



MEDIUM TERM FINANCIAL PLAN 2014 to 2018

1. PURPOSE OF REPORT

- 1.1 To consider the development of the Medium Term Financial Plan 2014 to 2018 and the factors that will influence its delivery and that of the annual budget strategy.

2. BACKGROUND

- 2.1 The development of the Medium Term Financial Plan is driven by the Council's Corporate Plan and the work of the Portfolios to deliver the stated aims and priorities.
- 2.2 The backdrop to development of the Council's current financial plan is "Austerity" and associated national measures to address current economic conditions.
- 2.3 Central government grant reductions are expected to continue resulting in less funding being available to the Council to support the provision of services and delivery of the corporate aims and priorities.
- 2.4 The challenge for the Council's Medium Term Financial Plan is to identify sufficient resources to support the Council's plans, to deliver an appropriate balance of service and budget which is sustainable in the medium term.

3. DRAFT RESOURCE PLANS (Appendix 1)

- 3.1 Building on the process which was introduced last year each Portfolio Holder has developed a draft Resource Plan to support the Medium Term Financial Plan. This provides a clear link to the Corporate Plan and drives the financial plan which supports all activity.
- 3.2 These Resource Plans identify the aims, performance levels, challenges and plans for each Portfolio and are supported by draft financial plans that will develop the annual budget for 2015/16.

4. FUNDING FORECAST (Appendix 2)

- 4.1 During the period of the Medium Term Financial Plan, to 2018, the funds available are expected, overall, to be less than in 2014/15.
- 4.2 **Council Tax**
- 4.2.1 The Council's priority for Council Tax has been to protect council taxpayers from increases during the period of economic recession by maintaining the current Band D level of £155.76.

4.2.2 In the short term, the Government has indicated that this action will be supported by the provision of a Council Tax Freeze Grant in 2015/16. Also, the Council's good collection performance continues to support the financial plan.

4.2.3 The Council Taxbase is assumed to grow across the District by approximately 200 properties per annum.

4.3 **Business Rates**

4.3.1 Business Rates retention is expected to exceed the government's assumed inflation allowances of 2% per annum.

4.4 **Formula Funding**

4.4.1 The Government settlement announcement in 2014 was a two year settlement for 2014/15 and 2015/16 and the Plan reflects this. Thereafter, there are no clear indications. However, further reductions are anticipated and the outcome of the General Election in 2015 will influence the areas likely to be targeted.

4.4.2 The assumption within the Medium Term Financial Plan is that reductions in Formula Funding will continue in the period up to 2017/18. The Plan assumes the reduction post 2015/16 to be in the region of 25% per annum.

4.5 **New Homes Bonus**

4.5.1 The New Homes Bonus is a grant paid by central government to councils for increasing the number of homes and their use within their district. The Council currently needs this grant to support its general budget requirements, given the reductions in other Formula Funding.

4.5.2 The New Homes Bonus is paid each year for 6 years. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. There is also an extra payment for providing affordable homes.

4.5.3 The future of New Homes Bonus will need to be closely watched depending upon the outcome of the next General Election.

4.5.4 Currently, New Homes Bonus is assumed to continue over the period of the plan and grow in line with the current projections of £400,000 per annum.

4.5.5 2017/18 is the seventh year of the scheme and will therefore see the payment of £408,000, first received in 2011/12, fall out.

4.6 **Summary**

4.6.1 Total funding available in 2015/16 is expected to be £ 20.391 million. This includes £606,000 of funds derived from the government's 2 year funding settlement.

4.6.2 In the period post 2015/16 there remains great uncertainty over the level of funding that will be available, but indications are that it could reduce by £1.6 million (approximately 8%) over the next two years.

5. ADDITIONAL BUDGET REQUIREMENTS (Appendix 3)

5.1 Portfolio Holders together with Heads of Service have been working on the development of their plans over the medium term.

5.2 The Medium Term Financial Plan provides for assumed general pay and price increases as follows:

5.2.1. Inflation: CPI inflation for July fell to 1.6% year-on-year, from 1.9%, which was lower than market expectations. Expectations remain that inflation is likely to remain close to, but a little below, the Monetary Policy Committee's 2% target for the next couple of years. In August the Bank of England's latest Inflation Report was published. CPI inflation projections were revised downwards over the two year horizon and expectations for wage growth, the estimate of spare capacity and equilibrium unemployment also fell. The Medium Term Financial Plan assumptions are

- Annual Pay award of 1% per annum for all staff
- Contractual Increments
 - Pension cost increase in line with advice received from Hampshire County Council.
- Fuel and Energy costs increase to be 2% per annum
- All other costs will be required to be absorbed within existing overall Portfolio budgets, excepting where they are agreed policy or strategy developments

5.2.2 UK Monetary Policy: The Monetary Policy Committee made no change to the Bank Rate of 0.5%. However, there was a marked shift in tone from the Bank of England's Governor and other Monetary Policy Committee members. In his Mansion House speech in June 2014 Governor Mark Carney warned that interest rates might rise sooner than financial markets were expecting. Following some mixed messages from Governor Carney later in the summer, the minutes of the August Monetary Policy Committee meeting revealed a split vote with regards to the Bank Rate, with two of the nine voting to increase the Bank Rate by 0.25%. The Monetary Policy Committee emphasised that when the Bank Rate did begin to rise, it was expected to do so only gradually and to remain below average historical levels for some time to come. This Council's treasury management advisors, Arlingclose, now estimate the first rise in interest rates will be in the third quarter of 2015. Their forecast of the timing of the rise has been brought forward but is still later than many economic commentators. In terms of the Council's plan, Interest Rates are assumed to increase in 2015/16 from the current base rate of 0.5%. The increase anticipated is 0.125% in the third quarter of 2015/16 and 0.25% in 2016/17 and a further 0.5% in 2017/18.

5.3 Town and Parish Grant payments are in accordance with the agreed strategy set out in February 2014.

5.4 The introduction of the Kerbside Glass Recycling scheme has been supported by Government Funding of £1.8 million. The grant has enabled funds to be managed, enabling the extra cost of the scheme to be introduced more gradually. However, in 2016/17 the additional cost of the service (estimated £243,000) will need to be financed entirely from General Fund Resources.

5.5 Fixed Asset and Equipment funding is in line with the strategy agreed in February 2014.

6. MEDIUM TERM FINANCIAL PLAN OUTLOOK

6.1 Budget 2015/16

6.1.1 The Council's financial planning and approach to matching significant reductions in funding with savings means that indications are that the 2015/16 budget will be balanced, based upon the government's 2 year funding settlement.

6.2 Budgets 2016/17 & 2017/18

6.2.1 There remains considerable uncertainty surrounding the period post the 2015 General Election in terms of Government funding. All indications are that, regardless of the outcome, government funding will continue to reduce. The plan is based upon overall reductions in the next two years of £1.6 million. Steps are being put in place to prepare the organisation for this likely scenario by once more making further savings.

6.2.2 At this time the Council's financial plans are based upon ensuring, that during this time, net expenditure does not increase. The plans as set out are based upon achieving this objective.

7. APPROACH TO DELIVERING FURTHER FINANCIAL SAVINGS – “FIT FOR THE FUTURE”

7.1 In recent times the Council has achieved a great deal in meeting the challenge of less funding and absorbing inflation costs while still delivering a high standard of service to its residents and customers. During this time all services have been reviewed and have responded to the needs of the Council to operate with less funding available.

7.2 Given the indications for future funding and pressure on costs there is a need to review again all that the Council does. In undertaking this it is critical that the Council's residents and customers remain at the centre of what the Council does and does not do.

7.3 Steps are being taken to develop a renewed energy to reviewing what the Council will do, centred on a clear customer focus. The programme will be called “Fit for the Future” and will look to utilise the Council's member and staff resources to generate new ways of working, by looking at the process that the Council has in place for delivering services to its many customers.

8. GENERAL FUND RESERVES

8.1 The estimated General Fund Reserves as at 1st April 2015 are:

	£000's
General Reserves	2,036
Asset Fund (Capital & Maintenance)	7,561
Capital Receipts	638

- 8.2 These reserves are available reserves, over the period of the Medium Term Plan, to support the Council's revenue and capital budgets. It is anticipated that significant resources may be required to fund the acquisition of land and the development of a new operational depot, investment in the Council's Industrial Estate together with other investment opportunities and asset management needs.

9. HOUSING REVENUE ACCOUNT

- 9.1 The annual review of the Housing Revenue Account business plan will be considered by the Cabinet in February 2015, following consultation with tenants and review by the Community Overview and Scrutiny Panel. This will include a review of both expenditure plans and rent levels for 2015/16.

10. PORTFOLIO HOLDER COMMENTS

The budget for next year reflects the ongoing cuts in Government funding being suffered by Councils across the country. Over the last 4 years the Council will have reduced expenditure by £2 million, approximately 10% of the budget. In achieving this it will have also absorbed cost increases of approximately £2 million. This will have been achieved without any increase in Council Tax. Next year there will both be General and District Council Elections and early indications are that the Council's new administration will need to meet the budgetary challenge of what this administration has demonstrated it can achieve. We are confident, despite the scale of this challenge, that we will deliver again and we are putting plans in place to support the new administration.

11. RECOMMENDATION

- 11.1 That the Cabinet approve the emerging draft Medium Term Financial 2014 to 2018 as set out within this report and the principles on which it is being developed.

For further information contact:

Bob Jackson
Executive Director
Tel: 023 8028 5588
E-mail: bob.jackson@nfdc.gov.uk

Background Papers:

Attached Portfolio Resource Plans

Leader's Portfolio 2015/16

Aims of the Portfolio

- Engaging the public
- Delivering through people
- Supporting local businesses
- Dealing with local emergencies

Performance

The challenge of austerity remains with us but it is good to report that as well as managing this we are able to continue to invest and support our communities and our key services. Four years of no increase in Council Tax has been achieved.

The Brand New Forest Broadband Campaign supported by £345,000 investment from the district is making links between Hampshire County Council, local businesses and partner organisations, to help maximize the benefit of improved broadband coverage to 24mb and above throughout the District.

In challenging employment markets for young people the Brand New Forest Doing Better Business Programme and New Forest Business Partnership, with Brockenhurst College, have actively promoted apprenticeships to over 3,700 local businesses and nearly 3,000 school/college leavers.

The value of the destination website continues to grow, reaching nearly one million unique users last year. This is helping to support the continued strength of the destination and ensure that all activities respect the needs of visitors, the environment, residents and business.

Austerity has driven the need to become more efficient and identify savings. All Portfolio's have risen to this challenge and made significant contributions. We have reviewed all our activities including our Senior Management where last year we made a further £100,000 annual saving.

The Council looks not to simply make financial savings but also to achieve good value for money. This has led to some services coming back in house, some services being extended if the business case is there. As a result the total number of employees increased by 40 full time equivalents between 2012/13 and 2013/14. The increases were due to the transfer of Leisure cleaning employees from external provider, the introduction of the Glass Recycling crews and increase demand from Housing service on building works provision. Services are regularly reviewed to ensure right staffing levels support business requirements.

The Council successfully implemented pension auto-enrolment in September 2013, 78% of our staff are now in the pension scheme, previously this was 72%.

Cross service working groups were established to build on the improvement plans from the 2013 employee

survey. These groups have made 29 recommendations which will improve the Councils performance through its people.

Challenges

Austerity continues to be an overriding challenge for each portfolio and work is ongoing via the Fit for Future programme to help meet this challenge.

Broadband provision remains a key issue in developing a low impact, high value economy as well as helping to encourage investment and maintain the competitiveness of existing companies.

The highest risk identified for the Portfolio is that economic conditions limit growth and employment in the district. Attempts will be made to mitigate against this risk by developing new and reinforcing existing links to Local Enterprise Partnerships to benefit the District following the work of the Task & Finish Group and developing a web based business portal to offer a single point of contact with the Council to support businesses within the district.

Plan for the future

- Develop new and reinforce existing links to Local Economic Partnerships to benefit the District, including putting forward appropriate economic development schemes for financial assistance.
- Create a local network of marine and allied industries to provide mutual support and enable development of the sector in the District.
- Ensure the best possible coverage is achieved in the continued implementation of the New Forest Broadband Campaign.
- Support services review to ensure quality, resilience and efficiency of the Human Resources service including the implementation of new Recruitment Portal.
- Review of pay systems including future pay award assumptions of 1% and increase cost of Pensions of 1%
- A further review of the Emergency Planning arrangements will take place following the adverse weather experienced over the winter months. This will include a review of the new larger control room and its equipment.
- All out of hours calls for the Council will be brought in house to the 24 hour CCTV and Community Alarms Service to improve performance.

Supporting Information

In support of this plan the following documents are available:

- 1) The Delivery Plan of Corporate Aims 2012-2016 for the Portfolio
- 2) The Portfolio's Performance Scorecard

- 3) Strategic Risk Register
- 4) Summary Budget for the Portfolio
- 5) Savings Plan

Further information is available on the council's website newforest.gov.uk/corporateplan

DRAFT

Resource Plan by Portfolio

Environment 2015/16

Aims of the Portfolio

- Ensuring streets and public spaces are clean
- Protecting the environment and promoting the wise use of natural resources
- Delivering the waste collection service people want
- Managing our coastline
- Protecting communities from health hazards

Performance

Many of the services provided by the Environment Portfolio are the basic services which are a standard requirement to all residents. During a period of Austerity it is important that these services are maintained at a good standard. It is therefore good to report that not only are high standards being maintained but that improvements are being introduced.

The amount of waste per household has risen in line with national trends from 507kg per household in 2012/13 to 519kg in 2013/14 with costs per household also increasing from £40.69 in 2012/13 to £48.20 in 2013/14 due in the main to the introduction of kerbside glass, but this is still lower than the 2008/09 cost of £49.37 per household. Consistent with the national trend recycling rates have seen a decline although the Council's performance has not declined as greatly as neighboring authorities. Economic conditions and increased recycling at source are contributory factors.

The successful bid of £1.8 million for the introduction of kerbside glass collection across the district has been rolled out successfully with all household apart from multi occupancy properties and some very rural properties (200) being included. The additional tonnage of glass collected will continue to increase again in 2015/16 following the review of bring banks.

Strategic documents for Waste Management and Corporate Trees have been agreed by Cabinet and the review of Keyhaven River with a member task and finish group has been successfully completed.

The Council continues to invest approximately £200,000 per annum in its public conveniences, a member working group has identified 3 sites for further investment over the next 3 years. In 2015/16 the facilities at Barton Court Avenue should be completed and following consultation with the Town Council a rationalisation of the facilities in New Milton Town Centre should be well underway.

The winter storms tested the council's sea defences to the extreme and whilst significant damage was caused no significant breaches occurred and works to reinstate affected areas were quickly and successfully actioned.

Initiatives have continued to reduce the impact of the councils business on CO² emissions through energy efficiency measures to its buildings (new CHP plant Ringwood Health and Leisure, Solar PV installations, thermal insulations) and the Solent Green Deal initiative established to assist households install energy efficiency measures to their homes.

The Council continues to complete the inspection programme following the FSA Food Law code of Practice. All pubs, restaurants, cafes, hotels and food shops now have a food hygiene rating.

Challenges

Austerity continues to be an overriding challenge for each portfolio and work is ongoing via the Fit for Future programme to help meet this challenge.

Other challenges include the design and redevelopment of the Beach Huts at Milford on Sea which will be completed during 2015/16 following the submission of a detailed planning application.

Work continues to identify land for additional cemetery which during 2015/16 and the intention is to have the new cemetery open during 2015/16.

With regard to Food and Health and Safety Enforcement the challenge remains the same in striking the right balance between enforcement to maintain fair competition and supporting business to grow through providing advice and guidance.

The continuing problems of kenneling and rehoming of around 240 stray dogs will be challenging in the year to come as bordering authorities look at their own financial situation.

The highest risk identified for the Portfolio is the continued protection of the coastline given the changes to the Government funding of coastal projects. A Task & Finish Group is continuing to look at options for partnership funding to enable the future maintenance programme delivery.

Plan for the future

- The operational pressures on existing depot facilities has led to a joint review with Finance & Efficiency
- The refurbishment of the Public Conveniences at Barton Court Avenue
- The revision of the Councils Waste Management Strategy in line with the Council new Corporate plan
- Reconstruction of Beach Huts at Milford.
- Increase the public awareness of the food hygiene rating scheme and improve the number of businesses displaying the Food Hygiene Rating sticker.
- The Authority will continue to review Air Quality in line with Government requirements and will look at the exceedences in the various Air Quality Management Areas.
- Implement a proactive approach to the regulation of licensed caravan sites and new charging regime in line with legislative requirements
- Review with the Housing and Communities Portfolio the impact of the Trigger tool for Anti-Social

Behaviour and review of processes for dealing with nuisances.

- Review of work on flytipping including the resources we have to deal with this issue.
- We will look at the impact of further deregulation of entertainment and the effect it has on our workload and resource need.

Supporting Information

In support of this plan the following documents are available:

- 1) The Delivery Plan of Corporate Aims 2012-2016 for the Portfolio
- 2) The Portfolio's Performance Scorecard
- 3) Strategic Risk Register
- 4) Summary Budget for the Portfolio
- 5) Savings Plan

Further information is available on the council's website newforest.gov.uk/corporateplan

DRAFT

Resource Plan by Portfolio

Finance & Efficiency 2015/16

Aims of the Portfolio

- Managing our finances
- Managing our physical assets
- Delivering customer benefits through technology
- Maintaining strong governance

Performance

Over the last 4 years the successful management of our finances has required the Council to reduce its net expenditure of over £20 million by £2 million 10% of the budget. Achieving this has also meant that cost increases of over £2 million have also had to be absorbed. This has all been done with no increase in Council Tax.

The Council is responsible for collecting over £100 million in Council Tax and £60 million in non domestic rates. In year collection rates for council tax (98.9% at year end) and non-domestic rates (98.6% at year end) and administrative costs per dwelling rank amongst the best in the country against a continued Council Tax freeze.

These results were achieved whilst the Council Tax Reduction Scheme was successfully introduced and subsequently reviewed.

Other Benefit changes were also implemented including, the benefit cap, the spare room subsidy and discretionary housing payments were awarded to those in most need. Satisfactory processing times for new benefit claims and changes were maintained.

A review of empty properties was undertaken which helped optimise the new homes bonus and tax base generating an additional £300,000 per annum for six years.

Efforts have continued to ensure the best use of assets with the sale of the old Ringwood offices (£750,000) being completed and planning approval obtained for development of the Cussens Day Centre site, which will now be sold. Commitment for site improvements at Earley Court, Lymington, have been achieved for sale of freehold (£230,000).

The lengthy process of terminating the lease for Unit 8 Hardley Industrial Estate has now been completed and work is well underway to bring the site back into use as an employment site for local businesses.

Co-co and PSN compliance has been achieved for the first time in August 2014 and technology has continued to be used to meet customer needs and improve efficiency including the introduction of mobile working with tablet devices using a secure wireless network and book and pay leisure services via mobile devices.

Individual Electoral Registration (IER) was introduced on 10 June. Implementation is still in its early stages and, whilst it has presented a significant challenge, the transition is proceeding successfully

Challenges

Austerity continues to be an overriding challenge for each portfolio and work is ongoing via the Fit for Future programme to help meet this challenge.

Other challenges include the management and delivery of the changes introduced by the Local Government Finance Bill and other welfare legislative reforms. These include monitoring the impact of business rates growth, where opportunities are particularly limited in the New Forest, and the future implications of incorporating Housing Benefit within the new Universal Credit and the corresponding grant reductions.

Increasingly there will be a need to balance Co-Co compliance with innovation and emerging cloud versus on premises technology.

The highest risk identified for the Portfolio is the continued financial austerity, lower levels of government funding and the introduction of legislative changes. The Medium Term Financial Plan, and the promotion of financial and digital inclusion for benefit claimants should help mitigate this risk.

Plan for the future

- Implement the Single Fraud Investigation Service (SFIS) and transfer our employees (3) dealing with fraud to Department for Works & Pensions
- Trial a review of mobile home sites for council tax purposes
- Promote Financial and Digital Inclusion prior to implementation of Universal Credit, working with partners on the Local Support Services Framework (LSSF)
- Implement new Civil Enforcement Regulations concerning the use of bailiffs and fees charged
- Develop the Customer Services Centre (by amalgamating teams, reviewing processes and developing technology) to improve frontline services
- Ongoing review of local offices, to include provision of wireless technology to meet future needs
- Introduction of new document records management system and upgraded telephone call handling system
- Implementation of Building Works ICT system following successful tender process and award of contract.
- Progress plans for redevelopment of Unit 8 Hardley Industrial Estate to provide local business and employment opportunities.
- Support services review to ensure quality, resilience and efficiency and continuing to look at reducing overheads through partnership working

- Conclude depot review project to address operational issues at Marsh Lane and Claymeadow depot sites.
- Government funding has been made available for the transition to Individual Electoral Registration but some Council funding from 2016/17 is likely to be required.
- The May 2015 Parliamentary elections are to be combined with the quadrennial District and Parish Council elections. They will bring major demands on staff resources and a corporate response will be necessary.

In support of this plan the following documents are available:

- 1) The Delivery Plan of Corporate Aims 2012-2016 for the Portfolio
- 2) The Portfolio's Performance Scorecard
- 3) Strategic Risk Register
- 4) Summary Budget for the Portfolio
- 5) Savings Plan

Supporting Information

Further information is available on the council's website newforest.gov.uk/corporateplan

DRAFT

Resource Plan by Portfolio

Health & Leisure 2015/16

Aims of the Portfolio

- Encouraging active communities through leisure and culture
- Helping improve people's health
- Managing our leisure facilities well
- Promoting opportunities for children and young people
- Valuing and supporting older people (new responsibility)

Performance

The Health & Leisure Centres have continued to improve performance and throughput, despite the still challenging economic climate. In meeting both financial and social objectives, recent trends have continued with income projections now well in excess of £5m. Overall, users contribute 79% to operating costs, with 21% coming from Council Tax subsidy. Usage also continues to remain high with around 1.6 million customer visits annually.

The refurbishment of the swimming pool and changing rooms with the addition of a new sauna/steam suite at New Milton Health & Leisure Centre, was achieved within budget and on time. This has received an enthusiastic welcome from customers and use has moved on well since completion with Centre Membership up 16% since opening and casual swimming income up 17% over the same period last year.

Encouraging participation within and outside the Health and Leisure Centres plays its part in having an active and healthy community. Sport England's Active People survey shows an increase of over 10% in people participating at least once a week. The District is one of only two in Hampshire to show any increase.

Strong function trade has kept Dibden Golf Centre performing well at a time when demand for golf is not as strong as it was. The Centre is building an excellent reputation for quality of service, culminating with the Centre Manager receiving the title of "Food and Beverage Manager of the Year" in the prestigious 59Club awards, which includes many of the country's top clubs.

Whilst the golf market continues to be challenging nationwide and the weather playing a major influence, the number of people enjoying a game of golf at Dibden in 2013/14 was 51,890, 1,700 up on the previous year. This reflected the increase in sales from season tickets and bookings from golf societies.

During this year the joint project for Eling Tide Mill and Learning Centre received an Heritage Lottery Award of £1.36m towards a £1.6m scheme. This was a tremendous result for both the District and Town Councils who are partners in the scheme.

The Resource Plan always refers to the need for services to keep improving their practice. In the last year significant changes were made to simplify a

number of "back office" processes which will see improvements for customers and employees.

Challenges

Austerity continues to be an overriding challenge for each portfolio and work is ongoing via the Fit for Future programme to help meet this challenge.

In an economic climate that continues to be tight, it is always essential that services review the way they operate. There has to be a never ending programme of change in a Portfolio which has to keep pace with the needs of customers and to ensure the significant levels of earned income are maintained.

As in previous years, as well as financial challenges, the District presents a range of service challenges. Factors such as relatively low household income and high indices of child poverty; high rates of dementia; an elderly population at risk of falls; high levels of skin cancer; a need to address overweight across the population; safeguarding children and vulnerable adults and engaging young people in positive activities are all examples of where the Portfolio is active in making a difference. This takes place through activities and information programmed delivered directly by Services but also indirectly through support the voluntary sector.

Identifying extra support for older and vulnerable persons, particularly those who have no local support mechanisms is key with the aging population and this part of the service.

The highest risk identified for the Portfolio is in maintaining the performance of five quality Health & Leisure Centres. Business performance is monitored to support current spending and help to mitigate this risk and maintenance in fabric will continue based around business cases.

Plan for the future

- Implement the refurbishment of Applemore Health and Leisure Centre so as to improve the throughput and financial performance of the Centre.
- Improve the customer experience at all the Health and Leisure Centres and make our systems simpler and easier to use.
- Devise a full process for the allocation of Annual community grants which makes information easier to access and clearer.
- Continue to increase the recovery rate for Health & Leisure operations and consequently reduce subsidy to operating costs from Council Tax, whilst meeting broader objectives.
- Implement the Eling Tide Mill and Learning Centre project on time and in budget to achieve the benefit to the locality and the improved outcomes required.
- Clarify the role of the Portfolio in ameliorating the impact of child poverty in the District.

- Support the rollout of dementia awareness training and look at how we can support the increasing number of people living with its effects.
- Complete the task and finish groups work on the number of young people being emitted to hospital due to the effects of alcohol and the work on an action plan to reduce the numbers killed and seriously injured on our roads.
- Continue to train and skill our staff to appropriately respond to our duties in relation to Safeguarding both vulnerable adults and children. We are being asked to carryout increasing numbers of audits of this activity and will ensure that the learning from these audits is acted on.
- Develop the New Forest Health and Wellbeing Boards role in supporting and delivering on the local challenges in Public Health as outlined in the Joint Strategic Needs Assessment. This work is

linked to the wider needs identified in the Director of Public Health's Plan.

Supporting Information

In support of this plan the following documents are available:

- 1) [The Delivery Plan of Corporate Aims 2012-2016 for the Portfolio](#)
- 2) [The Portfolio's Performance Scorecard](#)
- 3) [Strategic Risk Register](#)
- 4) [Summary Budget for the Portfolio](#)
- 5) [Savings Plan](#)

Further information is available on the council's website newforest.gov.uk/corporateplan

DRAFT

Resource Plan by Portfolio

Housing & Communities 2015/16

Aims of the Portfolio

- Managing our housing
- Helping provide affordable housing for local people
- Working with partners to keep crime and anti-social behavior low

Performance

The size of the housing stock was still 5031 properties at 31 March 2014, despite right to buy sales being extended and the number of properties actually sold during 2013/14 increasing to 29, compared to 15 in the previous year.

The implementation of the new Housing Strategy is progressing well with the Council purchasing 65 former council houses across the District in the last two years and developing the first 4 brand new properties for several years. Funds are now being accumulated for further emerging developments, including purchasing new homes for social rent from developers and building new additional homes on council land.

Council owned social housing continues to meet the Government's Decent Home Standard and introductory tenancy and revised allocations policies have been introduced in line with the Localism Act providing greater flexibilities to effectively manage housing needs.

The number of applicants on the Homesearch register was reduced from 5366 to 4649 during the year, following a review. The number of households in temporary accommodation was reduced from 355 to 340 during the year but the number in Bed & Breakfast accommodation increased from 6 to 10.

Good year end collection rates for housing rents were achieved, with year end rent arrears amounting to only 2.99%, despite the average rent increase of 5.73% (to an average rent of just less than £100 per week), in line with government policy and the significant changes to welfare reform, due to proactive actions.

The number of grants/loans to assist people with disabilities consistently improved.

Incidents of crime continued to fall with 741 less occurring in 2013/14, a reduction of 9%.

The Council has brought in house its Community Alarms Service and is now running a 24 hour integrated control room. The service encompasses CCTV, dealing with around 2000 incidents a year resulting in over 150 arrests throughout the district. Pendant Alarms (for which there are approximately 3000 users, both in house accommodation and private homes) and 20 Door Entry systems in our own stock.

Challenges

Austerity continues to be an overriding challenge for each portfolio and work is ongoing via the Fit for Future programme to help meet this challenge.

The impact of on-going welfare reform will put additional pressure on the service in terms of increasing rent arrears and the subsequent impact upon overall income. Other challenges will arise following the implementation of introductory and fixed term tenancies, the acquisition and development of new build council properties and the management and resource implications arising from the new Crime and Policing Act.

Impact assessments on CCTV cameras and their usage will place focus on each cameras performance and objectives

Crime trends are changing in the economic climate and there is an increasing risk of fraud and other crime types as a result.

The highest risk identified for the Portfolio continues to be that affordable housing numbers do not meet the needs of the district. The continued acquisition and construction of new properties alongside work with partner registered providers to deliver additional homes in the district should help mitigate this risk.

Plan for the future

- Complete a comprehensive customer satisfaction survey of our tenants and leaseholders
- Continue to achieve the Decent Homes Standard by our 10 year maintenance programme
- Continue decommissioning work to former sheltered schemes and developments to Extra Care schemes
- Increase rent in line with new Government Policy and review rent recovery policies and procedures, having regard to on-going welfare reform changes
- Continue to follow the agreed Housing Strategy by acquiring further properties on the open market, building new properties on council land and acquiring properties from developers on new sites
- Promote Financial and Digital Inclusion prior to implementation of Universal Credit, working closer with partners on the Local Support Services Framework (LSSF) and Registered Providers
- Review our council properties insurance cover as part of retendering process and promote contents cover to tenants
- Seek to manage potential consequences arising from the changes to 'Supporting People' and introduction of 'Better Care'
- Review anti-social behavior procedures to maintain expectations and implement the new 'community trigger'
- Reaching TSA standards in community alarms is a good bench mark for performance of the service and staff. We are setting targets to achieve this

standard and when satisfied we will attempt to gain accreditation.

- Providing a strong performing out of hours service for council calls to replace the existing externalised service
- Increasing revenue for Community Alarms and achieving a clear brand identity which local people value.
- CCTV maintenance tender will procure a contract that provide savings and direction for the next 5 years whilst utilising modern technology to improve the system
- Introduction of new tools enabling enforcement against perpetrators of ASB with a positive action requirement which has resource and cost implications.
- Influencing of the PCC commissioning outcomes to deliver appropriate services for local residents.

- Close work with the two probation services to deliver improved outcomes with and for offenders in the community.

Supporting Information

In support of this plan the following documents are available:

- 1) [The Delivery Plan of Corporate Aims 2012-2016 for the Portfolio](#)
- 2) [The Portfolio's Performance Scorecard](#)
- 3) [Strategic Risk Register](#)
- 4) [Summary Budget for the Portfolio](#)
- 5) [Savings Plan](#)

DRAFT

Resource Plan by Portfolio

Planning & Transportation 2015/16

Aims of the Portfolio

- Enabling development which meets local aspirations
- Using planning to protect the environment and maintain local distinctiveness
- Securing appropriate sites for employment and housing in line with the core strategy
- Improving transport and traffic management

Performance

The main achievement of 2014/15 was the adoption of the Local Plan Part 2, Sites and Development Management, on 14th April 2014. This followed a lengthy public examination of the Plan. This means that the threat of external pressure for development not matching the aspirations of the local community has been substantially reduced in the short term.

In conjunction with the Local Plan, we also adopted the Community Infrastructure Levy (CIL) which is the new process whereby we collect developers' contributions. CIL replaces the 106 Agreement approach, which, due to rule changes, can no longer be used after 6th April 2015.

The development control function of dealing with planning applications and giving people advice on development matters has continued to achieve its main timescale and financial targets. In 2013/14 there were further signs of economic recovery as application numbers increase £1,344 up by 15% on 2012/13) together with fee income for development control (£552,000 up by 47%) building control (£551,000 up 6.4%) and land charges £461,000 up 25%). The move towards charging for services, which were previously provided for free, has continued and the acceptance of this change has become more widespread.

The Transportation team continues to meet its targets for delivering small scale traffic management schemes, making various types of traffic order and deploying traffic speed warning devices, 108 deployed in 2013/14 against a target of 100. A system for deciding the priorities for new spending on transportation schemes and aligning it with other spending decisions has been successfully introduced.

During 2014 the programme to replace all the outdated tickets machines has commenced with tenders being sought by suitably qualified and experienced companies, it is anticipated that 50% of all parking machines will be replaced by the end of March 2015.

Challenges

Austerity continues to be an overriding challenge for each portfolio and work is ongoing via the Fit for Future programme to help meet this challenge.

Other challenges arise from the need to complete the installation of the remaining ticket machines across the district to ensure that all the machines are replaced by 2015/16 and to review the ability to make card

payments through contact or insertion payments once the authorisations are in place from the card payment companies to allow this to happen.

The viability of transportation schemes is largely dependent on ongoing funding from Hampshire County Council and although there is no current indication of threats to this funding there are no guarantees that this will be maintained.

The highest risk identified for the Portfolio is the external pressure for development that doesn't meet the aspirations of the local community. Although the adoption of the Local Plan Part 2 has reduced the threat of unwanted development this is only a short term solution. Our current plans do not reflect the Governments aims in the National Planning Policy Framework 2012 (NPPF) that there should be a significant increase in house building and economic development. This threat can only be dealt with by quickly starting work on a new Plan which deals with these issues in the specific context of the New Forest area. This new Plan will also have to deal with the changes to the planning system which has resulted in many types of development being taken out of planning controls. It will also consider how key decisions could be taken in neighbourhood plans if the local community wants to take more responsibility for the planning of their own areas.

Plan for the future

- Planning management review to consider the future shape of the Planning Department to ensure that it is best able to meet the key challenges set out above. This will include shared services, the continuation of agency arrangements and succession planning.
- Start work on a new Local Plan which fully reflects the requirements of the NPPF. Aim for adoption by 2017.
- Ensuring that the regulatory teams are adequately resourced to deal with increases in workload as the economy, and particularly the development industry, improves.
- Detailed work to prepare for the likely introduction of CIL in April 2015
- A review of the patrolling times for Civil Enforcement Officers will be completed in 2014/15

Supporting Information

In support of this plan the following documents are available:

- 1) [The Delivery Plan of Corporate Aims 2012-2016 for the Portfolio](#)
- 2) [The Portfolio's Performance Scorecard](#)
- 3) [Strategic Risk Register](#)
- 4) [Summary Budget for the Portfolio](#)
- 5) [Savings Plan](#)

Further information is available on the council's website newforest.gov.uk/corporateplan

Medium Term Financial Plan 2014 -2018

APPENDIX 2

Funding Forecast	Budget 2014/15 £000's	Original Draft 2015/16 £000's	Latest Budget 2015/16 £000's	Budget 2016/17 £000's	Budget 2017/18 £000's
Council Tax	10,682	10,713	10,730	10,760	10,800
Collection Fund Surplus	280	132	235	132	132
Local Council Tax Funding	10,962	10,845	10,965	10,892	10,932
Other Funding					
Business Rates	3,560	3,658	3,750	3,800	3,900
Formula Funding	4,108	2,828	2,828	2,121	1,591
Specific Grants					
New Homes Bonus	1,584	1,814	1,970	2,370	2,362
Council Tax Freeze 2014/15 @ 1%	117	117	117	-	-
2015/16 @ 1%	-	117	117	-	-
Other Grants inc new burdens	138	38	38	-	-
Total Other Funding	9,507	8,572	8,820	8,291	7,853
2 Year Grant Funding Settlement	- 400	400	400	-	-
Kerbside Glass Grant	- 206	206	206	-	-
Total Funds Available	19,863	20,023	20,391	19,183	18,785
Summary Of General Fund Requirements					
Environment	8,064	8,452	8,466	8,592	8,780
Finance & Efficiency	4,784	4,968	5,077	5,127	5,326
General Purposes & Licencing	522	528	513	519	525
Health & Leisure	4,060	3,831	3,816	3,762	3,705
Housing & Communities	1,832	1,863	1,775	1,812	1,850
Leader's	534	540	540	546	552
Planning & Transportation	562	646	476	517	579
Planning Development Control Committee	1,198	1,226	1,192	1,211	1,230
Asset and Equipment Resources	-	-	-	200	400
Additional Savings to be identified	-	450	-	-	-
	21,556	21,604	21,855	21,886	22,147
Asset Rental	- 2,467	- 2,467	- 2,467	- 2,467	- 2,467
Earmarked Reserves	- 338	83	66	83	83
Net Portfolio Requirements	18,751	19,220	19,454	19,502	19,763
Contributions to Town & Parish Councils	300	200	200	100	-
Minimum Revenue Provision	1,052	1,052	1,052	1,052	1,052
Interest Earnings (Net)	- 240	- 240	- 315	- 425	- 612
	1,112	1,012	937	727	440
Total Requirements	19,863	20,232	20,391	20,229	20,203
Additional Grant Funding	606	-	-	-	-
Specific Grants	- 1,839	- 2,086	- 2,242	- 2,370	- 2,362
General Fund Budget Requirements	18,630	18,146	18,149	17,859	17,841
Current Cummulative Plan Shortfall		- 209	-	- 1,046	- 1,418

Medium Term Financial Plan 2014 -2018

Analysis of Additional Budget Requirement				
	Original Draft 2015/16 £000's	Latest Budget 2015/16 £000's	Budget 2016/17 £000's	Budget 2017/18 £000's
Pay & Price Increases				
Pay @ 1% per annum	214	214	218	220
Increment	214	214	218	220
Pensions 2010 valuation	98	98	102	110
Prices (Fuel, Energy & Maintenance)	113	113	115	120
	639	639	653	670
Budget Outturn 2013/14 & Monitoring 2014/15	- 169	- 527	- 302	- 209
Specific Portfolio Items				
Environment - Kerbside Glass 2014/15 Grant Reduction	519	519	-	-
Planned saving	- 70	- 70	-	-
	449	449		
ICT Work Programme		26		
Other Items		116	- 103	
Other Specific Items				
Towns and Parish Council Grant	- 100	- 100	- 100	- 100
Interest Earnings	-	- 75	- 110	- 187
Change in Asset and Equipment Resources	-	-	- 200	- 200
Savings in progress	- 450	-	-	-
Total Additional Net Budget Requirement	369	528	- 162	- 26
Reduction/Increase(-) in Funds	- 160	- 528	1,208	398
Current Annual Plan Shortfall	209	-	1,046	372