

NOTICE OF MEETING

Meeting: CORPORATE OVERVIEW AND SCRUTINY PANEL

Date and Time: THURSDAY, 18 JANUARY 2018, AT 9.30 AM*

Place: COMMITTEE ROOM 1, APPLETREE COURT,
LYNDHURST

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023 8028 5588 - ask for Andy Rogers
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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 Panel'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

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

AGENDA

Apologies

1. ELECTION OF CHAIRMAN

To elect a Chairman of the Panel for the remainder of the municipal year.

2. APPOINTMENT OF VICE-CHAIRMAN

To appoint a Vice-Chairman of the Panel for the remainder of the municipal year.

3. MINUTES

To confirm the minutes of the meeting held on 16 November 2017 as a correct record.

4. 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.

5. PUBLIC PARTICIPATION

To note any issues raised during the public participation period.

6. ELECTORAL REVIEW (Pages 1 - 6)

To consider the recommendations of the Electoral Review Task and Finish Group and to make recommendations to the Cabinet on a possible reduction in the number of members on the District Council.

7. BUDGET TASK AND FINISH GROUP - FINAL REPORT (Pages 7 - 14)

To consider the recommendations of the Budget Task and Finish Group and to make recommendations to Cabinet.

8. CITIZENS' ADVICE NEW FOREST - REVIEW OF GRANT (Pages 15 - 16)

To consider the recommendations of the Citizens' Advice New Forest Task and Finish Group concerning the grant given to Citizens' Advice New Forest, and to make recommendations to the Cabinet.

9. SERVICE REVIEW UPDATE (Pages 17 - 24)

To receive an update on progress with Corporate Plan key actions and the service review programme.

10. WORK PROGRAMME (Pages 25 - 26)

- (a) To consider the Panel's future Work Programme, including any reviews of previous work undertaken; and
- (b) To receive any updates on Task and Finish Group work.

11. PORTFOLIO HOLDERS' UPDATES

An opportunity for the Portfolio Holders to provide an update to the Panel on any issues.

12. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT

To: **Councillors:**

A R Alvey
W G Andrews
G C Beck
M J Kendal
Mrs A E McEvoy

Councillors:

A D O'Sullivan
A K Penson
M A Steele
D B Tipp
C A Wise

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CORPORATE OVERVIEW AND SCRUTINY PANEL – 18 JANUARY 2018

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 Corporate Overview & Scrutiny Panel or the Cabinet, 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 by Cllr John Ward to the Leader of the Council at the Council meeting on 12 September 2016, a new Task & Finish Group was established. The Group comprised Cllrs Binns, Clarke, M Harris, McEvoy, Penson, Thorne, Tungate and J Ward. The Panel's terms of reference were:
 - (i) To consider and make recommendations on whether the Council should request the Local Government Boundary Commission for England (LGBCE) to undertake a review of New Forest District Council with a view to reducing the numbers on the Council; and
 - (ii) To take into account the effect a change in numbers would have on:
 - (a) The Council's governance and decision-making arrangements; and
 - (b) Councillors' representational roles
- 1.3 The current T&F Group has met three times, on 14 November 2016, 17 March 2017 and 30 October 2017 and, after exploring various options and associated issues, recommends that an approach be made to the LGBCE to conduct a review of the District Council's electoral arrangements with the aim of reducing the numbers on the Council to approximately 48. This report explains the rationale behind the T&F Group's recommendation, and presents the recommendation to the Panel for consideration.

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 appears to have been affected by the need for reviews following 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 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 position)		60			2023
New Forest (based on 48 members)			48	20%	3029

2.8 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.

3. RECENT DELIBERATIONS BY THE TASK & FINISH GROUP

3.1 The T&F Group has considered the issues in detail and has 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 which 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:

- 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.
- Since the introduction of the Cabinet system of decision-making, there is less work for non-Executive members.
- Modern technology has made communication with local constituents, and therefore councillors' representational roles, easier and quicker.
- 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".
- 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 RECOMMENDATION AND WAY FORWARD

- 4.1 As mentioned in paragraph 1.3, the Task & Finish Group has, 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 Panel is requested to consider this recommendation. Any recommendations arising should be submitted to the Cabinet and then to the Council.
- 4.2 If the Council approves a recommendation to this effect, a formal request would 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 the Panel is asked to be aware that the substantial changes to ward boundaries that would be required would inevitably result in 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 issues have to be taken into consideration. However, these are matters that would receive detailed consideration if and when the Council decides to request a review and the size of the Council considered appropriate.
- 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. FINANCIAL IMPLICATIONS

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

6. ENVIRONMENTAL, CRIME & DISORDER AND EQUALITY & DIVERSITY IMPLICATIONS

- 6.1 There are none.

7. RECOMMENDATION:

- 7.1 The Electoral Review Task & Finish Group's recommendation is that it be recommended to the Cabinet 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:

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Background Papers;

Notes of Task & Finish Group

CORPORATE OVERVIEW AND SCRUTINY PANEL – 18 JANUARY 2018

BUDGET TASK AND FINISH GROUP – FINAL REPORT

1. PURPOSE

- 1.1 The Budget Task & Finish Group has, on behalf of all members, examined the Council's financial plans and existing budgets in considerable detail in the context of the latest forecast Medium Term Financial Plan. This report presents the findings of the Group to the Corporate Overview and Scrutiny Panel for consideration.

2. INTRODUCTION AND CONTEXT

Terms of Reference

The terms of reference for the Budget Task and Finish Group are:

- (1) To review the Budget Strategy and its implications for the broader community of the New Forest; and
- (2) To report the outcome of this review to the Corporate Overview and Scrutiny Panel to assist in responding to the budget proposals for 2018 and beyond.

Membership of Group

Cllr A Penson
Cllr G R Blunden
Cllr Kate Crisell
Cllr Mrs A E McEvoy
Cllr M Steele (Chairman)
Cllr A D O'Sullivan

(The Group would like to place on record their thanks to Cllr Michael Harris, who recently stepped down from the Budget Task and Finish Group after being appointed as a Portfolio Holder. Cllr Harris has chaired the Group over recent years, and made a valuable contribution to its work.)

The Work of the Group

- 2.1 At their first meeting it was agreed that the task should again involve a review of performance, as well as meetings with Portfolio Holders. The overriding theme was one of scrutiny and assurance on behalf of all members of the Council and the public they serve.
- 2.2 To assist members of the task and finish group, resource plans for each Portfolio were developed with Portfolio Holders and service managers. The Group found these very useful, and reviewed these in detail before meeting with each Cabinet Member. This provided a thorough review of the challenges on key issues for the Portfolio. As part of their research, group members asked service managers a wide range of detailed questions.

2.3 Previous year's Recommendations

The Group was pleased that there had been considerable progress on some of last year's recommendations, some of which are repeated below for reference.

- All portfolio holders be urged to seek further opportunities for the provision of services in collaboration with other authorities and organisations, especially the National Park Authority;
- Representations be made to New Forest MPs on the Right to Buy policy and its detrimental effect on housing provision;
- The Government be made aware of the effect on the public in regard to Universal Credit and the impact on the Citizens' Advice Bureau;
- Consideration be given to increasing income generation from offering the Council's services to other organisations, eg payroll, audit, and other services where practicable;
- That in view of its financial and community significance, COSP receive a report on the Leisure Review and be given the opportunity to comment before a decision is made.
- That a Task and Finish Group be set up to examine alternative options for Bed and Breakfast provision.

3. FINDINGS OF THE TASK & FINISH GROUP

The Group is grateful for the input of all Portfolio Holders, and thanks them for their efforts in increasingly difficult times.

Generic questions were asked of each Portfolio Holder on the following :

- How are you ensuring that resources within your portfolio are aligned to the council's corporate plan priorities and essential services?
- Continuation of partnering and collaboration with others to reduce costs and transform service delivery is a key action in the medium term financial plan. What opportunities have been pursued within your portfolio, how successful have they been in terms of cost reduction and what are your future plans for further partnering and collaboration?
- What is your portfolio strategy for ensuring fees and charges for your services are appropriate to maximise income, or recover costs, and how are you exploring additional income generation opportunities?
- Are you confident that the existing budgets within your Portfolio accurately reflect the needs considering the Council's tendency to underspend?

A selection of issues discussed from each portfolio is highlighted below.

3.1 Housing & Communities Portfolio

The Group was pleased with overall progress, particularly on new homes, the new Housing Strategy, and Private Sector Leasing.

Whist recognising the social and community benefits of CCTV, the group would once again suggest that the Council make further efforts to seek additional funding for the costs of its CCTV function, which currently costs £385k per annum. Contributions from parish and town councils amount to £37k yet, the Police, the main users, make no contribution. It was felt the Police should again be asked to make a contribution.

The Group heard that one of the main challenges over the coming year would be the implications of the Homelessness Reduction Act, the impact of Universal Credit and costs of bed and breakfast and temporary accommodation.

The Group suggests that a Task and Finish Group be created to look at short term accommodation, and at homelessness in general, in light of the Homelessness Reduction Act which comes into force in April 2018. The Task and Finish Group should examine different options for provision, and analyse main levels of demand, with a view to reducing B&B costs through possible alternative provision.

The Group was concerned at the impact of Universal Credit, including the effect on council rent arrears, and encouraged continued partnership with Citizen's Advice New Forest (CANF) to mitigate these pressures.

3.2 Health & Leisure Portfolio

The Group noted that the cost of the service had reduced year on year, and income growth was strong. The operational deficit stood at £600k, with an objective to close this deficit by 2020. (The overall direct cost of the service was £1.3m including the maintenance and replacement programme). A 5 year programme of capital investment to enhance centre facilities had just been completed, with Ringwood being the final project. The Group noted that £203k had been saved in 2017/18 from management, staffing, supplies and service budgets. 11,000 users had Leisure membership subscriptions and in 2016/17 the number of visits to NFDC centres was 1.6 million. Customer satisfaction was high. The Centres also provided various services to the community, such as GP referrals and other local wellbeing schemes.

The Group was impressed with the efficiencies achieved and the positive improvements indicated. However, they were mindful that an annual operating deficit of £600k, from what was a non-statutory service, against the context of dwindling central government grant and the need for the Council to be self-financing within the next few years, was not sustainable.

The Group had raised the need for a fundamental review of the Leisure function in this context a number of times over recent years, yet little progress appeared to have been made despite finances becoming increasingly pressing.

The Group would welcome a fundamental review of Leisure Centre provision with a clear scope, to include consideration of the feasibility of applying for Trust status (with the possible advantages in respect of business rates payments), or finding savings from alternative provision.

The Group would support engaging a consultant to ascertain the best approach, so long as this was done with the clear objective of the elimination of the £600k operating deficit and preferably also the annual maintenance and replacement programme. It was, however, accepted that this might not be practicable under private provision.

3.3 Environment Portfolio

The Group feel it is worth exploring other waste strategy options in order to find cost reductions and efficiencies in recycling and waste collection, and improve recycling rates. It considers that it would be beneficial to increase emphasis on education with regard to recycling. It was noted that the current waste management strategy expired in 2016, and that a full review of the materials that could be collected and processed was being carried out by the County Council.

The Group asked whether consideration was being given to moving to alternative weekly collections, in line with most other local authorities. It was noted that this would require a decision to move away from sack collections, to wheeled bin collections. The Council had given a commitment to DEFRA in 2013 when it was awarded a grant of £1.8 million towards the introduction of the kerbside glass collection scheme. It was noted that NFDC had committed to continue with weekly collections (of all materials) for a period of 5 years to 2018, and that the option of alternate weekly collections could, if the Council were so minded, be reviewed at the same time of the renewal of the waste management strategy.

3.4 Planning & Transportation Portfolio

The Group noted that planning applications were likely to increase three-fold per year as a result of the new Local Plan.

The Group shared the Portfolio Holder's view on the potential for collaboration with other authorities on the provision of the Council's planning function, either with the National Park Authority, or another authority, with a positive timeline indicated, and defined outcomes.

Charges for pre-application conservation advice were being considered as well as selling some services to Parish and Town Councils.

On Building Control, it is recommended that the Council investigates investment in use of better technology to gain efficiencies and compete more effectively with the private sector.

The Group has requested an update on progress with the SLA for the Transportation function, which is under negotiation with Hampshire County Council, to be reported to the relevant overview and scrutiny panel in May 2018.

3.5 Finance and Efficiency

The Group noted the Portfolio Holder's comments on the major reduction in income from Government grant funding over recent years and the sizeable deficit projected over future years. Council Tax remained capped and Cabinet members were unwilling to put the whole burden on the local Council Tax payer. The Council should continue to review its priorities, change the way it operated and align its resources accordingly.

The Portfolio Holder was asked about progress with collaborating with other organisations on service provision. NFDC and the NPA already collaborated on a

number of functions, including HR, Payroll, Accountancy, Audit, tree works, and conservation. Further joint provision of services would be explored in due course, with the NPA and with other organisations

The Group noted the increased pressure on the Council's Tax and Benefits section and the local CAB (now known as Citizen's Advice New Forest, or CANF), arising from Universal Credit. It was suggested that the CABs nationally should approach the DWP, as Councils should not be expected to be the only organisation supporting CABs because of Universal Credit pressures. The Group were pleased to note the ongoing work of the CANF Task and Finish Group.

In view of the likely cost benefits, the Group would like to see a project plan for hot desking and smarter working by May 2018.

Regarding procurement, the Group were very pleased with the achievements indicated at a recent presentation and the savings were impressive.

The Group discussed Hampshire's pension deficit and asked that a report be brought to the Corporate Overview and Scrutiny Panel on the topic, with a view to gaining an understanding of the constraints and whether there was any scope to reduce the deficit. NFDC, like all other scheme participants, was having to make higher contributions to the HCC Pension Fund on behalf of its staff, and this was increasing as a percentage each year. It was unknown whether this trend would continue after the next triennial fund valuation in March 2019.

The Group was mindful that the nature of the Finance and Efficiency Portfolio was to some extent reactive, and recognised that many of the challenges to be addressed were not in the gift of the Portfolio Holder.

3.6 Leader's Portfolio

Whilst the Group noted that few new collaboration / partnership initiatives had been achieved over the last 12 months, it was pleased to note that the Leader of Christchurch Borough Council (CBC), had expressed a wish to work in partnership with NFDC. CBC was cited as a good example of an authority which had successfully transformed its operations to modern working practices, and a number of visits and meetings were being held between the two authorities to pursue progress.

The Leader had discussed various issues with the Leaders of Southampton and Test Valley Borough Councils, which both shared the same challenges. The Leader felt that there was still an opportunity for collaboration with the NPA on service provision.

It was noted that the Tourism function had been externalised to 'Go New Forest', which was now running the former Brand New Forest initiative. The drive to support local business would be strengthened through the Economic Development Team and was a high priority for the Council.

The Leader referred to the potential opportunities flowing from the recent Peer Review, and the Group looked forward to examining the Peer Review report in detail.

Members noted the issues with the system used to record and report sickness absences. They requested an update in 6 months' time on sickness absence and emphasised the importance of monitoring to reduce sickness. The Group felt that sickness levels had a bearing on the competitiveness of the Council's services and

suggests that more sickness data comparisons with other organisations be used, and that some further benchmarking be undertaken.

The Group request that an update be given at the May Corporate Overview and Scrutiny Panel meeting, on initial progress of the new Cabinet Portfolio Holders and how the new Cabinet arrangements overall were developing.

4. CONCLUSIONS / GROUP COMMENTS

The Group is very impressed with the resultant improvements to the officer structure over the past 2 years and welcomes the agile and business-led approach being taken by senior management.

Overall the Group is pleased with the savings, efficiencies and progress achieved by all portfolios over the past year, but is mindful that the financial imperative is becoming so pressing that the pace of change on larger expenditure heads needs to quicken, and partnership, collaboration and other transformative initiatives must be realised with the minimum of delay.

The Group's repeated requests throughout this report, for interim updates on key requirements for change to be submitted to the Corporate Overview and Scrutiny Panel in May 2018, underlines the Group's concerns for timely action on these issues.

5. RECOMMENDATIONS

That the Corporate Overview and Scrutiny Panel be given updates at their 25 May 2018 meeting on progress with the following recommendations:

- i. That 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);.
- ii. That ways to seek additional funding for CCTV be revisited;
- iii. That a Homelessness Task and Finish Group be created to investigate the matters outlined in paragraph 3.1 above;
- iv. That the Council continue to work with CANF on Universal Credit;
- v. That 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;
- vi. That the Council investigates other optional future waste management strategies, to seek greater efficiencies;
- vii. That efforts be made to enhance education on recycling, and to increase performance on recycling rates;
- viii. That a report be brought to Corporate Overview and Scrutiny Panel on the pension deficit and options on how this might be tackled;

- ix. That a plan for smarter working be submitted to Corporate Overview and Scrutiny Panel.
- x. That measures to improve competitiveness of the Building Control function through use of new technology be investigated; and
- xi. That an update report on progress with the Transportation function SLA with HCC be submitted to the relevant overview and scrutiny panel

Further Information:

Budget Task and Finish Group

Enquiries:

Andy Rogers

Rebecca Drummond

Alan Bethune

Background Papers:

Budget Task and Finish Group working papers and resource plans. Published documents

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CORPORATE OVERVIEW AND SCRUTINY PANEL – 18 JANUARY 2018

CITIZENS ADVICE NEW FOREST – REVIEW OF GRANT

1. INTRODUCTION

- 1.1 The purpose of this report is to convey the recommendations of the Citizens Advice New Forest Task and Finish Group on a review of the grant given to Citizens Advice New Forest, which in 2017/18 was £255,000. The Group has met three times, in July, September and November 2017 and on the last two occasions invited the Chief Executive of Citizens Advice New Forest (CANF) and his colleagues for discussions at those meetings. The membership of the Task and Finish Group is shown at the end of the report.

2. FINDINGS OF THE TASK AND FINISH GROUP

- 2.1 Over the course of its meetings, the Task and Finish Group had received from CANF their business plans, annual report, and financial statements. They also received presentations from CANF on their future vision for rationalising the organisation, with five year projections on finance, reorganisation of delivery, new technology, fund raising, income generation and future challenges. The Working Group noted the additional pressures on CANF arising from Universal Credit and homelessness and mental health issues.
- 2.2 The Task and Finish Group have advised CANF representatives that, with the financial pressures on the District Council, it would need to consider if it could continue to fund CANF at the same levels in future years. As the District Council had experienced a reduction in funding of around one third, which all Council services have had to address, the Council had little option but to consider a similar reduction to CANF grant. One of CANF's main costs was office accommodation rents, which was the key to reducing costs and in turn, the reduction of Council's grant. CANF had provided the Council with details of their current properties and lease expiry dates. It was clear that there was insufficient time for CANF to adjust accommodation arrangements and achieve savings to reduce the grant for 2018/19.
- 2.4 Accordingly, the Task and Finish Group have asked CANF to come back to the Task and Finish Group with their future preferred office locations, with a view to NFDC assisting where it can in provision of office space within the District in order to reduce CANF costs. It is hoped that this exercise will facilitate funding reductions from 2019/20 onwards. The rate at which the reduction can be achieved will depend on CANF's progress, the impact on their organisation as the Universal Credit system is rolled out, as well as the progress with finding alternative accommodation.
- 2.5 CANF have also been requested to produce a three year plan by October 2018 to achieve cost reductions over three years from 2019/20, with a view to signing a rolling 3 year Service Level Agreement with the Council which would give the CAB some financial security going forward and enable longer term financial planning.
- 2.6 In reaching their conclusions, the Task and Finish Group wished to place on record the high esteem in which they hold the Citizens Advice New Forest organisation and the undoubted value they bring to the local community. The Task and Finish Group will continue to meet regularly with CANF representatives working in partnership to achieve the required changes and meet future challenges.

3. RECOMMENDATIONS

- 3.1 That it be a recommendation to the Cabinet that the Council grant to Citizens Advice New Forest for 2018/19 be set at the same level as £2017/18, £255,000.
- 3.2 That the Panel are asked to note the work of the task and finish group.

MEMBERS OF THE TASK AND FINISH GROUP

Cllrs P Armstrong, Ms K Crisell, S Davies (Chairman), L Harris, J Heron, A O'Sullivan, Ms A Sevier and M White

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Background Papers:

None

CORPORATE OVERVIEW AND SCRUTINY PANEL – 18 JANUARY 2018

KEY ACTIONS AND SERVICE REVIEW PROGRAMME – UPDATE REPORT

1. INTRODUCTION & PURPOSE

- 1.1 The corporate plan included a delivery plan which set out a number of key actions and reviews to help contribute to the priorities set. This delivery plan was set out against the background of continued funding reductions and was updated to include reviews for 2017/18
- 1.2 This report provides an update on the work being undertaken as part of the regular monitoring of the delivery plan.

2. KEY DELIVERY ACTIONS AND SERVICE REVIEWS

- 2.1 The tables set out key delivery actions and service reviews pertinent to the Corporate Overview & Scrutiny Panel.

CORPORATE OVERVIEW & SCRUTINY PANEL

Service Review		Progress Update – January 2018
GR.1	Financial Strategy <i>To develop a strategic financial plan that is sustainable for the long term</i>	<p>Updates to the Council's MTFP have been published, with the latest being presented to Cabinet in December. This report shows a balanced budget position for 2018/19, but still a significant challenge over the medium term period. Work is ongoing to establish a strategy to deal with the on-coming budget deficit.</p> <p>Feb Cabinet and Council will formally agree the budget for 2018/19. The reports into 2018/19 will focus again on the medium term period.</p> <p>The financial strategy will be based on the reduction of the current budget gap over the medium term to a balanced position. Further savings and improved income generation will be required.</p>

GR.2	<p>Income Generation Strategy <i>Delivery of income generation strategy including commercial investment</i></p>	<p>The Commercial Property Investment strategy was approved by Council earlier in the year, and will look to invest £30M in commercial property investment assets over the next three years, with a focus on securing such assets within the District. This strategy is planned to be implemented through the Council itself rather than through a wholly owned holding company.</p> <p>The Council has just completed its first commercial investment property purchase. The property that has been acquired is New Milton Health Centre in Spencer Road and is subject to a lease (with a further 13.5 years to run) to a well-established GP Practice. The price paid by the Council was based upon an initial annual return of 5.75%. Annual rent will be in the region of £140,000 pa. There is also an added advantage of the property being located immediately adjacent to one of the Council's car parks.</p> <p>The Residential Property Investment strategy is was approved by Cabinet on 6 December and full Council on 11 December. The strategy will involve the Council investing an initial £10M in the purchase of residential property investment asserts and the development of its own land for residential property purposes. The strategy will be implemented through a new wholly owned company with the Council as sole shareholder.</p>
GR.3	<p>Member Support <i>To review the current democratic process to ensure that the links between the Council and local communities meet the needs of local people</i></p>	<p>There was a lower-than-expected response to the survey with only 15 members (one-quarter of the Council) completing it. A large majority of the members responding were content with the current operational arrangements and felt that they were able to make meaningful contributions to the democratic process. The T&F Group agreed to encourage more members to complete the survey. They also wish to visit an authority that has reverted to the Committee system of decision-making, which will hopefully take place in the New Year. The T&F Group will meet again in January.</p>
O.4	<p>Accommodation Strategy <i>Develop an accommodation strategy to include operational sites to meet the future needs of the Council</i></p>	<p>Requirements of the strategy are being scoped.</p>

PH.2	<p>Tax & Benefits <i>Review in light of changes arising from Universal Credit implementation</i></p>	<p>Whilst Universal Credit is now live in the Totton area, recent announcements confirm that rollout of the full service in the rest of the New Forest has been put back from May/June to September 2018. Migration of existing benefits to Universal Credit is still scheduled for 2019 with completion by 2022. A verbal update was given to EMT and Corporate Overview and Scrutiny Panel to report on the current issues and challenges ahead. This includes the impact on rent collection and potential homelessness.</p> <p>The service continues to work closely with those claiming and receiving Universal Credit and will continue to host the Digital Champions project, budgeting advice provision and partnership working which includes training. The service is reviewing computer systems and processes with tenants in order to assist those on Universal Credit.</p> <p>Service delivery and provision will also need to be reviewed as funding reduces. This includes monitoring staff and resources within the business unit as caseloads decrease, however consideration will need to be given as the unit continues to administer claims until migration.</p>
R.1	<p>Performance Management <i>Review of Performance Management framework</i></p>	<p>A review of the current arrangements is underway. Future arrangements will need to be aligned to the Organisational Strategy as it develops, and EMT will be consulted on proposals in the new year.</p>
R.2	<p>Digital Service Delivery <i>Improved service delivery through modernised working</i></p>	<p>The ICT strategy is built around two goals: to enable smarter working, and to fix the legacy.</p> <p>A number of activities have taken place since publishing the initial strategy, covering visible impacts, stability and security improvements, and future proofing. These have included:</p> <ul style="list-style-type: none"> • Conference room wifi • Personal devices for EMT & Service Managers • Stabilisation of server farm • ATC wifi designed and contracted, and installation has commenced • Future server farm procurement started • Future personal devices selected and rollout started <p>Strategic decisions that will define the future of the organisation have been made, and will deliver benefits across NFDC over the next few years. These include:</p> <ul style="list-style-type: none"> • Renewal of infrastructure with a new on-premise server farm for our centralised computing capacity until 2022 • Explore and use 'cloud' when upgrading or replacing corporate applications • Renew personal devices of all staff with mobile Dell equipment (including ultra-wide screen and dock) • Support smarter working with policies, connectivity, systems, infrastructure and renewing/upgrading/replacing applications so that they work remotely • Upgrade, simplify, rationalise and replace our business applications over time • Participate in the replacement of HPSN2 and use HPSN3 as the source of solutions for connectivity, telephony etc.

R.3	Pay & Reward <i>To determine a fit for purpose pay & reward strategy.</i>	<p>The second phase of changes to bands 1-4 comes into effect from 1 April 2018.</p> <p>The organisational strategy has now been to EEP, Cabinet and Corporate Overview and Scrutiny Panel, and elements of this may deliver savings in the longer term.</p>
R.4	Building Works <i>Service delivery review to challenge existing model and maximise outcomes for the council and the customer, including optimising revenue potential and ensuring efficiency and effectiveness of the department</i>	<p>The Building Works Service Management review (phase 2) has now been completed, with post holders transitioning into new roles by 31 March 2018. The review report was presented to EMT in May 2017, with a post-consultation report presented to EMT on 4 September. Phase 2 savings of £18k have been reflected in the base 18/19 budget.</p> <p>The Operational review (phase 3) has been undertaken, with the report presented to EMT on 4 September. Early consultations of the operational review have taken place with both local and full time employee-side representatives. Whilst early feedback is being considered, the wider employee consultation is on hold until 2018.</p> <p>Along with external contractors, the Building Works department are 'contracted' by the HRA to carry out various maintenance tasks, and are resourced and structured according to this work. The completion of the current HRA 'contracted' outsourced arrangements for Kitchens and Bathrooms provided an opportunity to review procurement arrangements to achieve the planned maintenance programmes from 2018/19 and beyond. A HRA Maintenance Plan procurement report was presented to EMT in October which set out the performance data for existing insourced/outsourced arrangements, and it considered a number of options for future arrangements. It was agreed that existing in-house and external volume 'contracted' arrangements best supported the Council's strategic priorities.</p>
R.5	Customer Strategy <i>To transform the way customers access our services, through the better use of digital service delivery.</i>	<p>Direction of Travel and the procurement of a solution are being developed in line with the organisational strategy. In the meantime, consideration is being given to modernising the website, and this will be discussed with EMT in January 2018.</p>

ENVIRONMENT OVERVIEW & SCRUTINY PANEL

Review		Progress Update – December 2018
E.1	Local Plan <i>Local plan consultation and draft submission for adoption</i>	<p>Good progress has been made towards the preparation of the Local Plan for submission.</p> <p>A joint meeting of the Planning and Development Control Committee and Environmental Overview and Scrutiny Panel took place in September which considered the strategic direction of the emerging Local Plan, and member workshops were held in early November to consider specific site allocations in more detail.</p> <p>The submission document will be considered by Cabinet and Council in Spring, with submission to the Secretary of State likely in June/July 2018.</p>

E.4	Building Control <i>Service delivery review of the Building Control service.</i>	<p>The review is still in the early stages, however, a report has been written on short term actions to keep the Building Control service running. In terms of the long term plans for Building Control, options include the possibility of bringing in an external resource to conduct a detailed review of the service and how it should be set up in the future.</p>
O.1	Waste & Recycling <i>Determine strategy including outcomes of the county wide Project Integra review</i>	<p>As previously identified, the review of Refuse and Recycling has been delayed, due in the main to the Hampshire-wide review on materials and the knock-on effect that it could have on the district council's collection methods. The Hampshire Partnership Waste review is progressing well, and the approach has been agreed with Hampshire Chief Executives. A countrywide director-level working party has been established with the aim to move the project forward.</p> <p>Within the service, the recycling bank review has now concluded, and 107 recycling centres/bring banks have been reduced down to 20, reducing costs. Residents are now using kerbside facilities, and recycling tonnage has increased as a result. In addition to this, the Remind Me text message service went live in January 2017. So far, over 15,500 residents have signed up to receive the glass collection reminders. We are now also utilising the text service to inform residents of changes to their Christmas collections, and to help promote additional digital platforms such as e-news.</p> <p>From a resource perspective, the service has coped with a shortage of drivers during the year, which is a national problem. However, we have recently recruited 9 drivers to fill available vacancies.</p> <p>A new Service Manager has been appointed, and will be starting in February 2018.</p>
O.3	Enforcement Activity (Streetscene) <i>Identify opportunities for joining up enforcement activities of visible officers</i>	<p>The revised enforcement officer structure continues to work well. Enforcement officers are now multiskilled and are able to handle different types of reports depending on what the requirements are in the locality at the time.</p> <p>Positive outcomes include:</p> <ul style="list-style-type: none"> • Increased visible presence throughout the district, 7 days a week • Savings in vet fees by providing weekend "dog cover" with trained staff • Increased levels of education and enforcement of enviro-crime, with trained staff already out on patrol able to respond • Improved handling and removal of abandoned vehicles • Continuing to provide high visibility car parking patrols 7 days a week, maintaining high levels of compliance from drivers throughout the district • Improved multi-agency partnership working <p>In addition to the above benefits, a £35k saving has been realised this financial year through the changes made to the management structure of the service.</p>

O.5	Coastal <i>Ongoing identification and review of coastal schemes and funding arrangements</i>	<p>The objective of the Hurst Spit Recharge project is to determine the preferred option to be taken forward for scheme development. The scope has been expanded by the EA to extend the study area through to Lymington and the lead for this project will now be taken by the EA via their appointed programme delivery unit consultant.</p> <p>A number of meetings and telecons have taken place between NFDC, EA and JBA (likely consultant) to further develop the business case, and we are currently awaiting formal appointment of JBA and approval of funding by the EA to commence the project. This is anticipated to be in the New Year at which point the project will commence. The outcome of the project is expected to be known in 2019.</p> <p>With regards to other coastal schemes, the Task and Finish group are continuing in their efforts to identify alternative future funding arrangements.</p>
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COMMUNITY OVERVIEW & SCRUTINY PANEL

Review		Progress Update – January 2018
PH.2	Housing Strategy <i>Review the Councils policy for the provision of all types of housing in the context of the Local Plan review, the recent Housing White Paper, the Councils role as a social landlord and the needs of all residents of the District.</i>	<p>The housing strategy outlines the way in which affordable housing will be delivered and supported over the next 5 years. The draft strategy was presented to Cabinet on 4 October, and an update was provided to COSP on 14 November on the consultation process and feedback received. The revised final housing strategy will be presented to Cabinet in Spring 2018.</p> <p>For further information, please see the consultation feedback report.</p>
O.2	Health & Leisure Centres <i>Service delivery review to challenge existing arrangements and maximise outcomes for the council and the customer in the longer term</i>	<p>With reference to the previous progress update, the August Task and Finish group meeting was postponed as a result of the Peer Review. However, there remains a need to consider whether our existing provision will meet current and future needs. A report is being written for cabinet which will outline the context and background, and set out options, including the potential to appoint an external specialist to support the review.</p>

2.2 Savings arising from the reviews will directly contribute to the funding shortfall identified in the medium term financial plan. These have not yet been quantified for 2017/18.

2.3 Reviews will continue to be monitored and reported upon to ensure they are progressing and that objectives of the review are being met. Future reporting, however, is likely to be more closely aligned to the new corporate framework that is being developed, further information on which will be brought to the March panel.

3. FINANCIAL IMPLICATIONS

3.1 A clear focus of the reviews is continued financial responsibility with a view to easing funding pressures.

4. RECOMMENDATIONS

4.1 That the panel:

a) Note the progress updates contained within this report.

For Further Information Please Contact:

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Background Papers

Annual Performance and Provisional Outturn
Report 2016/17 – Cabinet July 2017
Our corporate plan 2016-2020 Delivery Plan
Cabinet Report Feb 2016

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WORK PROGRAMME 2018/19

TASK AND FINISH GROUPS				
ITEM	OBJECTIVE	METHOD	TIMING	LEAD OFFICER
Citizens' Advice Bureau (CAB)	To agree new management arrangements and related issues; including Grant	Task and Finish Group meeting on 21 July, 29 November, and on further dates as required	Ongoing – Next meets on 1 March 2018	Ryan Stevens
Customer Services Strategy	Progress report	Task and Finish Group	Ongoing	Rebecca Drummond
Democratic Engagement	To consider ways to enhance democratic engagement	Officer Report/Task and Finish Group	Ongoing – Next meets in January 2018	Rosemary Rutins
Property Investment Strategy		Task and Finish Group	Ongoing / periodical verbal updates – Next meets 28 February 2018	Andrew Smith
Employee Owned Services (John Lewis Model)		Task and Finish Group	Terms of Reference to be agreed	
Economic Development Strategy		Officer Report	March Panel meeting	Matt Callaghan
Budget Task and Finish Group	To review the Council's future budget strategy	Task and Finish Group	To receive updates at the June 2018 meeting, on progress with the Group's recommendations which were submitted at January 2018 Panel meeting	Andy Rogers/ Alan Bethune/ Rebecca Drummond
Council Tax Reduction Task and Finish Group	To review the Council Tax Reduction Scheme for persons on low income and other exemptions	Task and Finish Group/	Annual	Ryan Stevens

NOT YET TIMETABLED				
ITEM	OBJECTIVE	METHOD	TIMING	LEAD OFFICER
“Regions” Continue engagement/ collaboration with HCC/LEPS or any other external public agency, including reference to the Hampshire-wide devolution proposal	To effectively facilitate good relationships with these agencies in order to produce beneficial outcomes in the District	Report documenting progress with LEPs and business portal HCC element via Leader updates	TBC	TBC
Access to alternative funding sources for voluntary organisations and parish/town councils	To explore opportunities	Officer written report	TBC	TBC
Devolution – Wider Hampshire	Monitor progress with regard to devolution	Regular update from Leader	At appropriate times	TBC
Universal Credit update	To be aware of issues arising	Regular update from Finance & Efficiency Portfolio Holder	At appropriate times	TBC
Portfolio Holders’ Updates (Standing Item) Updates from Task and Finish Groups				