

**23 JANUARY 2020**

**NEW FOREST DISTRICT COUNCIL**

**CORPORATE OVERVIEW AND SCRUTINY PANEL**

Minutes of a meeting of the Corporate Overview and Scrutiny Panel held on Thursday, 23 January 2020

\* Cllr Alexis McEvoy (Chairman)  
Cllr Alan Alvey (Vice-Chairman)

**Councillors:**

\* Fran Carpenter  
\* Keith Craze  
Sandra Delemare  
\* Mahmoud Kangarani

**Councillors:**

\* Martyn Levitt  
\* Alan O'Sullivan  
\* Beverley Thorne  
\* Derek Tipp

\*Present

**In attendance:**

**Councillors:**

Michael Harris, Economic Development Portfolio Holder  
Jeremy Heron, Finance, Investment & Corporate Services Portfolio Holder

**Officers Attending:**

Grainne O'Rourke, Alan Bethune, Rebecca Drummond, Gary Jarvis, Andy Rogers and Ritchie Thomson

**Apologies:**

Cllr Alvey

**33 MINUTES**

**RESOLVED:**

That the minutes of the meeting held on 21 November 2019 be signed by the Chairman as a correct record.

**34 DECLARATIONS OF INTEREST**

No declarations of interest were made by any member in connection with any agenda item.

**35 PUBLIC PARTICIPATION**

No issues were raised during the public participation period.

**36 PORTFOLIO HOLDERS' UPDATES**

The Panel received oral updates from portfolio holders.

**Cllr Heron** reported that commercial investment was moving forward and purchased properties were starting to show a return.

The ICT Strategy development had been a major change for the Council, and delivery of the project had meant that the organisation was very different from how it was a few years ago. The issuing of laptops to all staff and Office 365, enabling remote working had involved a lot of work which was now complete. In addition, software upgrades for services across the Council were in the process of being implemented. Members' migration to Office 365 would be undertaken in the first part of this year.

**Cllr Harris** reported that the Economic Development team would be working with the New Forest Business Partnership (200 members) to increase its engagement with the 8,000 businesses in the Forest. He had asked the Economic Development team to consider measures to stimulate growth in town and village centres through organising events.

He also wished to encourage a focus on the marine and maritime industries in the Southampton area.

The Film New Forest Festival was being arranged for September 2020

Cllr Harris reported that broadband connectivity in the Forest continued to be a challenge although he was pleased that there was a new Government initiative to improve broadband nationally. He was intending to speak to the County Council representatives the following week and would invite them to attend the March Panel meeting to discuss broadband. The District Council would continue to work with parishes on this issue.

He also reported that the Economic Development team would very nearly be back up to full strength now that an appointment had been made.

**37 THE CORPORATE PLAN 2020/2024**

The Panel considered the draft Corporate Plan 2020-2024 'Community Matters'.

The Corporate Plan public consultation period would end on 31 January 2020. The five responses from the public to date relevant to the Corporate Panel were summarised.

Whilst the Panel supported the document some felt it could be made more forward looking and clearer on environmental standards. These comments would be considered before the document was finalised.

**RESOLVED:**

That the draft Corporate Plan 2020-2024, 'Community Matters' be supported and the consultation results be noted.

### 38 ASSET MAINTENANCE & REPLACEMENT PROGRAMME AND GENERAL FUND CAPITAL PROGRAMME 2020/21

The Panel noted the proposed revenue funded Asset Maintenance and Replacement Programme and the General Fund Capital Programme for 2020/21 together with outline budgets to 2022/23.

Reference was made to the proposed resurfacing of the 9 hole/overflow gravel car park at Dibden Golf Centre which had been identified as a £72,000 scheme under the landlord maintenance responsibilities. It was noted that the current car park was gravel, was uneven and raised health and safety concerns. Members felt that, given the rural area and the cost, officers should consider other options.

#### RESOLVED:

That the content of the report be noted and that it be a recommendation to the Cabinet that the schedule of projects as included at Appendices 2 and 3 of the report be agreed by the Cabinet for inclusion in the 2020/21 budget, subject to the Panel's comments on Dibden Golf Centre car park resurfacing.

### 39 CAPITAL STRATEGY ANNUAL REPORT

The Panel considered the Capital Strategy for 2020/21 setting out arrangements for expenditure, financing, treasury management and related matters.

It was noted that the capital spend in the General Fund and Housing Revenue Account budgets amounted to £119m over the next three years.

Officers reported a minor amendment to the Minimum Revenue Provision set out in paragraph 3.2 to the report, so that it should now read *'for capital expenditure that has been incurred, and which has given rise to a Capital Finance Requirement (CFR), the Minimum Revenue Provision policy for expenditure other than that incurred on investment property and dwellings, shall be to charge revenue an amount to equal the depreciation of any asset financed by loan. The MRP policy specific to investment property and dwellings financed by loan, shall be to charge revenue an amount equivalent to the sum of borrowing utilised, over a repayment period of fifty years'*.

#### RESOLVED:

That it be a recommendation to the Cabinet to approve the Capital Strategy or 2020/21, including the adoption of the Minimum Revenue Position Statement.

### 40 HOUSING MAINTENANCE SUPPLY CHAIN AND LOGISTICS

The Panel considered proposals for a new supply chain and logistics model for materials and services to support Housing Maintenance Operations service delivery.

It was explained that a fundamental review of the Housing Service had revealed a clear need for a rationalisation of the supply chains for the procurement of goods and materials for the Housing Maintenance function. £1m was spent per year on works, using 65 suppliers, with the top 5 suppliers equating to 65% of the total

spend. In 2018/19, over the counter purchases (Council trades staff shopping for materials they needed) made up 82% of the total expenditure.

The new model would involve a more business-like approach having undertaken a spend analysis on supplies and the stores operation. This new arrangement would reduce the number of invoices processed by the Council for this function from 10,000 to just 12 per year, thus reducing the administration burden.

A new master vendor (Travis Perkins) would provide supplies operations with effect from 1 April 2020. This framework was already being used by a number of local authorities, including several London boroughs and Southampton City Council.

It was anticipated that the new arrangements would achieve purchasing savings of approximately 4-8%, and with monitoring, would ensure the best price and the best delivery terms on a very wide range of products. The Council had looked at a number of Government frameworks, and with five Travis Perkins branches around the District, this model was a significant improvement and a good fit for the Council.

Members queried the effect on local suppliers, and officers reported that 14 suppliers represented 90% of the overall spend value, of which four were local small to medium enterprises (SMEs). The Council would as part of the analysis and design phase of moving to the new model, identify any local specialist goods/product SMEs who might be retained by the master vendor as second tier suppliers.

The materials would now be located nearer to work activity. The overall arrangements would be monitored by the Contract Manager and through Key Performance Indicators. The new arrangements were contracted for four years.

Progress reports would be brought to this and the Housing Panel on a regular basis.

The Chairman congratulated the Executive Head of Governance and Housing and her team for their report and the excellent progress made in rationalising the Housing Maintenance supply chain and logistics model, and wished to pass on the Panel's thanks for the overall way in which the Housing Service had been revolutionised over recent years.

**RESOLVED:**

That it be a recommendation to the portfolio holder that the model as set out in the report be supported.

**41 ICT INFRASTRUCTURE RENEWAL PROJECT**

The Panel received an update on the major projects to replace virtually all components of NFDC's ICT infrastructure.

This included:

- Smarter working
- Cloud computers
- Digital Services for customers - enablement
- New servers and storage

- Network replacement
- Improved resilience
- Remote working
- Work to realise future ambitions

Members noted that, overall the project would exceed the budget at the end of this financial year by £120,000, consisting of £50,000 on additional expertise and £70,000 of additional equipment and software.

**RESOLVED:**

That the report be noted and it be a recommendation to the Cabinet that the content of the report be supported including the need for additional funds as set out in the report.

**42 WORK PROGRAMME**

The Panel considered its future work programme.

The Chairman asked that a report be made to a future Panel meeting on staff suggestions and actions taken as a result of them.

It was also noted that the Annual Performance report would be added to the March meeting agenda.

Broadband delivery in the Forest would also be considered at the March meeting, with representatives from Hampshire County Council being invited to attend.

**RESOLVED:**

That the work programme be amended to include the items mentioned.

CHAIRMAN