

22 NOVEMBER 2018

NEW FOREST DISTRICT COUNCIL

CORPORATE OVERVIEW AND SCRUTINY PANEL

Minutes of a meeting of the Corporate Overview and Scrutiny Panel held in the Bradbury Room, Appletree Court, Lyndhurst on Thursday, 22 November 2018

- * Cllr M A Steele (Chairman)
- * Cllr A K Penson (Vice-Chairman)

Councillors:

- * A R Alvey
- * W G Andrews
- G C Beck
- * M J Kendal

Councillors:

- * Mrs A E McEvoy
- * A D O'Sullivan
- * D B Tipp
- * C A Wise

*Present

In attendance:

Councillors:

B Rickman, Leader & Corporate Affairs Portfolio Holder
M R Harris, Local Economic Development, Property & Innovation Portfolio Holder
J D Heron, Finance, Corporate Services & Improvement Portfolio Holder

Also In Attendance:

Mr G Peacey, Hampshire County Council
Mr S Gale, Openreach
Cllr R Errington, Ellingham, Harbridge & Ibsley Parish Council
Cllr R Taylor, Minstead Parish Council

Officers Attending:

Miss G O'Rourke, Mrs M Sandhu, R Beere, A Bethune, M Callaghan and A Smith

Apologies:

Cllr Beck

29 MINUTES

RESOLVED:

That the minutes of the meeting held on 27 September 2018 be signed by the Chairman as a correct record

30 DECLARATIONS OF INTEREST

Cllr Kendal declared an interest in agenda item 4 (Minute No 32).

31 PUBLIC PARTICIPATION

No issues were raised during the public participation period.

32 BROADBAND PROVISION IN THE NEW FOREST - UPDATE

Cllr Kendal declared an interest in this matter as the Hampshire County Council Cabinet member responsible for broadband provision. He concluded that there were no issues under common law which prevented him from remaining in the meeting to speak and vote.

The Panel received a presentation from Hampshire County Council and Openreach representatives, noted the HCC Cabinet report of December 2017 providing an update on superfast (24Mbs) broadband in Hampshire, a summary of local broadband speeds/coverage dated September 2018, and feedback from local residents/businesses/parish councils on broadband service in the District, together with a related map.

Mr Peacey explained that the second wave of the Hampshire superfast broadband project aimed to reach 97.5% of premises across the county as a whole. This involved a move away from copper to fibre. Fibre was a preferable solution as copper was ineffective beyond 1000 metres from the cabinet. He gave details of projects planned over the next 12 months in Boldre, Sway, Brockenhurst and Beaulieu.

Across the County, 2.5% of properties were not served by superfast broadband, and, with costs of £1,000-£2,000 per property, further Government funding would be required to address the issue. HCC were involved in a bid for Government funds. He also mentioned a gigabyte voucher scheme which allowed a grant of up to £2,500 for small to medium sized enterprises. Openreach and HCC gave annual updates to small businesses through a website and on social media about scheme availability.

He reminded the Panel of the difficulties encountered in obtaining permissions for broadband works within the Forest, given restrictions of the National Park, the Forestry Commission and Natural England as well as other bodies. It was noted that the new Official Verderer had fostered a more co-operative working relationship with providers.

Mr Gale explained that Openreach had tendered for the Hampshire County Council Broadband Delivery UK (BDUK) contract, providing its own funds of £28 million over three contracts throughout Hampshire. He explained that an internal reorganisation at Openreach had reduced the number of management roles and increased the number of engineers on the ground to implement broadband schemes.

Reference was made to Appendix 1 to the report (the 'superfast broadband in Hampshire' report to HCC dated 11 December 2017), which contained a list of project coverage by County electoral division at that date. There were still a number of electoral divisions within the Forest with lower than 95% broadband coverage. It was suggested that the various agencies within the Forest should meet and co-operate to solve the various issues blocking broadband provision in the Forest. It was, however, noted that, historically, schemes were being delayed

because of negotiations with the Verderers Court, but that as mentioned previously, this situation had now improved significantly.

Cllr Mrs McEvoy explained that the Leader of HCC, Cllr Perry, had asked for information on speeds in various electoral divisions in order to pursue improvements in broadband speeds where required. Mr Peacey undertook to provide Cllr Mrs McEvoy with a progress report on broadband provision in South Waterside.

Cllr Errington of Ellingham, Harbridge & Ibsley Parish Council emphasised the need for broadband provision crews to be better supervised and also queried the future plans for covering the final 2.5% of properties without broadband. He referred to the Community Fibre Partnership Scheme and the delays in scheme provision.

Cllr Taylor, Minstead Parish Council, reported on the local community fibre project which had been subject to considerable delays, which had been escalated with Openreach and the local MP.

Cllr Kendal explained that the Hampshire County Council involvement in broadband provision in the county was due to finish by the end of 2019. However HCC was in the process of applying for further Government money to continue the project for hard to reach properties such as those in some rural areas of the Forest.

Members felt that representations should be made to Hampshire County Council to encourage them to continue the broadband project beyond 2019.

It was noted that the draft Local Plan contained a policy on the requirement for provision of a high speed fibre broadband connection to the property threshold for new developments. The Chairman proposed that officers be requested to expedite this requirement so that it is applied to new developments as soon as possible.

Members also noted that the national planning policy framework 2018 stated that “planning policies and decisions should support the expansion of electronic communications networks, including next generation mobile technology (such as 5G) and full fibre broadband connections”. This policy was being followed by District Council planning officers.

Members expressed concern that market exclusivity contracts for broadband provision on new developments might sometimes limit or inhibit optimal solutions.

RESOLVED:

- (a) That the Panel notes the contents of the report;
- (b) That New Forest District Council continue to work with the Hampshire County Council Broadband Team, Openreach and other influential partners to further implement the rollout of coverage in New Forest District;
- (c) That existing initiatives by way of grants and/or schemes to further broadband coverage be communicated to the residents and businesses of New Forest District to ensure the greatest possible take-up; and, furthermore, that where superfast is enabled, take-up of these services be promoted to ensure that the maximum Gainshare is enabled;

- (d) That, in respect of new developments, in the District outside the National Park, Policy 35(iv) (requiring “provision of a high speed fibre broadband connection to the property household”) of the submitted Local Plan Review 2016-2036 be implemented at the earliest opportunity, where practicable and reasonable;
- (e) That the District Council’s support for any measures the County Council may take to extend its broadband project beyond 2019 be conveyed to the County Council’s Cabinet; and
- (f) That officers use their best endeavours to promote “joined up working” within the District among the various agencies in order to provide smoother implementation of individual broadband provision projects.

33 NEW FOREST DISTRICT COUNCIL'S PROPERTY HOLDINGS COMPANY - BUSINESS PLAN 2018

The Panel received details of the creation of a Council controlled holding company, following the involvement of the Property Investment Task and Finish Group. The report sought approval for the business plan for a new property holding company, wholly owned by the Council, through which the Council’s residential property investment strategy would be implemented. The report also sought approval for the company’s operating arrangements and Articles of Association.

It was suggested that the Cabinet should consider using external specialist non-executive positions on the board of directors of the company where appropriate.

Members felt that the financial gearing ratio (the ratio of capital funding versus funds borrowed by the Authority) should be less prescriptive in the debt to equity mix and evaluated as opportunities arose to ensure the maximum return. Members also wished to have regular updates, at least annually, but more often in the initial stages of the formation of the company.

Some members felt that a more “dynamic” name might be required for the company and officers were asked to consider this.

RESOLVED:

That it be a recommendation to the Cabinet and the Council

- (i) That the business plan for the new company, together with the proposed articles of association for the company and its subsidiaries, be approved;
- (ii) That the appointment of two members and two officers of appropriate seniority to the board of directors of the company and its subsidiaries be approved, such individuals to be agreed by the Chief Executive in consultation with the Leader of the Council, but that consideration be given to use of external specialist non-executive positions where appropriate;
- (iii) That authority be delegated to the Cabinet in respect of those matters set out in paragraph 4.4 of the company’s proposed articles;

- (iv) That the property investment task and finish group be discontinued, but that regular updates be brought to the Corporate Overview and Scrutiny Panel as required, and at least every 12 months; and
- (v) That the Council's indemnity to members and officers applies to the activities of the directors of the company and, further that, the Executive Head, Governance and Regulation, arrange for the company to have additional directors' and officers' liability insurance likewise to cover the activities of the directors of the company.
- (vi) That the gearing of the company be not fixed but instead the debt to equity mix be fluid and evaluated as opportunities arise, to ensure the maximum return to the shareholder.

34 BUDGET TASK AND FINISH GROUP REPORT

The Panel received the report of the Budget Task and Finish Group. The Group had, 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. The report contained comments, conclusions and recommendations relating to all portfolios. The Chairman suggested that future Budget Task and Finish Group interviews with Portfolio Holders be conducted over a two day period in the first week of October. It was agreed that in future, intended questions to portfolio holders would be sent two weeks, instead of one week, before the interviews, due to the considerable research that was sometimes involved.

The Chairman thanked all officers involved in assisting with the Budget Task and Finish Group process, particularly: Alan Bethune, Andy Rogers, Karen Wardle, Jan Debnam and Sheryl Parry.

RESOLVED:

That the Corporate Overview and Scrutiny Panel be given updates at the 27 June 2019 meeting on progress with the following recommendations:

- (i) That the Council consider automatic number plate recognition technology and consider modest regular increases in parking fees, rather than occasional step increases;
- (ii) That an annual report be submitted to Cabinet on the use of Community Infrastructure Levy;
- (iii) That efforts be made to increase the number of households using the garden waste collection service in view of the significant potential income generation that could result;
- (iv) That the Community Affairs Portfolio Holder investigate ways and means to improve income and reduce costs within Community Alarms, CCTV and Customer Services areas;
- (v) That consideration be given to additional support for property investment, including the option to use external expertise;

- (vi) That the Council consider a modest expansion of the geographical area taken into account when looking at property investment, so long as there was still a local economic benefit to the New Forest;
- (vii) That consideration be given to creating a centralised accommodation strategy within the Local Economy, Property & Innovation Portfolio, which, whilst allowing each service to manage operational land or buildings, the future use and income potential could be brought together to allow a strategic view of the Council's property holdings;
- (viii) That the Portfolio Holder for Local Economic Development, Property & Innovation keep a watching brief on LEPS grant funding and explore opportunities wherever possible;
- (ix) That a report be submitted confirming progress the ICT Protect and Maintain fund as well as the implications of the new ICT Strategy going forward;
- (x) That a more pro-active approach be given to partnering/collaboration with other organisations; and
- (xi) That a re-evaluation of the current arrangements in terms of the District Council's contribution towards the Eling Experience be undertaken.

35 ICT INVESTMENT UPDATE

The Panel received details of the ICT investments since April 2017 together with the implications for the Medium Term Financial Plan of delivering the ICT Strategy 2018-2022.

Key elements included:

- Protect and maintain ICT budget
- Replacement of equipment
- Smarter working
- Future requirements (resilience and security, members ICT, digital residence and customer engagement, replacement of applications moving out of support, and next generation ICT solutions)

The protect and maintain fund required an additional £100,000 to complete the delivery of the related front line services programme.

Members noted the provision for members' ICT as set out in 6.1.2 of the report. Members suggested that there were considerable operational benefits in all members having the same device provided by the Council and requested that, once Office 365 was implemented, consideration be given to this option.

Members welcomed the report and noted that business cases for each project were required and would be brought forward at Executive Management Team level.

Reference was made to the need to improve audio-visual facilities in the Council Chamber to facilitate the smooth running of Planning Committee. It was noted that the wireless system in the Council Chamber would be tested on 26 November prior to the next Planning Committee meeting.

RESOLVED

That it be a recommendation to the Cabinet that:

- (i) The additional budget requirement of £100k to complete the delivery of the Protect and Maintain Frontline Services programme be approved; and
- (ii) The ICT strategy future requirements detailed in section 8 of the report be agreed, subject to individual business cases being approved by the Executive Management Team.

36 ASSET MAINTENANCE & REPLACEMENT PROGRAMME AND GENERAL FUND CAPITAL PROGRAMME FOR 2019/20

The Panel noted details of the proposed revenue and reserve funded asset maintenance replacement programme (AMR) and capital programme for 2019/20 and outline budgets to 2021-22.

RESOLVED:

That the report and appendices be noted;

37 WORK PROGRAMME

The Panel considered its future work programme.

It was noted that, in respect of the item on Accommodation Strategy, this would include NFDC accommodation and smarter working, together with the depots. It was agreed that this would be taken to the March Panel meeting.

Cllr Harris requested that the Income Generation Task and Finish Group be set up to meet in January to review progress.

In respect of Universal Credit, it was hoped that representatives from the DWP would attend the meeting in January to give an update about the implications for the District Council.

Action: Ryan Stevens/Andy Rogers to pursue with the DWP

Longer Term Partnership Working with Neighbouring Authorities – it was agreed that this be taken to the June Panel meeting.

RESOLVED:

That the Work Programme as set out in Appendix 1 to these minutes be agreed.

38 PORTFOLIO HOLDERS' UPDATES

The Panel received verbal updates from Portfolio Holders:

Leader & Corporate Affairs; Finance, Corporate Services & Improvement; and Local Economic Development, Property & Innovation

Cllr Rickman gave an oral update on developments within his portfolio area.

The Totton and Waterside Forum was meeting on 28 November and was well represented with local agencies and the LEP.

He had, with the Chief Executive, attended a number of staff briefings on the smarter working project.

The Council had appointed a Chief Planning Officer, Claire Upton-Brown, who would be joining the authority in February.

He was pleased with the Armistice Day event on 12 November at Appletree Court which he felt had gone very well.

He was attending a regional Brexit Board event in the near future.

Cllr Heron reiterated the ICT work undertaken to date and the related budget implications, as well as various detailed software upgrades such as Agresso and Office 365.

He also referred to the Medium Term Financial Plan and felt that the Council was in a fairly robust financial situation though much depended on the Government funding announcements in December.

Cllr Michael Harris explained that he had convened a networking meeting among local interest groups to pursue local broadband provision and had met with senior Openreach representatives.

He supported the Panel's stance on obtaining external advice for property acquisitions and thanked the Council's procurement staff for their assistance in identifying the companies that may be able to assist.

In respect of the LEPs, the Council had now been allocated within the Solent LEP. However Cllr Harris had met with the M3 LEP leaders to obtain advice on help with applications for funding. Cllr Harris reported that there was a vacancy in the Economic Development Team which would be filled in due course.

Finally, Cllr Harris thanked the Budget Task and Finish Group for the recommendations falling within his portfolio and he looked forward to implementing them in due course.

CHAIRMAN

**CORPORATE OVERVIEW AND SCRUTINY PANEL – 22 NOVEMBER 2018
WORK PROGRAMME 2018/19**

ITEM	TIMING	LEAD OFFICER
Accommodation Strategy	24 January 2018	TBC

TASK AND FINISH GROUPS

ITEM	OBJECTIVE	METHOD	TIMING	LEAD OFFICER
Income Generation Task and Finish Group	To identify various business opportunities to generate income	Task and Finish Group		

NOT YET TIMETABLED

ITEM	OBJECTIVE	METHOD	TIMING	LEAD OFFICER
Employee Owned Services (John Lewis Model)	Terms of Reference to be agreed	Task and Finish Group	Initiate at June 2019 panel	
“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

NOT YET TIMETABLED (Continued)

ITEM	OBJECTIVE	METHOD	TIMING	LEAD OFFICER
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				