrutiny Panel in respect of each application. With respect to Community First, the task and finish group had suggested that this organisation should attend the Panel's meeting as they had not provided to the group adequate information to justify the payment of the full amount requested. The Community Overview and Scrutiny Panel considered the task and finish group's recommendations, together with a further presentation from Community First, at their meeting held on 17 January 2017. They concurred with the views of the task and finish group. Of particular note is that, with respect to support for Citizens' Advice, the Panel supported the view that, in future, their funding should be through a formal agreement, separate to the grants process, in

light of the significant amount of funding involved. A task and finish group is being established to progress this.

With respect to Community First, the Panel concluded that the case had not been made for a grant of £80,000 towards their general administration costs and recommended that a grant of £40,000 should be paid for this purpose. Their applications for specific projects should however be met in full and, in addition, an additional grant offer of £7,500 is being recommended so that Community First can continue to offer support for homeless people over the age of 25, should they be able to attract matched funding from other sources.

Members have welcomed this new process which allows the decisions on grants to be made much more transparently.

The Cabinet fully support the new process and are recommending the approval of the grants set out in Appendix 2 to Report Item 5 considered by the Cabinet.

**RECOMMENDED:**

- (a) That the criteria for assessing the eligibility of community grants, as set out in Appendix 1 to Report Item 5 considered by the Cabinet, be approved and published on the Council's website; and***
- (b) That the grant awards set out in Appendix 2 to Report Item 5 considered by the Cabinet be approved for inclusion in the Medium Term Financial Plan.***

**3. MEDIUM TERM FINANCIAL PLAN AND ANNUAL BUDGET FOR 2017/18 (MINUTE NO 57)**

The Medium Term Financial Plan has been updated, in the light of recent developments. Summaries of the funding sources available and of the key movements identified in the budget since the Cabinet last considered this in January are set out in Appendices 1 and 2 respectively of Report Item 6 considered by the Cabinet. The main change to the resources now available is with respect to business rate collection. The retained surplus is forecast to improve by £202,000, but this will be offset by a forecast collection fund deficit of £346,000. The revised deficit should apply only to the coming financial year as it arises from increased appeals and reliefs in 2016/17. The revised level of retained surplus is however projected to continue into the future. The main saving identified since January is a lower than projected cost of pay awards and increments as a result of the reduction in staffing numbers.

It is proposed to use reserves to fund a number of initiatives, as set out in more detail in Appendix 3 to Report Item 6 considered by the Cabinet. The most significant of these are a business development project at Ringwood Health and Leisure Centre; and a three year ICT project to protect and maintain service delivery.

The General Fund net budget requirement for 2017/18, as set out in Appendix 4 to Report Item 6 considered by the Cabinet, is £16.587 million, a reduction of £604,000 against the 2016/17 budget requirement. It has been possible to achieve a balanced budget for 2017/18, which includes an increase in the amount collected through council tax to £11.461 million, based on the council tax for a Band D property being increased by £5 (3.16%) compared to 2016/17.

Details of the proposed General Fund Capital Programme and the proposed funding are set out in Appendix 5 to Report Item 6 considered by the Cabinet and total £5.976 million.

The Cabinet are also recommending approval of the indicators for the treasury management function, as set out in Appendix 6 to Report Item 6 considered by the Cabinet.

With respect to Members' concerns that the Government's current policies on Right to Buy unfairly prejudice this Council's ability to maintain and increase its housing stock to meet the needs of tenants and residents in need of housing, a draft letter to the two local Members of Parliament, raising these concerns, has been sent by Cllr M Harris as Chairman of the Corporate Overview and Scrutiny Panel.

***RECOMMENDED:***

- (a) That there is a General Fund Net Budget Requirement in 2017/18 of £16,587,280, as set out in Appendix 4 to Report Item 6 considered by the Cabinet, including the use of reserves to finance 'Business Development' and the 'ICT maintain and protect frontline services' projects, and one-off construction grants as set out in Appendix 3 to Report Item 6 considered by the Cabinet;***
- (b) That the site licence fees and service charges at Stillwater Park be increased by 2.0% in line with RPI inflation;***
- (c) That the Band D Council Tax for 2017/18 shall be £163.36;***
- (d) That the General Fund Capital Programme for 2017/18 of £5.976m, as set out in Appendix 5 to Report Item 6 considered by the Cabinet, be approved; and***
- (e) That each of the prudential indicators, the Limits for 2017/18 to 2019/20 and the Minimum Revenue Provision Policy Statement as set out in Appendix 6 to Report Item 6 considered by the Cabinet, be approved and adopted.***

**4. HOUSING REVENUE ACCOUNT BUDGET AND HOUSING PUBLIC SECTOR CAPITAL EXPENDITURE PROGRAMME 2017/18 (MINUTE NO 58)**

The Cabinet is recommending approval of the Housing Revenue Account budget, as set out as Appendix 1 to Report Item 7 considered by the Cabinet, and the Housing Public Sector capital expenditure programme for 2017/18. This is the sixth year of the HRA self-financing system, with the first £4.1 million instalment of principal repayment of the settlement loan due to be made.

In accordance with the Government's requirement rents will again be reduced by 1%, with the average weekly rent now being £99.97. It is however proposed to increase the service charge for hostels in line with inflation to continue to achieve full cost recovery from the users of the service. No increase is proposed for the service charge for older persons' accommodation where the inflationary increase has been offset by other budget savings.

A summary of income sources is set out in Section 3, with the proposed expenditure in Section 4 of Report Item 7 considered by the Cabinet. Of particular note is the proposal to increase the Disabled Facilities budget by £191,000 to £700,000 to meet the anticipated demand. It was reported orally at the meeting that it has now been concluded that the proposed increase of £56,000 in the reactive maintenance budget, as shown in Appendix 1 to the report, is not needed and should be deleted. This increases the contribution to capital supporting the Housing Strategy to £9.091 million in 2017/18. This increased the contribution to Capital supporting the Housing Strategy to £9.091 million.

The proposed budget will leave the HRA reserve balance unaltered at £1.043 million.

The proposed capital programme, as set out in section 6 of the report, totals £15.290 million, reflecting the housing buy-back and development strategy, which was approved by the Cabinet in November 2016 (minute 32 refers)

**RECOMMENDED:**

- (a) That the Housing Revenue Account budget as set out in Appendix 1 of Report Item 7 considered by the Cabinet , as amended by the increase of the contribution to capital supporting the Housing Strategy to £9,091,000, be agreed;**
- (b) That from 3 April 2017 a reduction in rents of 1% from the 2016/17 rent level, in accordance with Government requirements, be agreed;**
- (c) That from 3 April 2017 an increase of 1.25% in hostel service charges be agreed;**
- (d) That from 3 April 2017 no change in older persons' accommodation service charges be agreed;**
- (e) That from 3 April 2017 no increase in garage rents be agreed; and**
- (f) That a 2017/18 Housing Capital Programme of £15.290m, as set out in paragraph 6.1 of Report Item 7 considered by the Cabinet, be agreed.**

**Councillor B Rickman  
CHAIRMAN**