

REPORT OF CENTRAL SERVICES COMMITTEE

(Meeting held 14 March 2000)

1. LOCAL GOVERNMENT COMMISSION'S REVIEW OF ELECTORAL ARRANGEMENTS IN NEW FOREST DISTRICT – RECEIPT OF COMMISSION'S RECOMMENDATIONS (REPORT A) (MINUTE NO. 58)

The Council will be aware that on 1 November 1999 it approved proposals for the review of the electoral arrangements in New Forest District. These were submitted as recommendations to the Local Government Commission.

The Commission's draft recommendations were published on 22 February 2000. All members of the Council, together with other parties, have been informed of the recommendations. The recommendations are identical to the proposals submitted by this Council in November 1999, except in two minor respects. These relate to:-

- (i) Part of the boundary between the Copythorne North and Copythorne South parish wards – which is also apart of the boundary between the proposed new District Wards of Ashurst, Copythorne South and Netley Marsh and Bramshaw, Minstead, and Copythorne North; and
- (ii) Part of the boundary between the proposed new Hordle and Milford District Wards.

The Commission's suggestion at (i) involves moving the current Copythorne North/South boundary southwards, to improve the level of electoral equality between the two district wards immediately north and south of the boundary. The Commission proposes that a slightly larger area than that proposed by the Council should be 'transferred' from Copythorne South to Copythorne North. About 40 electors live in this area. The Commission's draft recommendations slightly improve the level of electoral equality between the two district wards. The M27, rather than river and field boundaries is proposed used as the boundary. The Council's suggestion for the boundary was based on a sketch map provided by the Parish Council. The ultimate boundary between Copythorne North and Copythorne South will have no effect on the proposals for the rest of the District. In these circumstances, the Committee was content for any response to the Commission to reflect the views of the Parish Council and has agreed that this Council's response accord with the Parish Council's.

With regard to the boundary at Milford/Hordle the Council proposed that, in order to attempt to achieve the electoral figure likely to be acceptable to the Commission, the existing District Ward Boundary be moved north to the A337, between Wainsford Road and the boundary with Pennington. In making this proposal, it was realised that the level of electoral variance in Milford was still marginally over 10% - the figure the Commission states is the maximum it will accept without particularly strong justification, but only by a fraction of 1%.

In order to reduce slightly the level of electoral variance in Milford, the Commission has recommended including a small area of eastern Hordle immediately north of the A337 into the new Milford ward. This is in addition to the area of Hordle Parish south of the A337 proposed by this Council for inclusion in Milford ward. 29 electors live in the area concerned.

In all its deliberations on the new district wards, this Council appreciated the requirement for electoral equality and it was the guiding criterion in drawing up proposals for the Commission. However, in the case of Milford/Hordle, because the figure by which the Council's proposal exceeds the Commission's numerical guideline is so very small (only about 14 electors) and the A337 is such a strong physical boundary, the Committee has decided that the Commission should be asked to reconsider the issue and to recommend the A337 as the boundary between Milford and Hordle district wards east of Wainsford Road. It was reported to the Committee that Hordle Parish Council supported the District Council's views. The response of the Milford on Sea Parish Council had not been received.

It was reported to the meeting that the Fawley Parish Council, which had previously supported the District Council's recommendations for their area, including a cross-boundary ward between Fawley and Hythe, was now opposed to the proposed cross-boundary ward. Two local members requested the Committee to reconsider the issue but as the matter had been considered at great length on a number of occasions in the past, and as the recommendations made to the Commission were considered by members to be best for the area as a whole, the Committee has decided not to re-open the issue.

No proposals for parish warding in Fawley were submitted to the Commission as the Parish Council had requested that the matter be left in abeyance for the time being. As no recommendations were put to the Commission, the Commission has made a recommendation that the District ward areas in Fawley should not be sub-divided into smaller parish wards. It is understood that this recommendation has been made simply as a 'default' because no proposals had been put to them, and that the Commission would be happy to consider alternative proposals made by 17 April.

The Fawley Parish Council has been encouraged to make recommendations in this regard.

The Committee was extremely pleased to learn of the Commission's favourable response to the District Council's recommendations and has congratulated lead officers and members of the Ward Boundary Review Working Party on the work done over a number of months.

2. MEMBERS ALLOWANCES – RECOMMENDATIONS OF COUNCIL STANDARDS SUB-COMMITTEE (REPORT B) (MINUTE NO. 59)

The Committee has considered recommendations from two meetings of the Council Standards Sub-Committee on the scheme of members' allowances to apply with effect from the annual meeting of the Council in May 2000. The Council is by law obliged to adopt an allowances scheme each year. An additional amount of £9,564 has been provided in the budget for 2000/01 to allow for inflationary increases and any adjustments members might wish to make, the total budget for 2000/01 is £172,160.

The Committee wishes to remind members that it is a fundamental principle of the existing scheme to link members' pay to spinal column point 33 of the Council's salary grades. To maintain this link, the value of each point under the Council's scheme, on which payments to members are calculated, should increase from £42.20 to £43.56. This will result in additional expenditure (for which provision has been made) of £5,240 in a full year.

The Committee has considered concerns of some members about recognition of increased workloads since the last review of the scheme. The Committee feels there is justification in these views and recommends that an extra point be added to every Council's basic allocation, bringing this to 42 points. The cost of this additional point will be £2,526. With this extra point and the increased point value, an average 'back bench' member serving on two committees will receive an annual increase of £112.56.

The Committee has reviewed the points allocations to Sub-Committee Chairmen, Vice-Chairmen and, in the case of the Public Relations Sub-Committee, the Opposition Group Spokesman. The Committee has noted that workloads on Sub-Committees have changed since the original points allocations were agreed three years ago and the Committee recommends that, in future, only the Chairmen of the Sub-Committees/Panel/Working Parties set out in the recommendation below be allocated points for their responsibilities. The Committee recommends that each be allocated five points.

In making its recommendations the Committee is mindful that a new scheme will have to be introduced when the proposed new political structures are in place. The changes agreed now are likely to be of short duration.

With regard to allowances following the adoption of new political structures, the Committee has decided that an independent panel of external advisors should be appointed to undertake a thorough review of the allowances and to report on proposals for a new scheme, recognising the work undertaken by all councillors. The officers are investigating suitable candidates for appointment to the Independent Panel and recommendations will be submitted to the Council Standards Sub-Committee. In making these recommendations, the officers will recognise the need for members of the Panel to represent a mix of disciplines. Proposals for remuneration of Panel members will be submitted to the Council Standards Sub-Committee before any commitment is made.

RECOMMENDED:

(a) That the Members' Allowances Scheme be amended with effect from the Annual Meeting of the Council in May 2000 to provide for the following:-

(i) The value of a point to be fixed at £43.56;

(ii) All members of the Council to receive one extra point on the 'basic element' to bring the basic allocation to 42 points;

(iii) The existing allowances to the Sub-Committee Chairmen/Vice-Chairmen/Opposition Group Spokesmen be discontinued and that the Chairman of the following Sub-Committees be awarded five points each:-

Council Standards Sub-Committee

Licensing Panel

Public Relations Sub-Committee

Strategic Performance Review Sub-Committee

Waste Management Sub-Committee

Modernisation Working Party (if the Chairman is not the Leader of the Council)

- (b) That in the event of the Chairman of the Development Control Sub-Committee not being the Chairman of the Planning and Transportation Committee, the points awarded for both these chairmanships be reviewed; and**
- (c) That no additional points be awarded to the Political Group Leaders or any other office holders.**

3. STRATEGIC PROPERTY REVIEW AND ASSET MANAGEMENT (REPORT C) (MINUTE NO. 60)

As part of the agenda for the modernisation of local government, Central Government is placing greater emphasis on the way local authorities manage their assets. The introduction of new capital financing regulations and the establishment of the single capital pot will require a robust asset management plan. A fundamental part of this asset management plan will be a review of the authority's property portfolio. The introduction of the single capital pot requires that an Asset Management Plan covering the years 2001/2002 to 2006/2007 is in place by the end of 2000.

With the exception of the housing stock, in preparation for possible stock transfer, the authority has not carried out a full strategic review of its property assets. A recent review looked at various minor land holdings. As members will be aware a thorough review of the authority's functions is underway as part of the best value programme. A simultaneous property review is consistent with the objectives of Best Value and is seen as fundamental to the value of the Best Value exercise. The review will need to encompass the expertise of the various disciplines of the Council, including valuation, property services, accountancy and the employee side. It might also be necessary to engage consultants to provide input where specialist advice is not available in-house.

As part of the process for preparing for the single capital pot, an Officer Team is being approved to co-ordinate the issue across the Council. One of the key objectives of this Group will be the identification of Performance Indicators as bench marks for comparison with other public bodies or outside organisations. It is anticipated that the timetable for the property review will correspond with Best Value packages in order that the results can be incorporated into Best Value assessments.

The Committee has noted that in the medium to long term a strategic review is likely to result in financial benefits to the authority. However, the review must be adequately resourced and specialist external advisors engaged where considered necessary. This could cost in the region of £20,000 over the review period. Officers will seek additional budgetary provision when a need has been identified and provision will be incorporated into the review programme.

4. INVESTORS IN PEOPLE FEEDBACK REPORT (REPORT D) (MINUTE NO. 61)

The Committee has reviewed a feedback report by the Investors in People Assessors following the recent reassessment process.

The assessors have highlighted in particular key developments accomplished by the Council since the last assessment in February 1997. These were in the following areas:-

Communication

Corporate/Business Planning

Performance and Development Interviews

Training and Development Strategy

Induction Programme

In all areas the Assessors have been complimentary and the report contains many references to areas of good practice. Although certain areas for improvement have been suggested, the report highlights a number of areas of success. An action plan has been prepared to address the areas identified by the Assessors and this action plan will be incorporated into the Training Co-ordinators work programme for the coming year.

The Committee has congratulated Training Co-ordinators and other officers on the excellent work done in preparing employees for the re-accreditation process.

5. THE CLIMATE CHANGE LEVY (REPORT F) (MINUTE 63)

The Committee has received a comprehensive report on the implications for the Council and its partners of the Government's Climate Change Programme, the proposed Climate Change Levy, reduced National Insurance Contributions and increased energy efficiency funding.

The Government proposes to introduce a new tax on fuel and energy, effective from April 2001. This will mean increased expenditure on gas and electricity for the Council whilst at the same time there will be very limited access to benefit from additional funding of energy efficiency. Also at the same time, employers' National Insurance Contributions are to be reduced, so that an off-setting reduction in the Council's expenditure will occur.

The Committee has been reminded that the member states of the European Community have agreed to an 8% reduction in the so-called greenhouse gases (GHG). The UK's target reduction was 12.5%. The British Government wishes to reduce UK emissions even further, and reductions in the United Kingdom are to be sought by implementing the Government's Climate Change Programme. The 1999 budget statement included a proposal to introduce a Climate Change Levy (CCL) with legislation proposed for inclusion in the year 2000 Finance Bill. The intention is that the compensatory reduction in revenue from National Insurance payments will mean that the new Climate Change Levy will not result in a net increase to the Exchequer. The new levy will raise £1 billion per annum, from which £1.5 million will be used to promote energy efficiency and new and renewable energy sources. The levy is seen by the Government as an important element of the Climate Change Programme, contributing to perhaps 20% reductions by 2012 in UK emissions of greenhouse gases.

The levy will apply to industrial, commercial and public sector energy use but not to domestic use and energy use by charities. Also excluded are road fuels. No decision on combined heat and power plants has been taken at this stage but it is anticipated that for smaller scale systems (such as the Council operates at Leisure Centres) the fuel supply to the plant (e.g. gas) will attract the levy but that the power produced will not.

Details of other proposals are set out in Report F to the Committee.

An Energy Fund will provide for improved dissemination of energy efficiency advice and help to identify energy efficient technologies. There might be limited benefits to the Council in this and, in addition, it might be possible to draw on the Fund to support the introduction of renewable energy sources to support Council services. Commercial interests will have access to enhanced capital allowances but local authorities will not. This might impact adversely on Councils' ability to set a good example and to promote 'good practice' to partners.

The Council pays gas and electricity bills from more than one supplier and at different unit costs to provide energy services in buildings. Tariff negotiations have reduced building energy costs this year by £30,000 on total expenditure of £473,000. The Climate Change Levy proposals will probably result in additional building energy costs of £46,000 per annum, provided the levy does not apply to the combined heat and power plants at Applemore and Ringwood Recreation Centres.

The estimated extra cost of non-highway public lighting, if passed to the Council, would be £9,000 per annum. The reduction in employer National Insurance Contributions is estimated at £25,000. The net effect would be additional expenditure of £30,000 per annum.

The Committee has agreed that budgetary processes from 2000/2001 should take into account the proposed tax on fuel and energy bills and the proposed reduction in employer National Insurance Contributions.

**Councillor M J Kendal
CHAIRMAN**

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