

## **ITEM 7 – REFERRALS FROM CABINET**

**26 July 2016**

### **7.1 CA/077/16 MEDIUM TERM FINANCIAL STRATEGY**

#### **Decision**

**Resolved to Recommend the approval of:**

- 1. The revised Medium Term Financial Strategy for the period 2016/17 – 2020/21**
- 2. The financial projections within the 5-year Medium Term Financial Strategy**
- 3. A General Fund savings target of £1.33 million for the 2017/18 budget-setting process;**
- 4. A four-year General Fund savings target of £3.6 million for the duration of this Medium Term Financial Strategy;**
- 5. A review of the Housing Revenue Account base budget and savings target be undertaken as part of the review of the HRA business plan and budget preparation cycle;**
- 6. The Corporate Director (Finance & Operations) working with the Council's Corporate Management Team and Portfolio Holders to deliver options that will achieve the saving targets identified within the strategy;**
- 7. Authority be delegated to the S151 Officer, in consultation with the Budget Review Group, to consider Government's proposed four-year Settlement, and, subject to further guidance emerging before October, to accept the offer if appropriate;**
- 8. The Financial Planning Framework to support the budget-setting process for 2017/18;**
- 9. The Corporate Director (Finance & Operations) be requested to revise the Medium Term Financial Strategy and re-present to Cabinet and Council for approval if material changes to forecasts are required following future Government announcements.**

#### **Reason for Decision**

To present to Cabinet the revised Medium Term Financial Strategy for approval.

#### **Implications**

Contained within the body of the report.

#### **Risk Implications**

The updated strategy reduces the risk of forward projections becoming out of date.

## **Health & Safety Implications**

There are no health and safety implications.

## **Equality Implications**

There are no Equality implications.

## **Corporate Objectives**

The Medium Term Financial Strategy supports the delivery of all five of the Corporate Objectives.

## **Monitoring Officer/S.151 Officer Comments**

### **Monitoring Officer:**

No comments to add to the report.

### **S.151 Officer**

This is a Section 151 Officer report.

## **Advice**

The Corporate Director for Finance and Operations explained that the Medium Term Financial Strategy (MTFS) incorporated details of the proposed Revenue Support Grant (RSG) and four year settlement.

He explained that the Secretary of State had confirmed that the four year deal would not protect against any 'unforeseen events'. He referred members to the detail of the deal available to Dacorum from the Revenue Support Grant and the Transitional Grant. He noted that it was only £225k being received in 2017/18 however he felt that the council should still go forward with the deal. Other Local authorities all felt the same.

Members were referred to the proposed structure shown on page 96 of the report and explained that responsibilities would be split and would be discussed through the Corporate Review Group.

The Portfolio Holder for Housing noted the recommendation to Full Council but she queried the level of member involvement.

The Leader of the Council confirmed that he and the Portfolio Holder for Finance & Resources were included in the Budget Review Group.

It was highlighted that the recommendations included within the strategy would also be recommended to Full Council.

The Leader of the Council asked if the four year deal would avoid the council having a negative RSG.

The Corporate Director for Finance and Operations said that if they did not do the deal then the situation could be worse than the current state. There would not be a huge amount of certainty provided from the deal, but it was still a worthwhile option.

## **Voting**

None.

## **7.2 CA/079/16      AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT: CLARIFICATION STATEMENT**

### **Decision**

#### **Resolved to Recommend to:**

- (a) Re-adopt the Affordable Housing Clarification Note as a material planning consideration in relevant planning decisions and for use in the preparation of future planning documents; and**
- (b) That authority is delegated to the Assistant Director, Planning, Development and Regeneration to make any necessary minor editorial changes to the current Clarification Note, prior to its re-issue.**

### **Reason for Decision**

To agree the re-adoption of the Affordable Housing Clarification Note setting out how the Council will apply the changes to national affordable housing policy set recent changes to the national Planning Practice Guidance (PPG), and as a result of a Court of Appeal judgement.

### **Implications**

#### Financial

There are no direct financial implications for the Council in relation to this guidance note, although there will be a limited number of cases where the revised approach to affordable housing may reduce the ability to secure either on-site provision or commuted payments. The requirements to apply 'vacant building credit' may also reduce CIL income.

The application of the Clarification Note will however assist in the efficient determination of planning applications within the statutory decision periods, which will assist with the overall financial efficiency of the planning service. It will also reduce the risk of the Council having to defend appeals which may have occurred should measures not have been taken to bring the Council's approach in-line with revised national planning policies.

#### Value for Money

Up-to-date guidance on affordable housing will ensure the Council secures contributions from development where appropriate, but does not spend unnecessary time and money fighting appeals where there is a mis-match between the policies within the adopted Core Strategy and revised national guidance.

### **Risk Implications**

There are no direct risk implications related to this guidance note. The note provides detailed guidance to support the application of policies within the adopted Core Strategy and Affordable Housing SPD. A separate Risk Assessment has been prepared for the Local Planning Framework (of which the Core Strategy is part). This is updated monthly as part of CORVU monitoring processes.

### **Community Impact Assessment**

Equalities Impact Assessment prepared for the Core Strategy, which this guidance note supports. This will be translated into a new Community Impact Assessment in due course.

### **Health & Safety Implications**

There are no health and safety implications relating to this Clarification Note.

### **Corporate Objectives**

The Affordable Housing Clarification Note supports the 'Dacorum Delivers' and 'Affordable Housing' objectives. It will improve efficiency and effectiveness of services by enabling planning decisions to be approved within agreed time scales and through the provision of upfront and clear advice on the provision of affordable housing within new development. It also demonstrates that the Council is able to respond to changes in national policy in a prompt and effective manner.

### **Monitoring Officer/S.151 Officer Comments**

#### **Monitoring Officer:**

The clarification note will ensure that the Council is applying the most up to date and relevant government guidance and will assist consistent decision making on planning applications.

#### **S.151 Officer**

No further comments to add.

#### **Advice**

The Portfolio Holder for Planning and Regeneration introduced the report noting that the purpose was to agree to re-adopt the Affordable Housing Clarification note and to set out how the council would apply the changes to national affordable housing policy. He added that they would not be seeking affordable housing in developments with less than 10 dwellings.

The Assistant Director for Planning and Regeneration supported what the Portfolio Holder had said, and added that the council would not also seek affordable housing for less than 5 dwellings in rural areas.

The Leader of the council said that this was part of government legislation and therefore must be applied.

#### **Voting**

None.