

**CABINET
HELD ON 26 JULY 2006
(FROM 5.30 PM TO 6.03 PM)**

PRESENT: Councillor Dr Gardner in the Chair. Councillors Jean Butterfield, Cooper, Ellington, Andrew Jones, Pat Jones and Sturdy.

Late Arrivals: None.

Early Departures: None.

29/06 - **APOLOGIES FOR ABSENCE:** There were no apologies for absence.

(5.30 pm)

30/06 - **DECLARATIONS OF INTEREST:** Councillor Cooper declared a personal interest relating to any reference on the agenda to Harrogate International Centre arising from the use of the Facility by his employer for conference purposes

(5.31 pm)

31/06 - **MINUTES:** The Minutes of the meeting of Cabinet held on 28 June 2006 were approved unanimously as a correct record and signed by the Chair.

(5.31 pm)

32/06 - **EXEMPT INFORMATION:** The reports referred to at Minutes 33/06 and 40/06 below were regarded as exempt in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972, as amended. Discussion on the items was, however, held in open session. The relevant appendices of the reports referred to at Minutes 34/06 and 38/06 below were also regarded as exempt in accordance with paragraphs 3, 4 and 5, as appropriate of Schedule 12A to the Act.

(5.32 pm)

MATTERS REFERRED TO COUNCIL FOR CONSIDERATION

33/06 - **PROPOSED COMPULSORY PURCHASE OF A LONG TERM EMPTY PROPERTY – LANDS LANE, KNARESBOROUGH:** The Director of Community Services submitted a written report which sought approval for the making and submission of a compulsory purchase order under the provisions of the Housing Act 1985 in respect of a long-term empty property at Lands Lane, Knaresborough. The property was in a poor state of repair and likely to deteriorate further currently blighting a pleasant neighbourhood and constituting a wasted housing resource in an area of high housing demand. The report acquainted Cabinet with discussions that had taken place with the owner of the premises and on the value of the property as a site for redevelopment. In the event of approval being forthcoming from the Cabinet and the Secretary of State to pursue the acquisition incidental expenses for its compulsory purchase would be budgeted as part of the Housing Investment Programme for 2007/08.

RECOMMENDED (UNANIMOUSLY):

That (1) the Director of Resources be authorised to make and submit to the First Secretary of State for confirmation an order made pursuant to Section 17 of the Housing Act 1985 (“the Act”), the Acquisition of Land Act 1981 and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 entitled: The Harrogate Borough Council (Nether Edge Knaresborough) Compulsory Purchase Order 2006, for the purpose of acquiring the land which is shown on the map attached to the report or lesser areas of land should this in his opinion be appropriate, this being land within its area which is suitable for and required in order to secure the carrying out of one or both of the following objectives in Section 17(i) of the Act, they being:-

- (a) acquire land as a site for the erection of houses;
- (b) acquire houses, or buildings which may be made suitable as houses, together with any land occupied with the houses or building;

(2) the Director of Resources be authorised to advertise the making of the orders referred to above, to finalise and publish the supporting statement of reasons and take all other relevant actions to promote the confirmation of the order;

(3) the Director of Development Services in consultation with the Director of Resources be authorised to negotiate with interested parties with a view to agreeing terms for the purchase by agreement or by payment of compensation in respect of any of the interests or rights over land included in the order; and

(4) the Director of Resources only exercise his authority to make the compulsory purchase order referred to above on the understanding that efforts will continue to be made to seek to acquire all land and interests included within the order by way of private treaty.

(5.30 pm – 5.33 pm)

34/06 - MEDIUM TERM FINANCIAL STRATEGY 2007/08 TO 2009/10:

The Head of Financial Management submitted a written report in relation to the Council’s policy objectives, proposing a means of reconciling spending ambitions with resource projections over the medium term and providing for the appropriate resource reallocation. The report was to be considered in conjunction with the medium-term corporate strategy and one of the key issues before Cabinet was the determination of spending priorities, such decisions to be taken in light of the 2004 Simalto exercise undertaken to identify residents’ views and preferences. The report emphasised the need for continued sound financial management in the face of difficult financial circumstances and identified for approval the budget parameters and policy approaches for 2007/08. In addition, financial targets for the three-year period to reflect the overall policy stance were identified for consideration. Unlike previous years the Council had been made aware of its Revenue Support Grant settlement for 2007/08 at an early stage, although the level of such grant for subsequent years was unknown. The external and internal Revenue spending pressures were outlined in the report, together with, in accordance with CIPFA’s

Prudential Code, the approach adopted to Capital. Section 10 of the report set out future strategy options and Appendix Four Revenue Budget illustrations for the years 2007/08 to 2009/10. In response to a question from Councillor Cooper the Director of Finance confirmed that future reports on the Medium Term Financial Strategy would include reference to the Environmental Initiative Fund.

In conclusion, the Director of Resources emphasised the necessity to, in the context of the proposed strategy, resist budgetary growth in order to achieve the target Council tax rises illustrated in the report and, in doing so, avoid the possibility of Government imposed tax capping.

RECOMMENDED (UNANIMOUSLY):

That (1) the following proposal for the medium term financial strategy be agreed;

(a) the revenue budget targets for 2007/08 to 2009/10 be agreed (illustrative figures shown in exempt Appendix 4).

(b) the following 2007/08 budget parameters be agreed:-

Fees and charges – Inflation at District Council level (subject to service considerations and market forces)

Pay increase provision – 2.5%

Other non demand-led expenditure budgets – 0%.

Efficiency savings illustrations (provisional targets) – 2% (of which 0.75% to be cash-based).

(c) a continued working balance target of £2m to £2.75m.

(d) the cash limit for HIC be applied as outlined in the report.

(e) the cash limit for cultural services as outlined in the report be continued for one further year.

(f) the emerging requirements in respect of resource reallocation as set out in paragraph 12 of the report be noted;

(2) given the continued validity of the 2004 Simalto exercise, the Council contains its formal consultation to the District Panel on the draft medium-term financial strategy for this year;

(3) a revised process for verification and validation of efficiency savings submission be agreed between the Executive Director (Corporate Policy and Improvement) and the Director of Resources and endorsed by CMT and the Cabinet Member for Finance and Resources; and

(4) the Governance Panel of the Corporate Overview and Scrutiny Commission be allowed until 31 October 2006 to report on its deliberations on the medium term financial strategy 2007/08 to 2009/10.

(5.33 pm – 5.41 pm)

35/06 – **LOCAL GOVERNMENT WHITE PAPER AND IMPROVED TWO-TIER**

WORKING: The Chief Executive submitted a written report with regard to the above together with a report of the same title prepared by the Association of North Yorkshire County Councils and placed before the Constituent Authorities for consideration and approval. The latest Government indications were that in the clear majority of county areas two-tiers of Government would remain subject to the establishment of better joint working arrangements. The report of the Association therefore provided background on meetings that had taken place to discuss improved two-tier working as an option against anticipated content of the Local Government White Paper on further Local Government reorganisation which was now expected to be published in Autumn 2006. The Association sought to establish principles to underpin partnership working and had identified areas for such partnership working which were required to be endorsed to enhance such working ahead of the publication of the White Paper.

RECOMMENDED (UNANIMOUSLY):

That the recommendations of the Association of North Yorkshire District Councils with regard to enhanced joint working be approved and the Council await the more detailed proposals and timed actions for further consideration to be brought forward by the North Yorkshire Chief Executives Group.

(5.41 pm)