

**18 JANUARY 2024**

**NEW FOREST DISTRICT COUNCIL**

**RESOURCES AND TRANSFORMATION OVERVIEW AND SCRUTINY PANEL**

Minutes of a meeting of the Resources and Transformation Overview and Scrutiny Panel held on Thursday, 18 January 2024

- \* Cllr Alan O'Sullivan (Chairman)
- \* Cllr Barry Dunning (Vice-Chairman)

**Councillors:**

- \* Alan Alvey
- \* Jack Davies
- Jacqui England
- David Millar

**Councillors:**

- Barry Rickman
- \* Alex Wade
- \* Christine Ward

\*Present

**In attendance:**

**Councillors:**

Jill Cleary

**Councillors:**

Jeremy Heron

**Officers Attending:**

Kate Ryan, Alan Bethune, Rebecca Drummond, Rich Bird and Andy Rogers

**Apologies**

Apologies were received from councillors Millar and Rickman.

**37 MINUTES**

The minutes of the meeting held on 16 November 2023 were confirmed as a correct record.

**38 DECLARATIONS OF INTEREST**

There were no Declarations of Interest.

**39 PUBLIC PARTICIPATION**

There was no public participation.

**40 ASSET MAINTENANCE AND REPLACEMENT PROGRAMME AND GENERAL FUND CAPITAL PROGRAMME 2024/25**

The Panel received details of the proposed projects under the revenue funded Asset Maintenance and Replacement Programme, and General Fund Capital Programme for 2024/25 to 2026/27.

The proposed Asset Maintenance and Replacement programme outlined for 2024/25 was £2.890m, with the HRA proportion being £390K. The proposed General fund Capital programme for 2024/25 was £16.579m.

It was reported that the proposed budgetary spend for the health and leisure centre maintenance programme had been increased from £500k to £750k, funded by increased contractual income under the new operational model.

Other projects highlighted included works to footpaths, depots, Eling, water safety, public conveniences, and the cyclical programme for ICT device replacement. Vehicle and plant replacement accounted for the majority of the spending, with a £200k increase this year. Details of contingency sums and other submitted projects, such as the fuel tank replacement, were also given.

In response to a question, it was reported that the Council had recently received confirmation of central government grant funding for vehicle and plant relating to the new waste strategy, specifically the food waste service. The government formula grant funding announced was £1.8m, against the Council's estimated cost of £1.821m. The Council would be making representations concerning the vehicle award costings within that grant. Further information was still required on the transition funding and revenue funding support.

In answer to a query concerning work at Eling Experience, it was explained that the £40k allocated was for minor works to the toll bridge and quayside. A separate feasibility study was being undertaken to ascertain costs for a wider scheme of capital works at the Mill. This would be the subject of a follow - up bid following discussions on joint funding with the Town Council and partnership board, perhaps involving increased income from the toll bridge.

In response to a question, it was felt that the risk of any significant shift in government funding following a change of government was low. Additionally, the significant funding for coastal management projects was available from the Environment Agency and DEFRA, which were thought to be stable sources and no changes were anticipated.

It was acknowledged there were global pressures for price fluctuations on materials and vehicles, which were unavoidable.

It was confirmed that the £100k scheme for works on the Milford on sea wall was separate from the £100k cliff study in that area. The NFDC contribution would be relatively minor in comparison to the expected partner contributions such as the Environment Agency for any wider schemes that might come forward as a result of the ongoing coastal strategy development work.

**RESOLVED:**

That the Cabinet be recommended to approve the proposed projects set out in Appendix 1 and 2 of the Asset Maintenance and Replacement Programme and General Fund Capital Programme for 2024/25.

**41 CAPITAL STRATEGY 2024/25**

The Panel received details of the proposed Capital Strategy for 2024/25.

The Capital Strategy was a high-level document, giving an overview of capital expenditure, capital financing and treasury management including current activities and the implications for future financial sustainability.

Production of this strategy report followed statutory guidance issued by the Government in January 2018. It was noted that final 24/25 budgets had not yet been prepared and therefore there may be some minor amendments made to the report presented to Cabinet.

Reference was made to levels of internal borrowing for capital financing and debt / loan over recent years, and it was emphasised that the Council's cash reserves had reached a point where external borrowing may start to be required to deliver and fully fund the capital programme.

In summary, officers advised that the programmes as presented were sensible and proportionate to the Council's current requirements.

**RESOLVED:**

That it be a recommendation to the Cabinet that the Capital Strategy 2024/25 be approved, including the adoption of the MRP statement.

**42 ICT BENEFITS REALISATION UPDATE (PRESENTATION)**

The Panel received a progress update on benefits to services from ICT project investment, and related performance measurement. The slides from the presentation are available with the agenda pack.

The update had originally been requested by the Financial Strategy Task and Group.

The presentation covered:

- Current projects
- Opportunities for benefits realisation and performance measurement
- Financial return on investment
- ICT project benefits summary

In response to comments about the recent problems with the Council Chamber AV system at a meeting of the Planning Committee, officers reported that the supplier had now rectified the issue, and Democratic Services were working with the supplier to ensure there was support available at the next Planning Committee and would continue to work to ensure the system was stable and performing correctly.

Members supported the introduction of Sharepoint, and of KPI's for ICT projects. They sought assurances that the changes to the Council's website and systems would render well for all formats and devices which the public may use. Officers confirmed that the general industry approach was now to maximise public accessibility on all devices. Further, ICT had initiated an internal working group called Technical Design Authority, where technical solutions and customer experience were considered together.

Members reiterated the importance of making interactions between the residents and the Council as easy as possible, for example when inviting public comments during planning consultations. Officers explained that one of the key commitments

in the Transformation Strategy was to ensure that Digital was not the only channel of service delivery and also that thorough user testing would be undertaken when redesigning online services. Members would be invited to participate in the testing.

Members requested further details on key benefits from individual ICT project investments, and officers undertook to report back on this at a future meeting.

**RESOLVED:**

That the report be noted.

**43 ICT STRATEGY PROJECT DELIVERY UPDATE (PRESENTATION)**

The Panel received and noted a presentation giving a progress update on delivery of the ICT Work Programme for 2023/24.

A copy of the presentation slides is available with the agenda pack.

The presentation gave details of the various ICT projects underway in the current financial year, including digital service improvements, together with status, risks and issues outstanding. It was reported that the team were now at capacity for project management and technical resource and interviews for additional staff were imminent.

The draft 2024/25 ICT work programme would be presented to the Panel for review in March 2024.

Reference was made to the recent Horizon scandal relating to Post Office computer systems, and assurances were sought that the Council's IT systems were significantly robust and resilient in ensuring the integrity of information handled by the Authority. Officers gave assurances that the necessary safeguards, audits and procedures were in place and offered to provide information outside of the meeting on request.

Members sought assurances concerning the delivery of the IDOX regulatory services project. Assurances were given that officers were working closely with the supplier to drive the project forward and officers offered to provide further details at a future meeting.

Some members felt that the ICT training for members could be more sophisticated. Officers explained that member feedback on the ICT training had been largely positive but offered to discuss this with individual members on request.

**44 TRANSFORMATION PROGRAMME UPDATE (PRESENTATION)**

The Panel received a presentation giving an update on progress with the Transformation Programme. A copy of the slides is available with the minutes.

The presentation described the next steps of the Transformation process from January to April 2024.

The intention was to undertake a comprehensive review of Council business and processes, looking at use of technology, and efficiency gains from streamlining systems. Part of this work would involve an Activity Analysis, and Process Design Workshops for high demand services.

Members emphasised the need for customer and resident feedback on the process re-designs as well as input from staff to deliver a net improvement. In-person contact was still very important.

Officers explained that at a recent meeting was held with town and parish clerks at which the implications of the Transformation Programme was discussed and it was agreed to continue the dialogue with local towns and parishes as the review progressed.

The Panel would continue receive regular progress updates.

#### **45 PORTFOLIO HOLDERS' UPDATES**

The Panel received updates from portfolio holders on developments within their areas.

##### **Councillor Jill Cleary, Leader**

In answer to a question, it was explained that current KPIs had recently been made available to members, which related to the existing corporate plan. The new corporate plan was out for consultation, and the performance management framework was being developed and the related dashboards redesigned.

A meeting had recently been held with a neighbouring authority to discuss the dashboard redesign. The performance indicators in the draft corporate plan were also being reviewed, and updated KPI methodologies being considered. The draft performance framework would be brought back to this panel in June, following adoption of the corporate plan.

The next set of Quarter 3 performance indicators would be available at the March panel cycle.

In response to a member request for a regular written report from portfolio holders, it was explained that ordinarily, the KPI dashboards information would form the core of information available to panel members as a basis of discussion under the portfolio holders updates agenda item. For the reasons given above, these were not available at the present meeting, but would be from March onwards.

Reference was made to the Hampshire County Council consultation and whether the Leader would be providing a coordinated response on behalf of this Council to HCC proposals. It was felt important, given the impact of the HCC proposals including potential waste and recycling centre closures which would see an increase in fly tipping. Other areas affected could include public transport. In response, it was confirmed that this was a budget consultation and internal discussions were underway in order to formulate the Council's response and meet the consultation deadline. The response would be made available to members.

##### **Councillor Jeremy Heron, Finance and Corporate**

It was reported that the government financial settlement was slightly better than anticipated.

The portfolio holder was keen to make sure that the Council was doing its utmost to ensure progress with the new regulatory system and would continue to do so until the project was concluded.

The project at Hardley had now commenced and progress would be monitored.

Commercial property investment had slowed due to interest rates and adverse market conditions.

On KPIs, it was explained that recruitment performance was affected by inflation and wage pressures and was a challenging environment.

A question was raised on the local government finance settlement which seemed to indicate that the New Forest received the 3<sup>rd</sup> lowest settlement per capita of any local authority in England. In response, the portfolio holder commented that this was a known issue and did not seem to vary but it was hoped it could be addressed.

**46 WORK PROGRAMME**

The Panel noted its work programme.

It was noted that the ICT work programme for 2024/25 would be presented to the Panel at its March 2024 meeting.

CHAIRMAN