

NOTICE OF MEETING

Meeting: CABINET

Date and Time: WEDNESDAY, 7 FEBRUARY 2018, AT 10.00 AM*

Place: COUNCIL CHAMBER, APPLETREE COURT,
LYNDHURST

Telephone enquiries to: Lyndhurst (023) 8028 5000
023 8028 5588 - ask for Jan Debnam
Email: jan.debnam@nfdc.gov.uk

PUBLIC PARTICIPATION:

***Members of the public may speak in accordance with the Council's public participation scheme:**

- (a) immediately before the meeting starts, on items within the Cabinet's terms of reference which are not on the public agenda; and/or**
 - (b) on individual items on the public agenda, when the Chairman calls that item.**
- Speeches may not exceed three minutes. Anyone wishing to speak should contact the name and number shown above.**

Bob Jackson
Chief Executive

Appletree Court, Lyndhurst, Hampshire. SO43 7PA
www.newforest.gov.uk

This Agenda is also available on audio tape, in Braille, large print and digital format

AGENDA

Apologies

1. MINUTES

To confirm the minutes of the meeting held on 6 December 2017 as a correct record.

2. DECLARATIONS OF INTEREST

To note any declarations of interest made by members in connection with an agenda item. The nature of the interest must also be specified.

Members are asked to discuss any possible interests with Democratic Services prior to the meeting.

3. PUBLIC PARTICIPATION

To note any issues raised during the public participation period.

ANNUAL BUDGET 2018/19

4. COMMUNITY GRANT AWARDS 2018 (Pages 1 - 24)

To consider the recommendations of the Community Overview and Scrutiny Panel with respect to the payment of community grants for 208/19.

5. MEMBERS ALLOWANCES 2018/19 - 2022/23 - REPORT OF THE INDEPENDENT REMUNERATION PANEL (Pages 25 - 52)

To consider the recommendations of the Independent Remuneration Panel.

6. HOUSING REVENUE ACCOUNT BUDGET AND CAPITAL EXPENDITURE PROGRAMME 2018/19 (Pages 53 - 68)

To consider the Housing Revenue Account Budget and Capital Expenditure Programme 2018/19.

7. MEDIUM TERM FINANCIAL PLAN - SETTING THE BUDGET FOR 2018/19 (Pages 69 - 88)

To consider the Medium Term Financial Plan and to set the budget for 2018/19.

OTHER ITEMS

8. FUTURE FOREST RECREATION MANAGEMENT STRATEGY PARTNERSHIP CONSULTATION (Pages 89 - 130)

To be advised of the findings of the recent consultation undertaken by the National Park Authority regarding recreation management in the Forest and to confirm this Council's commitment to continued partnership working to progress the next stage of the process of the review of the Strategy.

9. ELECTORAL REVIEW OF THE DISTRICT COUNCIL (Pages 131 - 136)

To consider recommending to the Council that the Local Government Boundary Commission for England be requested to undertake a review of the electoral arrangements in the New Forest District.

10. HOMELESSNESS REDUCTION ACT (Pages 137 - 146)

To consider the implication of the Act for this Council.

11. REQUEST FOR LEASE OF LAND FOR MILFORD PLAY AREA (Pages 147 - 152)

To consider whether to lease land to Milford on Sea Parish Council to allow the enlargement of the play area adjacent to the Needles Café and also whether to release developers' contributions to fund the scheme.

12. RESPONSE TO LOCAL GOVERNMENT ASSOCIATION PEER REVIEW (Pages 153 - 158)

To consider the Council's response to the Local Government Association Peer Review Group's recommendations, as reported to the Cabinet on 6 December 2017.

13. CONTRACT STANDING ORDERS (Pages 159 - 180)

To consider amendments to the Standing Orders for Contracts, following a recent review to reflect changes in procurement practices.

To:

Councillors

Mrs D E Andrews
J E Binns
Mrs J L Cleary
M R Harris

Councillors

E J Heron (Vice-Chairman)
J D Heron
Mrs A J Hoare
B Rickman (Chairman)

This page is intentionally left blank

COMMUNITY GRANT AWARDS 2018

1. PURPOSE

- 1.1 The purpose of this report is to seek the Cabinet's approval for the allocation of community grants as set out in **Appendix 1** for inclusion in the 2018 budget.

2. BACKGROUND

- 2.1 The Community Overview & Scrutiny Panel at its meeting on 17 January 2017 recommended to the Cabinet a revised Community Grants Eligibility Criteria which was approved by the Cabinet on 7 February 2017. The new criteria set robust parameters in which local voluntary and community aided groups could apply to the Council for grant aid. A process for assessing the applications, namely via interviews with the Task & Finish Group was also devised. This approach has been used for determining the applications received during the application stage (August – October 2017) for inclusion in the 2018/19 Council budget.
- 2.2 On 8 and 18 December the Community Grants Task and Finish Group re-convened to examine the Community Grant applications received for the 2018/2019 financial year. In total, twenty-three applications were received. Nineteen applicants were invited to give a presentation to the Task & Finish Group. Three applicants did not meet the Council's adopted eligibility criteria for varying reasons.
- 2.3 The Task & Finish Group comprised Cllrs Mrs Cerasoli, Davies, Penman and White with input from key Council Officers.

3. PROCESS

- 3.1 As part of their interview, all grant Applicants were asked to evidence their accounts, business case and how their request would meet the needs of, and benefit, residents in the District. Applicants were also asked to explain how their funding request linked to the priorities set out in the Council's Corporate Plan.
- 3.2 Following the presentations, the Task & Finish Group fully discussed and reviewed the information submitted with the applications and presented at interview. In formulating a recommendation for each grant request, members referred to the agreed criteria, the Council's Corporate Plan priorities, and the value for money being offered. Whilst there was an increase in the number of applications this year (23 up from 17), a number of these did not meet the Council's grant criteria or fit in with the Council's corporate plan objectives.
- 3.3 The recommendations, with reasons, determining each of the grant requests, is set out in **Appendix 1**.

4. FINANCIAL IMPLICATIONS

- 4.1 The total amount to be awarded, should the Cabinet approve the recommendations set out in Appendix 1, is £218,020. This level of award results in a general fund

saving of £11,500 for 2018/19 in comparison to the base budget for 2017/18. The sum of one-off grants (inclusive within the £218.020 total) to be funded via reserves is £80,540, an increase of £9,540 in comparison to 2017/18. The general fund saving and use of reserves has been built into the budget assumptions, as per report 10 of this Cabinet agenda.

5. COMMUNITY GRANT APPLICATIONS: SUMMARY

5.1 Summary of Applications Received

ITEM	APPLICANT	RECOMMENDATION
A	CODA	£2,500
B	Yellow Door	£5,000
C	NF Disability Information Service	£10,000
D	hArt	£6,000
E	Forest Arts	£17,000
F	Forest Forge	£28,000
G	Turn Up for Fun	£0
H	Youth & Family Matters	£4,740
I	SPUD	£0
J	Handy Trust	£3,740
K	Family Matters	£3,000
L	Copythorne Play Area	£23,000 *
M	Fawley Rugby Club	£28,600 *
N	Hythe Sea Scouts	£0
O	Marchwood Girl Guides	£20,000 *
P	Totton & Eling Tennis Club	£6,500 *
Q	SPUD (Capital Grant)	£0
R	Sway Village Hall (Revenue Grant)	£2,440 *
S	Totton Time Bank	£0
T	Community First New Forest (a) Operating Costs	£40,000
	Community First New Forest (b) Health Walks	£2,500
	Community First New Forest (c) Nightstop	£15,000
Total		£218,020

*one-off grant, funded via use of reserves

5.2 Applications were also received from the following organisations: -

- a) Lymington Community Association – funding request for £100k to support the development of a pottery shed and upgrade the kitchen and toilet facilities to enable the community centre to attract corporate events and civil ceremonies.
- b) Ringwood Social Club – funding request of £125,000 to support the renovation of the social club.
- c) Sway Village Hall – funding request of £450,000 to fund the re-development of the village hall which accounted for 100% of the total project costs.

The Task & Finish Group recommends that the grant applications from these three organisations not be supported as this time.

6. COMMUNITY OVERVIEW & SCRUTINY PANEL RECOMMENDATIONS/COMMENTS

- 6.1 The Community Overview & Scrutiny Panel considered the recommendations of the Community Grants Task & Finish Group at their meeting on 16 January 2018. The Panel supported the allocation of grants as set out in 5.1 above.
- 6.2 After receiving representations from Lymington Community Association and the local ward member, the Panel discussed whether this organisation should be allowed to re-submit a revised application. Whilst acknowledging that there had been a material change to the Association's financial position (namely match funding had been obtained), the Panel felt that allowing one organisation the opportunity to re-submit an application outside of the application timeframe would be unfair to other applicants, who might well be in a similar position. The Panel felt that the improvements made in the grants process, namely ensuring greater transparency and fairness, could be jeopardised. The Panel therefore did not support the re-submission of this application.
- 6.3 In light of the increasing number of applications and the high sums of money being sought from applicants, set against the increasing pressure on the Council's finances, the Panel recommended that a comprehensive review of the community grants process and eligibility criteria be reviewed in advance of the 2018 application deadline.

7. ENVIRONMENTAL, CRIME & DISORDER AND EQUALITIES & DIVERSITY IMPLICATIONS

- 7.1 There are none.

8. PORTFOLIO HOLDERS' COMMENTS

- 8.1 I am grateful for the thorough work carried out by the Task and Finish Group in scrutinising the applications received and I am pleased to congratulate the organisations whose bids have been successful. I support the Community Overview and Scrutiny Panel's suggestion that the grants process, particularly the eligibility criteria be reviewed.

9. RECOMMENDATIONS

- 9.1 That the grant awards as set out in **Appendix 1** be approved for inclusion in the 2018 Budget; and
- 9.2 That the recommendations of the Community Overview & Scrutiny Panel set out in 6.2 and 6.3 above be supported.

Further information:

Colin Read
Executive Head of Operations
Tel: 02380 285588
colin.read@nfdc.gov.uk

Background Papers:
Published documents

A	APPLICANT:	REASON FOR APPLICATION:
	CODA	Annual operating costs, providing music for health and wellbeing purposes.

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
-------------------	---------------------------	-----------------------

£298,750	£296,250	£2,500
----------	----------	--------

SUMMARY:

CODA is an independent music trust, which is developing its links with local schools and community groups. There have been successful projects in the New Milton area and the application seeks to ensure that further project work can be undertaken, with aim to facilitate creative music making for all ages and sectors of the community through high quality participatory music programmes, workshops and projects. The funding would support particular work with children and young people.

RECOMMENDATION: That the funding request (the same as the level of award granted last year) namely £2,500 be supported.

REASON: The Council will continue to support this organisation at the same funding level as previous years. The organisation primarily services the residents of a portion of the district given its geographical location.

B	APPLICANT:	REASON FOR APPLICATION:
	Yellow Door	To support the costs of support, outreach and education sessions

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£1,003,257	£931,343	£5,000

SUMMARY:

Yellow Door provides a range integrated specialist services to those who are at risk of or who have been affected by unwanted Sexual Experience or Domestic Abuse (DSA). This may include anything from rape, childhood sexual abuse, sexual assault to harassment, coercion or domestic abuse. The group covers the New Forest, Southampton and Eastleigh areas.

RECOMMENDATION: That the funding request of £5,000 be supported.

REASON: This organisation offers specialist sexual and domestic services to vulnerable residents within the District with the aim of ending sexual, domestic violence and abuse. The demand for this service, for New Forest residents has increased by 40% in the last year alone. This organisation offers value for money as this specialist service could not be provided by the Council.

C	APPLICANT:	REASON FOR APPLICATION:
	New Forest Disability Information Service	Annual operating costs Advice to individuals and organisations

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
-------------------	---------------------------	-----------------------

£86,750	£57,500	£10,000
---------	---------	---------

SUMMARY:

The Service provides advice and information on disability issues with an emphasis on empowering individuals. With the consistent stream of changes to benefits and support arrangements for disabled people, demands on the Service are considerable.

RECOMMENDATION: That the funding request of £12,000 not be supported as this would be an increase in previous years grant awards and the Task & Finish Group were also aware that this organisation had received other funding from the Council. As such a grant award of £10,000 be supported.

REASON: This organisation offers vulnerable residents in the New Forest specialist advice which the Council does not currently have the resource to provide. The Council's benefit officers often refer individuals to this service for specialist advice, which is provided free of charge to the client.

D	APPLICANT:	REASON FOR APPLICATION:
	hArt	To support the generic running costs and to deliver some targeted project work.

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£46,000	£36,000	£6,000

SUMMARY:

hArt are an art therapy charity that looks to provide support for the mental health needs of people of all ages and abilities. They organise workshops and projects across a range of artistic mediums, in the more remote areas of Hampshire (primarily the New Forest) where limited access to services and opportunities for social contact add to the increase in mental health issues by making loneliness and isolation a factor.

RECOMMENDATION: That the funding request of £10,000 not be recommended but that an award of £6,000 (the same as last year) be supported.

REASON: This is a relatively new organisation, and despite making significant progress in the growth of programmes provided and service users as well as establishing good partnership links, the organisation needs to expand to reach a wider audience within the New Forest. However, the Group felt that the programmes provided last year, made good use of the grant monies awarded in seeking to reach out to the most vulnerable residents, particularly elderly residents in the District.

E	APPLICANT:	REASON FOR APPLICATION:
	Forest Arts Centre	Annual operating cost Arts Centre and outreach activities

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£267,847	£250,847	£17,000

SUMMARY:

Forest Arts Centre provides a leading venue for live arts events and has an extensive outreach programme. The Centre is operated by Hampshire Cultural Trust. The backing of the Trust has brought about new projects and opportunities, and the centre programming has led to an increase of throughput and continues to be well supported.

Targeted work through regular session such as SCARF (Supporting Special Children and their Relatives and Friends) are very well established and project work, for example with young people around drug education; adults with learning disabilities, work with older people tackling issues such as dementia and social isolation through the Better Life Chance team, and with young people in deprived areas of the district, have produced excellent outcomes.

RECOMMENDATION: That the funding request of £17,000 be supported.

REASON: This organisation offers value for money through the numerous and extensive community based projects across the Forest particularly aimed at young people and hard to reach groups. In the last year, under new leadership, the organisation has made strong links with local clinical commissioning groups to offer outreach work to a wider audience within the community and has expanded programmes to tackle social issues such as social isolation.

F	APPLICANT:	REASON FOR APPLICATION:
	Forest Forge Theatre Company	Annual operating costs, Touring professional theatre and creative learning

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£142,772	£110,772	£28,000

SUMMARY:

Forest Forge has undergone a fundamental re-structure with the intention of providing creative learning and outreach activities at its core, whilst reflecting the changing funding climate. There is still professional touring theatre to communities across the New Forest but the emphasis is clearly on creative learning.

This organisation targets local residents to encourage participation in a variety of activities such as workshops; work experience and targeted outreach projects (e.g. the Gypsy/Roma/Traveller community). The Youth Theatre is based in Ringwood and is very popular. The Company has a particular reputation for the quality of its work with those with additional needs and provides opportunities for older people to tackle social isolation and improve cross-generational understanding.

RECOMMENDATION: That the funding request for £32,000 not be supported, but that an award of £28,000 be granted.

REASON: The organisation offers value for money through its diverse and wide ranging community outreach projects which benefit the wellbeing of many young people and families across the whole of the District. However, with continuing constraints on budgets, the Group recommends a slight reduction in the grant award, due to the fact that this is by far the highest grant award that was given to an arts organisation by the District Council.

G	APPLICANT:	REASON FOR APPLICATION:
	Turn Up For Fun	To run summer play provision in the North West of the district.

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£8,000	£6,500	£0

SUMMARY:

TUFF is a community organisation with a constitution and three Trustees. They provide low cost, open access play sessions – including arts, craft and physical activities. Sessions are generally run during school holidays, but they also run after school sessions and festivals. They are applying for a grant as they strongly believe in the value and importance of free or very low cost community play, open to all ages. They often hear from parents and carers how hard it is to find activities for children and young people which are accessible to all, without the worry of expense, which also means that they can bring the whole family. TUFF would like to increase the number of sessions to meet increased demand and need, particularly, but not exclusively, in the summer holidays. The organisation has approached all parish and town council's for funding support however with small restricted budgets their contributions do not cover the full cost of provision. TUFF have explored wider funding support, as well as undertaking fundraising and accepting donations from various sources.

RECOMMENDATION: That the application for £6,500 not be granted.

REASON: The Applicant did not make it clear what precisely the grant award would be used for and where in the Forest the service would be provided. Given the localities and amount requested it was suggested that the organization contact the local Councillors who may be able to support the programme.

H	APPLICANT:	REASON FOR APPLICATION:
	Youth & Families Matter	To support the delivery of YFM as their focus has increasingly come upon tackling bigger community-based issues and working with individuals whose needs weren't typically covered by our Youth and Family Work programmes. Whilst this is a natural path for our work to expand and to maximise the benefit of the established best practices, systems and resources within YFM, we need to attract additional support to help this new Community Development programme succeed and translate projects into meaningful outcomes for beneficiaries.

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£161,935	£157,195	£4,740

SUMMARY:

Youth and Families Matter (YFM) is a small registered charity that works from the heart of the community in Totton to improve the health and wellbeing of children, young people and families whose lives are impacted by many forms of disadvantage, mental illness, serious illness, addiction or abuse. The application aims to support three projects that will assist the wellbeing of isolated, vulnerable and disadvantaged people under a new categorisation of Community Development work, namely: -

1. Community Breakfast (targeting social deprivation)
2. Refresh (targeting social deprivation)
3. TIDES (targeting depression and anxiety)

RECOMMENDATION: That the grant application for £4,740 be supported.

REASON: The organisation provides schemes that the Council would otherwise commission, to support vulnerable residents in the Community. Officers will hold quarterly meetings with this organization to review progress.

I	APPLICANT:	REASON FOR APPLICATION:
	SPUD	This revenue grant will make a significant contribution, in partnership with the corporate sponsorship, to expand the role of our administrator/fundraiser and cover overheads.

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£500,500	£494,500	£0

SUMMARY: The applicant currently does not receive any core funding, meaning all of the overheads and staff costs have to be derived solely from project activity. This puts considerable pressure on the organisation and makes developing new projects, exploring funding opportunities and taking a more active role in external networks and opportunities difficult. Some of the overhead costs (including part-time admin support of one day per week) have been met through corporate sponsorship. The organisation is putting in place strategies to move away from its current funding position, to develop a long-term, sustainable future. These strategies include deriving a rental income from some of their major capital projects.

These strategies will commence the latter part of 2018. In the meantime, SPUD requests support to ensure their continued viability and be able to explore a range of opportunities – both projects and funding. SPUD’s two co-directors are solely reliant on project funding. This revenue grant, in partnership with the corporate sponsorship, will assist to cover overheads and expand the role of the administrator and fundraiser. This additional admin support will be absolutely key next year, as both co-directors will be very focused on the re-development of ArtSway.

RECOMMENDATION: That the grant request of £6,000 be refused.

REASON: Members did not feel it appropriate to fund a request to support an admin role, not having any tangible benefits to residents of the District.

J	APPLICANT:	REASON FOR APPLICATION:
	Handy Trust	They are applying for a grant to run their school holiday project that is not already funded and we need to obtain funding for 10 weeks

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£74,790	£71,050	£3,740

SUMMARY:

The Handy Trust is a youth provision for children & young people aged 0 – 25 years old. They work with the whole community a 24/7 service at home, in school and in the community. Due to the economic climate they are working with children and young people from families who are experiencing poverty and hardship and this sometimes includes mental health, domestic violence and substance mis-use. They cover the Waterside area of the New Forest and have service level agreements with Fawley, Marchwood and Hythe & Dibden Parish Council. The Handy Trust are applying for a grant to run their school holiday project that is not already funded and they need to obtain funding for 10 weeks

RECOMMENDATION: That the application for £3,740 be supported.

REASON: This organisation provides much need support for families, often living in deprivation, during the school holidays. This reduces anti-social behavior from young people as well as offering free food to those children living in poverty.

K	APPLICANT:	REASON FOR APPLICATION:
	Families Matter	They have had a huge increase in demand for their services this year due to the closure of many Children's Centres and the reduction of CAMHS and Children's services. They need to take on more staff to work with families in distress. These workers need to be suitably trained and qualified and need to be paid.

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£35,000	£40,000	£3,000

SUMMARY: Families Matter is a small local charity based in Hythe which helps families in need in the Waterside area. They support parents through parenting classes and groups for parents and children with special needs, autism, mental health needs etc. We visit families in their own home and support them through a crisis with their children (ie separation, domestic violence, behavioural problems etc). They work closely local schools, supporting children in the transition to secondary. They have a puppet project that goes in to schools to deliver presentation on bullying, staying safe online recycling etc. They also run groups for people with dementia and their carers and for families with drug alcohol additions.

RECOMMENDATION: That the funding request for £6,000 not be recommended but a revised grant of £3,000 be supported.

REASON: This organisation provides valuable advice and support to the most vulnerable families and parents within the District. The grant would go some way to support further outreach work in the local community.

L	APPLICANT:	REASON FOR APPLICATION:
	Copythorne Play Area	Fund a playground in Copythorne Village

TOTAL COST

£50,122

OTHER FUNDS/INCOME

£27,122

RECOMMENDATION

£23,000

SUMMARY:

Friends of Copythorne Playground are looking to bring a playground to the local community, the largest parish in the district to not have a children's playground. With 237 children aged under 10 and 121 aged between 11-15 the parish has the demand, something which grows on a daily basis, due to the primary schools which have a catchment of 469 pupils.

RECOMMENDATION: That the funding request of £23,000 be supported.

REASON:

Copythorne village is one of the largest villages in the District which does not have a playground for its youngest residents. The village has approximately 334 resident children who would benefit both physically and mentally from the facility. The project is consistent with the Council's Corporate Plan priorities. The scheme is sustainable and deliverable.

M	APPLICANT:	REASON FOR APPLICATION:
	Fawley Rugby Club	To install floodlights on the playing pitches

TOTAL COST
£65,640

OTHER FUNDS/INCOME
£37,000

RECOMMENDATION
£28,600

SUMMARY:

Since 2014 the club has grown in numbers of both playing and non-playing members. The junior numbers have increased from 25 to 140 whilst the seniors have increased from 32-50 players. They are working with the local community, schools and the RFU to get more people active through breakfast clubs, touch rugby, women and girls and walking rugby. Floodlights are necessary to ensure that these groups can continue training and participating throughout the winter.

RECOMMENDATION: That the full funding request be granted.

REASON:

The scheme is in line with the council priorities of improving the wellbeing of those who live in the district and would support those within an area of deprivation. The scheme will assist with the deficit of facilities within the district by allowing greater use of current facilities with secured funding from external sources most notably the National Governing Body of Rugby, reducing the cost impact on the district.

N	APPLICANT:	REASON FOR APPLICATION:
	Hythe Sea Scouts	Foreshore erosion protection

TOTAL COST

£80,000

OTHER FUNDS/INCOME

£40,000

RECOMMENDATION

£0

SUMMARY:

The headquarters of Hythe Seas Scouts Group (4th New Forest East) is based in Shore Road, Hythe. The site and the building that house the group is under threat from severe coastal erosion, the adjoining SSSI is disappearing at a rate of 1m pa. NFDC coastal defence team have identified options that can safeguard the site for between 10-20 years and the group are working to implement these. The site is NFDC owned.

RECOMMENDATION: That the funding request of £40,000 not be supported.

REASON:

The Council has an agreed policy that this part of the District's coastline will not be defended, and as the Sea Scouts already have sufficient funds to undertake the first phase of the foreshore works it was not felt appropriate to fund landscaping and fencing works to land that the Council itself owned, especially as Council resources had already been used to assist with the various applications to carry out these works. Therefore other funding streams should be explored within the Council.

O	APPLICANT:	REASON FOR APPLICATION:
	Marchwood Girl Guides	Building a new community building for girl guides and scouts

TOTAL COST

£429,800

OTHER FUNDS/INCOME

£394,000

RECOMMENDATION

£20,000

SUMMARY:

Create a new combined community/scout and guide hall for the village of Marchwood. This will replace a damp dilapidated hall on the recreation ground and reduce the reliance on other facilities.

RECOMMENDATION: That an award of £35,800 not be recommended by a revised grant of £20,000 be supported.

REASON:

The Group felt that this was a worthy project bringing together two organisations as the primary users of the facility with extension of further community use of the building. The group were keen to see the organisation complete their scheme and felt that the award would help them achieve this.

Q	APPLICANT:	REASON FOR APPLICATION:
	SPUD	Redevelopment of ArtSway site to offer a creative hub and home to SPUD

TOTAL COST
£180,000

OTHER FUNDS/INCOME
£160,000

RECOMMENDATION
£0

SUMMARY:

The redevelopment and refurbishment of the ArtSway building as a new creative hub. Creating long term stability for SPUD's award winning programme for young people whilst developing a hub for the creative economy of the district contributing to the cultural and artistic life of the New Forest. This would support SPUD in their movement to become more less reliant on grant funding whilst fulfilling an identified gap in provision (Arts Council England considers the New Forest as an area of low engagement).

RECOMMENDATION: That the funding request of £20,000 not be supported.

REASON:

This project would have limited impact of the whole of the community focusing on a limited number of individuals. Other sources of funding had yet to be obtained and the Council would be granting an award at risk.

P	APPLICANT:	REASON FOR APPLICATION:
	Totton & Eling Tennis Club	Installation of LED floodlights to decrease maintenance needs, increase energy efficiency and improve the financial viability of the facility

TOTAL COST

£25,000

OTHER FUNDS/INCOME

£18,500

RECOMMENDATION

£6,500

SUMMARY:

Totton and Eling Tennis Centre is a popular facility providing free and affordable tennis opportunities to around 500 regular users every week. The club have worked with the local schools, college the LTA and the district council to encourage more people to be active and take part in tennis. The outdated lights are inefficient and costly. The hope is to replace the system with an LED lighting system to ensure more reliability and less inefficiency in terms of electricity and light pollution.

RECOMMENDATION: That the funding request of 23% of the total costs up to a maximum of £6,500 be supported, subject to Totton & Eling Town Council funding the remaining 75%.

REASON:

The Group recognised the excellent work that this organisation does in the local community for individuals of all ages and the importance of the facility within the district. The application was presented by the centre operator on behalf of the Town Council. The Group agreed to fund the programme supports the Corporate Plan.

R	APPLICANT:	REASON FOR APPLICATION:
	Sway Village Hall	Sway Village Hall cinema equipment

TOTAL COST

£5,450

OTHER FUNDS/INCOME

£0

RECOMMENDATION

£2,440

SUMMARY:

With regard to the Improvement Project, our main short-term challenge is to raise enough to install Cinema and Live Screenings and in the medium-term to open a Film Club and run a successful film and live screenings programme for the benefit of Sway & District residents. One challenge is to raise enough funds to install the Cinema, then to run the Cinema and finally to establish a skilled and resourceful group of volunteers to manage a Film Club. Friends of Sway Village Hall have taken on responsibilities in fund-raising and finance and one person is responsible for finding volunteers and managing film acquisition

RECOMMENDATION: That the funding request for £5,440 not be recommended but a revised grant of £2,440 be supported as this would fund the initial 6 months of this project which would then become self-financing.

REASON:

This award would cover the first year's costs of the scheme and allow the programme to become self-sustaining moving forward in to future years. The scheme has been identified as a local need, supporting the local character of the village and enhancing social cohesion, reducing levels of social isolation and satisfying the corporate plan objectives.

S	APPLICANT:	REASON FOR APPLICATION:
	Totton Time Bank	To fund a part time broker and coordinator for the time bank that is a new venture.

TOTAL COST	OTHER FUNDS/INCOME	RECOMMENDATION
£15,000	£0	£0

SUMMARY:

A Time Bank is a social and support mechanism for a community to exchange skills, experience and interests. Individuals and organisations earn time credit by giving practical help and support to others and spend their credits when they need some help themselves. There are 300 timebanks in the UK and each one is unique. As part of the time for Hampshire project run by Timebanking UK and HCC a workshop established a need and a working group that has identified the area of focus.

RECOMMENDATION: That the funding request of £15,000 not be supported.

REASON:

The request was for 100% of the project cost which does not meet the grant eligibility criteria. In addition, no other sources of funding had been secured. Members were also aware that the Council's Residents Involvement Officer had pledged to give some financial support (£2,000) from the Council's housing budget with a view to assisting isolated tenants within the Totton area. The Council would, through this contact, assist the organisation to build contacts so that they are able to secure funding from other sources in the first instance.

T	APPLICANT:	REASON FOR APPLICATION:
	Community First New Forest	a) Annual operating cost - Voluntary sector support and Volunteer Centre b) Operating the Night Stop programme c) Contribution towards the Healthy Walks

TOTAL COST	OTHER INCOME	RECOMMENDATION
(a) £112,950	£56,959	£40,000
(b) £69,000	£39,000	£15,000
(c) £6,330	£1,500	£2,500

SUMMARY:

- a) CFNF provides support across the whole of the voluntary sector in the New Forest. This involves activities such as: DBS checks; funding advice; assistance with setting up and operating groups. With its work in training and operating the volunteer centre/volunteer placement, it also contributes to routes to work. It also acts as a representative voice for the sector and is involved in many technical working groups and strategic bodies across the district. Community First New Forest also works in partnership with statutory organisations to deliver a range of projects.
- b) Night stop is a programme which helps to tackle homelessness in those aged 16-24 by emergency overnight accommodation with local volunteers, and support in to longer term housing.
- c) The Healthy Walks programme is a partnership between the National Park, NFDC and Community First New Forest which sees the New Forest walking for health programme administrated and volunteer walk leaders trained and supported to deliver walks at various locations across the district.

RECOMMENDATION(S):

- (a) That a grant award of £56,000 not be recommended but a grant of £40,000 be supported as in the previous year;
- (b) That a grant award of £30,000 not be supported but £15,000 be supported for the first 6 months of the programme. Housing Officers would work with the organisation to shape the future service so that it meets local need following the introduction of the Homelessness Reduction Act 2017; and
- (c) That the grant request of £2,500 be supported.

REASON:

Members were aware that internal staffing changes, at a senior level had resulted in a reduction of the payroll. As such the previous years' grant award was felt appropriate for the forthcoming year.

The Healthy Walks programme, where the Council was the primary funder, remained a popular programme, key to the council's health promotion and was good value for money.

The numbers of overnight stays secured through the Nightstop programme had reduced significantly from previous years owing to safeguarding issues. There was a need to change the provision of the service, so that suitable accommodation for the most vulnerable residents was secured.

This page is intentionally left blank

CABINET – 7 FEBRUARY 2018

MEMBERS' ALLOWANCES 2018/19 – 2022/23 - REPORT OF THE INDEPENDENT REMUNERATION PANEL

1. INTRODUCTION

- 1.1 On 2 August 2017 the Cabinet commissioned an Independent Remuneration Panel comprising Dr Declan Hall, Mr Gerald Lewis and Mrs Diane Roberts to review and make recommendations on the Council's scheme of members' allowances for the four year period commencing 1 April 2018. The Panel met over two days on 9 and 10 October 2017. The Panel's report arising from its deliberations is attached at Appendix 1.
- 1.2 The current Members' Allowances Scheme is attached at Appendix 2.

2. LEGISLATIVE BACKGROUND

- 2.1 The Local Government (Members' Allowances) (England) Regulations 2003 make it mandatory for local authorities to receive a report from an Independent Remuneration Panel before making or amending their schemes of members' allowances. Where a scheme allows for the adjustment of allowances to be determined by reference to an index, the application of that index must be reviewed at least every four years. A four-year period has elapsed since the index applicable to this Council's scheme of allowances was last reviewed and fresh recommendations from the Panel on the scheme to apply from 1 April 2018 were therefore required.
- 2.2 The Council is not obliged to adopt the recommendations of the Independent Remuneration Panel but it must "have regard to" them.
- 2.3 The Regulations also require the Council to publish the main features of the Panel's recommendations and to make copies of the report available for inspection. Arrangements for this are in hand.

3. THE PANEL'S RECOMMENDATIONS

- 3.1 The Panel's recommendations are set out at the front of the IRP report and are not repeated here. However, one significant issue is that the Panel has recommended the continuance of the current arrangements for the scheme to provide for allowances to be updated annually by the amount of the annual staff pay award. This arrangement may then apply for a period of four years, before a Panel would have to be reconvened to make fresh recommendations.
- 3.2 Since the Panel met, the Leader of the Council announced an increase in his Cabinet from six to eight portfolio holders. This increase does not affect the Panel's report and recommendations.

- 3.2 The Cabinet is requested to consider the Panel's recommendations and to make recommendations to the Council. It has been this Council's practice in the past to accept the recommendations of the Panel in their entirety.

4. FINANCIAL IMPLICATIONS

- 4.1 The budget for members' allowances is £496,670. The slight increase in the ICT element of the basic allowance (£25x60 = £1,500) and the increase in the allowance for the Chairman of the Planning Committee (£1,421) will mean a modest increase in the members' allowances budget. There are also small increases proposed for dependent carer's and child care allowances but the number of claims in any one year is minimal.

5. ENVIRONMENTAL, CRIME & DISORDER AND EQUALITIES & DIVERSITY IMPLICATIONS

- 5.1 There are none.

6. PORTFOLIO HOLDERS' COMMENTS

- 6.1 I am grateful for the thorough work carried out by the Independent Remuneration Panel and will be interested to receive Members' comments on their recommendations.

7. RECOMMENDATIONS

- 7.1 That the Cabinet considers the recommendations of the Independent Remuneration Panel and makes recommendations to the Council for the Members' Allowances Scheme to apply from 1 April 2018.

Further information:

Rosemary Rutins
Service Manager, Democratic Services &
Member Support
Tel: (023) 8028 5588
rosemary.rutins@nfdc.gov.uk

Andy Rogers
Democratic Services
Tel: (023) 8028 5588
andy.rogers@nfdc.gov.uk

Background Papers:

Published documents

A Review

Of

Members' Allowances

For

New Forest District Council

The Sixth Report

By the

Independent Remuneration Panel

Dr Declan Hall (Chair)

Gerald Lewis MBA

Di Roberts CBE

December 2017

Executive Summary

The Panel after carrying out a review of New Forest District Council Members' Allowances scheme in accordance with the requirements of the 2003 Members' Allowances Regulations and having carefully considered the representations made, has concluded that the current framework has stood the test of time and should be retained. In particular, the current Basic Allowance and SRAs should be maintained at their current rates, subject to an on-going annual indexation linked to annual cost of living salary percentage increases for Local Government staff.

The Panel has determined that at this juncture, only minor modifications, mostly relating to support allowances, are required, as set out below:

Recommendations for change

A re-valued Information and Communications Technology Allowance

The Panel recommends that an extra amount of £25 per year is incorporated into the current ICT Allowance of £390 per year, increasing it to £415.

Chairman of Planning Development Control Committee

The Panel recommends that the SRA for the Chairman of the Planning Development Control Committee is reset at 35% of the Leader's SRA (£19,595) which equates to £6,858 for 2018/19, subject to any indexation that may be applied.

The Co-optees' Allowances

The Panel recommends that where it is required to appoint ad hoc Co-optees, from 1st April 2018, they are paid the following Co-optees' Allowance (subject to any indexation that is applicable):

- For meetings up to four hours in length: £55.36
- For meetings over four hours in length: £110.72

The Dependants' Carers' Allowance (DCA)

The Panel recommends that the current maximum hourly rate claimable for the childcare element of the DCA is fixed at the current living wage (at the time of preparation of this report, £8.45 per hour) as defined by the Living Wage Foundation.

It also recommends that the cap on the number of hours a Member can claim the DCA is aggregated at 52 hours per month.

For clarification purposes, the Panel further recommends that the allowances scheme specify that the hourly rate for which the elderly or dependent relative allowance is claimable be set at the hourly rate Hampshire County Council charges for a Home Care Help, which is currently £10.32 per hour.

Travel and Subsistence Allowances

The Panel recommends that part 3 of the New Forest District Council Members' Allowances scheme is clarified by adding the following:

If part of a Councillor's journey on Council business includes some of their normal work commute, Councillors should not include their home to work mileage in their mileage claim.

For example, if a member lives in Fawley and works in Winchester, and on their way home from Winchester attends a meeting in Lyndhurst, the Councillor should claim only the extra mileage to attend at Lyndhurst.

The Panel also recommends that at the start of Appendix 3 of the scheme the following is inserted for clarification:

As a general principle, Members may claim only for travel allowances when representing the District Council on official business. If in doubt, a Member should seek the relevant Officer's advice before the journey is undertaken. Any decision by the Chief Executive, an Executive Head or a Service Manager will be final.

Indexation

The Panel recommends that the New Forest District Council Members' Allowances are indexed as follows:

- Basic Allowance (including ICT allowance), SRAs and Co-optees' Allowance:
 - Indexed to the annual percentage salary increase for local government staff (at spinal column 28), to be applied from the same year that applies to staff
- Travel Allowance – Mileage Rates:
 - Indexed to HMRC approved mileage rates for motor vehicles, motor cycles and bicycles
- Dependants' Carers' Allowance – Maximum Rates:
 - Childcare element: indexed to the 'living wage' hourly rate (outside of London) as defined by the Living Wage Foundation
 - Elderly or Other Dependant Relatives element: indexed to median hourly rate charged for a Home Help by Hampshire County Council

The Panel further recommends that the applicable indices should run the maximum length permitted by the 2003 Regulations, namely four years from the 1st April 2018 until 31st March 2022.

Implementation of Recommendations

The Panel recommends that the new Members' Allowances scheme as recommended in this report is implemented from 1st April 2018.

SRAs considered but not recommended

In light of representation received, the Panel considered recommending SRAs for the following posts but determined not to do so:

- A differential SRA for the Deputy Leader
- Chairmen of Scrutiny Task and Finish Working Groups
- Vice-Chairmen of Committees/Panels

A Review of Members' Allowances

For

New Forest District Council

By the

Independent Remuneration Panel

The Sixth Report

December 2017

Introduction: The Regulatory Context

1. This report is a synopsis of the deliberations and recommendations made by the Independent Remuneration Panel (the Panel) for New Forest District Council to advise the Council on its Members' Allowances scheme for 2018/19. The Panel was established in accordance with *The Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021)* ("the 2003 Regulations") which arise out of the relevant provisions contained in the Local Government Act 2000. The 2003 Regulations require all local authorities to establish and maintain an advisory Independent [Members] Remuneration Panel to review and provide advice on Members' allowances on a periodic basis. All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their members' allowances scheme. They must 'pay regard' to their Panel's recommendations before setting a new or amended Members' Allowances Scheme.
2. On this particular occasion, the Panel has been reconvened under Regulation 10.5, which states that:

Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.
3. This is known as the '4-year rule' and is the mechanism utilised to ensure that all Members' Allowances schemes are subject to a degree of external scrutiny on a periodic basis. The Council retains the right to determine its own Members'

Allowances scheme but it must pay regard to the recommendations of its Independent Remuneration Panel in doing so.

The Panel

4. In September 2017 New Forest District Council advertised for a new Independent Remuneration Panel and the following were appointed to conduct this review:
 - Declan Hall PhD (Chair):
Former academic at the Institute of Local Government, currently an independent consultant specialising in members' allowances
 - Gerald Lewis MBA:
Retired Principal Manager, Children & Family Services, Borough of Poole; former Parish Councillor and Parish Chairman, Sopley Parish Council, retired Parish Clerk. Current Chairman of Rural Development Programme 'LEADER' Grants Panel for New Forest and Member of the New Forest Consultative Panel.
 - Di Roberts CBE:
Principal of Brockenhurst College, Board Member of AOC Create, member of the New Forest Business Partnership Committee and sits on LEP European Social Fund Skills Panel.
5. Andy Rogers DMS, Committee Administrator; and Rosemary Rutins, Service Manager, Democratic Services & Member Support, provided support for the Panel.

Terms of Reference

6. When the Cabinet agreed the composition of the new Panel for the next 4 years in August 2017 it also set out the following terms of reference for the Panel:
 - A. To review New Forest District Council Members' Allowances Scheme when requested by the Cabinet, but at least every four years, and to make recommendations to the Cabinet for any changes to the Scheme that the Panel considers appropriate.
 - B. To make recommendations for the level of any further allowances referred to the Panel by the Cabinet from time to time.
 - C. As and when requested by the Cabinet, to sit as the Independent Remuneration Panel for Parish and Town Councils in the District, and to make appropriate recommendations to Parish and Town Councils on the level of allowances to apply to their Councillors.¹
7. To flesh out the broad terms of reference and in accordance with the requirements of the 2003 Members' Allowances Regulations and 2006 Statutory

¹ See separate report for Hordle Parish Council December 2017

Guidance on Members' Allowances, the Panel adopted the following specific terms of reference:

- i. The amount of basic allowance that should be payable to its elected members and what element of expenses that should include.
- ii. The responsibilities or duties that should lead to the payment of a special responsibility allowance and the amount of such an allowance.
- iii. The duties for which travelling and subsistence allowances can be paid and the amount of these allowances.
- iv. Whether the authority's allowances scheme should include a Carer's Allowance for expenses incurred in the care of children and dependants and, if it does make such a recommendation, the amount of this allowance and the means by which it is determined, e.g., paid at the National Living Wage.
- v. Whether any allowance should be backdated to the beginning of the municipal year to reflect any changes in Members' responsibilities.
- vi. Whether annual adjustments of allowance levels should be made by reference to an index, and, if so, for how long such a measure should run.
- vii. Whether a Co-optees' Allowance should be paid and, if so, the amount of this allowance.
- viii. Any matters brought to the attention of the Panel in their consultation with Members and briefings from Officers.

In arriving at their recommendations, the Panel has also taken into account:

- a) The issues that the Panel is required to take into account as set out in the 2003 Regulations and 2006 Statutory Guidance on Members' Allowances.
- b) Any recent changes in the Council's governance arrangements including the roles of post holders and Members generally.
- c) The views of Members, both written and oral.
- d) Allowances paid in comparator councils, namely the 10 other Hampshire Districts.

Process and Methodology

8. The Panel met at Appletree Court, New Forest District Council, Lyndhurst, on 9th – 10th October 2017. The meetings were in private session to enable the Panel to meet with Members and Officers and conduct deliberations in confidence. In accordance with the terms of reference, in arriving at its recommendations, the Panel took into account a wide range of evidence both oral and written. All

Members had the opportunity to meet with the Panel and make a written submission. The Panel also met with relevant Officers for factual briefings on the Council, governance structures and challenges facing the Council. For full details of whom the Panel met and full range of information reviewed see:

- Appendix 1: for Members and Officers who met with the Panel, including written submissions
- Appendix 2: for a list of the full range of evidence considered by the Panel
- Appendix 3: for more details on the Basic and Special Responsibility Allowances paid in the 10 other Hampshire District Councils referred to by the Panel for benchmarking purposes.²
- Appendix 4: for the costing of ICT utilised by the Panel in calculating ICT costs for Members

Observations and Comments – Limited Changes Required

9. A change since the last review in December 2013 is the withdrawal of the right of Members to join the Local Government Pension Scheme (LGPS); the Local Government Minister did this at a national level. Membership by English Councillors of the LGPS was discontinued from 1st April 2014. Those Members already in the LGPS dropped out once their 4-year electoral term post 1st April 2014 was completed. In New Forest District Council, Members have not been eligible to remain in the Scheme since May 2015. While not all eligible New Forest District Council Members were in the LGPS this is effectively a pay cut for those that were.
10. The current allowances scheme, adopted by the Council in 2013, is based on the methodologies set out in the 2006 Statutory Guidance, and is linked to the median gross salary of all full time employees in the District (with adjustments for inflation). The scheme is transparent, the underlying principles are easy to understand and it has operated successfully for the past four years. Consequently, there appeared to be no significant argument in favour of recommending any radical change to the core methodology. In addition, local government is operating in a fast changing environment with an expectation that it will become self-funding by 2020. It is probable that, even if the panel were minded to recommend significant changes, these would soon be overtaken by a rapidly changing operational context.
11. The allowances paid under the existing scheme were calculated on the basis of benchmarking tests and median pay rates that were accurate and current when the scheme was adopted back in 2013. Since then, the rates have been indexed annually to reflect any changes to the national terms and conditions for Local Government employees but because of public sector pay constraint over this period, the allowance rates have not kept pace with the modest increase in the District's median gross hourly rate of pay that has occurred over the same period. As a result, a case can be made to recalibrate the scheme to bring it

² The Panel has maintained its benchmarking group consisting of the 10 other Hampshire District Councils as the most relevant comparator group or peer councils.

back in line with average rates of pay for the local workforce - and the effect of such a recalibration is set out in Paragraph 14.

12. However, the Panel was very aware of the economic context and continuing financial constraints that the District Council is facing and a very clear and consistent message emerged from the representations that there was no political appetite for any changes to the allowances scheme: it would send out the wrong message to the Council's employees and the District's residents. Consequently, the Panel is not recommending any significant changes to the allowances payable, except those relating to a small number of specific roles where the recommendations reflect what the Panel believes to be current anomalies in respect of workload or responsibility.

The Panel's Recommendations – No change to the Basic Allowance

13. As previously mentioned there may be an argument to increase the Basic Allowance. If the Panel recalibrated the Basic Allowance in accordance with the methodology set out in the 2006 Statutory Guidance³ but updated the variables based on the latest data available it would produce a Basic Allowance as follows:

- **Time**: increase from 12 to 14 hours per week or 728 hours per year
 - The current Basic Allowance is based on a minimum of 12 hours per week to fulfil all council duties for the ordinary Councillor. For recalibration purposes the Panel has utilised 14 hours per week, which is the mean hours per week spent on council business by Councillors who hold no positions of responsibility as reported in the Councillors' Census 2013.
- **Public Service Discount (PSD)**: maintain at one-third
 - The concept of the PSD derives from the principle enunciated in the 2006 Statutory Guidance namely: "It is important that some element of the work of members continues to be voluntary – that some hours are not remunerated". A PSD of one-third (243 hours in this case) of the assessed time spent on council business is the standard PSD utilised by Panels.
- **Rate for remuneration**: £13.84 per hour
 - The Panel has, since the relevant data was published, based the rate of remuneration on the median gross hourly wage of all full time employees resident in the district, which in 2016, the latest figures available, is £13.84.⁴ (ASHE Table 8.5a)

14. By applying the formula as recommended by the 2006 Statutory Guidance using the variables outlined above, it produces the following recalibrated Basic Allowance:

- 728 hours per year minus 1/3 PSD (243) = 485 remunerated hours

³ See 2006 Statutory Guidance paragraphs 67-69

⁴ See ONS, Annual Survey of Hours and Earnings (ASHE), hourly pay – gross for full time employees resident in the district, Table 8.5a, 2016

- 485 remunerated hours multiplied by £13.84 per hour
= £6,712
15. Benchmarking against the other 10 Hampshire Districts shows that the recalibrated Basic Allowance would be noticeably higher than the current mean and median paid in comparator councils. On the other hand, the current New Forest District Council Basic Allowance is marginally below that paid to peers:
- Benchmarking Group - Basic Allowance mean (2017/18): £5,889
 - Benchmarking Group - Basic Allowance median (2017/18): £6,066
 - New Forest District Council - Basic Allowance (2017/18)
(excluding the ICT allowance): £5,760⁵
16. However, the case to revise the Basic Allowance is not strong, particularly considering the key message from the representations received by the Panel, namely the Panel needs to be cognisant of the continued financial constraints faced by the Council.
17. **The Panel recommends that the Basic Allowance for 2018/19 remains unaltered at £5,760, subject to any indexation that may be applied.**

A re-valued Information and Communications Technology Allowance

18. The Basic Allowance is supplemented by an Information and Communications Technology (ICT) Allowance – currently £390 per year. Some representations received argued that such support, e.g., laptop, printer, peripherals, relevant software, broadband, etc., it would be better provided directly.
19. Apart from the legal issues, namely, there is no provision in the 2003 Regulations to provide such support directly, the current approach produces efficiency savings through not having to administer and support the provision of such equipment. In addition, the current approach is simple to implement and requires minimal Officer resources.
20. In its previous review (December 2013), the Panel reduced the ICT Allowance to £373 (since increased to £390 through indexation). This was based on a costing of £496 per year and an element for personal use of 25%, in recognition of the fact that IT equipment and broadband were common in people's home. Councillors' IT equipment and broadband facilities would frequently be used for personal purposes.
21. The Council provided the Panel with a similar ICT costing, re-valued for 2017 at £532. However, the Panel considered that the element of personal use would have increased over the past four years, and therefore has increased the element for personal use from 25% to 35%. This leaves 65% of £532 or £345.47 as the contribution to cover Council related ICT use and costs. As in previous reviews, that sum (£345.47) has been increased by 20% to take into account the

⁵ For benchmarking purposes those councils including New Forest District Council that top up the BA with an annual ICT allowance have had that top up taken from their published BA as nearly all councils that do not pay such a top up directly provide varying degrees of ICT support and equipment.

fact that this allowance is subject to tax, which increases the amount to £414.57, an increase of almost £25 per year.

22. **The Panel recommends that the extra cost of £25 per year is incorporated into the current ICT Allowance of £390 per year, increasing it to £415.**

The recommended Basic Allowance

23. **The Panel recommends that the Basic Allowance payable for 2018/19 is £6,175, which includes the £415 ICT Allowance, assigned as a contribution to Members for them to provide their own ICT support for council-related duties, subject to any indexation that may be applicable.**

The Leader of the Council/Chairman of the Cabinet

24. In the Panel's view, the role of Leader has changed the most in recent years. Under the provisions of the Local Government and Public Involvement in Health Act 2007 the Council now has a "strong leader" executive model – as do all councils that have an executive Leader. This places more responsibility in the hands of the Leader, e.g., the Leader now decides the number and content of Portfolios, and determines delegations, all Council functions previously.
25. More recently, the local government devolution agenda has also placed greater demands on the Leader. The main examples include the extra meetings the Leader has to attend across Hampshire in relation to the devolution agenda and by generally engaging more widely on a sub-regional level with other Leaders and stakeholders, for example in Dorset.
26. Benchmarking shows that the current SRA (£19,595) paid to the Leader of New Forest District Council is above the average (£16,940) paid to Leaders of the 10 other Hampshire District Councils. However, the Panel has always been cognisant that the New Forest District Council is the largest District Council in Hampshire. The Panel has consistently assessed the role of Leader, if not quite full time, then requiring a time commitment that is close to it, which precludes normal full time employment, unlike in many of the smaller district councils in Hampshire. The Panel, having re-examined the position, remains of this view.
27. **Consequently, the Panel recommends that the Leader's SRA of £19,595 remains unaltered for 2018/19, subject to any indexation that may apply.**

Deputy Leader of the Council/Planning & Transportation Portfolio Holder

28. Historically, the Panel has never differentiated between the SRA paid to the Deputy Leader and other Portfolio Holders, currently £9,798. In the benchmarking group, only Fareham does not pay a differential SRA to its Deputy Leader. The mean SRA for Deputy Leaders is £9,868 and the mean SRA paid to other Executive Members is £8,343.
29. The Panel explored the role of the Deputy Leader once more and found that the case to remunerate this role was marginal - largely confined to standing in for

the Leader, attending meetings alongside the Leader when required, and generally supporting the Leader, both in a formal and informal context.

30. **The Panel recommends that there be no separate SRA for the Deputy Leader and that the post holder continues to receive a Portfolio Holder's SRA (£9,798) for 2018/19, subject to any indexation that may apply.**

'Ordinary' Portfolio Holders

31. The current SRA (£9,798) for the four 'ordinary' Portfolio Holders in New Forest District Council is higher than the mean SRA (£8,343) paid to 'ordinary' Cabinet Members in the benchmarking group. However, two authorities, Basingstoke & Deane and Fareham, pay higher allowances than New Forest. Regardless, after taking into account the size of the District (the largest in Hampshire) and the fact that unlike most other Districts in Hampshire, New Forest District Council has retained its own housing stock, which is a significant executive function, the Panel is content with the comparatively higher SRA paid to other Portfolio Holders in New Forest District Council.
32. **The Panel recommends that the 'ordinary' Cabinet Members/Portfolio Holders' SRA of £9,798 remains unaltered for 2018/19, subject to any indexation that may apply.**

Scrutiny Panel Chairmen

33. Currently, the Chairmen of the Scrutiny Panels receive an SRA of £4,900, whereas the mean SRA paid to same posts in the other Hampshire Districts is £3,614. This benchmarked mean is un-weighted in that it does not take into account the broader structure of Overview and Scrutiny in other Councils, or the size of those authorities. For instance, three other Hampshire Districts⁶ remunerate their Scrutiny Panel Vice-Chairmen. There are also three other Hampshire Districts⁷ that have an overarching "main" Overview and Scrutiny Committee with a remunerated Chairman. Winchester also remunerates Chairmen of Scrutiny Task and Finish Groups (£1,521) subject to no more than 50% of Members receiving an SRA at any one time, which, depending on the political configuration of the Council, normally means no more than three of these SRAs are payable in any one year. The widely differing structures across Hampshire therefore make comparisons of these allowances difficult.
34. In May 2011 the Executive was reorganised and at the same time the Scrutiny Panels were realigned by reducing them from seven to three, with each one directly relating to two Cabinet Members as follows:
- Corporate Overview & Scrutiny Panel:
Leader + Finance & Efficiency Portfolios
 - Community Overview & Scrutiny Panel:
Housing & Communities + Health & Leisure Portfolios

⁶ Basingstoke & Deane, Eastleigh and Fareham

⁷ Fareham, Havant and Winchester

- Environment Overview & Scrutiny Panel:
Environment + Planning & Transportation Portfolios

35. In effect, the Chairmen of the reconstituted Scrutiny Panels had to 'double up' (at least) in relation to the Portfolio Holders they are responsible for scrutinizing. Subsequently, there has been greater use of Scrutiny Task & Finish Groups, appointed to undertake in-depth reviews for their appointing Panel. This enables a more detailed examination of topics, but there is evidence that in some cases this had led to a greater workload on the Scrutiny Panel Chairmen, as they are often members of, and often chair, Task & Finish Groups. Thus, the Panel is content that the current SRA of £4,900 for the Chairmen of the three Overview and Scrutiny Panels remains appropriate.
36. **The Panel recommends that the SRAs for the Chairmen of the three Overview and Scrutiny Panels remain unaltered at £4,900 for 2018/19, subject to any indexation that may be applied.**

Chairmen of the Scrutiny Task and Finish Working Groups

37. The Panel received representation that the Chairmen of the Scrutiny Task and Finish Working Groups merited an SRA. As part of the realignment of the scrutiny and executive functions in May 2011, to assist with the enhanced demands placed on fewer Overview and Scrutiny Panels, the Council encouraged the establishment of Scrutiny Task and Finish Working Groups. They carry out specific time limited reviews that report to the relevant Overview and Scrutiny Panel and/or Portfolio Holder. However, the Chairmen of these Scrutiny Task and Finish Working Groups are assigned on an 'as and when' basis and they not even necessarily a member of the relevant Overview and Scrutiny Panel. Therefore, it is a role that can be undertaken by any non-executive Member, a role that is covered by the Basic Allowance. Moreover, where other councils utilise Scrutiny Task and Finish Working Groups it is rare for their Chairmen to be remunerated
38. **Consequently, the Panel does not recommend that the Chairmen of Scrutiny Task and Finish Working Groups be paid an SRA.**

Chairman of Planning Development Control Committee

39. Currently, the Chairman of the Planning Development Control Committee receives an SRA of £5,437. Benchmarking shows that the mean SRA for Planning Development Control Chairmen across the 10 other Hampshire district councils is £5,941.
40. The Planning function in New Forest DC is unusual in that the heart of the District contains the New Forest National Park Authority, which has responsibility for planning applications within its area – New Forest District Council is a statutory consultee on such applications. This means that the planning pressures in New Forest District are concentrated in a relatively modest area outside of the National Park. Large numbers of the public wishing to make representations often attend meetings of the Committee, with meetings often

being fractious, requiring careful chairing. The Chairman also receives a large “postbag” outside of meetings. It is one of the more high profile Member roles in the Council. The Committee meets at least 12 times per year, the most meetings of any committee.

41. As such, the Chairman of the Planning Development Control Committee merits an increase in their SRA and in arriving at the recommended figure the Panel has in line with the 2006 Statutory Guidance and historical methodology utilised the pro rata approach.⁸
42. The SRA for the Chairman of the Planning Development Control Committee is set at 27.5% of the Leader’s SRA. The Panel has increased this ratio to 35% as that is the ratio for the differential between the means SRA of Chairs of Planning compared to the mean SRA for Leaders in the benchmarking group. This figure equates to £6,858. In doing this the Panel acknowledges that it places the SRA for the Planning Development Control Committee Chairman above that of the average in the peer group – but also that Fareham (£10,012) and Basingstoke & Deane (£6,876) pay their Planning Chairmen more than that proposed for New Forest.
43. The Panel is content with this due to the unusual planning pressures in New Forest District Council and the fact that benchmarking does not take into account the six comparator councils that pay their Vice-Chairmen of Planning an SRA. Also, as well as remunerating its Planning Vice-Chairman, East Hampshire also remunerates all its Planning Committee Members £250. Finally, benchmarking does not account for the area planning arrangements that are place in Eastleigh which substantially increases the SRA spend on the planning function in that borough.
44. **The Panel recommends that the SRA for the Chairman of the Planning Development Control Committee is reset at 35% of the Leader’s SRA (£19,595) which equates to £6,858 for 2018/19, subject to any indexation that may be applied.**

Chairman of the General Purposes & Licensing Committee

45. Benchmarking shows that the SRA (£2,019) for the Chairman of the General Purposes & Licensing Committee is comparatively low, with a benchmarked mean SRA of £3,989. The Panel increased this SRA at its previous review (see December 2013 Report) and placed it on a par with the Chairman of Audit. The Committee normally has five scheduled meetings per year but it is usual to cancel at least one of these scheduled meetings due to lack of business.
46. The Licensing Sub-Committee meets as and when required to hear objections to licensing applications. Although the Chairman of the Committee on average has chaired about half of the Licensing Sub-Committees, the number of such meetings had settled down to on average of 7-8 per year by 2013, and that number has decreased slightly to just over six per year at present. Thus, on balance the Panel is not recommending an increase in the SRA for the Chairman of the General Purposes & Licensing Committee.

⁸ See 2006 Statutory Guidance, paragraph 76

47. **The Panel recommends that the SRA for the Chairman of the General Purposes & Licensing Committee remains unaltered at £2,019 for 2018/19, subject to any indexation that may apply.**

Chairman of the Audit Committee

48. The Audit Committee was established on 1st July 2012, partly in response to the Localism Act 2011, which *inter alia* no longer requires councils to maintain a Standards Committee. The Council had discontinued its Standards Committee, which previously had responsibility for a number of audit functions. Benchmarking shows that the current SRA (£2,019) is comparatively low, with a mean SRA of £3,142 although two Hampshire councils (Rushmoor and Test Valley) do not remunerate their equivalent post.
49. The Panel notes that the Audit Committee meets only four times per year, and that there is not significant involvement for the Chairman outside of those meetings. The Panel therefore is not recommending any change to the current SRA (£2,019) for the Chairman of the Audit Committee.
50. **The Panel recommends that the SRA for the Chairman of the Audit Committee remains unaltered at £2,019 for 2018/19, subject to any indexation that may be applied.**

Committee/Panel Vice-Chairmen

51. The Panel received representation that there was a case to remunerate Vice-Chairmen of Committees/Panels, particularly the Vice Chairman of the Planning Development Control Committee as that committee meets more than the others. The Panel has not accepted the arguments made in this respect as the workload and responsibility of Committee Vice-Chairmen does not meet the test of significant responsibility. While it is 'expected' that Vice-Chairmen attend pre-committee briefings with their respective Chairmen, it is not a uniform practice. Moreover, there are no role profiles for Committee Vice-Chairmen in the Council's constitution assigning additional discrete responsibilities beyond standing in for their Chairman when required.
52. **The Panel does not recommend the payment of an SRA for the Vice-Chairmen of Committees or Overview and Scrutiny Panels.**

Opposition Group SRAs

53. In 2013, the Panel changed the methodology to arrive at the SRA for the Leader of the Main Opposition Group and set a fixed SRA of two different levels depending on group size. When the Main Opposition Group contains at least 20% (12) of the Council seats, the Group Leader's SRA is £7,349; and when the Main Opposition Group is less than 20% (2-11) of the Council seats the SRA reduces by 25% to £5,512. This is currently the case as the Main Opposition Group consists of two Members. Benchmarking shows that this is comparatively high with a comparator group mean SRA of £4,396.

54. Regardless of group size, the role of Leader of the Main Opposition Group is significant; it is incumbent on the post holder to scrutinise and challenge the administration. The Panel received no evidence to alter the current methodology used in arriving at the SRA for the Leader of the Main Opposition Group, particularly in the context of elections on a four-year cycle, rather than by thirds, thus minimising the fluctuations in Opposition Group size between allowances reviews. Similarly, the Panel received no evidence to alter the methodology to arrive at the current SRAs for the Deputy Leader of the Main Opposition Group and the Leader of the Minority Opposition Group.⁹
55. **The Panel recommends that the SRAs for Opposition Group posts are maintained for 2018/19, subject to any indexation.**

Opposition Group Post	20% or more of Council seats	less than 20% of Council seats
Leader Main Opposition Group	£7,349	£5,512
Deputy Leader Main Opposition Group	£1,042	NA
Leader of Minority Opposition Group	£1,042	N/A

Confirming the 'One SRA Only' Rule

56. The 2003 Members' Allowances Regulations do not limit the number of SRAs a Member may receive. Nevertheless, it is common for authorities to have a 'One SRA only' rule set out in their allowances scheme. In other words, regardless of the number of remunerated posts a Member may hold, they may only receive one SRA. The prime reason for this rule is to create transparency in the allowances scheme. In the absence of such a rule, if a Member receives more than one SRA, the public are unable to ascertain their true level of remuneration by a reading of the Members' Allowances scheme. It can also lead to (and in some councils has led to) a situation whereby the highest remunerated Member is not necessarily the Leader, an anomalous situation which does not meet the 'feel fit and fair' test.
57. The 'One SRA only' rule has always been accepted by New Forest District Council and inserted in its Members' Allowances scheme since being advised by an Independent Remuneration Panel going back to 1999. Additionally, the One SRA only rule is common across English councils.
58. **The Panel recommends that the One SRA only rule is maintained.**

⁹ Currently both SRAs are not payable due to insufficient group size

The Co-optees' Allowances

59. Currently, New Forest District Council does not appoint standing Co-optees to its Committees or Panels and therefore the Panel is not making any recommendations in this regard. However, from time to time the Council appoints ad hoc Co-optees to its Scrutiny Panels and in these cases a temporary Co-optees' Allowance is appropriate.
60. In arriving at the appropriate level, the Panel has utilised the 2016 (notional) rate of remuneration £13.84 per hour. For meetings up to four hours in length the Co-optees' Allowance has been arrived at by multiplying £13.84 by four hours, which equates to £55.36, and for meetings over four hours the Panel has simply doubled it on the basis of a notional 8 eight hours, to £110.72.
61. **The Panel recommends that where it is required to appoint ad hoc Co-optees, from 1st April 2018 they are paid the following Co-optees' Allowance (subject to any indexation that is applicable):**
- **For meetings up to four hours in length: £55.36**
 - **For meetings over four hours in length: £110.72**

The Dependants' Carers' Allowance (DCA)

62. While claimed infrequently, the Panel takes the view that the continuation of the DCA is a matter of principle. The 2003 Regulations specifically gave Councils express legal powers to pay this allowance to reduce a financial barrier for Members (current or potential) who have caring responsibilities and may, without a DCA, be unable to or would find it difficult to stand for or remain on the Council.
63. The Panel decided that only minor changes to the DCA are required. First, the childcare element, currently based on the National Living Wage of £7.50 per hour should be changed and fixed to the Living Wage as determined by the Living Wage Foundation, currently £8.45 per hour outside of London.¹⁰ This rate closer reflects 'real' living costs. Secondly, the 12-hour weekly cap for DCA claims should be aggregated on a monthly basis, equating to a cap of 52 hours per month.
64. **The Panel recommends that the current maximum hourly rate claimable for the childcare element of the DCA is fixed at the current living wage (at the time of preparation of this report, £8.45 per hour) as defined by the Living Wage Foundation. It also recommends that the cap on the number of hours a Member can claim the DCA is aggregated at 52 hours per month.**
65. For clarification purposes, **the Panel further recommends that the allowances scheme specify that the hourly rate for which the elderly or dependent relative allowance is claimable be set at the hourly rate Hampshire County Council charges for a Home Care Help, which is currently £10.32 per hour.**

¹⁰ See <http://www.livingwage.org.uk>

Travel and Subsistence Allowances

66. There were only a couple of minor issues arising concerning the Travel and Subsistence Allowances. First, what constitutes a 'journey' for a Member claiming the mileage allowance, which is payable at HMRC AMAP¹¹ rates, and secondly, a broader principle of the basis of an approved duty.
67. Currently there is no definition of the start or end point of a journey to an approved duty. In most allowances schemes, it is defined as a Member's "usual place of residence". In other words, regardless of the start or end point of an approved duty journey the mileage claimable is based on the distance to the meeting from a Member's home. This is because HMRC regards a Member's home as their normal place of work. Therefore, travel allowances paid to members for attending duties at the Council offices, or any other venue on Council business, is a temporary place of work, thus making the allowance paid non-taxable if paid at HMRC AMAP rates.¹²
68. **The Panel recommends that part 3 of the New Forest District Council Members' Allowances scheme is clarified by adding the following:**

If part of a Councillor's journey on Council business includes some of their normal work commute, Councillors should not include their home to work mileage in their mileage claim.

For example, if a member lives in Fawley and works in Winchester, and on their way home from Winchester attends a meeting in Lyndhurst, the Councillor should claim only the extra mileage to attend at Lyndhurst.

69. While the New Forest District Council Members' Allowances scheme sets out what constitutes an approved duty for claiming travel, subsistence and Dependents' Carers' Allowance, these definitions do not always readily cover all journeys for which Members claim. **As such, the Panel recommends that at the start of Appendix 3 of the scheme is inserted the following clarification:**

As a general principle, Members may claim only for travel allowances when representing the District Council on official business. If in doubt, a Member should seek the relevant Officer's advice before the journey is undertaken. Any decision by the Chief Executive, an Executive Head or a Service Manager will be final.

Indexation

70. The 2003 Regulations¹³ provide express powers for councils to index their allowances. If indexation is not in place then periodic large increases are required to keep pace with inflation. The 2003 Regulations provide that where a council has indexed any or all of its allowances then the relevant indices can

¹¹ Her Majesty's Revenue and Customs (HMRC) Authorised Mileage Allowance Payments (AMAP)

¹² See 2006 Statutory Guidance paragraph 109

¹³ See Local Authorities (Members' Allowances) (England) Regulations, 2003, 10 (4), in Section 3 of the Regulations

only run for 4 years (known as the '4-year rule') before it is required to seek further advice from its IRP to provide fresh authority for another four years. It is now commonplace for councils to have relevant indices applied to their allowances.

71. Historically, the Panel has recommended relevant indices to be applicable to allowances and the Council has accepted and implemented the recommended indices. The Panel has heard nor received any evidence to change this approach.
72. The Panel points out that if there is no provision in the allowances scheme to index allowances then the Council is not able to apply an annual cost of living increase without coming back to the Panel for advice. However, where a Council has adopted indices they are under no obligation to apply them each year. Councils retain the right not to apply an index to their allowances even though the provision is in place.
73. **The Panel recommends that the New Forest District Council Members Allowances are indexed as follows:**
 - Basic Allowance (including ICT allowance), SRAs and Co-optees' Allowance:
 - Indexed to the annual percentage salary increase for local government staff (at spinal column 28), to be applied from the same year that applies to staff
 - Travel Allowance – Mileage Rates:
 - Indexed to HMRC approved mileage rates for motor vehicles, motor cycles and bicycles
 - Dependants' Carers' Allowance – Maximum Rates:
 - Childcare element: indexed to the 'living wage' hourly rate (outside of London) as defined by the Living Wage Foundation
 - Elderly or Other Dependant Relatives element: indexed to median hourly rate charged for a Home Help by Hampshire County Council
74. **The Panel further recommends that the applicable indices should run the maximum length permitted by the 2003 Regulations, namely four years from the 1st April 2018 until 31st March 2022.**

Implementation of Recommendations

75. **The Panel recommends that the new Members' Allowances scheme as recommended in this report is implemented from 1st April 2018.**

Appendix 1: Members and Officers who met with the Panel

Elected Members:

- Cllr D. Andrews: Chairman of the Planning Development Control Committee (Conservative)
- Cllr M. Harris: Chairman of Corporate Overview & Scrutiny Panel (Conservative)
- Cllr E. Heron: Deputy Leader of the Council & Portfolio Holder for Planning & Transportation (Conservative)
- Cllr A. O'Sullivan: Chairman of Audit Committee (Conservative)
- Cllr B. Rickman: Leader of Council/Chairman of Cabinet & Conservative Group Leader

Telephone interviews with Chair of Panel 2nd October 2017:

- Cllr S. Clarke: Chairman of the General Purposes & Licensing Committee (Conservative)
- Cllr D. Harrison: Liberal Democrat Opposition Leader

Written Submissions:

The Panel received written replies in response to the aide memoir/questionnaire sent to all Members.

Officers:

- Bob Jackson: Chief Executive
- Rosemary Rutins: Service Manager, Democratic Services & Member Support
- Andy Rogers DMS: Committee Administrator (Democratic Services)

Appendix 2: Papers and other Written Material Received by the Panel

1. The Panel's Terms of Reference
2. New Forest District Council Allowances Scheme 2017/18
3. New Forest District Council annual statutory publication of Members' Allowances and expenses, including sub-totals, 2016/17
4. Independent Remuneration Panel, December 2013 Report, Reviewing Allowances for New Forest District Council
5. Diagram/flow chart showing Committee and decision making structure for New Forest District Council
6. Terms of Reference for Cabinet Portfolios, Panels and Committees, etc., including membership and, where relevant, who chairs them, New Forest District Council
7. Schedule of Council, Cabinet, Committee and Panel Meetings 2017/18, New Forest District Council
8. Number of Licensing Sub-Committee meetings since 2013 and who has chaired them, New Forest District Council
9. Role Profiles of Members:
 - Leader
 - Overview and Scrutiny Panel Chairmen
 - Committee Chairman including
 - Audit Committee
 - Planning Development Control Committee
 - General Purposes & Licensing Committee
 - Industrial Relations Committee
 - Appeals Committee
 - All Members as elected representatives
 - Opposition Group Leaders
10. New Forest District Council Members' Responses to Aide Memoire (Invitation to make comments on allowances scheme)
11. New Council Constitutions: Guidance on Regulation for Local Authority Allowances (May 2006)
12. Statutory Instrument 2003 No. 1021, The Local Authorities (Members' Allowances) (England) Regulations 2003
13. Summary of hours worked (average per week) by Councillors (2013 Census of Councillors - LGA)
14. National Joint Council for Local Government Services LGS Pay 2016-18

15. Summary of Basic Allowance and SRAs paid in the benchmark group of comparator authorities. See appendix three for details
16. Annual Survey of Hours and Earnings (ASHE), Hourly pay – Gross (£) – for full time employee jobs (home geography) New Forest District Council 2016, Table 8.5a
17. Power point presentation for Panel training by Panel Chair

Appendix 3: Allowances Paid in Benchmarking Group of Councils

BM1 New Forest DC - Other Hants DCs: BA + Exec + Scrutiny SRAs (17/18)										
Comparator Council	Basic Allowance	Leader	Leader Total Package	Deputy Leader	Exec Members	Assistant Portfolio Holders	Chair Main O&S	Vice Chair Main O&S	Chairs or Lead Scrutiny	Vice Chairs Scrutiny
Basingstoke & Deane	6,876	22,908	29,784	15,264	11,460				5,724	576
East Hants	5,200	18,000	23,200	10,000	6,000	3,000			2,000	
Eastleigh	6,240	19,959	26,199	9,230	7,910				2,636	660
Fareham*	6,674	20,099	26,773	11,124	11,124		7,787	834	6,953	834
Gosport	6,280	13,894	20,174		committee system				4,450	
Hart	4,561	15,965	20,526	7,982	7,184		3,193			
Havant	5,891	14,800	20,691	8,800	8,140		5,920		2,500	
Rushmoor	5,005	14,557	19,562	8,757	7,716				3,131	
Test Valley	6,581	12,479	19,060	8,529	7,951		6,581	1,317		
Winchester	5,580	16,734	22,314	9,129	7,605		7,605		1,521	
Mean	5,889	16,940	22,828	9,868	8,343		6,217		3,614	
Median	6,066	16,350	21,503	9,129	7,910		6,581		2,884	
<i>New Forest</i>	<i>5,760</i>	<i>19,595</i>	<i>25,355</i>	<i>9,798</i>	<i>9,798</i>				<i>4,900</i>	
Highest	6,876	22,908	29,784	15,264	11,460		7,787		6,953	
Lowest	4,561	12,479	19,060	7,982	6,000		3,193		1,521	
Mean Ratios	2.9	100%		58%	49%		37%		21%	

* Fareham only publishes points against SRAs - assumed to be £55.62 per point based on stated BA of £6,700 at 120 points

BM2 New Forest Other Hants DCs: Planning & Licensing/Regulatory SRAs (2017/18)										
Comparator Council	Chair Planning	Vice Chair Planning	Planning Members	Chair Licensing &/or Regulatory	Licensing V/Chair	Chair Audit	Vice Chair Audit	Chair HR or Employment	Vice Chair HR or Employment	Chair Standards
Basingstoke & Deane	6,876	684		5,724	576	5,724	576	5,724	576	5,724
East Hants	6,000	3,000	250	2,000		2,000		2,000		
Eastleigh	Area Based					2,636	660			
Fareham	10,012	834		6,953	834	4,172		834	167	
Gosport	4,450			4,450		4,450				
Hart	4,790	1,595		1,597		2,395		1,597		1,597
Havant	3,577			2,960		1,480		1,973		
Rushmoor	5,212			5,212						
Test Valley	4,949	1,001		3,961	792			2,159	421	
Winchester	7,605	2,280		3,042		2,280		3,042		1,521
Mean	5,941	1,566		3,989		3,142		2,476		
Median	5,212	1,298		3,961		2,516		2,000		
New Forest	5,437			2,019		2,019				
Highest	10,012	3,000		6,953		5,724		5,724		
Lowest	3,577	684		1,597		1,480		834		
Mean Ratios	35%			24%		19%		15%		

BM3 New Forest DC Other Hants DCs: Group & Misc. SRAs (2017/18)								
Comparator Council	Main Opposition Group Leader	Main Opposition Group D/Leader	Opposition Spokespersons	Minor Opposition Group Leader	Chairs Areas or Local Forums	Chair Council	Council V/Chair	Other or Comment
Basingstoke & Deane	6,876			3,432		4,572	1,320	Administration Group Leader £3,432, Vice Chair Standards £384
E. Hants	3,000				2,000	3,000		Chair Development Policy £2,000, Licensing Members £250 ea
Eastleigh	5,274				3,297			Area Vice Chairs £823, Admin Committee Chair £1,660, ICT provided direct
Fareham	6,674		278	3,337				Chairs Housing Board + Community Action Team £4,172, Vice Chair Housing Board £834
Gosport	3,655			1,624				
Hart	2,395			800		3,991		
Havant	2,400			1,800				
Rushmoor	3,131			3,131		1,455		If Chair >4 Licensing Panels £417, ICT Allowance £62
Test Valley	2,948					2,948	580	1 central + 2 Area DCC Committees & ea Chair & V/Chair get SRA
Winchester	7,605			2,280	1,521	2,280		Group Manager £1,521, Chairs T&F £1,521
Mean	4,396			2,343	2,273	3,041		
Median	3,393			2,280	2,000	2,974		
New Forest	5,512	1,042		1,042				BA is automatically topped up £390 for ICT
Highest	7,605			3,432		4,572		
Lowest	2,395			800		1,455		
Mean Ratio	26%			14%		18%		

Appendix 4: The costing of ICT utilised by the Panel in calculating ICT costs for Members

NFDC ICT re-costing 2017 - 35% personal use & mid-range laptop			
<u>Members ICT Allowance 2018 onwards</u>			
Laptop or equivalent	600		
Microsoft Office 2010 or above	119		
Antivirus - Norton £17.99/year	72		
Printer	75		
Support/Care Plan after Warranty expires	50		
Broadband @ £20/month	960		
Associated peripherals	50		
Allowance for consumables @ £50/year	200		
Total	2126		
35%:65% Personal/Council use			
Personal/Council Business Ratio of 35%:65%	1381.87		
Annual allowance	345.47		
Allow for tax @20%	414.56	Additional annual budget requirement (£25 x 60)	£1,500
<u>Assumptions</u>			
4 year replacement cycle			
<i>mid-range laptop</i>			
Perpetual Microsoft License for software			

This page is intentionally left blank

CABINET – 7 FEBRUARY 2018

HOUSING REVENUE ACCOUNT BUDGET AND HOUSING PUBLIC SECTOR CAPITAL EXPENDITURE PROGRAMME 2018/19

1 INTRODUCTION

- 1.1 This report sets out the proposed Housing Revenue Account (HRA) budget, the proposed rent levels and other charges, the maintenance programme and a proposed Housing Public Sector Capital Programme for 2018/19.
- 1.2 The budgets for 2018/19 are the sixth year of the HRA self-financing system. The second £4.1 million instalment of principal repayment of the settlement loan is due to be made in March 2019, in accordance with the Acquisitions and Development Strategy approved by Cabinet in November 2016.
- 1.3 The proposed budgets for 2018/19 were considered by tenants at the Tenant Involvement Group Day on 19 January 2018. Their comments are set out in paragraph 10 of this report.
- 1.4 The proposed HRA budget is attached as **Appendix 1**. Cabinet is required to recommend budgets for consideration at Council on 26 February 2018.

2 KEY ISSUES

- 2.1 Members are asked to consider a number of financial issues for 2018/19.
- 2.2 **Housing Rents**
 - 2.2.1 The report identifies a proposed social rent reduction of 1%, in line with the Government's current requirement. A further 1% reduction is due in 2019/20 but current indications are that annual increases of CPI +1% may be applied for a 5 year period from 2020/21.
 - 2.2.2 Following the rent reduction, average weekly rents will be £99.03 for 2018/19. The actual reduction will vary by property, but will amount to an average reduction of £1.00 per week.
- 2.3 **Service Charges – Hostels & Older Persons Accommodation**
 - 2.3.1 The primary aim when reviewing and setting service charges is to ensure that relevant costs are fully recovered from those who benefit from them. For 2018/19 inflationary budgetary pressures have been offset by other budget savings and it is therefore proposed that service charge levels be retained at their current level for both hostels and older persons' accommodation.
 - 2.3.2 As with rents, the service charge payable by individual users varies according to their property and other factors, such as whether utilities costs are included and the level of service received.

2.3.3 As previously reported to tenants a full review of services provided and specific service charges will be carried out during 2018/19.

2.4 Garage Rents

2.4.1 It is proposed that garage rents remain unchanged at the current weekly level of £10 (£10 plus VAT for non-HRA tenants) as this appears to maximise income at an acceptable fee.

2.5 Planned Maintenance & Improvement Works

2.5.1 The report proposes total budgetary provision of £7.472 million for planned maintenance and improvement works to houses and estates. Details of the proposed works for 18/19 and an indication of proposals for the following four years are set out in Appendix 2.

3 HRA INCOME 2018/19

3.1 Estimated total income for 2018/19 is £252,000 lower than the original budget for 2017/18. The income variations from the 2017/18 approved budget are set out below:

	£000	Paragraph
Dwelling Rents	323	3.2
Non Dwelling Rents	(19)	3.3
Service Charges	11	3.4
Other Income	(63)	3.5
Total	252	

3.2 **Dwelling Rents £323,000** – The proposed budget for 2018/19 includes the £260,000 effect of the 1.0% rent reduction proposed in paragraph 2.2 and £63,000 for the loss of properties at Cranleigh Paddock. In addition, additional income of £32,000 from improved void performance is matched by reduced income from the net movement in property numbers during 2017/18.

3.3 **Non Dwelling Rents (£19,000)** – This income is derived from garages and rents of other housing land. The increase reflects the current 2017/18 rent income estimate, which is more than the original budget, predominantly due to reduced garage voids arising from greater demand.

3.4 **Service Charges £11,000** – Service charges are set in order to cover the costs incurred. This decrease principally reflects the impact of the loss of properties at Cranleigh Paddock.

3.5 **Other Income (£63,000)** – This is principally due to £51,000 additional interest earnings following the recent bank base rate increase and an increase in the Shared Amenities Contribution (£11,500), following additional estate management costs included within Supervision and Management costs in paragraph 4.4 below.

4 HRA EXPENDITURE 2018/19

- 4.1 Budgeted expenditure for 2018/19 is £252,000 lower than the approved budget for 2017/18. The major variations are set out below:

	£000	Paragraph
Reactive Maintenance	(117)	4.2
Disabled Facilities Adaptations	(700)	4.3
Supervision and Management	280	4.4
Rents, Rates, Taxes and Other Charges	16	4.5
Capital Financing Costs	(56)	4.6
Operating Expenditure	(577)	
Contribution to Capital - Supporting Housing Strategy	325	4.7
Total	(252)	

- 4.2 **Reactive Maintenance (£117,000)** – In 2017/18 and recent previous years staffing costs for Maintenance Operative Officers were accounted for as an oncost to the cost of works and were chargeable to the Reactive Maintenance works budget. From 2018/19 these costs will be removed from the oncost and will instead be charged as an allocation to Supervision and Management costs. The reactive maintenance budget reduction will therefore be matched by a Supervision and Management budget increase (para 4.4).
- 4.3 **Disabled Facilities Adaptations (£700,000)** – The Disabled Facilities budget has been transferred from the Housing Revenue Account to the Housing Capital Programme to ensure optimum use of Government Grant funding. This will also ensure consistent accounting treatment with the Private Sector Disabled Facilities Grant budget programme.
- 4.4 **Supervision and Management £280,000** – Supervision and Management budgets will increase by £280,000 due to pay and prices increases of £135,000, £117,000 from the budget virement from Reactive Maintenance, £38,000 from increased property insurance costs and £85,000 from the Council's Asset Investment Programme, offset by savings of £95,000 in various staffing, premises and supplies and services budgets.
- 4.5 **Rents, Rates, Taxes and Other Charges £16,000** – This increase is largely due to increased Council Tax payments on vacant dwellings.
- 4.6 **Capital Financing Costs (£56,000)** – Interest costs have reduced by £61,500 due to the repayment of the first £4.1 million instalment of the settlement loan in March 2017. This is offset by an increase of £5,500 in other prescribed interest charges due to the recent increase in the bank base rate.
- 4.7 **Contribution to Capital - Supporting Housing Strategy £325,000** – As current HRA reserves are considered to be at a prudent level any operating surplus is invested into the Housing Capital Programme. For 2018/19 this contribution is estimated at £9.416 million, an increase of £325,000 from 2017/18. The increase contras all of the other budget movements detailed earlier in this report.

5 HRA RESERVE BALANCE

5.1 The HRA Reserve balance as at 1 April 2017 was £1.00 million. The original 2017/18 HRA budget showed a break-even position for the year. During 2017/18 the following net budget savings totalling £681,000 have occurred or are forecast. In accordance with current policy these will be transferred to the Acquisitions and Development Reserve.

	£000
Disabled Facilities Adaptations	
Budget Underspend	(150)
Budget Transfer to Housing Capital Programme	(550)
Dwelling rent income reduction	63
Garage rent income increase	(19)
Service Charges	11
Interest Earnings	(36)
Total	(681)

5.2 The proposed HRA budget for 2018/19 currently shows a break even position, resulting in no change to the reserve balance. The estimated Housing Revenue Account balance at 31 March 2018 and 31 March 2019 will therefore be £1.000 million.

6 CAPITAL PROGRAMME 2018/19

6.1 The proposed Housing Public Sector capital expenditure programme for 2018/19 totals £18.552 million. The detailed programme and anticipated funding is set out below:

	Original 2017/18 £000	Latest 2017/18 £000	Original 2018/19 £000
Proposed Expenditure			
Planned Maintenance & Improvements	5,940	5,940	5,700
General Acquisitions	3,500	4,050	3,700
Compton & Sarum New Build	1,600	2,225	1,865
Stocklands New Build	500	100	2,827
Other New Build	0	10	80
Environmental Enhancements	300	300	300
Extensions To Property	150	20	200
Older Persons' Schemes Alterations	400	250	250
S106 New Build Acquisitions	2,900	2,550	2,880
Disabled Facilities Adaptations	0	550	750
TOTAL	15,290	15,995	18,552
Funded by			
Revenue	9,091	9,091	9,416
Capital Receipts	2,800	3,000	3,000
Acquisitions and Dev. Reserve	3,399	3,354	5,786
Government Grant	0	550	350
TOTAL	15,290	15,995	18,552

- 6.2 The proposed capital programme for 2018/19 reflects the Housing Buy- Back and Development Strategy approved by Cabinet in November 2016 and is £3.262 million more than the original 2017/18 programme. The increase is principally due to the phasing of the new build schemes at Stocklands and Compton & Sarum and the transfer of the Disabled Facilities Adaptations budget into capital from the Housing Revenue Account.
- 6.3 The Government introduced changes to the Right to Buy system in April 2013, primarily increasing the discounts to tenants, with the intention of stimulating tenant home ownership. This has led to a marked increase in tenant interest regarding purchasing their properties and for 2017/18 RTB sales have continued to be high with 26 properties sold to date at 31 December 2017. However, the Council's new build/acquisition programme should deliver 19 (17 acquisitions and 2 remodelling) new properties in 2017/18 and significant progress has been made on the Compton & Sarum and Alexandra Road, Lymington schemes which will deliver 52 units in 18/19.
- 6.4 The capital spending power of the Council is limited by the availability of usable capital receipts, the level of Government Grants or Developers' Contributions, the ability to fund capital expenditure from revenue sources (HRA rents and reserves) or through the use of borrowing.

7 ENVIRONMENTAL IMPLICATIONS

- 7.1 All products used in the repair, maintenance and improvement of Council homes are selected to ensure the minimum impact upon the environment and at the same time balance the need to improve the energy efficiency of tenants' homes in order to meet the requirement for thermal efficiency under the Decent Homes Standard.

8 CRIME AND DISORDER IMPLICATIONS

- 8.1 Many aspects of work identified in this report will improve the security of tenants' homes

9 EQUALITY AND DIVERSITY IMPLICATIONS

- 9.1 All equality and diversity implications will be considered at every stage of the process of commissioning and carrying out planned maintenance, improvement and cyclical maintenance works. In addition any contractor used for works will have been assessed, as part of the process in becoming an approved NFDC contractor, in respect of their adherence to equality and diversity principles.

10 TENANTS' VIEWS

- 10.1 We feel that this is an excellent report, well laid out and self-explanatory. We are reassured that the Council is making excellent use of the HRA budget and the proposed plans offer good value for money. We also feel it is positive that the majority of maintenance work is being done in-house by skilled teams that can be trusted.

11 PORTFOLIO HOLDER'S COMMENTS

- 11.1 I am very pleased that the proposed budget will enable us to continue to manage and maintain our Council housing stock to high standards. We continue to fund a broad range of repairs and improvements and this investment ensures that our houses are in good repair and meet the Decent Homes Standard.
- 11.2 In line with the Government's requirements we continue to reduce our rents by 1% each year but I am pleased to see that there are indications that rent increases will be reinstated from 2020/21 to enable ongoing high standards of provision.
- 11.3 I fully support the report recommendations.

12 RECOMMENDATIONS

- 12.1 That the Cabinet be asked to approve the proposed planned maintenance and improvement works programme for 2018/19, as set out in Appendix 2, and recommend to the Council:
- i) that the HRA budget as set out in Appendix 1 of this report be agreed;
 - ii) that from 02 April 2018, a reduction in rents of 1% from the 2017/18 rent level, in accordance with Government requirements, be agreed;
 - iii) that from 02 April 2018, no change in hostel service charges be agreed;
 - iv) that from 02 April 2018, no change in older persons' accommodation service charges be agreed;
 - v) that from 02 April 2018, no increase in garage rents be agreed; and
 - vi) that a 2018/19 Housing Capital Programme of £18.552m, as set out in paragraph 6.1 above, be agreed.

For Further Information Please Contact:

Grainne O'Rourke
Executive Head of Governance and Regulation
023 8028 5588
Email: grainne.orourke@nfdc.gov.uk

Alan Bethune
Service Manager – Finance & Audit
023 8028 5588
Email: alan.bethune@nfdc.gov.uk

Background Papers:

Published documents as referred to within this report.

HOUSING REVENUE ACCOUNT BUDGET

	2017/18 £'000	2018/19 £'000	Variation £'000	Para
INCOME				
Dwelling Rents	-26,077	-25,754	323	3.2
Non Dwelling Rents	-730	-749	-19	3.3
Charges for Services & Facilities	-753	-742	11	3.4
Contributions towards Expenditure	-57	-57	0	3.5
Interest Receivable	-76	-127	-51	3.5
Sales Administration Recharge	-33	-33	0	3.5
Shared Amenities Contribution	-193	-205	-12	3.5
TOTAL INCOME	-27,919	-27,667	252	
EXPENDITURE				
Repairs & Maintenance				
Cyclical Maintenance	1,472	1,472	0	
Reactive Maintenance	2,789	2,672	-117	4.2
Disabled Facilities	700	0	-700	4.3
Supervision & Management				
General Management	3,806	4,100	294	4.4
Special Services	1,243	1,230	-13	4.4
Homeless Assistance	62	61	-1	4.4
Rents, Rates, Taxes and Other Charges	22	38	16	4.5
Provision for Bad Debt	150	150	0	
Capital Financing Costs	8,584	8,528	-56	4.6
TOTAL EXPENDITURE	18,828	18,251	-577	
HRA OPERATING SURPLUS(-)	-9,091	-9,416	-325	
Contribution to Capital - supporting Housing Strategy	9,091	9,416	325	4.7
Transfer to Acquisitions/Development reserve	0	0	0	

This page is intentionally left blank

5 YEAR HOUSING PLANNED MAINTENANCE AND IMPROVEMENT PROGRAMME 2018 TO 2023

1. INTRODUCTION

- 1.1 This programme has been compiled taking into account the 10 year Housing Planned Maintenance & Improvements programme.
- 1.2 All works identified in this report are based upon stock condition surveys, and feedback from the Building Works and Surveying and Technical Teams. This is followed by an inspection regime prior to work being specified to ensure only expenditure required is actually committed.
- 1.3 The programme for 2018 to 2023 has been devised to continue to meet the requirements of the “Decent Homes Standard”.

2. PROGRESS REPORTING OF THE PROGRAMME

- 2.1 The progress of each scheme during the financial year will be reported in the Councils Monthly Information Bulletin, together with tender results and budget information. Overall budgetary and programme control is exercised by regular review meetings and detailed monthly information being provided to Senior Managers and the Housing Accountant.
- 2.2 As in previous years, expenditure on the Planned Maintenance Programme will be controlled through the year in response to tenders received by adjusting workloads, specifications and work programmes. Priority works will be identified and carried out to ensure that the maximum expenditure is achieved within the overall budget.

3. BUDGET PROVISIONS

- 3.1 The budgets for 2018/19 are £5,700,000 for planned maintenance and improvements projects, £300,000 for environmental improvements, and £1,472,000 for cyclical maintenance. These budgets will substantially contribute to maintaining the Decent Homes Standard.
- 3.2 Appendix 3 is a summary of the various headings of expenditure comprising the total budget provision, and includes estimates for future years.

4. PROPOSALS

- 4.1 Within the Planned Maintenance programme, the work proposed is broadly in line with that of previous years. The prime purpose of this expenditure is to maintain the fabric of Council homes, to ensure services such as electrical and heating systems are in a safe condition and importantly to ensure that all our homes continue to meet the Decent

Homes Standard. Current predictions indicate that the Council will continue to achieve this target.

4.2 The Decent Homes Standard requires properties to meet several criteria ranging from general fitness to having modern facilities. Guidance issued advises that for a home to be decent it must meet the following four criteria:-

- It contains no serious hazards under this Housing Health and Safety Rating System.
- It is in a reasonable state of repair.
- It has reasonably modern facilities and services.
- It provides a reasonable degree of thermal comfort.

4.3 A property will fail the requirement for reasonably modern facilities and services if it lacks three or more of the following aspects:-

- A reasonably modern kitchen (20 years old or less)
- A kitchen with adequate space and layout
- A reasonably modern bathroom (30 years old or less)
- An appropriately located bathroom and WC
- Adequate insulation against external noise (where external noise is a problem)
- Adequate size and layout of common areas for blocks of flats.

4.4 An explanation of some of the items included within Appendix 3 is given below:-

- An allowance of £380,000 has been made for replacing kitchens in 2018/19. A new larger kitchen refurbishment contract will be tendered to commence in 2019.
- An allowance of £1,400,000 has been made for renewing bathrooms in 2018/19.
- An allowance of £550,000 has been made for upgrading heating installations in 2018/19 with modern energy efficient boilers and controls. An allowance of £120,000 has also been made to upgrade oil and electric heating systems.
- An allowance of £10,000 for insulation works in 2018/19 will allow for the upgrading of loft insulation in some of the 5% of properties which are below the current Building Regulations (this is above the requirements for Decent Homes in terms of thermal comfort).
- An allowance of £1,550,000 has been made for re-roofing in 2018/19.

- An allowance of £475,000 has been made for renewing external doors and windows in 2018/19 and this will continue in future years as a large number of windows and doors are reaching the limits of their life expectancy.
- An allowance of £200,000 has been made for major improvements to communal areas at Holly Court, Birch Court, Forest Court and Maple Court Pennington and these works will include upgrading fire doors in line with recommendations from the Fire Risk Assessments.
- Works to other communal areas of flats and minor works/alterations to older person accommodation include renewing fire doors, upgrading lighting, heating improvements.
- Included within miscellaneous works are items identified from fire risk assessments, legionella risk assessments and larger works identified from Reactive Maintenance repairs.
- Included in future years is an allowance for unidentified/Decent Homes catch up works, which allows for unforeseen works (eg. major structural issues) and decent homes works where a previous tenant has refused works.

4.5 The allowance of £300,000 for environmental improvements is for the normal provision of hardstandings within the curtilage of properties and estate improvements. The money for hardstandings will be targeted at tenants who have asked for this improvement and have been on a waiting list. Those who have been on the waiting list longest will be tackled first (currently the wait is between 2-3 years). It is anticipated that these works will continue at the same rate for future years.

5. Procurement of Works

5.1 Cyclical Maintenance

- This programme of works covers the servicing contracts and any shorter term recurring works. A majority of these works cover our Health & Safety responsibilities.
- Building Works complete about 90% of this programme. This includes the gas, oil and solid fuel servicing inspections and breakdown attendance and the internal and external decorating programmes.
- External Contractors provide the fire alarm, lift and automatic doors servicing as well as the legionella checks and window cleaning. These are managed through a Council's Corporate Contract.

5.2 Planned Maintenance

- As mentioned in 4.1 these works ensure we continue to meet the Decent Homes Standard. These works will be procured using a combination of external

contractors on long term or framework contracts and our in-house Building Works team on a fixed charge pricing mechanism.

- Building Works complete about 33% of this programme. This includes boiler replacements, electrical tests and inspections with associated works and part of the Kitchen and bathroom replacement programmes.
- All other works such as windows, doors, roofing and the remaining kitchens and bathrooms are completed by external contractors and tendered in line with the Council's Standing Orders.

6. BUILDING WORKS

6.1 The Council's in-house Building Works team is allocated areas of planned and cyclical maintenance (as outlined in section 5) as well as reactive maintenance, based on their suitability and capacity to deliver. The Building Works budgets are set in line with the tasks allocated, and for 2018/19 are summarised below;

	£
Employee Costs	3,206,650
Transport Related Costs	678,700
Supplies & Services	89,130
Capital Financing	3,630
TOTAL DIRECT COSTS	3,978,110
Recovery of Direct Costs through recharges to Clients	- 3,978,110
Contribution @ 10%	- 397,810
Income	- 4,375,920
NET CONTRIBUTION	- 397,810
Fixed Overheads (Support Services)	352,560
Residual Profit	45,250

6.2 Building Works are monitored on their ability to meet fixed prices for kitchen, bathroom and new boiler installations. Their charges for other cyclical and reactive works are compared to the National Schedule of Rates to inform measures on productivity and efficiency.

6.3 Any deficit or surplus generated on the Building Works accounts is apportioned out to their clients at the end of the financial year, on a pro-rata basis according to the recharges to the clients.

7. TENANT INVOLVEMENT

7.1 With planned maintenance and improvement works it is intended to continue with the current practice of involving tenants and residents in aspects of the work that affects

their homes. Consultation will ensure that any inconvenience and disruption is kept to a minimum.

- 7.2 Where choice can be given without compromising the effectiveness or the necessity of the work, this will be given. Choice could mean the tenant electing not to have the work done, or in selecting finishes and colour schemes if and when improvements are carried out. Generally no choice will be given where works, such as re-roofing, involve essential maintenance work.

2018/2019 PLANNED MAINTENANCE BUDGET SUMMARY

PLANNED MAINTENANCE AND IMPROVEMENTS BUDGET					
	2018/19	2019/20	2020/21	2021/22	2022/23
Kitchen Modernisations	380,000	880,000	750,000	750,000	750,000
Bathroom Modernisations	1,400,000	1,200,000	1,200,000	1,200,000	1,200,000
Heating – boiler replacements gas	550,000	550,000	600,000	600,000	600,000
Heating – boiler replacements oil	20,000	20,000	0	0	0
Heating – electric	100,000	75,000	0	75,000	75,000
Electrical Works	185,000	185,000	200,000	200,000	200,000
Insulation Works	10,000	10,000	20,000	10,000	10,000
Roofing	1,550,000	500,000	500,000	500,000	500,000
Structural Repairs	50,000	50,000	75,000	75,000	75,000
External doors and windows	475,000	475,000	400,000	400,000	400,000
Asbestos Removal and Low Maintenance Eaves	250,000	150,000	300,000	300,000	300,000
Bin Stores	50,000	50,000	50,000	50,000	50,000
Minor works to communal blocks & older persons accommodation	60,000	35,000	60,000	85,000	85,000
Improvements to communal areas	200,000	200,000	200,000	200,000	200,000
Balcony improvements to handrails	75,000	75,000	0	0	0
Lighting upgrades	100,000	100,000	100,000	100,000	100,000
Miscellaneous works, including fire audit work, etc.	245,000	245,000	345,000	255,000	255,000
Unidentified/decent homes catch up works	0	800,000	1,000,000	1,000,000	1,000,000
TOTAL PLANNED MAINTENANCE & IMPROVEMENT BUDGET	£5,700,000	£5,600,000	£5,800,000	£5,800,000	£5,800,000

CYCLICAL MAINTENANCE					
	2018/19	2019/20	2020/21	2021/22	2022/23
Appliance servicing (including gas, solid fuel, oil, smoke detectors & CO Servicing)	850,000	850,000	900,000	900,000	900,000
Fire alarm servicing/upgrading	55,000	55,000	60,000	60,000	60,000
Lift servicing/upgrading	54,000	54,000	60,000	60,000	60,000
Portable appliance testing	4,000	4,000	4,200	4,200	4,200
Legionella checks	10,000	10,000	11,000	11,000	11,000
External redecoration, include internal communal areas of flats	410,000	410,000	430,000	430,000	430,000
Internal decorations to sheltered schemes	40,000	40,000	42,000	42,000	42,000
Elderly persons internal redecoration	25,000	25,000	26,000	26,000	26,000
Servicing automatic doors	3,000	3,000	3,200	3,200	3,200
Window Cleaning	16,000	16,000	17,000	17,000	17,000
Servicing air source heat pumps	500	500	700	700	700
Miscellaneous	4,500	4,500	4,900	4,900	4,900
TOTAL CYCLICAL MAINTENANCE	£1,472,000	£1,472,000	£1,559,000	£1,559,000	£1,559,000

ENVIRONMENTAL IMPROVEMENTS					
	2018/19	2019/20	2020/21	2021/22	2022/23
Provision of Hardstandings, estate works and paving	300,000	300,000	300,000	300,000	300,000
TOTAL ENVIRONMENTAL IMPROVEMENTS	£300,000	£300,000	£300,000	£300,000	£300,000

TOTAL EXPENDITURE					
	2018/19	2019/20	2020/21	2021/22	2022/23
TOTAL EXPENDITURE	£7,472,000	£7,372,000	£7,659,000	£7,659,000	£7,659,000

MEDIUM TERM FINANCIAL PLAN / ANNUAL BUDGET 2018/19

1. Purpose of Report

- 1.1 To consider the development of the Medium Term Financial Plan, set the General Fund revenue and capital budgets for 2018/19 and set the level of Band D Council Tax.

2. Background

- 2.1 On 4 October 2017 and 6 December 2017 the Cabinet considered a number of issues through the established Medium Term Financial Plan reporting, that would affect the annual budget for 2018/19. The figures as included in the reports were based on latest information available at that time, before the provisional local government finance settlement had been released, and before the national pay award offer had been put forward to the unions. **Details of the final finance settlement are yet to be received.**
- 2.2 In accordance with the Council's financial strategy, this report sets out the final proposals for:
- The General Fund Net Budget Requirement for 2018/19
 - A level of Council Tax for 2018/19
 - The Medium Term Financial Plan
 - The General Fund Capital Programme for 2018/19

3. Financial Strategy

- 3.1 The Council's financial strategy for 2018/19 is to:
- Deliver efficiencies and savings which protect the delivery of front line services provided in the Community;
 - Support on-going investment in services through the use of its reserves;
 - Ensure a sufficient and appropriate level of reserves are available during the period of the Medium Term Financial Plan to safeguard frontline services; and
 - Balance the needs of service users and council taxpayers

The budget set out is in line with this strategy.

- 3.2 The Council's financial strategy over the medium term period extends to:
- The alignment of the budget to the Council's Corporate Plan and essential services;
 - Continuation of partnering and collaboration with others to transform service delivery;
 - The utilisation of reserve balances (and when necessary external borrowing) to invest in assets and target valuable additional income; and
 - A financial commitment towards transforming the delivery of Council Services across the organisation
 - Ensure strategies developed through the corporate framework appropriately feed into the Council's financial strategy

4. Medium Term Financial Plan – General Fund Budget

- 4.1 Details of the provisional available resources and General Fund spending requirements were set out in the appendices to the December Cabinet report. Subsequent to that report, the provisional finance settlement has been released, a national pay offer of a 2% increase and a new minimum pay point of £8.50 has been put to the unions and the full detailed budget preparation process has taken place, including the allocation of central corporate costs to the Portfolios/Committees. The updated resource summary and budget requirements are now provided as appendix 1 and 2.
- 4.2 The available resources within Appendix 1 are largely in line with the December report, with minor updates as a result of New Homes Bonus (£66k to be received as a result of property growth in 2016/17) and the subsequent knock-on this has to the Tax Base, as well as changes in the performance of the collection fund.
- 4.3 Appendix 2 has been updated to take into account higher than originally anticipated costs of pay award (due to the increase to 2% and £8.50 minimum pay point), higher forecast interest earnings as a result of the movement in the base rate, new income generated from the purchase of an investment property and other minor adjustments.
- 4.4 The December report set out a balanced budget for 2018/19. Despite the added pay award pressures since then, the revisions that have occurred do not alter this overall position.
- 4.5 **Planned use of Reserves**
- 4.5.1 The projected year 2 sum for the 'ICT Protect and Maintain Service Delivery' project plan, in accordance with the Council's strategy will be financed through the use of reserves and so do not form part of the base budget. These projects are included within the overall Asset Maintenance and Replacement Programme included as appendix 3. Of the £750k ICT sum 83% is chargeable to the General Fund, and 17% to the HRA. This 3 year budgeted sum was approved during the setting of the 2017/18 budget.
- 4.5.2 As explained further in section 6 of this report, the Community Overview and Scrutiny Panel are recommending one-off 'Construction Grant' awards totalling £80,540 for 2018/19. In line with established financing arrangements, these awards will be funded via the use of reserves.
- 4.5.3 Other than the use of reserves as outlined above, the Council's successful efficiency programme and the generation of additional income has resulted in a balanced budget being set for 2018/19, despite the significant reduction in settlement resources, without requiring draw down from the General Fund Reserve.
- 4.6 **Summary of 2018/19 Proposals and the Medium Term Plan**
- 4.6.1 The General Fund net budget requirement for 2018/19 will be £17.243m (appendix 4a & 4b), an increase of £656k on the 2017/18 budget requirement.

- 4.6.2 Net Savings and improved income generation totalling £1.377m have absorbed pay and price increases across the Portfolios totalling some £1.130m, and have also made an important contribution towards offsetting the reductions in government resources. The residual required increase in Council Funding has been achieved by an increase in Council Tax.
- 4.6.3 The proposed central support service business unit budgets have been provided at appendix 4c. Due to their nature, these costs end up across several Portfolio's, and so warrant separate inclusion as part of this budget setting report.
- 4.6.4 Band D Council Tax will be £168.36, an increase of £5 (3.06%) from 2017/18 and the cost to be met by council taxpayers will be £11,889,752.
- 4.6.5 The Medium Term summaries set out over appendices 1 and 2 provide an outlook of the future years' budgets. It is clear that the Council will need to continue to evolve and deliver the financial strategy in order to close the challenging deficits currently forecast.

5. General Fund Capital Programme and Financing

- 5.1 The Council's proposed General Fund Capital Programme for 2018/19 totals £7.673m. The detail at project level and the proposed financing for the 2018/19 programme is detailed in appendix 5.
- 5.2 The Capital programme includes two significant projects to be funded by NFDC reserves / capital receipts, spanning 2-3 years;
 - Development of Council owned land at Hardley Industrial Estate into a new Depot
Land owned by the Council at the Hardley Industrial Estate has been identified as a suitable alternative depot site to Claymeadow, which for some time has been operating unsatisfactorily. The construction of a new modern depot facility will require detailed plans subject to usual planning permissions and an application for the suitable operating licence. A proportion of the Hardley site will also be leased to a third party. This, and the value of the land released at Claymeadow will generate a valuable income to the Council. Communication will commence with staff currently working from Claymeadow and will continue as the project develops. The funding included within the programme is indicative at this stage, and most importantly includes an element of funding in the 2018/19 financial year for the feasibility and preparatory works, before the full business case can be prepared and brought back to Cabinet for final approval.
 - Improved flexible working and utilisation of technology to improve efficiency and become an employer of choice; 'Smarter Working'
The programme includes an indicative sum over each of the next 3 years in order to achieve the desired outcome of Smarter Working. This concept will focus on the employees being able to work remotely, utilising technology that is common place in the private sector, and also used by many other local authorities. One of the significant financial benefits of Smarter Working will be the Council's ability to downsize its office estate. The funding included within the programme is indicative at this stage, and most importantly includes funding in the 2018/19 financial year for the feasibility and preparatory works, before the full business case can be prepared

and brought back to Cabinet for final approval.

- 5.3 A range of Prudential Indicators need to be approved prior to the start of each financial year. Indicators for the Treasury Management function and Investment Strategy for 2018/19 to 2020/21 were considered by the Audit Committee on 26 January 2018 and have been recommended to the Council for approval. The indicators included within appendix 6 relate to the Capital Programme. The Cabinet is asked to consider the indicators and recommend them to Council for approval.

6. Committee and Overview Panel Comments / Recommendations

- 6.1 The Corporate Overview and Scrutiny Panel (COSP) met on 18 January 2018 and have adopted the Budget Task and Finish Group recommendations that:

- a) measures be brought forward in a timely manner to eliminate the £600k deficit relating to Leisure Centre provision, either through private provision, through a charitable trust, or other means, perhaps identified by consultants, (subject to clear objectives at the outset on elimination of the deficit);
- b) ways to seek additional funding for CCTV be revisited;
- c) a Homelessness Task and Finish Group be created;
- d) the Council continue to work with CANF on Universal Credit;
- e) regular updates be brought to Corporate Overview and Scrutiny Panel on progress with partnership / collaborations, in particular the Planning function, with the NPA (or other authorities if no progress can be made), with positive timelines and definitive plans;
- f) the Council investigates other optional future waste management strategies, to seek greater efficiencies;
- g) efforts be made to enhance education on recycling, and to increase performance on recycling rates;
- h) a report be brought to Corporate Overview and Scrutiny Panel on the pension deficit and options on how this might be tackled;
- i) That a plan for smarter working be submitted to Corporate Overview and Scrutiny Panel.
- j) That measures to improve competitiveness of the Building Control function through use of new technology be investigated; and
- k) That an update report on progress with the Transportation function SLA with HCC be submitted to the relevant overview and scrutiny panel

- 6.3 The Community Overview and Scrutiny Panel met on 16 January 2018 and makes the following recommendations (as per report 4 on this Cabinet agenda):

- a) Grant awards totalling £218,020 be made (with £80,540 being one-off grants funded via reserves).

7. Stillwater Park

- 7.1 Annually, the Cabinet recommends to Council the proposed Fees and Charges increase for the licence fees and service charges at Stillwater Park.
- 7.2 In line with previous years, the level of increase being proposed is in line with September RPI inflation, equivalent to 3.9%.

8. Risk Management

- 8.1 The budget for 2018/19 is based upon best estimates, but there still remains some uncertainty, particularly surrounding the on-coming Business Rate retention scheme (in replacement of all other central funding) and the continuing uncertain economic climate.
- 8.2 The Council provides regular financial monitoring reports, providing valuable updates on the latest forecasts as against original expectations and has £3m in the General Fund Reserve, available to support service delivery budgets. Within this context, the budget as now presented to Cabinet is considered to be robust and deliverable.

9. Crime and Disorder / Equality and Diversity / Environmental Implications

- 9.1 There are no direct implications as a result of this report.

10. Portfolio Holder Comments

- 10.1 I endorse the content of the report and am pleased that significant savings continue to be delivered. These actions enable the Council to both fund the annual increases in costs and make a significant contribution towards the reductions in central government funding that helps keep the increase in cost to taxpayers to less than 10p a week and maintains core services like refuse collection. Over the medium term there is still considerable work to be done taking into account the current forecasts.
- 10.2 Cabinet response to Budget Task & Finish Group recommendations;
- a) Plans are being developed by Management to address the £600,000 operating deficit. A T&FG is being established to look at how best to maintain the standards of Council facilities going forward, through alternative operating models.
 - b) the Portfolio Holder for Community has agreed to produce a report on a review of the benefits of the CCTV service going forward. This will be presented for consideration by the Community Overview and Scrutiny Panel during 2018/19.
 - c) The Portfolio Holder for Housing is in the process of developing a homelessness strategy that will be considered for adoption in 2018/19 in accordance with the new Corporate Framework.
 - d) CFNF - Agreed
 - e) Aware that the Chief Executive and officers are engaging with the NPA on areas of Partnership and collaborative working – any developments here, and with others will report back to Cabinet.
 - f) The new waste and recycling manager will start early February, and will work closely with the Portfolio Holder with the development on a wider environmental strategy for the district, as set out within the new Corporate Framework.
 - g) See (f) above
 - h) The HCC annual review of Pension fund performance will be shared with COSP.
 - i) As covered earlier in this report, a business case on 'smarter working' will be prepared and presented to COSP.

- j) Building Control are working with ICT on a review into how best utilise technology in an attempt to maintain, or potentially grow their market share. An update on this service will be reported during 2018/19.
- k) The Portfolio Holder for Planning and Infrastructure will produce a report with reference to Transportation matters during 2018/19 to the Environmental Overview and Scrutiny panel.

11. Recommended

Cabinet is asked to recommend to Council that:

- 11.1 there is a General Fund Net Budget Requirement in 2018/19 of £17,243,480 as set out in appendix 4 to this report, including use of reserves to finance the ICT protect and maintain frontline services projects, and one-off construction grants as set out in appendix 3;
- 11.2 the site licence fees and service charges at Stillwater Park be increased by 3.9% in line with RPI inflation;
- 11.3 the Band D Council Tax for 2018/19 shall be £168.36;
- 11.4 the General Fund Capital Programme for 2018/19 of £7.673m, as set out in appendix 5 to this report be approved; and
- 11.5 that each of the prudential indicators, the Limits for 2018/19 to 2020/21 and the Minimum Revenue Provision Policy Statement as set out in Appendix 6 to the report be approved and adopted.

For Further Information Please Contact:

Alan Bethune
Service Manager – Finance & Audit
Telephone: (023) 8028 5588
E-mail: Alan.Bethune@nfdc.gov.uk

Background Papers:

MTFP – October 2017
MTFP – December 2017

MEDIUM TERM FINANCIAL PLAN 2017-2022

FUNDING

	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000's	£'000's	£'000's	£'000's	£'000's
Business Rates Baseline	3,733	3,853	4,306	4,392	4,480
Business Rates Above Baseline	456	1,175	0	0	0
Revenue Support Grant	723	92			
New Homes Bonus	1,490	695	350	76	62
Transition Grant	111				
Total Government Determined Resources	6,513	5,815	4,656	4,468	4,542
Council Tax					
Base from Previous Year		11,675	12,126	12,184	12,242
Collection Fund Surplus		22			
Base Line Adjustment		76	58	58	58
£5 increase		353			
Total Council Tax	11,675	12,126	12,184	12,242	12,300
TOTAL FUNDING	18,188	17,941	16,840	16,710	16,842
Cumulative Reduction		247	1,348	1,478	1,099
%age reduction		1%	7%	8%	6%

MEDIUM TERM FINANCIAL PLAN 2017-2022

SUMMARY OF BUDGET MOVEMENTS

	2018/19 £'000's	2019/20 £'000's	2020/21 £'000's	2021/22 £'000's
Budget Requirement 2017/18	18,188	18,188	18,188	18,188
Pay & Price Increases				
Pay Award (2% and £8.50 18/19 / £9.00 19/20 min)	430	489	447	456
Increments	149	152	155	158
NFDC Pay & Reward Review - £8 min	181			
Pension Contributions	250	260	210	50
Prices (Utilities, Fuel & Maint.)	120	100	100	100
Cumulative Pay & Price Increases	1,130	2,131	3,043	3,807
Ongoing Savings Analysis				
Budget Stabilisation Strategy	-482	-230		
Car Parks Fees and Charges	-480			
Interest Earnings	-330			
Development Control Income	-180			
Commercial Property Investment	-50	-40		
Delivery Plan Reviews	-90			
HLC Fees & Charges	-50			
Income from Development projects	-27	-30	-30	
Pre-app Fees and Charges	-25			
Tourism Review	-18	-25	-25	
Asset / Equipment Resources	-29	-351		
Community Grants Reduction	-12			
	-1,773	-676	-55	0
Cumulative Savings	-1,773	-2,449	-2,504	-2,504
New Budget Requirements				
Strategy Implementation Resources	100			
Car Parks Maintenance	93			
Land Searches Income	75			
Reduction in Housing Benefit Grant	42			
Other	86			
	396	0	0	0
Cumulative Requirements	396	396	396	396
TOTAL BUDGET REQUIREMENT	17,941	18,266	19,123	19,887
Total Funding Available (as above)	17,941	16,840	16,710	16,842
Estimated Cumulative Surplus / Shortfall (-)	0	-1,426	-2,413	-3,045
£5 Council Increase				
£5 Council Increase		356	356	356
£5 Council Increase			359	359
£5 Council Increase				363
£5 PA Council Increase	0	356	715	1,078
Estimated Cumulative Surplus / Shortfall (-)	0	-1,070	-1,698	-1,967

Reserves Supporting the MTFP
General Fund Balance

3,000 3,000 3,000 3,000

ASSET MAINTENANCE & REPLACEMENT PROGRAMME

	£'000's 2017/18	£'000's 2018/19	£'000's 2019/20	£'000's 2020/21
Asset Maintenance				
Health & Leisure Centres	643	491		
Offices, Depots & Outlying Buildings (inc. Toilets)	300	540		
Other Property Including Open Space	150			
	1,093	1,031	-	-
Asset Replacement				
ICT Replacement Programme	165	250		
Health & Leisure Equipment Replacement	91	49		
	256	299	-	-
V&P; Deferred Expenditure (Depreciation / MRP)	1,139	1,156		
Non-Core Project Fund		201		
Rephased Budget from previous year		-	200	
Less: Proportion allocated to HRA	-	108	-	136
Third Party Contribution				
Total Revenue Programme	2,380	2,351	-	-
Budget Available	2,380	2,351	2,000	2,000
Variance	-	-		
Business Development and Third Party Grants				
Leisure Business Development	295			
ICT Maintain & Protect	500	750	250	
Community Grants - 'One-off Construction'	71	81		
Less: Proportion allocated to HRA	-	87	-	127
			42	
Total Reserve Funded Programme	779	704	208	-

SUMMARY OF NET BUDGET REQUIREMENTS WITH FINANCE

	£'000's 2017/18 Budget	£'000's 2018/19 Gross Expenditure	£'000's 2018/19 Income	£'000's 2018/19 Budget
PORTFOLIO REQUIREMENTS				
Community Affairs	1,359	2,060	-520	1,540
Environment and Regulatory Services	9,354	12,698	-3,222	9,476
Finance, Corporate Services and Improvement	4,704	50,999	-46,139	4,860
Housing Services	1,522	3,897	-2,292	1,605
Leader and Corporate Affairs	44	42	0	42
Leisure and Wellbeing	2,510	8,656	-6,582	2,074
Local Economic Development, Property and Innovation	43	659	-563	96
Planning and Infrastructure	888	6,367	-5,662	705
	20,424	85,378	-64,980	20,398
Asset Rental Income	-2,037	0	-2,037	-2,037
Contribution to/(from) Earmarked Revenue Reserves	-938	86	-977	-891
NET PORTFOLIO REQUIREMENTS	17,449	85,464	-67,994	17,470
Minimum Revenue Provision	1,139	1,198	0	1,198
Interest Earnings (Net)	-400	0	-730	-730
New Homes Bonus	-1,490	0	-695	-695
Other Grants	-111	0	0	0
GENERAL FUND NET BUDGET REQUIREMENTS	16,587	86,662	-69,419	17,243
COUNCIL TAX CALCULATION				
Budget Requirement	16,587	86,662	-69,419	17,243
Less:				
Settlement Funding Assessment				
Revenue Support Grant	-723	0	-92	-92
Business Rates Funding Target	-3,733	22,751	-26,604	-3,853
	-4,456	22,751	-26,696	-3,945
Locally Retained Business Rates	-802	802	-1,716	-914
Estimated Collection Fund (Surplus)/Deficit Business Rates	346	0	-258	-258
Estimated Collection Fund (Surplus)/Deficit Council Tax	-214	0	-236	-236
COUNCIL TAX	11,461	110,215	-98,325	11,890
TAX BASE NUMBER OF PROPERTIES	70,155.20			70,621.00
COUNCIL TAX PER BAND D PROPERTY	163.36			168.36
GENERAL FUND BALANCE 31 MARCH	£3M			£3M

ANALYSIS OF GROSS PORTFOLIO REQUIREMENTS

	Employees	Premises	Transport	Supplies and Services	Support Services	Capital Charge	Gross Expenditure	Income	Budget
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
2018/19									
Community Affairs	994	132	3	744	187	0	2,060	-520	1,540
Environment and Regulatory Services	6,973	1,286	2,201	914	608	716	12,698	-3,222	9,476
Finance, Corporate Services and Improvement	5,189	57	21	45,389	343	0	50,999	-46,139	4,860
Housing Services	1,204	168	1	2,298	226	0	3,897	-2,292	1,605
Leader and Corporate Affairs	15	0	0	25	2	0	42	0	42
Leisure and Wellbeing	5,372	2,026	1	765	461	31	8,656	-6,582	2,074
Local Economic Development, Property and Innovation	358	42	0	190	68	1	659	-563	96
Planning and Infrastructure	3,737	1,225	0	736	643	26	6,367	-5,662	705
	23,842	4,936	2,227	51,061	2,538	774	85,378	-64,980	20,398
2017/18									
Community Affairs	984	65	0	667	167	0	1,883	-524	1,359
Environment and Regulatory Services	6,920	991	2,437	876	547	716	12,487	-3,133	9,354
Finance, Corporate Services and Improvement	5,138	42	21	45,312	302	0	50,815	-46,111	4,704
Housing Services	1,056	93	14	2,021	168	0	3,352	-1,830	1,522
Leader and Corporate Affairs	16	0	0	25	3	0	44	0	44
Leisure and Wellbeing	5,188	2,203	1	1,122	374	31	8,919	-6,409	2,510
Local Economic Development, Property and Innovation	266	1	0	188	40	1	496	-453	43
Planning and Infrastructure	3,503	1,109	0	748	544	26	5,930	-5,042	888
	23,071	4,504	2,473	50,959	2,145	774	83,926	-63,502	20,424

CENTRAL SUPPORT SERVICE BUSINESS UNITS

	Employees	Premises	Transport	Supplies and Services	Support Services	Capital Charge	Gross Expenditure	External Income	Budget
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
2018/19									
SA710 Democratic Services (728)	121	6	1	3	84	0	215	0	215
SA711 Electoral Services (730)	120	6	2	8	68	0	204	-5	199
SA720 Secretarial Services (724)	74	9	0	19	28	0	130	0	130
SA800 ICT (736)	1,067	46	10	39	134	0	1,296	-65	1,231
SA801 ICT Maint./Licences/Phones (738)	0	0	0	1,068	0	0	1,068	0	1,068
SA802 ICT Communications (740)	0	0	0	249	43	0	292	-24	268
SA811 The Design Room (734)	76	3	0	22	15	0	116	-6	110
SA820 Customer Services (732)	364	36	1	11	77	0	489	0	489
SA821 Courier (722)	26	0	11	0	3	0	40	0	40
SA830 Information Offices (731)	317	60	2	83	19	0	481	-7	474
SD874 Support Services (762)	172	17	0	10	36	0	235	0	235
SD876 Sundry Debtors (766)	74	5	0	18	7	0	104	-2	102
SD950 Accountancy (780)	408	16	2	12	68	0	506	-25	481
SE411 Internal Health and Safety (822)	128	5	3	23	8	0	167	0	167
SG610 Building Works - Office (956)	752	120	40	19	82	0	1,013	0	1,013
SG649 Site Officers (960)	120	8	0	1	19	0	148	0	148
SG670 Central Procurement (964)	132	6	1	13	46	0	198	0	198
SG710 Valuers (970)	218	4	3	20	39	0	284	0	284
SG731 Building Cleaning - Offices	62	0	0	2	20	0	84	0	84
	4,231	347	76	1,620	796	0	7,070	-134	6,936

CAPITAL PROJECTS REQUIREMENTS WITH FINANCING

	Portfolio	PROJECT REQUIREMENTS £			2017/18 PROJECT FINANCING £			
		2018/19	2019/20	2020/21	Capital Resources/Loan	Better Care Fund	Grant	DC / CIL
Private Sector Renewal / Home Repairs	HS	100,000	100,000	100,000	100,000			
Disabled Facilities Grants	HS	770,000	910,000	1,030,000		770,000		
Social Housing Grant	HS	100,000	100,000	100,000	100,000			
Strategic Regional Coastal Monitoring	ENV&RS	1,675,000	1,589,000	1,495,000			1,675,000	
Barton Drainage Test	ENV&RS	50,000	150,000				50,000	
Eling Tide Mill	L&W	669,000			77,000		592,000	
HARDLEY; New Depot Site	F,CS&I	1,500,000	2,000,000		1,500,000			
HARDLEY; Resurface rental site	F,CS&I	600,000			600,000			
V&P; Replacement Programme	F,CS&I	860,000	2,377,000	2,252,000	860,000			
Smarter Working	F,CS&I	500,000	1,500,000	1,500,000	500,000			
Sweatford Meadow	P&I	75,000			25,000			50,000
Open Space Schemes	P&I	585,000	600,000	600,000				585,000
Transport Schemes	P&I	189,000	175,000	175,000				189,000
TOTAL GENERAL FUND CAPITAL PROGRAMME		7,673,000	9,501,000	7,252,000	3,762,000	770,000	2,317,000	824,000
								7,673,000
LOAN FINANCED					-860,000			
CAPITAL RESOURCES					-200,000			
RESIDUAL NFDC RESOURCES					2,702,000			

This page is intentionally left blank

CABINET – 07/02/2018**CAPITAL PRUDENTIAL INDICATORS 2018/19 – 2020/21****1. Introduction**

- 1.1 Each year the Council approves a programme of Capital expenditure. Some of this expenditure will be supported by grants and contributions from the Government and other organisations; the remainder will be financed from the Council's own resources. If the expenditure cannot be financed from resources such as capital receipts, reserves or from direct revenue contribution, there will be an impact on the Council's underlying need to borrow.
- 1.2 The underlying need to borrow is called the Capital Financing Requirement (CFR).
- 1.3 The revenue consequences of capital expenditure funded by borrowing will need to be paid for from the Council's revenue resources. This is called the Minimum Revenue Provision (MRP) and is explained further in section 4.
- 1.4 The proposed three year programme is largely funded from existing resources and is therefore only subject to a low level of risk if external contributions turn out to be less than anticipated.
- 1.5 In 2012/13 the Council borrowed £142.7m to meet the requirement of the HRA reform. The second principal repayment of £4.1m is due in 2018/19.

2. Capital Expenditure

- 2.1 The summary capital expenditure projections and CFR are shown in the table below. A more detailed schedule of these projections is included within the two budget reports included on the Cabinet Agenda.
- * **This is the first prudential indicator** and the Council is asked to approve the summary projections as demonstrated in the following table:

Capital Expenditure and Financing	2017/18 Revised £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
Non-HRA	9,717	20,973	22,801	18,352
HRA	15,995	18,552	13,190	16,170
Total Expenditure	25,712	39,525	35,991	34,522
Financed By:				
Capital receipts	3,110	5,300	4,380	4,050
Government grants and contributions	5,089	4,261	3,597	3,373
Reserves	4,823	9,213	5,993	6,963
Revenue	9,091	9,416	9,169	9,169
Net Capital Financing Requirement	3,599	11,335	12,852	10,967

3. Capital Financing Requirement

3.1 Capital expenditure will impact directly on the overall CFR if there is a borrowing requirement. Generally any borrowing required to meet the Council's capital expenditure is met by using cash held in reserves rather than raising loans. This action is known as internal borrowing and is assumed for the continuing future.

3.2 The CFR is reduced by the amount of any provision that is made to repay the loan in the future, this is known as the MRP.

3.3 The cumulative net projections for the CFR at each yearend are shown below.

* **This is the second prudential indicator** and the Cabinet is asked to note the projections as below:

Capital Financing Requirement	2017/18 Revised £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
CFR - Non Housing	5,655	15,530	26,660	35,687
CFR - Housing	1,897	1,897	1,897	1,897
HRA settlement	138,604	134,504	130,404	126,304
Total CFR at year end	146,156	151,931	158,961	163,888
Movement in CFR from one year to next		5,775	7,030	4,927
For each year the movement in CFR is represented by				
Net Financing Need (Cap ex. Financed by Loan)	3,599	11,335	12,852	10,967
HRA Settlement	-4,100	-4,100	-4,100	-4,100
MRP Provision	-1,198	-1,460	-1,722	-1,940
Movement in CFR	-1,699	5,775	7,030	4,927

4. Minimum Revenue Provision

4.1 Where General Fund capital spend has been financed by loan (internal borrowing), and has increased the CFR, the Council is required to make a provision to repay a proportion of the accumulated amount each year. This amount is charged to revenue and is called the Minimum Revenue Provision (MRP). This charge reduces the CFR each year, and is based on the expected economic use period related to the capital expenditure.

4.2 Full Council is required to approve an MRP statement in advance of each financial year. The Council is recommended to approve the following MRP statement:

** “ For capital expenditure that has been incurred, and which has given rise to a CFR, the MRP policy for expenditure other than that incurred on investment property, shall be to charge revenue an amount equal to the depreciation of any asset financed by loan. The MRP policy specific to investment properties financed by loan, shall be to charge revenue an amount equivalent to the sum of borrowing utilised, over a repayment period of 40 years.”*

4.3 For Council Housing the Council has currently approved a business plan that will charge amounts to revenue to ensure that any borrowings are reduced in accordance with the maturity of the debt outstanding.

5. The Council’s Resources

5.1 The use of reserves to finance capital expenditure will have an impact on investment returns unless resources are supplemented each year from sources such as asset sales. The following table shows estimates of year end balances for each resource:

Estimated Year End Resources	2017/18 Revised £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
Capital Receipts	7,551	5,076	2,416	1,166
Capital Programme	11,607	8,180	3,035	0
Earmarked Reserves	17,689	11,903	11,055	7,127
Total Core Funds	36,847	25,159	16,506	8,293

5.2 The reduction over the period is principally due to the Council planning to utilise reserves to invest in commercial and residential property, in order to generate a much needed and valuable revenue return to the Council. The figures in the table are indicative only, and the appropriate mix of use of reserves, as opposed

to the use of wider cash balances for finance will be considered through Treasury Management.

6. Affordability Prudential Indicators

6.1 The previous sections cover the prudential indicators for capital expenditure and financing. This section assesses the affordability of the capital expenditure plans. These provide an indication of the impact of the capital programme on the Council's finances, but do not take into account any revenue returns generated by assets purchased; only the cost of the finance.

* **The Council is asked to approve the following indicators:**

6.2 Ratio of financing costs to net revenue stream;

6.2.1 The net revenue stream for the general fund is the amount of revenue expenditure which is met from government grant and council tax.

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs) against the net revenue stream.

The estimates of financing costs include the current commitments and the proposals in this budget report on this agenda.

6.2.2 The net revenue stream for the Housing Revenue Account is the amount of revenue expenditure, arising from the capital programme, which is met by rents.

6.2.3 The following table shows the cumulative incremental effect of the estimated financing cost, against the estimated net revenue stream. This assesses the increase in the cost of borrowing to the revenue account.

	2017/18 Revised	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Non – HRA	0.8%	2.1%	4.8%	7.0%
HRA (inclusive of settlement)	0.0%	(0.2%)	(0.3%)	(0.3%)

For Non-HRA the increase over the period reflects the additional MRP as a result of the repayment of internal borrowing, in the financing of the Council's property investment programme.

6.3 Estimates of the incremental impact of capital investment decisions on the Band D Council Tax;

- 6.3.1 This indicator shows the revenue costs associated with the proposed changes to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The indicator shows the impact on the Council Tax of the revenue implications of the capital programme in isolation from any other expenditure that may generate a revenue charge.

	Proposed Budget 2018/19	Forward Projection 2019/20	Forward Projection 2020/21
Change to Council Tax – Band D	3.24%	3.79%	3.22%
Change to Council Tax cost year on year	£5.29	£6.38	£5.59

6.4 Estimates of the incremental impact of capital investment decisions on housing rent levels;

- 6.4.1 The Council had adopted the Government's rent policy/guidance. As such the capital programme has no impact on rent levels.
- 6.4.2 The indicator below shows the cost of proposed changes in the housing capital programme, as recommended elsewhere on this agenda, expressed as a change in weekly rent levels if the Government's policy/guidance has not been adopted.

	Proposed Budget 2018/19	Forward Projection 2019/20	Forward Projection 2020/21
Change to Weekly Housing Rent Levels	£1.50	(£0.70)	£0.21

This page is intentionally left blank

CABINET - 7 FEBRUARY 2018

PORTFOLIO: LEISURE AND
WELLBEING

FUTURE FOREST RECREATION MANAGEMENT STRATEGY PARTNERSHIP CONSULTATION

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is for the Cabinet to note the content of the Findings Report and 'Next Steps' Report and confirm New Forest District Council's commitment to ongoing partnership working to help draft the new actions for the update to the Recreation Management Strategy 2010-2030.

2. CALL FOR VIEWS PUBLIC CONSULTATION

- 2.1 In March 2017 the Forestry Commission, Verderers of the New Forest, Natural England, New Forest District Council and Hampshire County Council agreed that the National Park Authority (NPA) should lead a 'call for views' public consultation on a review of the New Forest National Park Recreation Management Strategy 2010-2030. These six organisations all have a remit for managing recreation in the National Park and have representatives on the Recreation Management Strategy Steering Group.
- 2.2 All the background information, consultation questions and publicity was prepared with the support of the RMS Steering Group organisations.
- 2.3 The online Future Forest consultation ran from 19 June to 13 August 2017 and attracted responses from 1,502 individuals and 52 organisations.
- 2.4 A new and updated suite of focused actions is needed so that, across the National Park and beyond, we can achieve a net gain for the working and natural landscape and for the recreational experience, by:
 - protecting the spectacular, yet fragile, wildlife-rich landscape that people come to see;
 - managing recreation for local people and our visitors.

We also need to use limited resources wisely.

- 2.5 All this can only be achieved by taking a wide geographical approach to recreation management, stretching from the central areas that have extensive public access and commoning, through the outer areas of the National Park where public access is more restricted (e.g. to rights of way and specific sites) and on into surrounding areas where many people live.

3 ANALYSIS OF CONSULTATION RESPONSES AND NEXT STEPS

- 3.1 With advice from Hampshire County Council's Insight and Engagement Unit and in liaison with the RMS Steering Group, officers from all the partner organisations as

identified have analysed the responses and prepared two reports. These are a Findings Report (**Appendix 1**) and a 'Next Steps' Report (**Appendix 2**).

- 3.2 As the reports show, the consultation delivered a wealth of comments and suggestions, providing both a useful picture of the views about recreation management of those who participated and a useful first step in the engagement of the public and stakeholders in the development of the update to the 2010 strategy.
- 3.3 Both reports are for publication when the organisations on the Steering Group have noted their content and confirmed their commitment to ongoing partnership working.

4 DRAFTING THE UPDATE TO THE 2010 STRATEGY

- 4.1 The 'Next Steps' Report as identified in Appendix 2 summarises how the Steering Group believes the update to the 2010 Strategy could be progressed in partnership, and structured as a jointly owned plan. Drafting the new suite of actions will need careful liaison between key stakeholders.
- 4.2 It is anticipated that the proposed actions will be subject to public consultation during the summer of 2018.
- 4.3 When confirmed it is likely that, in the spirit of true partnership, there will be actions where the NPA should take the lead and others where it should assist.

5. FINANCIAL IMPLICATIONS

- 5.1 There are no ongoing financial implications for the District Council at this stage.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 The aim of the revised plan is to achieve a net gain for the working and natural landscape and for the recreational experience by:
 - protecting the spectacular, yet fragile, wildlife-rich landscape that people come to see;
 - managing recreation for local people and our visitors.

7. CRIME AND DISORDER IMPLICATIONS

- 7.1 None

8. EQUALITY AND DIVERSITY IMPLICATIONS

- 8.1 None

9. PORTFOLIO HOLDER'S COMMENTS

- 9.1 I support the report and the recommendations contained within. We of course are prepared to be an active partner in this process and will consider our strategies for recreation once the Recreation Management Strategy update has been published.

10. RECOMMENDATIONS

- 10.1 That the Cabinet note the content of the Findings Report and 'Next Steps' Report and confirm New Forest District Council's commitment to ongoing partnership working to help draft the new actions for the update to the Recreation Management Strategy 2010-2030.

For further information contact:

Colin Read
Executive Head of Operations
Tel: 02380 285588
E-mail: colin.read@nfdc.gov.uk

Background Papers:

Attached

This page is intentionally left blank

This is a draft document that has not yet been approved by the Recreation Management Strategy Steering Group. When the organisations represented on the Steering Group have noted its content and confirmed their commitment to ongoing partnership working to help draft the new actions for the update to the Recreation Management Strategy 2010-2030, it will be jointly published, along with a 'Next Steps' Report that describes initial thoughts on how the responses will be used to inform the update to the Recreation Management Strategy.

Add all six logos / cover page before publication

Future Forest Recreation Management Strategy consultation Findings Report

Insert date

High-level findings of what people said in the Future Forest call for views Recreation Management Strategy consultation carried out in summer 2017.

Summary

This report sets out who was consulted as part of the Future Forest 'call for views' public consultation held over the summer of 2017, describes how they were consulted and summarises the main findings.

A separate 'Next Steps' Report gives some initial early thoughts on how the comments received might inform actions within an update to the New Forest Recreation Management Strategy 2010-2030 (the 2010 Strategy).

1 Managing recreation in the New Forest

The New Forest is a working landscape with a long and proud history that dates back almost 1,000 years. The central area of heathland, mire and woodland is well known for the commoners' animals that have shaped what is known as the open Forest, and there are extensive enclosed plantations from which timber is harvested. This area has multiple international designations for its wildlife habitats and rare species, as has the coast. Surrounding and in between the designated areas you can find farmland, nature reserves and villages – 35,000 people live within the National Park and many more live and work nearby.

The New Forest also attracts many people, both local and from further afield, to enjoy outdoor activities. In 2005, it was estimated that there are 13.5 million visitor days to the National Park each year. Of these, 60% relate to day-visitors (many very local in origin) and 40% to staying visitors; they are spread across the whole of the National Park, including within the central area described above. In part because it is the smallest of the UK national parks, it has one of the highest population densities and concentrations of visitors (exceeded only by the South Downs on both counts).

This volume of activity brings significant health and well-being benefits, supports the local economy and helps people to experience and thereby value the special qualities of the area. However, there are also negative impacts on the New Forest environment, and on those who work and live in the area and the current facilities weren't designed for their current level of use – which looks set to increase even further.

The 2010 Strategy was produced following extensive public consultation; it has 61 'priority actions' aimed at managing recreation, grouped under 15 topics.

A new and updated suite of focused actions is now needed so that, across the National Park and beyond we can achieve a net gain for the working and natural landscape and for the recreational experience, by:

- protecting the spectacular, yet fragile, wildlife-rich landscape that people come to see;
- managing recreation for local people and our visitors.

We also need to use limited resources wisely.

The Forestry Commission, Natural England, Hampshire County Council, New Forest District Council, Verderers and New Forest National Park Authority (NPA) therefore jointly decided that it is time to produce an update to the 2010 Strategy and they asked the NPA to lead on the consultation. The views and knowledge of the public and relevant organisations are key to this work, hence the consultation.

2 How the consultation was run and analysed

The Future Forest 'call for views' public consultation was held over the summer of 2017. It was an open consultation exercise which enabled anyone who wished to contribute to have their say about the management of recreation in the New Forest. Responses could be submitted through an online response form, available at www.newforestnpa.gov.uk/futureforest and by paper version. Unstructured responses sent through other means, such as email or as written letters, and received by the consultation's close were also accepted.

There were 1,554 responses, mostly through the online response form – from 1,502 individuals and 52 organisations and groups. Responses from organisations and groups highlighted similar issues to those mentioned by individuals, so all of the responses were combined in the same database for the purpose of analysis and this report.

Managing recreation in the New Forest is complex, and the six organisations responsible for the consultation wanted to learn what people thought *and why*, not just offer some options and ask respondents to vote for the best. So, although respondents were asked to choose up to six of the 15 recreation management topics identified in 2010 that they thought should be prioritised in the future, they were then asked to explain *why* they had made their choices and to give additional comments.

During the New Forest Show visitors to the NPA stand were asked to engage in a 'taster' consultation. 420 respondents were asked to choose just two high priority topics each by sticking coloured dots against the 2010 list of topics, red for respondents who lived inside the National Park and blue for those who live further afield. This taster exercise also helped encourage respondents to participate in the online consultation.

Other publicity included drop-in promotion in villages and leisure centres, news releases, social media, the NPA e-newsletter, talks at various forums and e-mails direct to local authorities, town and parish councils and other local organisations.

Comments have been analysed and included in this report where they most directly related to recreation management and if they were mentioned by more than a handful of respondents.

The analysis only takes into account actual responses; where 'no response' was provided to a question, this was not included in the analysis.

No attempt was made to limit participation in the consultation to a balanced and representative sample survey approach of the local (or wider) population. However, the consultation delivered a wealth of comments and suggestions, providing both a useful picture of the views about recreation management of those who participated and a useful first step in the engagement of the public and stakeholders in the development of the update to the 2010 strategy.

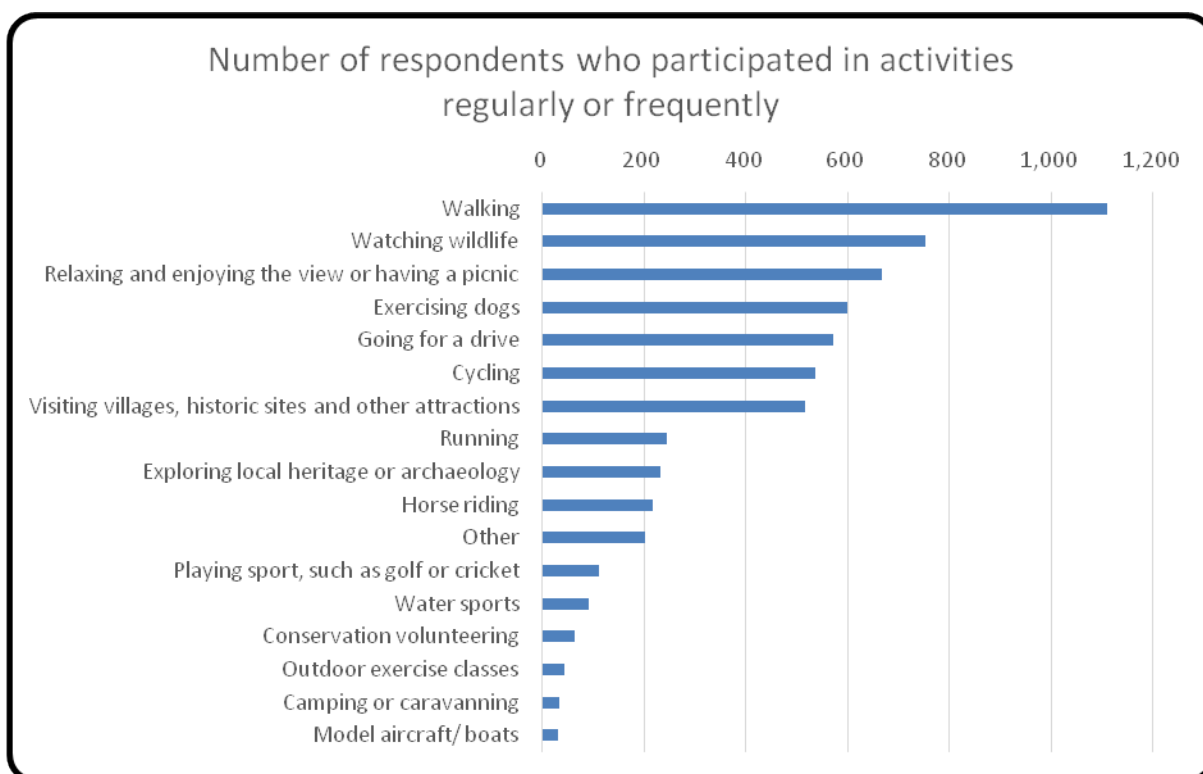
A separate 'Next Steps' Report gives some initial early thoughts on how the comments received during the consultation might inform actions within an update to

the 2010 Strategy. The update will be drafted during the first half of 2018 and be subject to further public consultation during the summer. Agreed actions and named organisations to lead on their delivery will then be published towards the end of 2018 or early in 2019.

DRAFT

3 Analysis of comments submitted

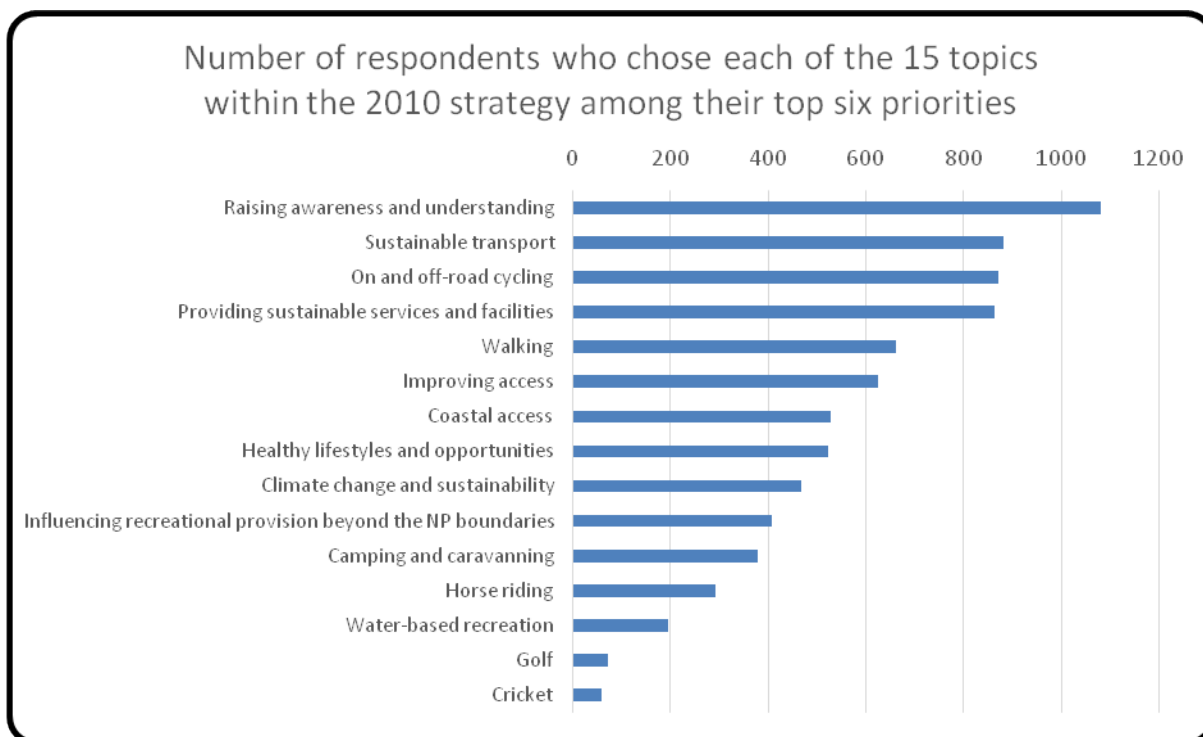
Which kinds of recreation are most popular?



The chart above shows that respondents most frequently participate in one or more of seven different recreational activities, with walking being the most popular.

The 'other' recreational activities most frequently mentioned were eating out, geocaching, photography and shopping.

Which of the 15 topics identified in the 2010 strategy did respondents think should be prioritised?



The chart above shows that respondents chose some of the topics within the 2010 Strategy more frequently than others, with raising awareness and understanding being the most popular.

Note that many respondents didn't use all their six choices (e.g. 56% chose six topics and 20% chose five). This accounts for the fact that the total of the choices shown above is far less than six times the total number of participants. Inevitably there were also small differences in the number of choices made by people who live in different locations, who are in different age groups or who have or do not have a disability – this accounts for a small part of the differences in the percentages shown in the tables about these topics towards the end of this report.

Which themes did respondents highlight in their comments?

The tables below summarise the analysis of the free-text comments received about each of the 15 topics in the 2010 strategy. They are presented in order of their popularity or 'rank' in the main consultation, followed by a similar analysis of additional comments received.

Data from the taster consultation at the New Forest Show are included for comparison, in italics. Note that the reasons why these respondents made their choices were not recorded, so the analysis of themes in the tables relates only to the main consultation.

In total, 7,080 free text comments were received. Many of these comments highlighted more than one 'theme'. For example, to explain why 'walking' had been chosen as a priority someone might say 1) that walking is good for improving our health, and 2) that they were concerned at the impacts on ground nesting birds.

Raising awareness and understanding	
Summary of 2010 actions provided: Raise awareness of how special the New Forest is and how and where to enjoy it without causing harm through improved education, promotion, campaigns, rangers and events.	
Results	
Number of respondents prioritising this topic in the main consultation	1,080
Rank for this topic, and percentage of respondents that chose it	1 (69%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>241</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>1 (57%)</i>
Number of respondents highlighting the following themes	
612	General support for the summary of the topic actions provided, frequently confirming that the New Forest is a special place and that through a range of ways the understanding of both visitors and local people should be increased, especially given the large number of people currently using it
209	Concern about safety and welfare of commoners' animals (feeding and petting the animals and road traffic accidents caused by poor driving), including asking for greater awareness about the role of commoners.
109	Concern about litter and fly-tipping
70	Concern about impacts on wildlife (especially ground-nesting birds)
69	Need for more staff or volunteers (e.g. rangers, staffed visitor centres, educational events and to enforce byelaws).
67	Concern about dogs, usually highlighting disturbance of wildlife or stock, or/and the importance of disposing of dog waste
56	Recognition that the New Forest is a working Forest that should not be treated or promoted as a country park or playground
46	Concern about off-network cycling, dangerous cycling and/or cycle events
43	Concern about a wide range of other specific issues. The following list gives a flavour of these concerns: fungi picking, illegal use of drones or motorcycles, wild camping, gates left open, vandalism, parking on protected verges (verge parking), excessive noise, digging up plants, fireworks, events, feeding swans in Lymington and wearing flip-flops (with associated risk of catching Lyme disease from ticks).
31	Need to work with children and young people (e.g. through schools).
27	Concern about damage by barbecues and camp fires
21	Need for greater two-way understanding between user groups

Sustainable transport	
Summary of 2010 actions provided: Improve access by public transport to reduce traffic. Make Forest roads and crossing points safer for walkers, cyclists and horse riders.	
Results	
Number of respondents prioritising this topic in the main consultation	881
Rank for this topic, and percentage of respondents that chose it	2 (57%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>99</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>4 (24%)</i>
Number of respondents highlighting the following themes	
461	General support for the summary of the topic actions provided
191	Specific requests for more or cheaper buses or a park-and-ride system
69	Need to improve the cycle infrastructure (including through more off-road cycle paths)
67	Specific reference to difficult crossing points
65	Need to improve road safety (e.g. through lower speed limits and more enforcement)
55	Need to reduce animal accidents or danger to wildlife
44	Need to resolve specific routes with congestion or that are used as 'rat-runs'
39	Need to reduce traffic pollution (including noise)
36	Need greater understanding and tolerance between different user groups
16	Requests for better promotion of rail travel, an enhanced rail experience or that the Waterside railway should be reopened
7	Suggestions that some roads should be closed, that access to some areas should be by sustainable modes only or that there should be a congestion charge

On and off-road cycling	
Summary of 2010 actions provided: Improve the safety, connectivity and use of an agreed network of on and off-road cycle routes, linked to towns and villages, including agreement for some changes on Crown Lands managed by the Forestry Commission.	
Results	
Number of respondents prioritising this topic in the main consultation	872
Rank for this topic, and percentage of respondents that chose it	3 (56%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>137</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>2 (33%)</i>
Number of respondents highlighting the following themes	
320	Need for a more joined network of permitted off-road routes that will allow travel between villages, from residential areas onto the network and longer circuits – without the need to use dangerous roads. A wide range of gaps in the network was highlighted. Comments included the need for better signage and maps, and that improvements would reduce the tendency for cyclists to go off-network.
261	General support for the summary of the topic actions provided
107	View that cycling is a low-impact activity that improves health and wellbeing, brings economic benefits or results in fewer cars on road
107	Need to improve road safety, including through better road maintenance (e.g. of road edges), the addition of white lines or creation of cycle lanes, reducing the amount of traffic and through more considerate driving by motorists
96	Concern that cyclists should cycle more responsibly and courteously, and adhere to the Highway Code (on the road). Even those that wanted additional off-road routes frequently said that cyclists should stick to permitted routes.
70	Dislike of organised cycle events and the way in which they are managed, or simply that there are too many cyclists on roads
25	Desire for more adventurous off-road routes or facilities (whether on the open Forest or private land).

Providing sustainable services and facilities	
Summary of 2010 actions provided: Review and improve visitor facilities and car parking to reduce impacts on the most sensitive areas, reduce parking on verges and cover maintenance costs.	
Results	
Number of respondents prioritising this topic in the main consultation	863
Rank for this topic, and percentage of respondents that chose it	4 (56%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>111</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>3 (26%)</i>
Number of respondents highlighting the following themes	
293	General support for the summary of the topic actions provided
148	Need to reduce verge and gateway parking, including through enforcement. View that the problem is exacerbated by car park closures or/and could be helped by improved car parking.
110	Need to increase or improve car parking and associated facilities in less sensitive places (including around the edge of the National Park)
80	Need to provide better information (e.g. through signs, rangers or visitor centres) to clarify where parking is or isn't allowed and raise awareness of things like how special the New Forest is.
47	Should charge for car parking (perhaps free or cheaper for local people or frequent visitors)
43	Need for better maintenance of car park surfaces
37	Should reduce provision of car parking in sensitive areas
35	View that cycling, walking or using public transport to reach the New Forest is better than using cars
27	Should provide more bins (for litter and dog waste)
27	View that more toilets are needed
13	View that car parks should not be closed
12	View that car parking should remain free

Walking	
Summary of 2010 actions provided: Encourage private landowners to establish new walking routes on their land. Find ways to reduce the impacts of walking on sensitive wildlife. Provide better information and access to people with disabilities.	
Results	
Number of respondents prioritising this topic in the main consultation	662
Rank for this topic, and percentage of respondents that chose it	5 (43%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>89</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>5 (21%)</i>
Number of respondents highlighting the following themes	
209	General support for the summary of walking actions provided, and of the associated health benefits, frequently adding that it is a fundamentally good and enjoyable thing to do that has low impacts on the environment.
172	Support for proactively encouraging use of selected routes away from sensitive areas and for new routes on private land – provided this does not impact on farm stock or sensitive wildlife in these areas.
94	Need to reduce impacts on wildlife (e.g. by dogs) and commoners' animals (feeding them) – including through better information and education.
62	Need to improve or better maintain existing walking routes to encourage people to use them or to make them accessible to people with limited mobility and families.

Improving access	
Summary of 2010 actions provided: Develop a more joined up network of agreed routes and improve and promote use of them.	
Results	
Number of respondents prioritising this topic in the main consultation	624
Rank for this topic, and percentage of respondents that chose it	6 (40%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>51</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>7 (12%)</i>
Number of respondents highlighting the following themes	
221	General support for the summary of topic actions provided
92	View that off-road cycle routes should be extended and more joined up
77	Need to reduce impact on sensitive areas, erosion of route surfaces or the number of people who get lost.
73	Need to resolve road traffic issues (especially around Lyndhurst). (Note that although the specific actions for this topic within the 2010 strategy were targeted at <u>off-road</u> recreation routes (for walking, cycling and horse riding), the summary provided in this consultation was not explicit in this respect.)
62	Road safety concerns (often linked with comments about cycling) including difficult crossing points and getting between villages, campsites etc.
61	Requests for better maps, waymarking or other information to help and encourage people to explore the New Forest along the agreed routes
37	Need to improve access into the New Forest from neighbouring areas by foot, bike, horseback or public transport, e.g. so that people could leave their car at home
28	Need to improve walking routes (e.g. the condition of paths or bridges, and issues with mud or flooding).

Coastal access	
Summary of 2010 actions provided: Implement and promote the England Coast Path and associated access rights when the Government's consultation is complete and the route is confirmed.	
Results	
Number of respondents prioritising this topic in the main consultation	528
Rank for this topic, and percentage of respondents that chose it	7 (34%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>51</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>8 (12%)</i>
Number of respondents highlighting the following themes	
343	General support for the summary of the topic actions provided, frequently adding that they enjoy coastal walks and that the concept of allowing the route through private land was to be welcomed.
25	View that the path will bring health benefits and help people to better value the coast
23	View that the route will attract people away from more sensitive inland areas
18	View that there will be economic benefits, e.g. through increased tourism
17	Want or assume that there will be access along the route for cyclists and/or horse riders
16	Need to make sure there is no impact on farm animals or wildlife and that walkers are informed about these risks
12	Concerns about potential parking or maintenance problems, and requests that the path should be installed to a high standard of access in the first place
7	View that the path will or should be linked to other nearby rights of way, e.g. to create circular routes

Healthy lifestyles and opportunities	
Summary of 2010 actions provided: Enable young people, and people with disabilities, health needs or other disadvantages, to enjoy and benefit from the New Forest.	
Results	
Number of respondents prioritising this topic in the main consultation	524
Rank for this topic, and percentage of respondents that chose it	8 (34%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>51</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>9 (12%)</i>
Number of respondents highlighting the following themes	
315	General support for the summary of the topic actions provided, frequently adding that this was an obvious choice or that it is important that young people have positive experiences of the New Forest so that they will want to care for it in the future.
63	Need for better access or facilities to cater effectively for people with limited mobility (such as those with wheelchairs or mobility scooters) or for families with young children. Including specific mention that such facilities need not necessarily be within the open Forest. The need for access to the New Forest without the use of a car, for example for young people, was included in this theme.
24	View that organised activities would help engage these people who might not otherwise visit the New Forest, examples being inclusive cycling with adapted bikes, carriage driving schemes, and educational and wild play events.

Climate change and sustainability	
Summary of 2010 actions provided: Assess the impact that outdoor activities have on the environment and encourage people to adopt more sustainable practices, including public transport options where possible.	
Results	
Number of respondents prioritising this topic in the main consultation	468
Rank for this topic, and percentage of respondents that chose it	9 (30%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>49</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>10 (12%)</i>
Number of respondents highlighting the following themes	
189	General support for the summary of the topic actions provided
102	Need to reduce traffic and its associated pollution, improve public transport and increase cycling and walking
75	Frustration about the intensity and negative (unsustainable) impacts of various forms of recreation including cycling, dog walking, litter, jet skis and drones, erosion caused by verge parking and horse riding and animal accidents
30	Need for more information or better education to influence behaviour

Influencing recreational provision beyond the boundaries of the National Park	
Summary of 2010 actions provided: Work with neighbouring local authorities and influence their planning policies to create significant new and improved outdoor opportunities on the edge of the National Park to serve local communities.	
Results	
Number of respondents prioritising this topic in the main consultation	407
Rank for this topic, and percentage of respondents that chose it	10 (26%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	36
<i>Rank for this topic, and percentage of respondents that chose it</i>	11 (9%)
Number of respondents highlighting the following themes	
264	General support for the summary of the topic actions provided, frequently adding that this should help protect sensitive areas and improve health and wellbeing of local communities. Moors Valley was frequently mentioned as a good example of an existing facility that draws people away from the New Forest to engage in activities that would not be appropriate in more sensitive areas.
22	Requests for better access to the New Forest from nearby communities, through improved routes, car parking (near the perimeter) and public transport
22	View that new areas outside the National Park should cater for cycling activities
21	Potential for economic benefits and employment, for example through commercially viable recreation facilities on private land
16	View that new areas outside the National Park should cater for dog walkers
9	View that wildlife at new sites could benefit through use of green corridors and habitat management.

Camping and caravanning	
Summary of 2010 actions provided: Audit the campsite provision in the National Park: ensuring it keeps its appeal to visitors and benefits to the local economy while preventing and reducing negative impacts on the Forest.	
Results	
Number of respondents prioritising this topic in the main consultation	379
Rank for this topic, and percentage of respondents that chose it	11 (24%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	35
<i>Rank for this topic, and percentage of respondents that chose it</i>	12 (8%)
Number of respondents highlighting the following themes	
152	General support for the summary of the topic actions provided
47	Want better facilities or fewer restrictions, more camp sites or longer seasonal opening times
47	View that camping and caravanning bring benefits to the local economy
43	View that restrictions should be greater, that there should be fewer campsites, or that alternative sites should be found for those that are causing harm
10	Concern that current sites are too expensive
8	View that facilities should not be increased
8	Need to encourage people to walk, cycle or use public transport from campsites
7	View that more basic (wild) camping should be allowed

Horse riding	
Summary of 2010 actions provided: Improve safety for horse riders, the connectivity and condition of routes and promote high standards of paddock management	
Results	
Number of respondents prioritising this topic in the main consultation	292
Rank for this topic, and percentage of respondents that chose it	12 (19%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	78
<i>Rank for this topic, and percentage of respondents that chose it</i>	6 (19%)
Number of respondents highlighting the following themes	
91	General support for the summary of the topic actions provided
78	Need better understanding and respect for horse riders from other user groups, e.g. cyclists, motorists and dog walkers
55	Concern that roads are dangerous for horse riding
49	Calls for a range of access improvements for horse riding, e.g. more or better maintained bridleways and riding routes, improved gates and latches and parking
25	View that some paddocks should be better managed
14	Concerns about unnecessary interference in paddock management
12	View that horse riders need better 'education' (e.g. through a code of conduct to reduce damage to tracks)
9	Concerns about ragwort (either on private land or in public areas)

Water-based recreation	
Summary of 2010 actions provided: Enable people to understand and enjoy water-based activities on the coast without harming sensitive sites and species	
Results	
Number of respondents prioritising this topic in the main consultation	195
Rank for this topic, and percentage of respondents that chose it	13 (13%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	24
<i>Rank for this topic, and percentage of respondents that chose it</i>	13 (6%)
Number of respondents highlighting the following themes	
84	General support for the summary of the topic actions provided
50	Request that better information should be provided – to promote the activities, stress the risks involved (both safety, and negative impacts on tranquillity and the environment) and to encourage more responsible recreation
31	Concerns about litter or impacts on wildlife and habitats
14	Request that access to coastal sites should be improved (including for people with disabilities)
6	View that this topic should have included freshwater habitats as well as those on the coast

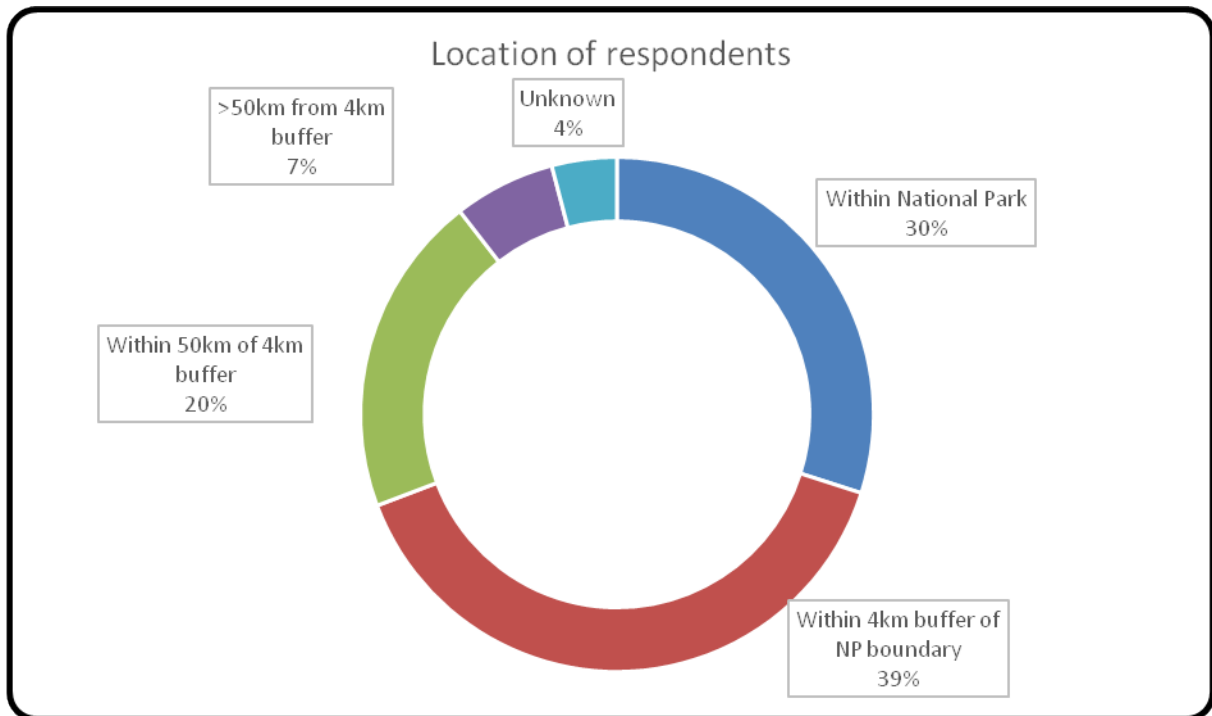
Golf	
Summary of 2010 actions provided: Help golf clubs manage their land to ensure related facilities fit well into the landscape.	
Results	
Number of respondents prioritising this topic in the main consultation	72
Rank for this topic, and percentage of respondents that chose it	14 (5%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	11
<i>Rank for this topic, and percentage of respondents that chose it</i>	15 (3%)
Number of respondents highlighting the following themes	
40	General support for the summary of the topic actions provided, including adding that golf is a healthy recreational activity to be encouraged.
9	View that golf course managers should have more freedom to manage the land with fewer restrictions
6	View that golf courses should be relocated or be more tightly restricted because they are unnatural or incompatible with management for wildlife
4	View that golf courses bring economic benefits
3	Concern that commoners' animals sometimes damage greens and fairways

Cricket	
Summary of 2010 actions provided: Help cricket clubs manage their areas with the environment in mind and ensure facilities complement the landscape	
Results	
Number of respondents prioritising this topic in the main consultation	58
Rank for this topic, and percentage of respondents that chose it	15 (4%)
<i>Number of respondents prioritising this topic at the New Forest Show</i>	<i>18</i>
<i>Rank for this topic, and percentage of respondents that chose it</i>	<i>14 (4%)</i>
Number of respondents highlighting the following themes	
32	General support for the summary of the topic actions provided, including commenting on the range of benefits of the sport to people
7	View that cricket pitch managers should have more freedom to manage the land with fewer restrictions
3	View that better advice on how to manage the pitches should be provided

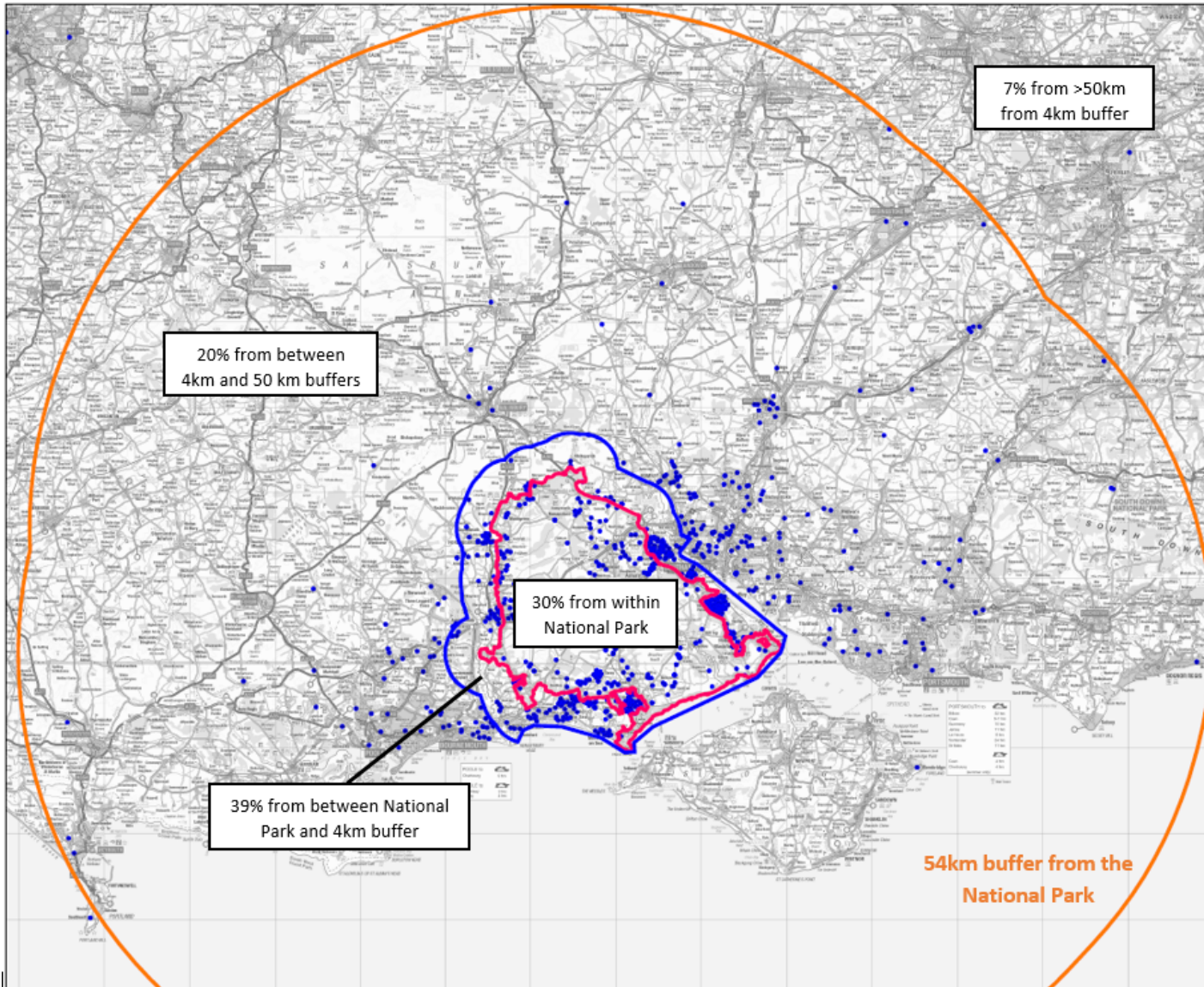
Additional comments	
Instruction provided: Please tell us if you have any other comments about how we can all enjoy outdoor activities and protect the New Forest.	
Results	
Number of respondents providing additional comments in the main consultation	982
The online software allowed much longer 'additional comments' than it did for the 15 priority topics. They are categorised under three broad headings, two of which have apparently opposing approaches.	
Education by instruction or encouragement	
384	View that people should be <i>told (or 'made')</i> to <i>change their attitudes and behaviour</i> to reduce their impact on the New Forest's environment, commoners' animals, wildlife and other people. The issues highlighted were frequently the same as those expressed under 'raising awareness and understanding' and a wide range of user groups or target audiences for education and enforcement were mentioned (tourists, local people, dog walkers, cyclists, car drivers, horse riders etc.).
263	View that <i>behaviour change should be achieved through a softer, positive and more welcoming stance</i> , the provision of more information and interpretation about the things that make the New Forest special, encouraging volunteering, promoting healthy and non-damaging activities and the encouragement of young people to learn about and experience the New Forest.
Managing access through improvements, changes to promotion or restrictions	
344	View that the demand for recreation should be managed or accommodated by <i>extending access, improving facilities or relaxing restrictions</i> , for example by joining up permissible routes, providing waymarking, enlarging car parks, providing more litter bins, improving visitor facilities and public transport, improving the maintenance of roads, building new roads such as a bypass for Lyndhurst, making crossing points safer, developing visitor 'gateways', providing and promoting new sites for recreation (especially outside of sensitive areas) or allowing more geocaching, drone or kite flying, fungi picking or mountain biking.
312	View that recreation should be managed through <i>increased restrictions</i> of one form or other: reduced access, closing car parks, roads, camp sites, golf courses or cricket pitches, putting dogs on leads, or not allowing model boats or aircraft, hunting, cycling or running events – and the National Park should not be promoted.
Covering the cost	
56	Views that additional funds need to be generated to cover the potentially large cost of implementing many of the requests listed above, including through charging for parking where it is currently free or charging for specific recreational activities.

4 Who took part in the consultation?

Where did the respondents live?



The consultation was open to anyone who wished to participate, and the use of social media, websites etc. could have attracted many respondents from a great distance away. However, the diagram above and following map show that a majority of consultation respondents live inside the New Forest National Park or within 4km of the boundary (69%). A significant number live between 4km and 50km from the boundary (20%), including Southampton and Bournemouth, leaving 7% who live further away (4% of respondents did not provide their postcode).



NEW FOREST NATIONAL PARK
New Forest National Park Authority
Lymington Town Hall
Avenue Road
Lymington
SO41 9ZG
Tel: 01590 648600
Fax: 01590 648606
Date Printed: 15/11/2017
Consultation Responses

Map illustrating location of respondents

N
SCALE: 1:430000

© Crown copyright and database rights 2017
Ordnance Survey 1000114703

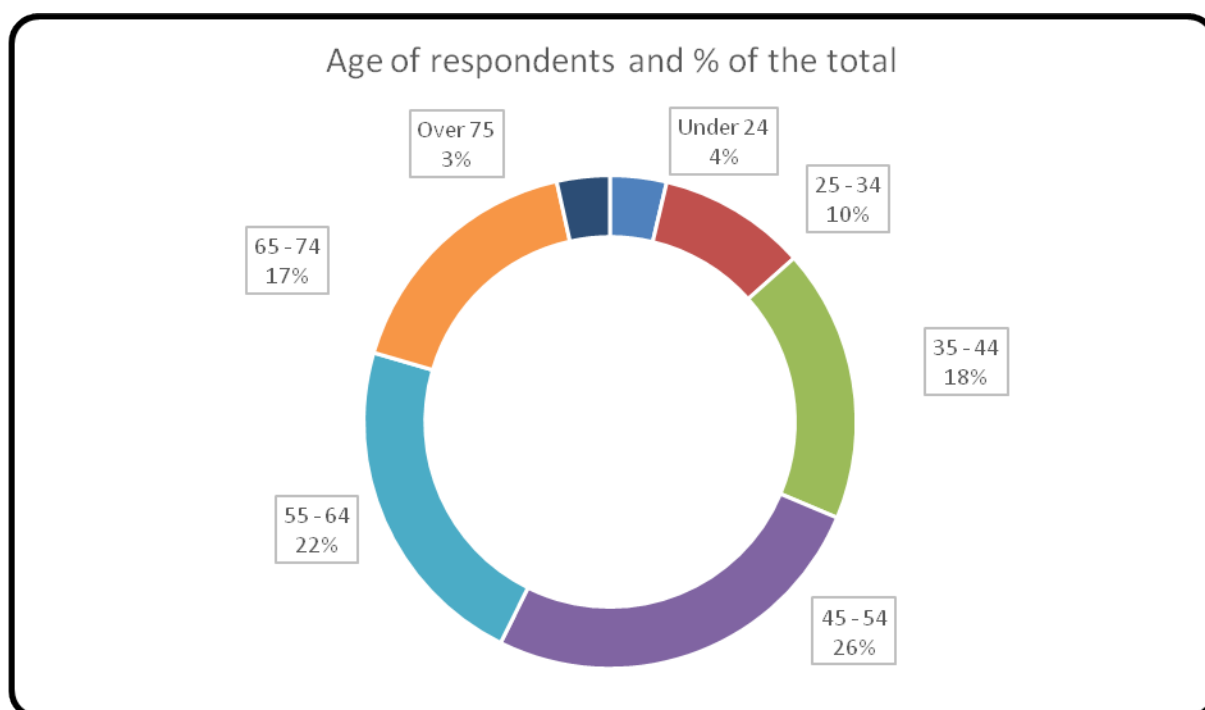
Did respondents' choice of priority topics depend on where they lived?

2010 priority topic	% of respondents from different locations that chose each of the topics among their top priorities				
	Within National Park	Between National Park and 4km buffer	Between 4km buffer and 50km buffer	>50km from 4km buffer	Unknown
Raising awareness and understanding	65%	58%	50%	46%	56%
Sustainable transport	52%	45%	43%	51%	30%
On and off-road cycling	49%	49%	46%	53%	44%
Providing sustainable services and facilities	47%	46%	41%	37%	46%
Walking	26%	36%	35%	36%	30%
Improving access	25%	34%	32%	35%	20%
Coastal access	19%	34%	30%	27%	24%
Healthy lifestyles and opportunities	22%	28%	23%	35%	26%
Climate change and sustainability	25%	23%	22%	27%	30%
Influencing recreational provision beyond the National Park boundaries	29%	17%	18%	12%	22%
Camping and caravanning	19%	19%	17%	29%	12%
Horse riding	19%	15%	10%	15%	20%
Water-based recreation	10%	11%	8%	5%	18%
Golf	5%	3%	2%	1%	4%
Cricket	5%	2%	2%	0%	6%

The table above suggests that for most topics, the opinions of respondents from different locations were broadly similar. However, people living within the National Park more frequently prioritised raising awareness and understanding, influencing recreational provision beyond the National Park boundaries, horse riding, golf and cricket than people living further afield. Conversely they less frequently chose walking, improving access and coastal access. More detailed analyses could be done if this is needed to further inform the update of the 2010 Strategy.

In the New Forest Show 'taster consultation' (using a different consultation methodology), respondents who lived within the National Park more frequently chose horse riding, sustainable transport and on and off-road cycling as high priority topics, in comparison to those who lived further afield.

What was the age distribution of respondents?



The diagram above shows that age groups of 35-44 years and above were well represented in the consultation, but that as is often the case with open consultations, fewer people in younger age groups took part.

Did respondents' choice of priority topics depend on their age?

Priority Theme	% of respondents from different age groups that chose each of the topics among their top priorities					
	Under 35	35 - 44	45 - 54	55 - 64	65 and above	Undisclosed
Raising awareness and understanding	46%	43%	56%	63%	63%	53%
On and off-road cycling	31%	47%	53%	54%	54%	36%
Sustainable transport	35%	40%	48%	55%	55%	37%
Providing sustainable services and facilities	31%	36%	47%	49%	49%	41%
Walking	21%	26%	30%	38%	38%	22%
Improving access	26%	29%	33%	31%	31%	29%
Healthy lifestyles and opportunities	25%	23%	25%	27%	27%	21%
Coastal access	17%	24%	27%	29%	29%	15%
Climate change and sustainability	29%	17%	25%	25%	25%	18%
Influencing recreational provision beyond the NP boundaries	15%	16%	18%	23%	23%	21%
Camping and caravanning	11%	18%	18%	20%	20%	19%
Horse riding	15%	8%	14%	23%	23%	11%
Water-based recreation	8%	9%	9%	9%	9%	7%
Golf	1%	2%	2%	2%	2%	6%
Cricket	2%	2%	1%	3%	3%	3%

The table above suggests that the opinions of respondents did depend in part on their age. For example, people aged under 35 years more frequently prioritised climate change and sustainability than older people. Conversely they less frequently chose camping and caravanning. More detailed analyses could be done if this is needed to further inform the update of the 2010 Strategy.

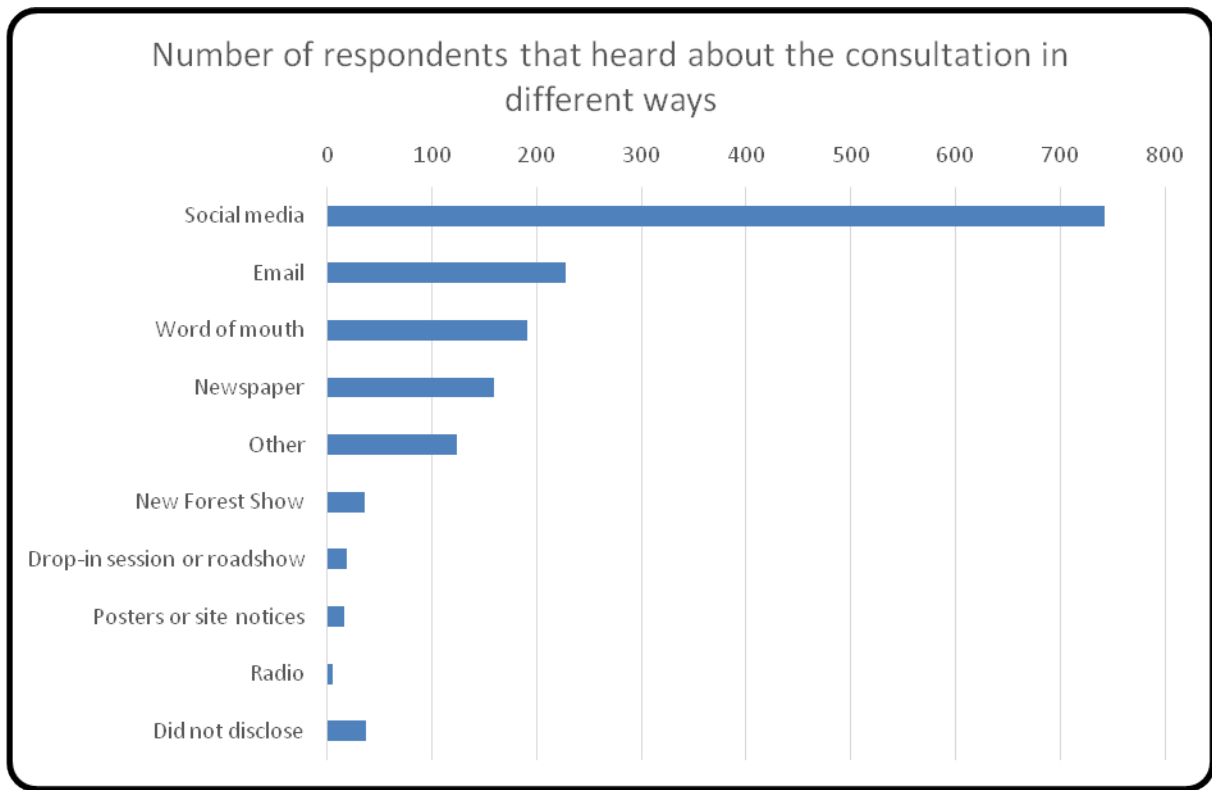
Did respondents' choice of priority topics depend on whether or not they had a disability?

The number of respondents who considered themselves to have a disability was 78, 5% of the total.

2010 priority topic	% of respondents with and without disabilities that chose each of the topics among their top priorities	
	Respondents who consider themselves to have a disability	Respondents who do not consider themselves to have a disability
Raising awareness and understanding	60%	70%
Sustainable transport	49%	59%
On and off-road cycling	47%	59%
Providing sustainable services and facilities	47%	57%
Walking	40%	44%
Improving access	33%	40%
Coastal access	32%	36%
Healthy lifestyles and opportunities	41%	33%
Climate change and sustainability	31%	31%
Influencing recreational provision beyond the NP boundaries	18%	26%
Camping and caravanning	22%	25%
Horse riding	23%	19%
Water-based recreation	10%	13%
Golf	4%	5%
Cricket	1%	4%

The table above suggests that respondents with and without disabilities may have different priorities, but the small sample size of people who consider themselves to have a disability makes it difficult to draw conclusions. Further analysis could be done if this is needed to better inform the update of the 2010 Strategy.

How did respondents hear about the consultation?



The chart above shows that respondents most frequently heard about the consultation through social media, followed by e-mail, word of mouth and newspapers.

The most frequently mentioned 'other' ways in which respondents heard about the consultation were Cycling UK newsletter, various websites and forums/meetings.

List of organisations that responded

52 responses from organisations or groups were received:

- Ashurst and Colbury Parish Council
- Beaulieu Estate and Beaulieu Enterprises Ltd
- Beaulieu Model Flying Committee
- Bramshaw Golf Club
- British Driving Society
- British Horse Society
- Brockenhurst Parish Council
- Burley Villa School of Riding
- Commoners Defence Association
- Countryside Education Trust
- Denny Lodge Parish Council
- Disabled Ramblers
- East Boldre Parish Council
- East Sussex Cyclists' Touring Club
- Exbury Gardens
- Fawley Waterside
- Friends of Brockenhurst
- Go New Forest CIC
- Godshill Parish Council
- Hale Parish Council
- Hampshire & Isle of Wight Wildlife Trust
- Hampshire Ornithological Society
- Hordle Parish Council
- Hyde Parish Council
- Hythe and Dibden Parish Council
- Minstead Parish Council
- Minstead Trust
- National Trust, New Forest
- Natural England
- Netley Marsh Parish Council
- New Forest Access Forum
- New Forest Activities
- New Forest Association
- New Forest Dog Owners Group
- New Forest Equestrian Association
- New Forest Equine Forum
- New Forest Ninth Centenary Trust
- New Forest Outdoor Centre
- New Forest Study Group
- New Forest Young Commoners
- New Milton Town Council
- Pokesdown Primary School
- Public Health, Hampshire County Council
- Sammy Miller Motorcycle Museum
- Shared Forest
- Solent Radio Control Model Boat Club
- Solent Radio Controlled Model Yacht Club
- Test Valley Borough Council
- The Forest Rambling Club
- Verderers of the New Forest
- West Hampshire CCG Get Hampshire Walking Steering Group
- Whiteparish Parish Council

This is a draft document that has not yet been approved by the Recreation Management Strategy Steering Group. When the organisations represented on the Steering Group have noted its content, and confirmed their commitment to ongoing partnership working to help draft the new actions for the update to the Recreation Management Strategy 2010-2030, it will be jointly published, along with a Findings Report which analyses what people said through the consultation.

Add all six logos / cover page before publication

Future Forest Recreation Management Strategy consultation 'Next Steps' Report

Initial ideas about what will be done in response to what people said through the Future Forest call for views Recreation Management Strategy consultation carried out in summer 2017.

Insert date

Summary

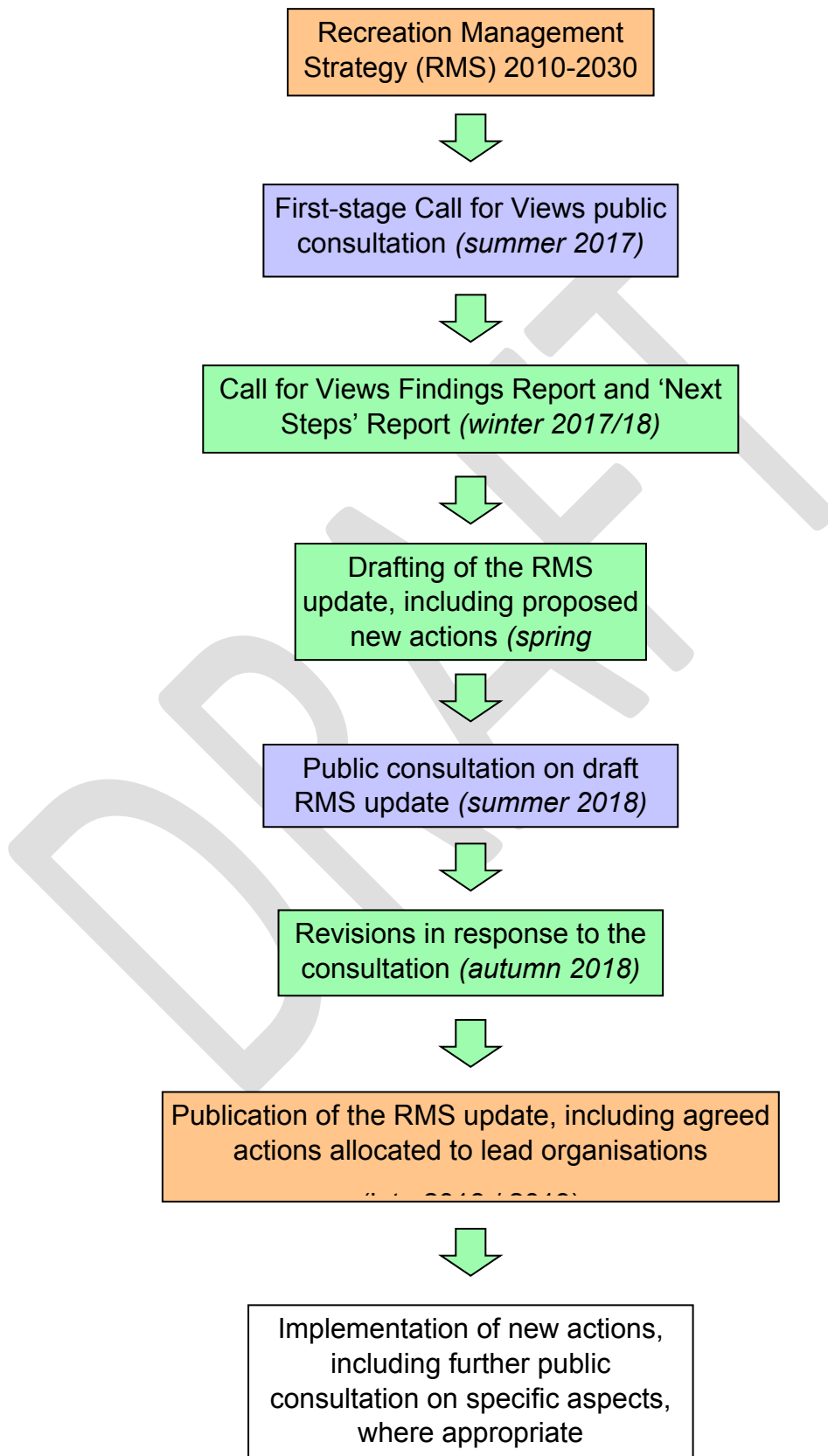
This report has been produced by the New Forest Recreation Management Strategy Steering Group which has representatives from the Forestry Commission, Natural England, Hampshire County Council, New Forest District Council, Verderers and New Forest National Park Authority. It sets out initial ideas for the production of an update to the New Forest Recreation Management Strategy 2010-2030. These ideas have been informed by responses to the Future Forest 'call for views' public consultation held over the summer of 2017.

A separate Findings Report sets out who was consulted, describes how they were consulted and summarises the main findings.

Proposed actions for the update will now be drafted by the Steering Group, including wider liaison about specific initiatives, and will be subject to further public consultation during the summer of 2018.

Agreed actions and named organisations to lead on their delivery will be published when all comments have been considered, either towards the end of 2018 or in 2019.

Next steps in developing an update to the
New Forest National Park Recreation Management Strategy 2010-2030



1 Protecting the New Forest National Park

The New Forest is a working landscape with a long and proud history that dates back almost 1,000 years. It is well known for the commoners' animals that graze over 100 square miles in the central area, and much of it is internationally recognised for its wildlife. In recent decades the New Forest has become a very popular place for local people and visitors to enjoy a wide range of outdoor recreation activities.

In 2005, in recognition of its natural beauty, wildlife and cultural heritage and the opportunities for understanding and enjoyment of its special qualities, the New Forest National Park was designated, totalling 220 square miles. For many local residents the New Forest stretches even further.

Multiple local organisations are jointly committed to protecting the New Forest, both in its own right and so that people can continue to enjoy and benefit from its special qualities. This commitment is evident in the Partnership Plan for the New Forest National Park (2015-2020) which guides the work of those with a remit for, or an interest in, the National Park. Other key strategic documents include local planning policies, the SAC Management Plan 2001, the New Forest Inclosures Forest Design Plan 2016, the Government's 8-point Plan (2016-2020) – and the New Forest Recreation Management Strategy 2010-2030 (the 2010 Strategy) which provides the main focus for this report.

In 2016 the Forestry Commission, Natural England, Hampshire County Council, New Forest District Council, Verderers and New Forest National Park Authority (NPA) decided that it is time to produce an update to the 2010 Strategy. These organisations asked the NPA to lead on the consultation on their behalf.

Key drivers for this work are that the New Forest's recreation facilities weren't designed for their current level of use – which looks set to increase even further:

- Around 35,000 people live here
- Sixteen million people now live within a 90 minute drive of the New Forest
- It was estimated in 2005 that we receive over 13 million day visits a year
- In response to housing needs, neighbouring local authorities are currently progressing Local Plans which will provide for around 50,000 extra homes (about 110,000 people) in areas close to the New Forest in the next 15-20 years.

2 Drafting an update to the 2010 strategy

The 2010 recreation strategy was produced following extensive public consultation; it has 61 'priority actions' aimed at managing recreation, grouped under 15 topics.

A new and updated suite of focused actions is now needed so that, across the National Park and beyond we can achieve a net gain for the working and natural landscape and for the recreational experience, by:

- protecting the spectacular, yet fragile, wildlife-rich landscape that people come to see
- managing recreation for local people and our visitors.

We also need to use limited resources wisely.

In developing the new actions, we need to remember that the New Forest should be protected for its own sake as well as for people to enjoy. Any improvements to the recreational experience (e.g. through changes to the network of recreation infrastructure) should contribute to the overall plan to protect and enhance the special qualities.

All this can only be achieved by taking a wide geographical approach to recreation management, stretching from the central areas that have extensive public access and commoning, through the outer areas of the National Park where public access is more restricted (e.g. to rights of way and specific sites) and on into surrounding areas where many people live.

Alongside this, the actions in the update need to recognise the very significant health and wellbeing value of recreation and a quality environment to people, their importance to the local economy – and that, as David Attenborough said: 'No one will protect what they don't care about, and no one will care about what they have never experienced'.

Through the 2017 Future Forest consultation, over 1,500 respondents commented on the topics within the 2010 strategy. This provided a wealth of suggestions and a really useful insight to what many people now think.

The range of responses showed that managing recreation across the New Forest and beyond is complex. For example, different types of recreational activities cannot necessarily be simply defined as good or bad – it may depend on where and when they happen or how many people are involved. Different 'types' of people (e.g. people on holiday, day visitors or locals) may or may not have greater or different impacts, and of course tourism provides jobs for many local people and helps maintain the viability of many local businesses. In addition, different people and organisations often have different and passionately held viewpoints.

This complexity underlines the importance of the strong partnership approach to agreeing and then implementing the update to the 2010 Strategy. It also highlights the need to engage with the public; each of us can play our own part in protecting the New Forest for future generations to enjoy.

All consultation feedback will be considered as the update to the 2010 strategy is developed, alongside other information, including engagement with user groups and forums, available data and evidence, and assessments of existing work programmes, policies and regulations. At this early stage, some of the recurring themes that are evident in the responses could help simplify and give a fresh focus to the update. In particular, the new suite of actions could be grouped under two main headings (A and B below). The third heading (C) was raised in some responses and is essential if actions are to be realistic and deliverable, and if the expectations of many respondents are to be managed. More specific suggestions can also be considered as the strategy is implemented in the coming years.

A. Raising awareness and understanding

This would be a plan for improved communication and engagement that increases understanding about the potential impacts of different types of recreation and thereby protects the National Park. It would include creative ways to help people understand just how special the New Forest is and to encourage responsible recreation that nurtures a caring attitude towards the New Forest, backed by enforcement where and when appropriate.

B. Managing recreation

This section would commit to developing a 'spatial approach' for where recreation is best enabled and encouraged within and beyond the National Park. It would aim to encourage activities in places that are more robust and suitable to accommodate a higher footfall and include ways to discourage recreation that could harm the most sensitive areas. Topics could include improving sustainable transport and off-road routes for walking and cycling, car parking, camping, and improving recreation sites close to where people live.

C. Finding resources

This would recognise the need for joint efforts to identify how the above actions will be funded. Options include investment by local authorities, businesses and landowners where future savings or income will result, grant applications and targeted fundraising for specific projects, partnership working with youth or health-care organisations, a coordinated approach to the use of developer contributions aimed at mitigating the impacts of new housing on protected areas and ways through which those who benefit from recreation facilities can contribute towards their maintenance and the good of the wider New Forest.

3 How will the consultation comments about different topics be used?

The sections below give examples of how the comments received about each of the topics in the 2010 strategy (and the additional comments) could fit within the three headings described above. The process of defining the actions in the update is ongoing, so these are early thoughts that will be discussed over the coming months.

3.1 Raising awareness and understanding

The volume and breadth of comments about this topic is one of the reasons why raising awareness and understanding is being proposed as a key heading in the update. A wide range of opportunities and issues could be included: learning about what makes the New Forest so special, encouraging greater mutual understanding and respect between user groups, animal accidents and the feeding commoners' animals, litter, aspects of dog walking and cycling etc.

There are, in fact, many good examples of past and current work to achieve greater awareness and understanding. Many organisations (local, national and even international) play a role, and in the New Forest there are forums that aim to ensure consistent messages are conveyed to a wide range of audiences. However, the challenge is to become more effective in changing behaviour, so that we can see more progress – and this may need new approaches and greater resources.

3.2 Sustainable transport

Actions about this topic would fit mostly under the heading of 'managing recreation' (especially the routes used) and 'finding resources' (because of the high costs involved). However, some of the issues highlighted in responses are arguably more to do with local community services, broader traffic issues and highways management than recreation.

Operating costs of public transport need somehow to be recovered, either from paying customers or through Government funding and in recent years the business case for bus operators has not been evident and further reductions in passenger transport subsidies are likely. Providing more or cheaper buses or an economically viable park-and-ride system would therefore be a challenge. The New Forest Tour runs as a leisure service in the peak of summer when visitor numbers are highest and is currently the closest the New Forest has to a park-and-ride service.

Improving the connectivity and safety of routes for cyclists clearly requires further consideration and resources, including high-risk crossing points (for walkers, horse riders and cyclists).

These challenges mean that we will need to be creative in considering and planning for viable sustainable transport options for the future.

3.3 On and off-road cycling

This topic prompted many comments and suggestions which could be addressed by actions under both 'managing recreation' and 'raising awareness and

understanding'. Key to this will be the degree to which it is possible to address the current fragmented 'network' of permitted off-road routes across the Forest – and at the same time ensure there is no net harm to wildlife, tranquillity and the other special qualities of the New Forest. Comments under the 'sustainable transport' and 'improving access' topics also confirmed the need for better cycle links between villages and other places of interest, including addressing safety on roads.

None of the statutory organisations involved have legal powers to regulate cycle sportive events but much effort has recently been put into addressing concerns. Such events did not feature in the 2010 strategy (those that were in existence caused few issues) but they should be considered in the update.

3.4 Providing sustainable services and facilities

This topic would sit well within 'managing recreation'. The distribution of car parks as access points for recreation is a major factor in determining where people go to enjoy activities throughout the National Park and beyond – and consequently influences where impacts of recreation may occur. We need an appropriate plan for car parking and associated facilities, ideally linked with an improved network of off-road recreational routes.

Judgements about the location and scale of facilities and about which sites are promoted (whether on the open Forest, elsewhere in the National Park or further afield) would be easier to make if there was a set of agreed criteria which can be used to judge alternatives consistently. People could then be encouraged to go to robust places with appropriate facilities and thereby avoid causing inadvertent harm to more sensitive sites.

As some people suggested, a carefully considered charging regime for car parking where it is currently free could be considered (under 'finding resources'). This could provide a new source of funding to improve car park maintenance and for additional initiatives that benefit the New Forest environment as well as the recreational experience. There are some current initiatives aimed at reducing the incidence of people parking in inappropriate places (e.g. protected verges) but these could be strengthened with extra resources.

3.5 Walking

As with cycling, opportunities to encourage walking and reduce inadvertent harm could be addressed by actions under both 'managing recreation' and 'raising awareness and understanding'.

The New Forest is a popular place to walk and people have the right to walk throughout about half of the National Park. In the right places, walking has few impacts on the environment or other people. However, there are risks in sensitive areas, or if dogs chase or disturb stock or wildlife, so there is work to do to raise awareness of potential issues and to encourage use of less sensitive routes.

A programme of selective improvements to signage and surfaces on agreed existing rights of way would encourage people to use them, and it should be possible to identify locations where conditions could be improved for people with disabilities.

It is not easy to create new routes on private land. However, land owners might be encouraged to allow access if there are clear benefits to themselves (e.g. through post-Brexit grants) and/or nearby open Forest areas – and to people using the routes.

3.6 Improving access

Improving access fits well under the heading of ‘managing recreation’. Improving (or in some cases maintaining) access to draw people to sites and along routes that provide a good recreational experience while at the same time reducing potential impacts elsewhere, is fundamental to recreation management. If a New Forest-wide recreation map can be agreed, plans for individual locations could be made at least in part in the light of this.

Comments demonstrated that there is a lot of support for the development of a better network of agreed off-road routes (for walking, cycling and horse riding) to avoid dangerous roads and even reduce the amount of traffic on the roads.

Many traffic problems are arguably largely caused by factors other than recreation (i.e. local commuter traffic, seasonal tourism and limited road capacity) and solutions may not be entirely within the gift of a revised recreation strategy.

3.7 Coastal access

The consultation responses suggest that there is wide public support for the England Coast Path, for which legislation is already in place.

Natural England staff have recently been looking at options for the route of the New Forest stretch of the path, using the process that operates throughout the country. All affected landowners have been involved and many factors have been taken into account including potential impacts on sensitive features and habitats. The final route will be confirmed by the Secretary of State, after an eight-week consultation and after all representations and objections have been fully considered. Only then will the project reach the implementation stage (possibly 2018 onwards) – funded by Natural England.

Once in place, public access will be possible along parts of the New Forest coast which have until now have been inaccessible. Within the update, the topic could fit well under the heading of ‘managing recreation’.

3.8 Healthy lifestyles and opportunities

Consultation comments frequently confirmed that inspiring the next generation to understand, value and care for the New Forest is clearly important both for the young people and for the future of the Forest. Work to address this opportunity would sit within ‘raising awareness and understanding’.

Given the proven and well-known benefits of outdoor experiences and exercise to physical and mental health, it would be good to develop carefully planned and targeted programmes of engagement, so that those who need it most can benefit (especially local people).

3.9 Climate change and sustainability

This topic prompted comments about some very diverse and challenging issues ranging from climate change (at a global level), the overall volume of people who use the New Forest as a venue for recreation (driven by both local and regional factors) and the need to assess and address impacts of recreation on local wildlife.

Some of these challenges relate to how people reach and travel around the National Park, and impacts at specific sites sometimes relate to the location of parking or other visitor facilities. In these cases, 'managing recreation' would focus attention on encouraging the use of sustainable transport and the provision of facilities to attract people to sites best suited for recreation.

3.10 Influencing recreational provision beyond the boundaries of the National Park

The development of attractive recreation sites close to where people live, should be an important component of the update and it sits well under the heading of 'managing recreation'. Such sites could be within, close to or even some distance away from the National Park; they have the potential to provide improved recreation opportunities for at least some people who would otherwise choose to drive some distance into the heart of the National Park.

Planning policies of local authorities already include the provision of suitable recreational opportunities for people moving into new homes, but the greatest opportunities (i.e. big new sites) would require significant resources and political commitment across a range of local authorities or significant investment from businesses and/or private land owners. A boost to the work could come from joint working on the use of developer contributions for habitat mitigation schemes, and through the newly formed Green Halo Partnership which is encouraging joint work to enrich the wildlife and 'natural capital' of sites, some of which could provide very enjoyable recreational experiences.

3.11 Camping and caravanning

Many of the people who camp and caravan in the New Forest do so because it enables them to experience and learn about the special qualities of the area. As some of the comments confirmed, camping and caravanning provide an important source of income for landowners and local communities. However, there are negative impacts (e.g. on the habitat quality) arising from some sites.

Planning policies restrict the development of new sites that would be harmful and provide a clear framework for judging the merits of any site improvements that

require planning permission. Actions related to recreation could be included within the update to the 2010 recreation strategy under 'managing recreation'.

3.12 Horse riding

Horse riding is very much part of the local history and culture of the New Forest, with integral links to commoning. Horse riders enjoy the same unlimited access rights as walkers across the open Forest and carriage driving, under licence, is popular with some.

Some of the issues raised through the consultation could be addressed through 'managing recreation' (e.g. access improvements and road safety at specific locations). Other issues would be dealt with under 'raising awareness and understanding' (e.g. the need for better understanding between user groups)

The management of associated land and facilities is referenced in planning policies and liaison has been much improved through the Equine Forum and New Forest Land Advice Service.

3.13 Water-based recreation

There was a low volume of responses about this topic. However, water-based recreation on the coast is a significant economic driver for the area – and some water-based recreation activities, both on the coast and inland (e.g. in streams and ponds) have the potential to impact on wildlife species and habitats, and on the enjoyment of other people.

Within the update location-specific topics could be referenced under 'managing recreation'. More generic opportunities and impacts would sit under 'raising awareness and understanding' probably in part through the newly-formed Bird Aware Solent project that is addressing impacts of new housing on coastal wildlife.

3.14 Golf

Although relatively few respondents chose golf among their priority topics those that did showed that there is an ongoing need for liaison between site managers, landowners, golfers, Natural England and commoners. Work to build mutual understanding and ensure the courses and facilities are well managed for both the environment and people would include aspects of both 'managing recreation' and 'raising awareness and understanding'.

3.15 Cricket

Cricket is a popular part of the Forest's cultural heritage but received fewest comments through the consultation. As for golf, responses about cricket confirmed that there is an ongoing need for liaison between site managers, landowners, cricketers, Natural England and commoners. Again, to work to build mutual understanding and ensure the pitches and facilities are well managed for both the environment and people would include aspects of both 'managing recreation' and 'raising awareness and understanding'.

3.16 Additional comments

The analysis of additional comments highlights the recurring themes and the very different recreation management options that could be dealt with under the headings of 'managing recreation' and 'raising awareness and understanding'. In summary, respondents suggested that both 'carrots' and 'sticks' should be used.

These additional comments also highlighted that many of the suggestions elsewhere within the responses could be costly to implement. This is borne out by the experience of the organisations jointly reviewing the 2010 Strategy, so it seems wise to include actions within the update under the heading of 'finding resources'.

3.17 Next steps

- As illustrated in the flow chart of 'next steps' on page 2, the Recreation Management Strategy Steering Group will now start the process of drafting the update to the New Forest Recreation Management Strategy 2010-2030.
- Feedback received during the Future Forest call for views consultation will continue to be used during this time.
- There will be a focus on actions in the three key areas identified through the consultation: raising awareness and understanding, managing recreation and finding resources.
- The draft update will then be made available for another public consultation during the summer of 2018.

This page is intentionally left blank

POSSIBLE ELECTORAL REVIEW OF THE DISTRICT COUNCIL

1. INTRODUCTION

- 1.1 The principle of requesting the Local Government Boundary Commission for England (LGBCE) to undertake a review of the District Council's electoral arrangements with a view to reducing the number of members on the District Council has been considered on two occasions since 2013. In 2013 a Working Group was appointed and, in 2014, recommended that the Council seek a reduction in its numbers from 60 to around 46. That recommendation did not gain the support of the Council and the Council on 14 April 2014 decided not to request a review. At the Council meeting the view was expressed that the matter was one that should be left to the new Council elected in May 2015.
- 1.2 Arising from a question from Cllr John Ward to the Leader of the Council at the Council meeting on 12 September 2016, a new Task & Finish (T&F) Group was established. The Group comprised Cllrs Binns, Clarke, M Harris, McEvoy, Penson, Thorne, Tungate and J Ward.
- 1.3 After exploring various options and associated issues, the T&F Group recommended to the Corporate Overview & Scrutiny Panel on 18 January 2018 that an approach be made to the LGBCE to review the District Council's electoral arrangements with the aim of reducing the numbers on the Council to approximately 48. The Cabinet is requested to consider the matter and to make a recommendation to the Council.

2. BACKGROUND

- 2.1 The last electoral review of the District Council was in 1999. It resulted in the LGBCE increasing the number of members from 58 to 60, and significant changes to District Ward boundaries. There are now 34 District Wards, most represented by two District Councillors, but eight by a single member. The new electoral arrangements took effect at the 2003 quadrennial election.
- 2.2 The LGBCE has a duty to review principal authorities' electoral arrangements when
 - more than 30% of a council's wards have an electoral imbalance (member:elector ratio) of more than 10% from the average for that authority; and/or
 - One or more wards have an electoral imbalance of more than 30%; and
 - The imbalance is unlikely to be corrected by foreseeable changes to the electorate within a reasonable period.
- 2.3 The member:elector ratio for New Forest District Council, based on the register published on 1 December 2017, is 1:2367. Based on population predications, and retaining the current 60 members, this ratio is expected to rise to 1:2423 by 2023.

2.4 Seven of the Council's wards (20.5%) currently have an electoral imbalance of more than 10% from the average. These are:

Becton	-13.03%
Buckland	+13.22%
Fordingbridge	+12.02%
Forest North West	-10.10%
Furzedown & Hardley	+13.31%
Totton Central	-10.54%
Totton West	-18.95%

2.5 At the time of the 1999 review, the LGBCE had a programme of periodic electoral reviews (PERs), which meant that principal authorities' electoral arrangements were subject to external review at intervals of approximately 10–12 years. The programme of PERs has been discontinued because of the pressures on the LGBCE arising from the reviews necessary to facilitate the creation of a number of new unitary authorities and the merging of others. In the current circumstances, with the member:elector ratios within acceptable levels, a review of this Council's electoral arrangements is unlikely unless the Council makes a reasoned request to the LGBCE.

2.6 The LGBCE's guidance stresses that it has no preconceptions about the right number of councillors to represent an authority. It recognises that every local authority will represent local people and deliver services in different ways. The LGBCE therefore makes recommendations on the basis of the evidence it receives during the electoral review.

2.7 Reviews by the LGBCE of principal authorities in Hampshire since 2015 have all resulted in reductions in the number of members, as set out below. Also shown in the table below are:

- Harrogate, an authority in the same CIPFA "nearest neighbours" comparator group as New Forest District, which underwent a review in 2017. (The LGBCE's guidance states that, to provide context to an authority's proposal on council size, the LGBCE will refer to CIPFA's "Nearest Neighbours" model.)
- the current, and possible future, electoral equality in New Forest District Council

Authority	Year review completed	Council size before review	New Council size	% reduction	New "electoral equality"
Eastleigh	2016	44	39	11.3%	2732
Test Valley	2017	48	43	10%	2411
Winchester	2015	57	45	21%	2233
Basingstoke & Deane	In progress	60	54 (being sought)	10%	2667
Harrogate	2017	54	40	25%	3223
					"Electoral equality"
New Forest (current size)		60			By 2023: 2,423
New Forest (based on 48 members)			48	20%	In 2023: 3,029

3 DELIBERATIONS BY THE TASK & FINISH GROUP

3.1 The T&F Group considered the issues in detail and examined a number of options for reducing the size of the Council from 60 to between 54 and 44 members. Some members of the Group were against any reduction, some favoured a modest reduction, but the conclusion of the majority was to recommend a reduction from 60 to approximately 48 members. Strong views were expressed both for and against a reduction – these are summarised below. As reflected in the table at paragraph 2.7, a reduction to 48 members would mean an electoral ratio of approximately 1:3029 by 2023.

In favour of reduction:

- (a) The pressure for the Council to reduce expenditure. The annual budget for members' allowances is approximately £480,000, with travel of approximately £20,000, a total in the region of £500,000. There have been significant reductions in staffing over recent years, with officers being expected to take on greater workloads. In the current financial climate Councillors should be prepared to do the same.
- (b) Since the introduction of the Cabinet system of decision-making, there is less work for non-Executive members.
- (c) Modern technology has made communication with local constituents, and therefore councillors' representational roles, easier and quicker.
- (d) There is a degree of over-representation of residents in two-tier authorities with electors being represented by a Member of Parliament; a County Councillor; one or more District Councillors; and Parish/Town Councillors. The existence of the National Park Authority (which is the Planning Authority for that area) across a large part of the District Council's area contributes to this "over-representation".
- (e) The Council operates Executive arrangements. Extensive delegation to individual councillors and officers has produced efficiencies and reduced the need for larger numbers of members to be involved in decision-making.
- (f) The day-to-day operational business of the Council is conducted without the need to engage the majority of Councillors. The full Council adopts policy frameworks and most of the operational work of the Council is undertaken by officers under that policy framework. Where Councillor involvement is required, this is usually at Cabinet or Portfolio Holder level, in consultation, when appropriate, with local members.
- (g) Exceptions to paragraph (f) above relate to the functions carried out by the Planning Development Control, the General Purposes & Licensing and the Audit Committees. The NPA deals with planning applications within its area. Although these are few in number compared with the number of applications dealt with in the remainder of the District, the existence of the National Park has reduced the workload of the Planning Development Control Committee. The General Purposes & Licensing Committee is scheduled to meet 5 times per year but, generally, at least one meeting is cancelled for lack of business. The Licensing Sub-Committee (comprising three members) meets on average 6 times per year. The Audit Committee meets four times a year.
- (h) The three Overview and Scrutiny Committees have 5 scheduled meetings per year. Each appoints Task & Finish Groups which meet as determined by each. Meeting numbers overall have decreased markedly since the introduction of the Executive arrangements. In 2000/01 there were approximately 150 "formal" meetings involving Councillors whereas, in 2016/17 there were approximately 90.
- (i) The whole of the District is parished with active Parish/Town Councils. Many of these provide a range of services to their local communities and are often the first point of contact for residents. Parish Councils and Parish Councillors often have good knowledge of the operation of the district council and help residents resolve problems.

Against a reduction:

- (j) The councillor:elector ratio in New Forest District compares favourably with other District Councils in Hampshire. Reducing the number of Councillors to 48 will increase the number of electors each Councillor represents.
- (k) The growth in IT has made District Councillors more accessible to their constituents. This is a good outcome but has increased, rather than decreased, councillors' workloads
- (l) Meeting numbers, or serving on formal Committees, should not be a yardstick by which members' workloads are measured. Their representational roles, helping residents with issues, are equally important.
- (m) Once the Council makes a request to the LGBCE for a review, the matter is effectively out of its hands. Decisions on the appropriate number of Councillors for the District would be taken by the LGBCE and might result in an outcome that is not best suited to local arrangement or in accordance with local views.
- (n) Any reduction in the number of District Councillors will inevitably mean more District Council wards crossing parish boundaries, in order to meet the "electoral equality" criterion. While the LGBCE has three main criteria to take into account - electoral equality, community identity; and effective and convenient local government; it appears that electoral equality is paramount, often to the detriment of the other two criteria.

4 TASK & FINISH GROUP'S AND CORPORATE OVERVIEW & SCRUTINY PANEL'S RECOMMENDATIONS

- 4.1 As mentioned in paragraph 1.3, the Task & Finish Group, on balance, recommended that an approach be made to the LGBCE to undertake a review of this Council's electoral arrangements, with a view to reducing the number of members on the Council from 60 to around 48. The Corporate Overview Panel supports this recommendation. If the Cabinet is in favour, it should make a recommendation to the Council.
- 4.2 If the Council approves the recommendation, a formal request will be submitted to the LGBCE which would then decide whether or not to undertake a review. In assessing a request relating to Council size, the LGBCE would look initially at issues such as the Council's governance and delegation arrangements, including those of the regulatory functions; demands on Councillors' time; scrutiny arrangements and the workload of the scrutiny committees; and the representational role of councillors.
- 4.3 Detailed work has not yet been undertaken on the ward patterns that might arise from a 48 member Council, but there would be inevitable changes to ward boundaries, which would mean wards crossing more parish boundaries than at present. A suggestion has been made that the newly-introduced county division boundaries be used as the basis for the District ward arrangements. While this is a sensible aim, it will not always prove possible when electoral equality must be considered. However, these are matters that will receive detailed consideration if the Council decides to request a review.
- 4.4 Any changes that the LGBCE might approve in the number of members on the Council would take effect at the first ordinary election of Councillors following the conclusion of the review. It is too late for a review to be completed for implementation at the next quadrennial elections in 2019. Therefore, any changes that might be agreed could not be implemented before the 2023 District Council elections.

5 PORTFOLIO HOLDER'S COMMENTS

5.1 I strongly support the recommendation.

6 FINANCIAL IMPLICATIONS

6.1 Reducing the number of members on the council by 12 to 48 would mean savings in members' allowances of approximately £78,000 per year.

7 ENVIRONMENTAL, CRIME & DISORDER AND EQUALITY & DIVERSITY IMPLICATIONS

7.1 There are none.

8 RECOMMENDATION:

7.1 That it be recommended to the Council that the Local Government Boundary Commission for England be requested to undertake a review of the electoral arrangements in New Forest District Council with a view to reducing the number of members on the Council from 60 to approximately 48.

Further Information:

Rosemary Rutins
Service Manager, Democratic Services &
Member Support
(023) 8028 5588
Rosemary.rutins@nfdc.gov.uk

Background Papers:

Notes of Task & Finish Group
Published documents

This page is intentionally left blank

IMPLICATIONS OF THE HOMELESSNESS REDUCTION ACT 2017

1. INTRODUCTION

- 1.1 The purpose of this report is to provide an overview of the key changes made by, and the implications of, the Homelessness Reduction Act 2017 ('the Act').

2. BACKGROUND

- 2.1 The Act was given Royal Assent on 27 April 2017 and although local authorities are still waiting for a formal commencement Order, the Department for Communities and Local Government ('DCLG') has indicated that the Act is expected to come into force in April 2018.
- 2.2 The Act amends Part VII of the Housing Act 1996 which remains the key statute setting out local authorities' statutory duties in relation to homelessness.
- 2.3 The effect of the Act is to significantly increase the duties placed on local authorities relating to individuals who are homeless or threatened with homelessness and to ensure that advice and assistance to prevent and relieve homelessness is provided at a much earlier stage. The practical implications arising out of the new duties are likely to be significant.
- 2.4 A new Homelessness Code of Guidance for Local Authorities is currently in consultation and not expected to be published until the Spring of 2018.

3. HOW WILL THE COUNCIL'S DUTIES CHANGE?

Definition of threatened with homelessness

- 3.1 Under the current legislation a person is treated as being threatened with homelessness if it is likely that they will become homeless within 28 days. When the new Act comes into force this period of time will extend to 56 days. This means that the Council will be required to take a homeless application and consider its statutory duties to any applicant seeking assistance at a much earlier stage.
- 3.2 In addition, the Act prescribes that a person is to be treated as threatened with homelessness if a valid Section 21 Notice (i.e. a notice seeking possession of a property), which relates to a private assured shorthold tenancy, has been served and is due to expire within 56 days. The practical implication of this change is that the service of a valid section 21 notice due to expire within 56 days will now become the statutory trigger for the Council's homelessness duties towards applicants, thus requiring the Council to act much earlier than is required now.

Advisory Services

- 3.3 The Council must currently provide basic advisory services to any person within the district about homelessness and the prevention of homelessness free of charge. However, this duty will extend to include information and advice on:
- preventing homelessness;
 - securing accommodation when homeless;
 - the rights of persons who are homeless or threatened with homelessness and the duties of the Council;
 - any help that is available from the Council, or anyone else, for people who are homeless or may become homeless (even if they don't meet the statutory definition of threatened with homelessness); and
 - how to access that help.
- 3.4 The new advice service is also required to address the varying needs of people within the district including, for example, people released from prison, care leavers, people leaving hospital and victims of domestic abuse. This is more onerous than the current requirement.

Assessments and personalised housing plans

- 3.5 Following an application, once a person has been assessed as homeless or threatened with homeless within 56 days, the Council will make an assessment of whether they are eligible for assistance in accordance with the Asylum and Immigration Act 1996 ('eligible for assistance'). However, after eligibility has been established all individuals, regardless of personal circumstances or priority need, will be entitled to a formal assessment of their case ('the formal assessment').
- 3.6 The formal assessment must include an assessment of the circumstances that caused a person to become homeless or threatened with homelessness, the housing needs of the individual including, in particular, what accommodation would be suitable for the individual and any members of their household, and what support would be necessary for the individual to be able to have and retain suitable accommodation. It is anticipated that this assessment could be time consuming. The support element of the assessment will require increased partnership working with various partnership agencies as it will not be possible for the Council's housing staff to have the required expertise to assess support needs of all applicants. Local information sharing arrangements will need to be put in place to facilitate this.
- 3.7 The Council has to provide a copy of the formal assessment to the applicant. Following the formal assessment of a person's case the Council must then try and agree a personalised housing plan with that individual to include steps that both they and the Council should be required to take for the purposes of securing and retaining suitable accommodation. Any agreement reached must be recorded in writing, as must any failure to reach an agreement with the reasons why agreement could not be reached and any steps the Council consider reasonable to require the applicant to take. A copy of the written record must be given to the applicant. All formal assessments and the steps agreed to be taken, or that the Council consider it reasonable to require the applicant to take, must be kept under regular review by the Council until the person is no longer owed a homelessness duty.

The prevention duty

- 3.8 Under the current law, once it is established that a person is threatened with homelessness within 28 days and they are eligible for assistance, the Council must then be satisfied that there is a priority need (i.e. a pregnant woman, people with dependent children, vulnerable people by reason of old age, mental illness, physical disability etc.) and that the applicant is not threatened with homelessness intentionally before the prevention duties are engaged. The result of this is that, currently, the Council will rarely owe a prevention duty to a single, individual with no health issues.
- 3.9 However, the Act significantly increases the prevention duties owed to applicants as it takes away both the priority need and the intentionally homeless assessments. Therefore, once the Act comes into force any person who is threatened with homelessness within 56 days and is eligible for assistance will be owed a prevention duty. The prevention duty means either helping them to stay in their current accommodation or helping them to find a new place to live before they become homeless. The reasonable steps that the Council must take to help the applicant must take into account the formal assessment of their case.
- 3.10 The new prevention duty may end in a number of ways :
- when the Council is satisfied that the applicant has suitable accommodation available, with a reasonable prospect of this being available for at least the next 6 months or such longer period not exceeding 12 months as may be prescribed;
 - the 56 day threatened with homelessness period has expired;
 - the applicant has become homeless;
 - the applicant has refused an offer of suitable accommodation (available for at least 6 months or such longer period not exceeding 12 months as may be prescribed);
 - the applicant has become homeless intentionally from any accommodation made available as a result of the Council's duties;
 - The applicant is no longer eligible for assistance
 - The Council has served on the applicant statutory notices relating to the applicant's deliberate and unreasonable refusal to take agreed steps or to take the steps that the Council considered it reasonable to require the applicant to take; or
 - The applicant has withdrawn their application.

The initial relief duty

- 3.11 If, after the expiration of the 56 days, a solution has not been found and the applicant becomes homeless the initial relief duty applies. Additionally, some applicants will already be homeless when they first present to the Council.

- 3.12 As with the prevention duty, set out above, the Council will no longer be required to make priority need or intentionally homelessness assessments at this stage. Therefore, if a person meets the statutory definition of being homeless and eligible for assistance, the Council must take reasonable steps to help that person secure suitable accommodation that has a reasonable prospect of being available for at least 6 months. The reasonable steps required must, again, be informed by the formal assessment of the individual. This is an increased duty to those individuals who currently would not have qualified for assistance.
- 3.13 However, whether the Council has reason to believe that an individual is in priority need will still be relevant to whether the Council has an interim duty to provide accommodation. If the Council has reason to believe an applicant is homeless, eligible for assistance and has a priority need the Council must still secure that temporary accommodation is available for their occupation pending the applicable duty decision.
- 3.14 The new relief duty may be ended in a number of ways:
- when the Council is satisfied that the applicant has suitable accommodation available for occupation, with a reasonable prospect of this being available for at least 6 months;
 - the Council has complied with its duty to take reasonable steps to help that person secure suitable accommodation and the period of 56 days has ended;
 - the applicant has refused an offer of suitable accommodation (available for at least 6 months or such longer period not exceeding 12 months as may be prescribed.);
 - the applicant has become homeless intentionally from any accommodation that has been made available as a result of the Council's duties;
 - the applicant is no longer eligible for assistance,
 - the applicant has refused a final offer of accommodation from the Council's waiting list or of a private sector tenancy of at least 6 months;
 - the Council has served on the applicant statutory notices relating to the applicant's deliberate and unreasonable refusal to take agreed steps or to take the steps that the Council considered it reasonable to require the applicant to take; or
 - the applicant has withdrawn the application.
- 3.15 Both the prevention and initial relief duties represent new statutory responsibilities for the Council. If homelessness has still not been resolved and the duty has not been discharged by another means following the conclusion of these two phases, then the local authority is obliged to assess the application under the full homelessness duty as it currently exists. That being the main housing duty to applicants who are eligible, have a priority need for accommodation and are not homeless intentionally.

Temporary Accommodation

- 3.16 Under the Act the Council may also be under a duty to provide housing for those applicants who are found to be in priority need but who are intentionally homeless for longer than is currently the case. This is because under the current legislation the Council only has a duty to provide accommodation to these applicants for such a period of time as will give them a reasonable opportunity to secure accommodation. Under the Act this period will commence only after the initial relief duty has come to an end. This is likely to

increase the overall period that the Council will have to accommodate applicants who have a priority need but who have been found to have made themselves intentionally homeless; as such applicants are likely to have already been accommodated during the initial relief stage thus increasing the pressure on, and the costs of, temporary accommodation.

Property

- 3.17 Under the current legislation the Council is under a duty to take reasonable steps to protect the property of only those homeless applicants to whom it has an interim duty to accommodate; this means this duty only extends to those applicants who the Council has reason to believe are eligible, homeless and in priority need. However, under the Act this duty will be extended to all eligible applicants who are homeless irrespective of priority need. This is likely to have an impact on the costs of securing storage for homeless applicants.

Referrals to other local authorities and local connections

- 3.18 Homelessness legislation in its current form enables the local authority to refer an applicant to the local authority with whom the applicant has a local connection. Local connection can be established from residence, employment or family associations in the district, or because of other special circumstances. Currently the duties that a local authority has to applicants who may not have a local connection to its area, is to make enquiries following receipt of an application and in circumstances where it has reason to believe the applicant is eligible, homeless and in priority need, to secure accommodation pending the final duty decision.
- 3.19 Under the Act there will be no requirement for an individual to have a local connection to qualify for the Council to carry out an assessment and personalised housing plan or for the prevention duty to apply. The time required for housing officers to carry out assessments, devise personalised housing plans, carry out reviews and help an individual to stay in their current accommodation or find a new place to live is likely to be significant. It is not known how many people without a local connection will seek to utilise this service. However, the requirement to offer this level of support to people without a local connection should be noted.
- 3.20 However, where applicants meet the criteria for the initial relief duty or for the main housing duty, and the Council considers that the applicant does not have a local connection to this district but does have one somewhere else, it will be possible to refer the applicant to the housing authority with which the applicant has a local connection (except in cases of domestic violence or violence).

4. NEW REFERRAL PROCESS

- 4.1 Another novel requirement of the Act is that it introduces a duty on certain public bodies (as to be specified by the Secretary of State in regulations) to refer individuals who they think may be homeless or threatened with homelessness to a housing authority. The individual must give consent to the referral and can choose which authority to be referred to. There is no need for a local connection to be established.

- 4.2 The Council must establish effective partnerships and working arrangements with agencies to facilitate appropriate referrals. Steps have been taken towards achieving this through networking training and the development of contact lists. There are currently ongoing discussions with other Hampshire local authorities regarding the potential development of an on-line referral form for public bodies to use.
- 4.3 The regulations setting out which public bodies will be under this duty have yet to be made, but having regard to the broad definition given in the Act to the term public authority this is likely to include NHS Trusts, GPs, Probation, schools and all manner of council services. The number of individuals who may seek assistance from the Council when they are homeless and, in particular, threatened with homelessness is likely to increase significantly through this referral process.

5. DUTIES ON APPLICANTS

- 5.1 Whilst the Act imposes significant new duties on the Council, applicants are also subject to new duties to co-operate.
- 5.2 Both the prevention and the initial relief duties can be brought to an end if an applicant deliberately and unreasonably refuses to take any of the steps that they agreed to take, or the Council has set for them to take where agreement could not be reached, in their personalised housing plan.
- 5.3 Before bringing either duty to an end, the Council will first have to issue a warning letting the applicant know that if they deliberately and unreasonably refuse to take any of the steps in their personalised housing plan after receiving the warning, that the Council will issue a notice bringing the duty to an end. The warning must explain the consequences of a notice being given and the housing authority must allow a reasonable period after the warning is given before issuing a notice.
- 5.4 The Council will be required to make reasonable efforts to obtain the co-operation of an applicant, including seeking to understand the reasons for their lack of co-operation. Where an applicant appears not to be co-operating the Council will need to review their assessment of the applicant's case and the appropriateness of the steps in the personalised housing plan.
- 5.5 Where the applicant is receiving support from other services, the Council will also need to alert those relevant services to the problem as soon as possible and seek to involve them in supporting the applicant to resolve the situation. Local information sharing arrangements will need to be put in place will facilitate this.

6. REVIEWS

- 6.1 The Act will place significant additional administrative burdens on the Council in exercising the new duties. There are many stages in the new process where the Council will be required to issue a written decision and most of these decisions will be subject to a formal review process.

- 6.2 A number of decisions made under the existing legislation may be subject to review. The number of reviews requested in 2015/16 was 6 and 2016/17 was 4. However, with the anticipated increase in the number of applications under the Act and the number of decisions which will be subject to review, it is expected that from April 2018 onwards these numbers will significantly increase.
- 6.3 In addition, applicants who are dissatisfied with the decision of a review, or are not notified of the decision on the review within the time prescribed, may appeal to the county court on any point of law arising from the decision or, as the case may be, the original decision. To date, the Council has received very few appeals to the county court related to homelessness decisions; however, this right of appeal may be exercised more in light of the above and as the scope of the new legal provisions is yet to be established in the courts; particularly in relation to some terms such as “reasonable prospects” and “deliberate and unreasonable refusal” which are likely to require judicial guidance.
- 6.4 The Act opens up greater scope for applicants to challenge the decision making processes of the Council under the pre action protocol for judicial review should the Council be viewed as failing to comply with its duties under the Act, or acting unreasonably when doing so; for example in relation to the formal assessment, including failure to keep these under review or the steps that it considers reasonable for the applicant to be required to take.

7. WHAT IT MEANS FOR THE COUNCIL

- 7.1 There is likely to be a significant increase in applications as a result of publicity surrounding the new Act, the fact that more assistance is available and earlier, the duty on public bodies to refer cases to the Council and the fact that individuals who are threatened with homelessness, or seeking a formal assessment and personalised housing plan can request that any Council of their choice carries out this service. Shelter estimates that there could be a rise of up to 50% in homeless applications. Current applications this financial year stand at 112 as at 1 December 2017.
- 7.2 In Wales, which has had similar legislation to the new Act for the last two years, the following was noted:
- A 26% rise in applications;
 - An increase of duty decisions for 16/17 year olds from 14,000 to 28,000;
 - A rise in applications from single people.
- 7.3 The advisory services that the Council is required to offer will increase in the future. The undertaking of the formal assessments and creating and reviewing the personalised housing plans will be more detailed and facilities and new procedures will need to be developed to assist with this obligation.
- 7.4 The duty to provide temporary accommodation will increase, as will the Council’s duties to secure the property of individuals who are homeless. The duty placed on applicants to co-operate is important. Council engagement will need to increase given the requirement to regularly engage both the applicant and relevant third party agencies to assist the applicant with meeting this duty.

- 7.5 There will likely be an increase in the number of decisions which are open to formal review and there may be an increased possibility of more legal challenges. The Council has already commissioned training for staff, this will be ongoing.
- 7.6 The increased workload and the need to implement new initiatives, including the provision of advisory services to prevent homelessness will necessitate an increase in staff to ensure the Council can meet its new obligations under the Act.
- 7.7 The Council's current Homelessness Strategy will need reviewing to reflect the new changes and to find more innovative solutions to tackle the homelessness issues. A further report will be presented to Cabinet on adopting the Government's "Gold Standard Programme" for preventing and tackling homelessness in the Council's area. The Programme, based on a national assessment framework, involves 10 challenges aimed at promoting good practice and ensuring homelessness prevention services are fit for purpose. Other authorities have adopted this Programme and it has been recognised as a valuable tool in tackling and preventing homelessness as well as supporting local authorities to deliver more efficient and cost effective homeless prevention services.
- 7.8 To meet the challenges of the new legislation, the Homelessness Team are devising a work programme which covers the following areas:-
- **Private Landlord engagement;** renewed emphasis is required to develop relationships with private landlords through Landlord Forums, officers working with Letting Agents and providing support and services to encourage acceptance of homeless applicants and to secure accommodation.
 - **Ensure effective protocols for discharge from hospital, prison, care.**
 - **Reviewing the Council's web site and using e-forms.** This includes reviewing existing application forms for the referral process and housing register form;
 - **Reviewing the Discretionary Housing Payments scheme to give greater emphasis to preventing homelessness;**
 - **Reviewing the Council's Homelessness Strategy;**
 - **Reviewing the Allocation Scheme to ensure the Council's housing stock is used in the most efficient way and minimise the use of Bed and Breakfast;**
 - **There will be a need, as part of an overall Housing Strategy to plan for more housing to assist the Council in meeting its statutory obligations;**

8. GOVERNMENT FUNDING AND HOMELESSNESS BUDGET

- 8.1 The cost of homelessness falls on the Council's General Fund. For 2017/18, the total original budgeted cost, including the provision of Bed & Breakfast was £823,830. This is an increase of £176,612 in comparison to the outturn for 2014/15.

- 8.2 The Government has provided some funding to off-set reductions in Housing Benefit Subsidy and assist Councils with the implementation and administration of the new Act. The funding allocated to the Council is as follows:

	New Burdens Funding	ICT Funding *	Flexible Homelessness Support Grant
2017/18	£57,082	£9,200	£396,265
2018/19	£52,287		£443,817
2019/20	£55,271		TBC Spring '18
2020/21			TBC Spring '18
	£164,640	£9,200	£840,082

* Exclusively ring fenced for the IT system to collect the increase in data that has to be reported to the Government every quarter.

- 8.3 The Council will utilise the funding to; offset reductions in Housing Benefit Subsidy, review the Private Sector Landlord Scheme with a view to increasing the overall number of properties available and rationalise the rents payable to and by the Council, and fund additional resources required as a direct result of the Act. A sum of £150,000 will initially be set aside for this additional resource requirement.

9. CONCLUSIONS

- 9.1 When the Act comes into force, the statutory obligations that the Council will owe to individuals who are homeless or threatened with homelessness will significantly increase. Resources will be allocated to ensure that the Council discharges its responsibilities but this alone will not be enough. New methods to tackle an ever increasing demand for housing are required as well as implementing a multi-agency approach to deal with the whole issue of homelessness.

10. FINANCIAL IMPLICATIONS

- 10.1 The financial implications are detailed within Section 8 of this report.

11. CRIME & DISORDER IMPLICATIONS

- 11.1 The overall aim of the Act is to reduce the number of people either homeless or threatened with homelessness. It is therefore hoped that any crime and disorder associated with homelessness will reduce.

12. ENVIRONMENTAL IMPLICATIONS

- 12.1 There are none.

13. EQUALITY & DIVERSITY IMPLICATIONS

13.1 The Act requires the Council to perform additional statutory duties; it extends the range of people that will receive homelessness advice and assistance.

14. PORTFOLIO HOLDER COMMENTS

14.1 The Homelessness Act will have a huge impact on the Council's housing service and we will be looking for new solutions to deal with an ever increasing need for housing. I am glad that the issue of homelessness has been brought to the forefront and look forward to working with officers to deliver a new, stronger housing service.

15. RECOMMENDATIONS

It is recommended that Cabinet:-

- 15.1 Note the changes that will be taking place under the Homelessness Reduction Act;
- 15.2 Note that a further report on the Government's 'Gold Standard Programme' for managing homelessness will be brought to Cabinet at the earliest opportunity.

For further information contact:

Grainne O'Rourke
Executive Head of Governance and Regulation
023 8028 5588
grainne.orourke@nfdc.gov.uk

Amanda Wilson
Solicitor
023 8028 5588
amanda.wilson@nfdc.gov.uk

Angie Richards
Homelessness and Housing Advice Manager
023 8028 5588
angie.richards@nfdc.gov.uk

Background Papers

Published documents

CABINET - 7 FEBRUARY 2018

**PORTFOLIO HOLDERS: LOCAL
ECONOMIC DEVELOPMENT,
PROPERTY AND INNOVATION/
PLANNING AND INFRASTRUCTURE**

REQUEST FOR LEASE OF LAND FOR MILFORD PLAY AREA

1. PURPOSE OF REPORT

- 1.1 This report is to ask the Cabinet to determine a request from Milford on Sea Parish Council to lease two pieces of land adjacent to the Needles Eye Café at Milford on Sea, for the purpose of increasing the size of the existing play area.
- 1.2 The two areas of land involved are marked A and B on the attached plan (Appendix 1) and total 621 sq.m and 792 sq.m respectively.

2. BACKGROUND

- 2.1 Milford Parish Council approached the District Council in 2016 with a view to enhancing the play facilities in Milford on Sea. Following discussions, District Council officers expressed concern regarding the size and scale of the facilities proposed, these originally included a skateboard park and a large zip wire apparatus. As a result the Parish Council reviewed the proposal and reduced the scheme and the amount of land required.
- 2.2 In April 2017 the Parish Council carried out a consultation exercise with households in the parish which indicated that 73% of those consulted (280 responses) were in favour of the proposed scheme.
- 2.3 On 5 July 2017 the Cabinet received a petition presented by Mr A Dabson with 717 signatures opposing a scheme on the seafront and asking the District Council not to grant a lease to the Parish Council due to the following:
 - The equipment would clutter the seafront green area used for general recreation.
 - It would restrict the views to the Needles and the Isle of Wight.
 - It would ruin the peace and serenity of this area of the seafront which is treasured by so many.
 - The proposals are large and garish and totally out of character within the area. The provision of providing play equipment was sound but this would be the wrong location.
- 2.4 On 2 August 2017 the Cabinet received a petition presented by Ms J Savage with 1270 signatures supporting a scheme on the seafront and asking the District Council to support granting a lease to the Parish Council. In her presentation Ms Savage noted that the benefits for children in having access to playgrounds were:
 - They have space in their community and feel that there is a play area for them.
 - It is really important for developing a sense of self and an awareness of one's value in the broader community.
 - It is a place to exercise, for outdoor play and for physical problem solving.
 - It is a place to develop creative play, social skills and independence.

Ms Savage suggested that the current play provision in Milford is not really fit for purpose as it is overused, including by age groups beyond that for which it was originally designed. She also commented that the specific location on the seafront provides an excellent opportunity for development of an improved play facility especially as there is existing infrastructure such as car parks, public toilets and a café.

2.5 Following the presentations to the Cabinet in July and August, District Council officers met with representatives from Milford Parish Council to discuss options available to address the concerns outlined in paragraph 2.3. In response the Parish Council amended the proposal as follows:

The footprint was reduced to 792 sq.m leaving 4,154 sq.m of informal open space, identified as C on Appendix 1; the proposal for a larger play area on the western side of the Needles Eye Café equates to 16% of the currently available open space.

Structures would be restricted to a maximum of 4 metres in height and not 6 metres as per the original plan.

It was also agreed that a further consultation exercise be undertaken by the Parish Council to consider other sites that might be available.

2.6 In November 2017 the Parish Council revised the proposed plan for the play area with a maximum height for any equipment to be 4 metres . A further consultation exercise was undertaken, this survey/consultation was widely published (Lymington Times editorial and two specific adverts, Parish Website, NFDC Website, Parish Office Window and Office display boards, several village notice boards, village blog, Parish Council face-book page viewed by 1300 people during the survey time, at the Needles Eye Café and existing play area and discussed in public at the last two Parish Council meetings). This exercise had 457 responses, 371 electronic and 86 paper, with the following outcomes;

- Question 1 – Is there a need for additional play facilities..... 380 yes (83%) 77 no (17%)
- Question 2 – Should the larger play facilities be at the seafront adjacent to the current play area.....352 yes (77%) 105 no (23%)
- Question 3 – What alternative location would you prefer;

<u>Responses</u>	<u>Site</u>
• 25	MoS1
• 11	Barnes Lane
• 9	Carrington Lane
• 5	Old Coach Park near Marine café
• 3	Old Putting Green
• 21	Elsewhere (but not specified),
• 1	Village Green,
• 1	Keyhaven,
• 1	Kiosk at car park.

77 responses in total

- 2.7 In the light of the outcome of this survey and the reduction in size of the original scheme, the revised footprint, the removal of the skateboard facility and the zip wire apparatus, together with the reduction in height of 33% from the original scheme, the Parish Council wrote on the 11th December 2017 formally to request for a second time that, as there was overwhelming support for additional play facilities and that these facilities be located on the Sea Front adjacent to the Needles Eye Café, the District Council lease the two pieces of land as identified in Appendix 1 to the Parish Council for a term to be agreed at a peppercorn rent to use only as open space and a children's play area with no alienation rights.
- 2.8 The Parish Council have also requested that subject to the approval of the lease for the two areas of land identified in Appendix 1, the sum of £66,034 towards the overall cost of this project be released from the monies held by the District Council in Section 106 contributions.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no ongoing financial implications for the District Council as the Parish Council will be responsible for the inspection and maintenance of the leased areas.
- 3.2 The requested contribution of £66,034 towards the overall cost of this project requested by the Parish Council is held by the District Council in Section 106 contributions and is currently allocated to projects at Barnes Lane and Carrington Lane. The Parish Council have not identified any further work in either of these areas that the monies could be used for.

4. ENVIRONMENTAL IMPLICATIONS

- 4.1 None.

5. CRIME AND DISORDER IMPLICATIONS

- 5.1 The Parish Council is experienced in managing play equipment within their Parish and are fully aware of the responsibilities for ensuring that these facilities are used in the correct and appropriate way.

6. EQUALITY AND DIVERSITY IMPLICATIONS

- 6.1 Currently the play equipment that is provided is limited to very young children. A new facility will give more access to a wider range of children

7. PORTFOLIO HOLDER COMMENTS

- 7.1 Cllr E Heron - Planning and Infrastructure - The Portfolio Holder supports the recommendations including the release of £66,034 towards the project from s.106 contributions
- 7.2 Cllr M Harris – Local Economic Development, Property and Innovation - I am both proud and delighted that my first Portfolio related Cabinet comments relate of a decision that is guaranteed to last for nearly a century – 99 years. Moreover it is a

project which has evolved from within the community of Milford on Sea, led by the Parish Council. After wide consultation the resultant community scheme, appropriately amended to take account of many submissions, will be enjoyed by young children and accompanying adults for many generations to come. This is also being achieved without any cost to the resident of Milford on Sea or indeed to the residents of the entire New Forest.

8. RECOMMENDATIONS

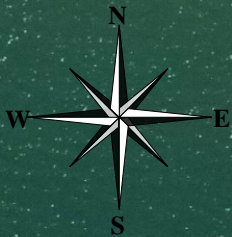
- 8.1 That the two pieces of land marked A and B on the attached plan be leased to Milford on Sea Parish Council for a term of up to 99 years, with the terms of the lease to be approved by the Portfolio Holder for Local Economic Development, Property and Innovation in consultation with the Executive Head Operations and the Executive Head Governance and Regulation.
- 8.2 That subject to the approval of 8.1 above the Council release the sum of £66,034 towards the overall cost of this project from the monies held by the District Council in Section 106 contributions.

For further information contact:

Colin Read
Executive Head of Operations
Tel: 02380 285588
E-mail: colin.read@nfdc.gov.uk

Background Papers:

Published documents



New Forest DISTRICT COUNCIL

Tel: 023 8028 5000
www.newforest.gov.uk

Title
Proposed location of additional play facilities
in Milford on Sea July 2017

Date 20/12/17

Scale 1:1000

© Crown copyright and database
rights 2017 Ordnance Survey
100026220

This page is intentionally left blank

CABINET – 7 FEBRUARY 2018

PORTFOLIO: LEADER'S

RESPONSE TO LOCAL GOVERNMENT ASSOCIATION PEER REVIEW

1. INTRODUCTION

- 1.1 In December 2017 Cabinet received the feedback and recommendations from the corporate peer challenge undertaken in October. This paper presents a response to those key recommendations in support of future improvements and sets out a Corporate Framework for delivery of the council's priorities.

2. BACKGROUND

- 2.1 The peer team spent four days onsite at the council, during which time they spoke to more than 60 people, including a range of council staff together with councillors, external partners and stakeholders, gathered information and views from more than 30 meetings and visited key sites in the area.
- 2.2 The feedback was generally very positive with the observation that the council is well placed to address the future challenges on behalf of the district. It identified some opportunities for improvement, which were welcomed, whilst also acknowledging that the feedback supported issues that were already being progressed in some cases.

3. RESPONSE TO LGA PEER TEAM REPORT

- 3.1 The feedback report set out the Peer team's observations against each area of focus. The report included 8 specific recommendations that the Council should consider:
- a) ***Develop the strategic framework with underpinning action plans to deliver the Council's vision for the broader district area; and***
 - b) ***Align the Medium Term Financial Plan and investment strategies within that strategic framework***

The Council's vision and priorities have been clearly established and are embedded in the Council's on going work programmes and financial plans. Appendix 1 sets out an overview of the corporate framework that will help support the delivery of recommendations a) and b).

- c) ***Consider alternative models for delivery through options appraisals and the use of external expertise to most effectively achieve the Council's objectives***

This will be included as an element of the Council's approach to Service Reviews and will be set out in guidance contained within the Organisational Strategy.

- d) ***Invest in your ICT infrastructure to leverage change***

The council will be investing £1 million in new ICT infrastructure details are set out in the 2018/19 annual budget and medium term financial plans. A revised Information Technology Strategy is being developed to support this investment. "The Smarter Working Project" requires improvements in technology and will enable the Council to develop new ways of working.

e) *Engage with staff and managers in developing the future direction of travel for the Council*

The development of the Corporate Framework will assist in the communication and engagement of staff, managers and members in how the council will progress going forward in the delivery of its priorities.

f) *Review levels of decision making to empower managers and staff to deliver*

A review of Contract Standing Orders and Financial Regulations is being undertaken and is due to be reported in March 2018.

g) *Review the requirements for more formal engagement arrangements with the National Park Authority including, to be fully effective, a review of current appointments to the National Park*

Work has commenced with the National Park Authority on where enhancements could be made to both organisations arrangements that lead to improved outcomes for the wider district. The outcome of this work will be reported to Cabinet during 2018.

h) *Prepare a robust and sound Local Plan, in a realistic but timely way.*

Good progress has been achieved in recent months with submission to the Secretary of State likely to be in the summer of 2018.

4. CORPORATE FRAMEWORK

- 4.1 The corporate framework (Appendix 1) articulates how the council's priorities are to be delivered and identifies the strategies that will help support that delivery. The framework is a clear articulation of how the council intends to deliver positive outcomes to the community together with a direction of travel for the organisation through a process which both engages and monitors progress.

5. FINANCIAL IMPLICATIONS

- 5.1 None arising directly from this report.

6. ENVIRONMENTAL, EQUALITY & DIVERSITY IMPLICATIONS

- 6.1 None arising directly from this report.

7. PORTFOLIO HOLDER COMMENTS

- 7.1 I am pleased that the Council already has in hand key actions that were suggested by the Peer Review Group.

8. RECOMMENDATIONS

- 8.1 Cabinet are asked to note the responses to the peer challenge recommendations and approve the proposed Corporate Framework.

For further information contact:

Rebecca Drummond
Service Manager – Business Improvement &
Customer Services
023 8028 5588
Rebecca.drummond@nfdc.gov.uk

Background Papers:

Corporate Peer Challenge – NFDC
Position Statement
Cabinet 6 December 2017 – Corporate
Peer Challenge

This page is intentionally left blank



Our Vision is to secure a better future for the New Forest by:

Supporting local businesses to prosper for the benefit of the community
 Assisting the wellbeing of those people who live and work within the district
 Protecting the special and unique character of the New Forest

Our Values

Ambitious

Collaborative

Customer Focused

Financially Responsible

Innovative

Open

Proud

Our Priorities



Helping local business grow



More homes for local people



Protecting the local character of our place



Service outcomes for the community



Living within our means



Working with others to achieve more

Our Community Strategies

Local Plan

Local Economic Strategy

Housing Strategy

Environmental Strategy

Community Strategy

Our Financial and Organisational Strategies

Financial Strategy

Medium Term Financial Plan

Investment Strategy

Organisational Strategy

Customer Strategy

ICT Strategy

People Strategy

Procurement Strategy

Accommodation Strategy

Supporting Mechanisms

Service Plans & Budgets

Strategy	Status	Completion Timeline (2018)				Portfolio Holder	Member Engagement Overview & Scrutiny Panel (Task & Finish Groups)
		Q1	Q2	Q3	Q4		
Local Plan 	In Progress			✓		Cllr Edward Heron	Environment
Local Economic 	In Progress		✓			Cllr Michael Harris	Corporate
Housing <i>Inc. Homelessness</i> 	In Progress				✓	Cllr Jill Cleary	Community
Environmental <i>Inc. Waste, Tree, Air Quality</i> 	To Commence			✓		Cllr Alison Hoare	Environment
Community <i>Inc. Safer New forest, Recreation</i> 	To Commence				✓	Cllr Diane Andrews Cllr James Binns	Community
Financial 	In Progress	✓				Cllr Jeremy Heron	Corporate
Medium Term Financial Plan 	Complete					Cllr Jeremy Heron	Corporate
Investment 	Complete					Cllr Michael Harris	Corporate
Organisational 	In Progress		✓			Cllr Barry Rickman	Corporate
ICT 	In Progress			✓		Cllr Jeremy Heron	Corporate
People 	In Progress			✓		Cllr Jeremy Heron	Corporate
Customer 	To Commence			✓		Cllr Diane Andrews	Community
Accommodation 	To Commence			✓		Cllr Michael Harris	Corporate
Procurement Strategy 	In Progress				✓	Cllr Jeremy Heron	Corporate

CONTRACT STANDING ORDERS (CSO) REVIEW

1. PURPOSE

- 1.1 The purpose of this report is to seek Cabinet approval of the revised Contract Standing Orders which will go forward to full Council for approval.

2. BACKGROUND

- 2.1 Contract Standing Orders (CSO) were last revised in 2015 following updates to the UK/EU Public Contracts Regulations 2015. At that time we had a Central Purchasing Team and we did not operate an electronic tendering system.

During 2015/16 a review of the Procurement process led to the restructuring of the Procurement team and the implementation of the Centre Led procurement model, under which all tenders are now administered electronically and low level day-to-day spend is devolved to services via a network of purchasing coordinators.

- 2.2 The Executive Management Team received a Procurement update on 16 Oct 2017 which included proposed changes to the Contract Standing Orders. The Executive Management Team requested that the proposed revisions be presented to the Corporate Overview and Scrutiny Panel. This was completed on 16 November 2017 where the Panel fully supported the approach and noted that a report would be submitted to the Cabinet seeking formal authority for changes to the Contract Standing Orders to reflect the new arrangements. The Executive Management Team approved the current draft of CSO's on 16 January 2018.

3. KEY CHANGES TO CONTRACT STANDING ORDERS

- 3.1 It is proposed that the financial values for CSO's be increased as set out in Annex 1 below.
- 3.2 It is also proposed that the CSOs should be adapted to reflect the new centre-led procurement organisation and related business process.
- 3.3 Revisions are also proposed to follow the procurement activity and therefore provide more targeted guidance to Officers at each stage of the process.
- 3.4 As part of the CSO review, the following contract threshold values are recommended for revision:
- a) Low value contracts: Increase the low value contract threshold from £5k to £15k to provide Service Managers with more autonomy to make business decisions.
 - b) Advertising threshold: increase the threshold at which contracts are "openly" advertised from the current 25k to a revised £50k. This will allow for contracts up to £50k to be "restricted" to local economy suppliers via direct invitation. The option to switch from restricted to open procedure would still be available to widen the competition, as required. This approach has been used by other Local Authorities across the UK. The Procurement Team will oversee ALL restricted quotations to vet

the supplier selection process and ensure best value and service considerations are in place. EU thresholds remain unchanged (Goods & Services contracts £181k; Works contracts £4.551M).

3.5 Due to the devolved authority provided for under our CSOs it is suggested that the "Gateway Review" process is simplified and revised to ensure that ALL procurement projects above £25k :

- a) Are properly defined, budgeted and project managed
- b) That effective communication is established
- c) That roles and responsibilities are identified and assigned
- d) That opportunities and risks identified

3.6 The proposed revised Contract Standing Orders are attached as Appendix 1 to this report.

4. CONCLUSIONS

4.1 Procurement operates in a complex legal framework set by the UK Government and the European Union. All local authorities are required, by law, to draw up a set of Contract Standing Orders (CSO's) for the procurement of goods, services and works in order to achieve competition and to regulate procedures for procurement.

4.2 By following these Contracts Standing Orders in dealing with the Council's procurement, officers can be sure that they have acted in an appropriate manner.

4.3 Contract Standing Orders provide the framework for the procurement of all goods, services and works and must be complied with by all Members, Officers, Consultants and other external Agents appointed to act on behalf of the Council in procurement matters.

5. FINANCIAL IMPLICATIONS

5.1 Through adopting the revised thresholds and associated procedures the Council can realise better procurement decisions based upon the selection of the optimal procurement route. The CSO revisions provide improved local decision making and allow the option of adapting the process should wider competition be of benefit to the Council.

6. CRIME & DISORDER IMPLICATIONS

6.1 There are none.

7. ENVIRONMENTAL IMPLICATIONS

7.1 There are none.

8. EQUALITY & DIVERSITY IMPLICATIONS

8.1 There are none.

9. PORTFOLIO HOLDER'S COMMENTS

- 9.1 Regular reviews of our Standing Orders ensure that they remain relevant and assist, rather than hinder, the smooth operation of this Council. The increases in thresholds proposed within this report enable officers to conduct the business of this Council whilst still maintaining prudent and proportionate financial controls.

10.0 RECOMMENDATIONS

- 10.1 That it be a recommendation to Council that the proposed changes to Contract Standing Orders, as set above, be approved; and
- 10.2 That the Service Manager (Legal) in consultation with the Executive Head of Governance and Regulation be delegated authority to make minor changes to Contract Standing Orders.
- 10.3 That the scheme of delegation of powers to officers be updated to reflect the changes in the revised Contract Standing Orders.

For further information contact:

Andrew Kinghorn
Service Manager
Andrew.kinghorn@nfdc.gov.uk

Gary Jarvis
Strategic Procurement Officer
023 8028 5588
gary.jarvis@nfdc.gov.uk

Background Papers:

Attached - Revised CSO for 2018

Annex 1

CONTRACT STANDING ORDER (proposed changes to contract value)

Current CSO Values	Proposed Contract Value	Type of Procurement	Sourcing Method to be Used
Less than £5,000	Less than £15,000	Best Value Price Check (BV) <i>via desk-top</i>	<ul style="list-style-type: none"> Use a National / Regional Framework, <i>or</i> Use an existing NFDC Corporate contract, <i>or</i> Undertake price checks to demonstrate best value for the Council. Document and retain price checks.
£5,000-£25,000	£15,000 - £25,000	Request for Quotation (RFQ) <i>via desk-top</i>	<ul style="list-style-type: none"> Use a National / Regional Framework. Use an existing NFDC Corporate contract. Invite a minimum of 3 written Quotations via your desk-top (eMail) using templates available from Procurement. OR contact Procurement who will run a “restricted” Quotation via the South East Business Portal on your behalf.
	£25,000 - £50,000	Request for Quotation (RFQ) <i>via Procurement Team</i>	<ul style="list-style-type: none"> Gateway Review to be approved by Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Procurement options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Use an existing NFDC Corporate contract. Work with Procurement who will run a “restricted” Quotation exercise inviting nominated suppliers via the South East Business Portal on your behalf. <i>Note: the use of an “open” Quotation is optional where potential tenderers are unknown.</i>
£25,000 – EU Threshold	£50,000 upto EU Threshold*	Invitation to Tender (ITT) <i>via Procurement Team</i>	<ul style="list-style-type: none"> Gateway Review to be approved by Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Contact Procurement who will fully manage an “open” Tender process via the South East Business Portal on your behalf.
EU Threshold* & above	EU Threshold* & above	Invitation to Tender (ITT) <i>via Procurement Team</i>	<ul style="list-style-type: none"> Gateway Review to be approved by Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Contact Procurement who will fully manage an “EU compliant” Tender process via OJEU and the South East Business Portal on your behalf.

This page is intentionally left blank



CONTRACT STANDING ORDERS RELATING TO PROCUREMENT

APPLICABLE FOR PROCUREMENTS AFTER [01 March 2013]

Contract Standing Orders - Procurement

Procurement operates in a complex legal framework set by the UK Government and the European Union. All local authorities are required by law to draw up a set of Contract Standing Orders (CSO's) for the procurement of goods, services and works in order to achieve competition and to regulate procedures for procurement.

By following these Contracts Standing Orders in dealing with the Councils procurement, officers can be sure that they have acted in an appropriate manner and are protected from any accusation of corruption, fraud, illegality or misuse of public funds.

These Contract Standing Orders provide the framework for the procurement of all works, goods and services and must be complied with by all Members, Officers, Consultants and other external Agents appointed to act on behalf of the Council in procurement matters.

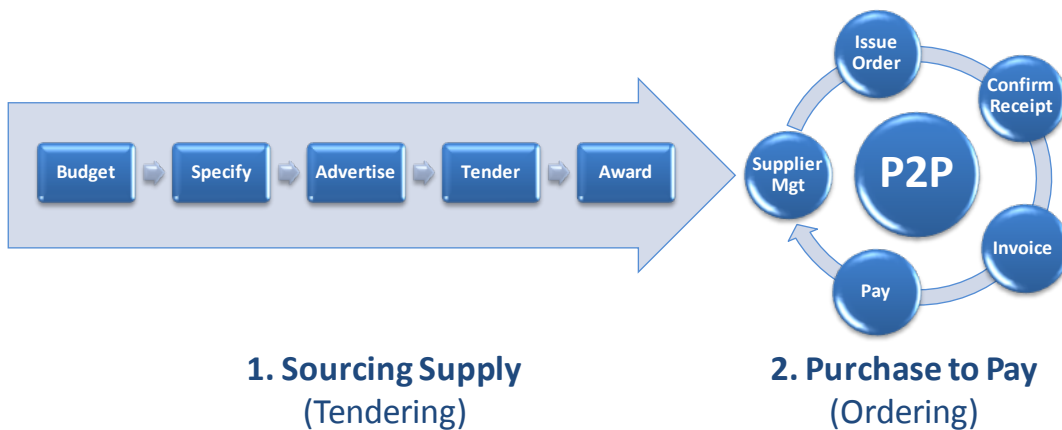
These Contract Standing Orders are numbered with an SO suffix and are broadly sequenced to follow the Procurement process to help the user navigate more effectively to the relevant section.

The Procurement Team will provide advice to Officers on CSO considerations as well as best practice procurement relative to the specific project being planned.

All monetary values referred to in these rules are total contract values, not annual values, and exclude VAT unless otherwise stated. They cover expenditure contracts and income generating contracts.

Please see **Annex A** for a Quick Guide to CSO Procurement Thresholds.

The Procurement Process



CONTRACT STANDING ORDERS (CSO)

SO1 Compliance

- 1.1. Every Member of the Council and every officer and employee of the Council must comply with these Contract Standing Orders.
- 1.2. Any other person who is engaged in the letting, management or supervision of a contract on behalf of the Council must comply with these Rules as if s/he were an officer of the Council.
- 1.3. These Rules apply to all procurement decisions, regardless of the source of funding, or the status of the contractor (i.e. they apply equally to selection of both main contractors and nominated sub-contractors or suppliers).
- 1.4. Every contract must be let in compliance with The Public Contracts Regulations 2015 with applicable European and domestic legal requirements.
- 1.5. Where the Council has established in-house expertise in a function with suitable capacity, whether it be direct works (engineering, building, grounds maintenance, etc.) or professional services (accountancy, legal, surveying, etc.) all relevant works and services shall be delivered by that service.
- 1.6. These Rules are supplemented by a quick guide to the Councils Procurement Thresholds and Sourcing Matrix (**See Annex A**).

SO2 Exemptions

- 2.1 The following contracts are exempt from the requirements of these Rules:
 - i. Orders placed through a framework agreement established by a central or regional purchasing body to which the Council is a named party
 - ii. Employment contracts
 - iii. Contracts for the disposal or acquisition of an interest in land, existing buildings or other immovable property
 - iv. Legal advice sought by the Legal Services Manager, connected with the business of the Council
 - v. Arbitration or conciliation services
 - vi. Financial advice sought by the section 151 officer in connection with council business.
 - vii. Central bank services
 - viii. Public contracts between entities within the public sector
 - ix. Grants to external organisations

SO3 Budgetary Provision and Gateway Review

- 3.1 No quotation or tender shall be invited or order placed unless there is sufficient approved budgetary provision.
- 3.2 A **Gateway Review** shall be conducted on all procurement contracts with an estimated value in **excess of £25,000**. The Gateway Review is carried out at two key stages of the Procurement Sourcing Process. Further details and the Gateway Review form can be found at **Annex B** and on ForestNet Procurement pages.
- 3.3 **Gateway stage 1 (project outline & procurement planning)** sets out the project scope, aims and objectives, confirms budget provision, describes the procurement procedure to be used and requires relevant Service Manager approval in order to proceed to formal tendering. Invitations to quote or tender will not proceed without Service Manager signed off Gateway 1.
- 3.4 **Gateway stage 2 (contract award proposal & approval)** reports on the outcome of the tendering activity, proposes way forward including how contract will be monitored and confirms Service Manager approval to award contract. Formal contract award letters will not be issued without Service Manager signed off Gateway 2.

SO4 Contract Value

- 4.1 All monetary values referred to in these Rules are total contract values, not annual values, and exclude VAT unless otherwise stated. They cover all expenditure contracts and income generating contracts.
- 4.2 Guidance on how to value a contract can be found in the CSO Thresholds and Sourcing Matrix set out in **Annex A**.
- 4.3 Contracts must be packaged appropriately to achieve maximum value for the Council. They should not be split in order to avoid quotation or tendering limits in these Rules or EU procurement thresholds, or packaged in a way to reduce the potential for fair and open competition.

SO5 Contracts valued below £15,000

- 5.1 Service teams will adopt the procedure that is most appropriate to provide best value to the Council. Details of the method used to obtain price checks, benchmark the market or any quotations received will be documented and retained electronically for 12 months (or length of supply agreement plus additional 12 months) to support and justify the ordering decision. Service Manager approval to award contract is required. NFDC terms and conditions should be used unless otherwise agreed with Legal Services.

SO6 Contracts with a value between £15,000 and £25,000

- 6.1 Where the estimated value of a contract is between £15,000 and £25,000 a minimum of three quotations must be invited (via desk-top quotation) for a works, goods or services contract. NFDC terms and conditions should be used unless otherwise agreed with Legal Services. Alternatively, an electronic quotation issued via the Procurement team can be requested to save officer time and make use of our e-procurement system.

SO7 Contracts with a value between £25,000 and £50,000

- 7.1 Where the estimated value of a works, goods or services contract is between £25,000 and £50,000 suitable suppliers for a restricted quotation should be nominated by the Service team and confirmed with Procurement. Procurement will invite quotations via the e-procurement system. However, the option to convert from restricted to open advertising will be used if a wider supplier search would benefit the Council.

SO8 Transparency (threshold for advertising of contract opportunities)

- 8.1 The Councils standing orders require transparent advertising of any contract with an estimated value of £50,000 or more. Procurement will “openly” advertise such contract opportunities on the Council's Business Portal and the Governments Contracts Finder portal to seek expressions of interest and tender responses from suitably qualified suppliers. Note: ALL procurement documentation must be available from date of publication of contract notice (advert).
- 8.2 Advertising of contracts below £50,000 is not required and Officers in conjunction with Procurement will carry out soft market testing to identify local economy, regional and national suppliers prior to the issue of restricted quotations. However, the option to convert from restricted to open advertising will be used if a wider supplier search would benefit the Council.

SO9 Contracts with a value in between £50,000 and EU Threshold*

- 9.1 Where the estimated contract value for a works, goods or services contract exceeds £50,000 but does not exceed the relevant EU public procurement threshold (*see Annex A for EU threshold £ values) or does not fall within a category subject to the EU public procurement rules, an open tender should be issued by the Procurement team.

SO10 Contracts with a value in excess of the EU Threshold*

- 10.1 Where the estimated contract value for a works, goods or services contract exceeds the relevant EU public procurement threshold (*see Annex A for EU threshold £ values) any contract must be issued by the Procurement team in compliance with the relevant legal requirements, in particular the Public Contracts Regulations 2015 and these Rules.

- 10.2 Procurement will arrange for the issue of a Contract Notice (advert) in the OJEU (Official Journal of the European Union) to be followed by an invitation to tender using one of the mandated procedures set out in the Public Contract Regulations 2015 (namely; open; restricted; competitive dialogue; competitive procedure with negotiation; or innovation partnership). Procurement will advise on the most appropriate procedure to be followed.
- 10.3 Where there is a conflict between legislation and these Rules, the legislation will prevail.

SO11 Content of Invitations to Quote or Tender

- 11.1 Procurement will oversee the contents of all invitation to tender or requests for quotation to ensure they include:
- i. A description of the works, goods or services being procured
 - ii. A specification indicating the outcome required
 - iii. Terms and conditions of contract
 - iv. The evaluation criteria including any weightings
 - v. The Cost (pricing) mechanism and instructions for completing the tender sum response
 - vi. The Quality and Service requirements and associated response form
 - vii. Where there is a potential transfer of employees, the Council's view on whether TUPE will apply
 - viii. The form and content of any method statements to be provided

SO12 Collaborative Procurement

- 12.1 Where procurement is undertaken in collaboration with one or more other public authorities the Contract Standing Orders of one of the other authorities may be used in place of these Rules.
- 12.2 An invitation to tender or to submit quotations may be made for supply to other authorities (including New Forest Town and Parish Councils) in addition to New Forest District Council on similar terms.

SO13 Form and contents of Legal Terms and Conditions (contracts)

- 13.1 The choice of contract terms applicable for a Procurement project should be decided at the start of the process by seeking advice from Procurement and/or Legal Services. A range of standard contract type templates are available from ForestNet, others can be provided by Legal Services to suit need.
- 13.2 The decision whether the contract should be Signed under Hand OR a Sealed Deed should be discussed and agreed with Legal / Procurement. The decision will depend upon the use of Statutory Limitation Period (SLP). A contracts

signed under hand provides 6 years SLP from end of contract term. A contract executed as a deed and sealed provides 12 years SLP from end of contract term.

- 13.3 Contracts for Works, Goods or Services with a value exceeding the EU threshold for Goods / Services (**See Annex A**) must be entered into as a deed and sealed by Legal Services, thus giving the Council greater protection.
- 13.4 Contracts for Works, Goods and Services with a value NOT exceeding the EU threshold for Goods / Services (**See Annex A**) must be signed under hand should be signed by an officer nominated with that level of responsibility as set out in **Annex C**.

SO14 Submission and Opening of Tenders and Quotations

- 14.1 All invitations to tender or submit a quotation must specify requirements for their submission. Such requirements shall include a time by which tenders or quotations must be received by the Council.
- 14.2 All quotations with an estimated value below £25,000 must be opened, recorded and retained by the nominated officer of relevant Service Team (who is independent of the quotation process). Quotation instructions shall clearly state that the quotations must be returned to the nominated officer only. This can be by email or by post. Returned quotations must be held securely and unopened by the nominated officer until the specified return date. The Contract Administrator must supply the details of the suppliers that have been invited to quotation to the nominated officer prior to the quotations being received.
- 14.3 All quotations and tenders with an estimated value in excess of £25,000 (or any issued by Procurement via the Councils e-procurement system) must be opened by Procurement. Audit history of the opening process will be maintained by the e-procurement system.
- 14.4 Any quotations / tenders received after the specified opening date whether by post or email should not be opened or included in the evaluation.
- 14.5 In the case of quotations / tenders received via the e-procurement system Procurement and Legal Services can agree to accept a late quotation / tender response received via the e-Procurement system in exceptional cases.
- 14.6 If a Quotation or Tender exercise fails to return more than 1 bid response, then the Contract Administrator and Procurement should decide whether the bid represents value for money and delivers the specification in full. A decision to proceed to award based on single bid OR suspension of the procurement exercise should be agreed, documented and approved via the Gateway 2 review. If the procurement exercise is suspended a decision to a) revise the

project and re-tender OR b) abandon the whole project should be set out in the Gateway 2 review.

SO15 Evaluating Quotations and Tenders

- 15.1 Tenders and quotations will be evaluated as per the agreed evaluation criteria set out in the quotation or tender documentation. Procurement provides an evaluation matrix (spreadsheet) for this purpose. Please refer to the documents area of the procurement pages on ForestNet.
- 15.2 The Contract Administrator must ensure that evaluation of tenders takes place involving suitably experienced officers to form “the evaluation panel”. The results of the evaluation must reflect the consensus of the panel and be approved by the appropriate Service Manager by sign off **Gateway Stage 2**.
- 15.3 It is permissible to use consultants to assist with tender evaluation, but the final decision must be made by an NFDC officer with delegated authority.
- 15.4 If during the evaluation of tenders the panel requires post-tender clarifications from any or all of the tenderers, this must be communicated via the e-procurement system messaging function by the Procurement team).
- 15.5 The results of the evaluation must be retained for the period of SLP from the end of the contract. A copy of the approved evaluation matrix will be provided to Procurement to store electronically in the e-procurement system (along with the award decision letters and final contract documents).

SO16 Award Notification and Entering into Contracts

- 16.1 Signing and entering into contracts must be strictly in accordance with the Councils scheme of delegations set out in **Annex C**
- 16.2 The notification of the outcome of a desk-top quotation for contracts below £25,000 will be administered by the relevant Contract Administrator. Service Manager approval to award contract is required. All tenderers (successful and unsuccessful) will be notified on the same date along with details of their evaluation scores. Template letters are available from Procurement.
- 16.3 The notification of the outcome of a quotation or tender for contracts issued and received via the e-procurement system will be administered by Procurement. All tenderers (successful and unsuccessful) will be notified along with details of their evaluation scores. **Note:** Service Manager approval of **Gateway Stage 2** is required prior to formal award of contract.
- 16.4 Suppliers / Contractors are required to hold and maintain appropriate levels of insurance during the period of any contract awarded by the Council. Evidence

of the insurance cover held must be confirmed prior to the award of contract. See ForestNet Procurement for advice and guidance.

- 16.5 An official purchase order will be issued (unless otherwise agreed with Procurement) to awarded supplier(s) to call-off goods or services, cross referencing the Councils contract number and awarded suppliers quotation number (if available). Works orders will be instructed as set out in the works contract documents, with payment certificates used to authorise payments. The terms and conditions of contract will be as set out in the quotation / tender pack.

SO17 Performance Bonds & Parent Company Guarantees

- 17.1 As part of the evaluation of short-listed tender responses the Contract Administrator will request from Procurement an independent financial appraisal report.

The financial appraisal provides the Council with an overall financial risk score (referred to as failure score) used to assess the applicant's financial standing. The failure score ratings (0 poor to 100 good) are matched to a pass/fail result as detailed below:

- Score of 0 to 10 will mean automatic "**FAIL**" and the suppliers will be excluded from the procurement process.
- Score of 11 to 50 will be a "**PASS - SUBJECT TO**" provision of a performance bond or parent company guarantee if/when deemed appropriate.
- Score of 51 and over is a "**PASS**" meaning the Council will not request a performance bond or parent company guarantee (although this can be overruled on a case by case basis).

- 17.2 A performance bond (PB) or parent company guarantee (PCG) provides the Council with a financial guarantee, typically limited to 10% of the contract price to protect against losses and/or damages as result of the Contractor failing to perform its contractual obligations upto practical completion. A performance bond is a tripartite agreement between the Contractor, its surety (a bank / insurer) and the Council. Likewise, a parent company guarantee is a tripartite agreement between the Contractor, its Parent Company and the Council.

- 17.3 The decision to seek the assurance of a performance bond (PB) or parent company guarantee (PCG) will depend on the risk factors related to the specific contractor and proportionate to the contract value and cost to the Council of the assurance. Advice from Procurement, Accountancy and Legal should be sought by the Contract Administrator where a contractor's financial appraisal highlights concerns. Please see ForestNet for an NFDC template performance bond or parent company guarantee.

SO18 Maintenance of the Contract Register

- 18.1 Under Government Transparency Law the Council must publish and maintain details of ALL “live” contracts. In order to achieve this requirement, Procurement will add details of all contracts to the e-procurement systems contract register accessible via a link on the Councils website for enquiries.
- 18.2 The e-procurement systems contract register allows for “private” documents to be stored. Procurement will add an electronic copy of the final signed / sealed contract and any relevant documents. This will be accessible to Council officers linked to the procurement.
- 18.3 All original sealed deed contract documents must be held centrally by Legal Services for the term of the contract (including any agreed extension periods), plus the statutory limitation period (12 years for sealed deeds). They must be referenced back to the Central Register.
- 18.4 All original signed under hand contracts must be held by the relevant Service unit for the term of the contract (including any agreed extension periods), plus the statutory limitation period (6 years for contracts under hand). They must be referenced back to a Service based register.
- 18.5 Service Managers are responsible for ensuring that:
- the original signed/sealed copies of the contract and any subsequent signed variations, have been stored as set out in 18.3 and 18.4.
summary details of any contract that has been entered into, that binds the Council to the terms and conditions of the contract plus a .pdf copy of the signed / sealed contract is provided to Procurement to be entered on the Contracts Register administered by Procurement;
 - an electronic copy of the contract and any subsequent variations to the contract that are entered into during its lifetime are stored in their service filing areas (working copy);
 - Procurement will maintain the online Contracts Register (via the electronic procurement system) to ensure the Council complies with the obligations of the Local Government Transparency Code (2015).

SO19 Conflicts of Interest, Bribery and Corruption

- 19.1 All officers involved with the award of contracts must comply with the Council's Anti-Fraud, Bribery and Corruption Strategy.
- 19.2 No gifts or hospitality, other than simple refreshments, shall be accepted by Officers or members from any tenderers to any contract being let by the Council until the time that the contract has been awarded.
- 19.3 No contract can be wholly awarded or managed by an officer who has other interests in the arrangement.

- 19.4 If it comes to the knowledge of a member or officer of the Council that a contract in which s/he has a pecuniary interest has been or is proposed to be entered into by the Council, s/he shall immediately inform the Monitoring Officer.

SO20 Waivers of Contract Standing Orders

- 20.1 A waiver is the process to follow where circumstances mean that Contract Standing Orders cannot be adhered to, in accordance with the following rules:
- 20.2 A waiver must not result in a breach of EU Procurement Regulations for contracts within the EU tendering thresholds or of procurement law below EU procurement thresholds. In all cases, the Council must apply general principles of equal treatment, transparency and non-discrimination.
- 20.3 An officer may request a waiver by completing the waiver template which can be found on the procurement pages on ForestNet.
- 20.4 All waiver requests will be presented to the Service Manager Legal. The arbiter of a waiver decision shall be the Executive Head, Governance and Regulation.
- 20.5 All approved waivers where a contract award is sanctioned shall be added to the Contracts Register by Procurement to ensure compliance with the Local Government Transparency Code.

SO21 Modifications / Changes to Existing Contracts

- 19.1 Under Public Contracts Regulations 2015, a modification to an existing pre-tendered contract may be possible under certain circumstances but you will need to seek advice from Legal Services / Procurement to ensure compliance with the Regulations.

SO22 Contract Mobilisation and Monitoring

- 22.1 The Contract Administrator should establish regular reviews with the awarded supplier(s) to monitor the performance of the contract and ensure the cost, service and quality elements of the supplier offer meet (or improve upon) the tendered specification. The contract monitoring regime should be commensurate and proportionate to the contract and should include the use of simple and effective performance measurement. The proposed arrangement to mobilise and monitor the contract throughout its lifetime should be set out in **Gateway Review Stage 2** (contract award proposal & approval).
- 22.2 Service Managers are accountable for ensuring the performance monitoring regime for awarded contracts is maintained in line with the contract documents and the Gateway Review Stage 2.

Annex A – Contract Standing Orders (Thresholds & Sourcing Matrix)

CONTRACT STANDING ORDER (QUICK GUIDE)

Contract Value	Type of Procurement	Advert Required	Sourcing Method to be Used
Less than £15,000	Best Value Price Check (BV) <i>via desk-top</i>	NO	<ul style="list-style-type: none"> Use a National / Regional Framework, <i>or</i> Use an existing NFDC Corporate contract, <i>or</i> Undertake price checks to demonstrate best value for the Council. Document and retain price checks.
£15,000 - £25,000	Request for Quotation (RFQ) <i>via desk-top</i>	NO	<ul style="list-style-type: none"> Use a National / Regional Framework. Use an existing NFDC Corporate contract. Invite a minimum of 3 written Quotations via your desk-top (eMail) using templates available from Procurement. OR contact Procurement who will run a “restricted” Quotation via the South East Business Portal on your behalf.
£25,000 - £50,000	Request for Quotation (RFQ) <i>via Procurement Team</i>	NO <i>(with Yes option)</i>	<ul style="list-style-type: none"> Gateway Review to be approved by Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Procurement options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Use an existing NFDC Corporate contract. Work with Procurement who will run a “restricted” Quotation exercise inviting nominated suppliers via the South East Business Portal on your behalf. <i>Note: the use of an “open” Quotation is optional where potential tenderers are unknown.</i>
£50,000 upto EU Threshold*	Invitation to Tender (ITT) <i>via Procurement Team</i>	YES (SEBP & CF)	<ul style="list-style-type: none"> Gateway Review to be approved by Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Contact Procurement who will fully manage an “open” Tender process via the South East Business Portal on your behalf.
EU Threshold* & above	Invitation to Tender (ITT) <i>via Procurement Team</i>	YES (SEBP & OJEU)	<ul style="list-style-type: none"> Gateway Review to be approved by Service Manager. Discuss with Procurement (Add to Procurement Pipeline). <p>Options are;</p> <ul style="list-style-type: none"> Use a National / Regional Framework. Contact Procurement who will fully manage an “EU compliant” Tender process via OJEU and the South East Business Portal on your behalf.

Please refer to Procurement Rules, Regulations & Contract Standing Orders on Forestnet >>
<http://forestnet/article/2591/NFDC-Procurement-Documents>

Please see [The Public Contracts Regulations 2015](#)

*EU Threshold @ 1st Jan 2018 = Goods/Services £181,302; Works £4,551,413

Procurement Contract Definitions:

Works: These contracts relate to construction, demolition, building and civil engineering work and completion work such as joinery, plastering and decoration. It includes major repairs or complete refurbishment. (e.g. *building affordable housing, repairing building structures, resurfacing a car park, repairing a roof, installing a heating system.*)

Goods / Supplies: These contracts relate to the purchase, hire, siting or installation of goods, but not their maintenance. (e.g. *equipment, clothing, vehicles & spare parts, office stationery, consumables, gas, electricity, IT Hardware/Software*)

Services: These contracts relate to the provision by a person or other entity to provide services. (e.g. *Provision of maintenance services, professional services (consultancy), financial services, cleaning services, servicing an installed product or system*)

How to estimate the total contract value of your procurement:

The contract value should be the summation of the whole life costs of the contract on offer. e.g. the complete life cycle from start to finish.

Contract Value = Initial non-recurring elements (e.g. capital items, materials, supplies, training, refurbishments & labour, set-up costs, etc.) **+ recurring costs over the contract duration** (e.g. materials, parts, maintenance, labour, annual licences, upgrading and ultimate decommissioning / disposal, etc.) for the term duration (e.g. 3 / 4 years)

If the contract is a one-off purchase then the total value will be quite easy to estimate, based on "should cost" or benchmarked comparisons

If the contract is spread over a number of years (i.e. 3 years + 2 years optional extension), the contract value is the total whole life cost value over the maximum contract duration

If you intend to buy similar goods or services year-on-year but you do not know the length of the contract or it is indefinite, you will need to estimate the total value of your purchasing over the next 48 months (4 years) to arrive at a Contract value.

Contracts over 5 years duration should be approved by Legal Services in conjunction with Procurement. Single supplier / multi supplier Framework Agreements cannot exceed 4 years duration. Provision should be made for long term agreements whereby an extension period beyond the initial term may be beneficial to the Council in the future.

Contracts must be packaged appropriately to achieve maximum value for the Council. They should not be split in order to avoid quotation or tendering limits in Contract Standing Orders or EU procurement thresholds, or be packaged in a way to reduce the potential for fair and open competition

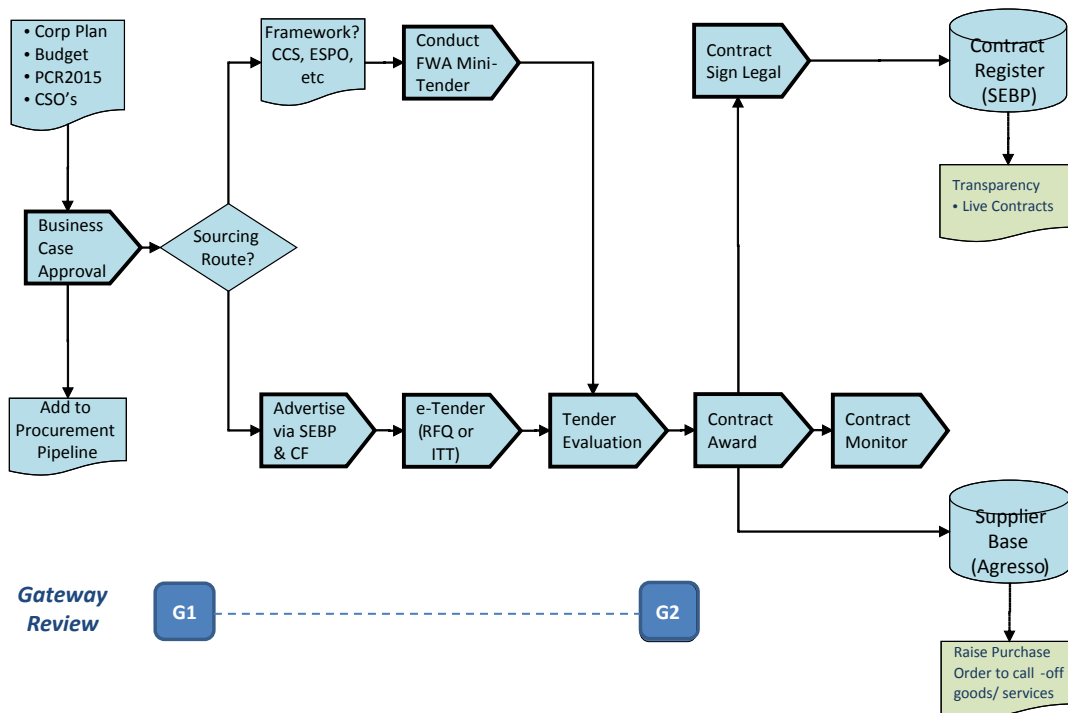
Transparency – NFDC Advertising Threshold:

All contracts in excess of £50,000 must be advertised transparently on the Council's Business Portal. Please contact Procurement to arrange. See SO8 for further details.

Annex B – The Sourcing Supply Process

These Contract Standing Orders apply to the Sourcing Supply process used by the Council to ensure fairness and transparency in the advertising, selection and award of contract opportunities whilst delivering the goals of the Corporate Plan.

The flow diagram below shows the key steps in the Sourcing Supply process and indicates the Gateway decision points



Gateway Review (G1 to G2)

A Gateway Review shall be conducted on all procurement contracts with an estimated value in excess of £25,000. The scale of the reviews shall be proportionate to the value of the work and the risks and complexity of the project. See SO8 for further details.

The purpose of the Gateway Review process is to ensure that;

- projects are properly defined and well managed
- effective communication established
- roles and responsibilities identified and assigned
- opportunities and risks identified and managed

Gateway reviews shall be undertaken at the following key stages of the project:



Note: Service Manager approval of Gateway Stages 1 & 2 is required prior to commencement of any Procurement activity and award of contract.

Annex C - NFDC Scheme of Delegations relating to Procurement Contracts

Process	Covers	Strategic Procurement Manager	Budget Responsible Officer (BRO)	Service Manager	Member of EMT
Awarding a Contract	Award a contract to a supplier with whom orders can be placed (in accordance with procurement rules). Select the winning tender from a procurement exercise.	Upto £50k	Upto £10k	Upto £1M	£ Unlimited
Signing a Contract	Sign under hand a contract awarded under a request for quotation or tender process. Sign up to an agreement which ties the council into expenditure (e.g. maintenance agreement). Sign up to an agreement which ties the council into a set of terms and conditions (e.g. grant agreement, IT facility agreement).	Upto £50k	Upto £10k	Upto £1M	£ Unlimited
Sealing a Deed	Signing the seal affixed to a document or deed. All contracts over the value of £164,176 (<i>the EU Threshold for Goods/Services</i>) must be referred to Legal Services to confirm whether they require sealing.	N/A	N/A	Service Manager	Executive Head (Gov & Reg) Chief Executive
Invoice payment (Works)	All works contract payments must be recorded by Internal Audit prior to sending to Accounts Payable for payment.	Upto £100k	Upto £10k	Upto £500k	£ Unlimited
Invoice payment (Goods and Services)	All goods and services invoices for contracts can be paid in line with the Council's authorised signatories policy.	N/A	BR Officer = Upto £50k BR Admin = Upto £10k	Upto £150k	£ Unlimited

This page is intentionally left blank