

23 JANUARY 2025

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, 23 January 2025

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

Councillors:

* Alan Alvey
* Jack Davies
Jacqui England
Barry Rickman

Councillors:

* Alex Wade
Christine Ward
* Phil Woods

*Present

In attendance:

Substitutes:

Alvin Reid (Substitute for Christine Ward)

Substitutes:

Councillors:

Jill Cleary
Jeremy Heron

Councillors:

John Sleep

Officers Attending:

Kate Ryan, Alan Bethune, Ingrid Archer, Rebecca Drummond, Paul Whittles, Saqib Yasin and Andy Rogers

Apologies

Apologies were received from Cllrs Christine Ward, Barry Dunning, Barry Rickman and Jacqui England. Cllr Alvin Reid was in attendance as Conservative Substitute member.

35 MINUTES

RESOLVED:

The minutes of the meeting held on 20 November 2025 were confirmed as a correct record.

36 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

37 PUBLIC PARTICIPATION

There was no public participation.

38 ASSET MAINTENANCE AND REPLACEMENT PROGRAMME AND GENERAL FUND CAPITAL PROGRAMME 2025/26

The Panel received the Council's proposed revenue funded Asset Maintenance and Replacement programme (AMR) and General Fund Capital programme for 2025/26 and outline budgets to 2026/27.

The projects in the proposed Asset Maintenance and Replacement Programme for 2025/26 were listed in Appendix 1 and totalled £2.5m.

Appendix 2 to the report identified projects within the General Fund Capital Projects requirements with financing details and totalled £19.411m.

An overview was given of the main projects from the £2.5m programme. It was noted that the level of support for the Council's health and leisure centres was being maintained with a £750k allocation, as well as an upgrade to the fuel tank at March Lane depot at £130k. A £75k allocation had also been made for improved welfare facilities at various depots sites. £65k had been set aside for repairs to the roof of the CCTV office at Appletree Court. In addition, the programme included the usual cyclical programme of investment in ICT, vehicles, equipment, plant, maintenance and replacements. The programme also included a £30k contingency sum.

Details were also given of discounted schemes which did not go forward this year and these would come forward in future reports.

The second part of the report included the capital programme for 2025/26, totalling £19.4m. Almost £2.4m of this was allocated to vehicle and plant replacement (non Waste related), with £8.3m allocated for the waste strategy, notably vehicles and waste containers.

The Panel also noted the reduction in the refurbishment budget from £1.75m to £200k, in the light of the recent devolution discussions.

Other items were highlighted in conjunction with external funding, for purposes such as disabled facilities, coastal schemes and projects using CIL developer contributions.

Members queried the seemingly modest £30k contingency sum, and it was explained that the projects listed already had some headroom provided, though this was also reflecting overall financial constraints and the likelihood that there would be some variations or emerging needs.

On a query regarding the £260k allocation for Eling Toll bridge and quayside repairs, officers explained that this figure was based on a tender and a third party maintenance plan, details of which could be provided as required.

In respect of a query concerning the possibility of reallocating unused funding following the reduction in the refurbishment budget from £1.75m to £200k, it was explained that the original business case involved borrowing that had been dependent on linked future income streams that would no longer proceed. Whilst

the future use of council buildings under the Local Government Reorganisation (LGR) was as yet unknown, there were still some essential works required in the shorter term.

In answer to a member's query on the current position regarding redundant Council vehicles stored at Lymington Town Hall, officers undertook to raise this with the relevant service and provide an answer to the member in due course.

In response to a query concerning public conveniences renovations, it was confirmed that funds were currently available for ongoing routine repairs and maintenance of these facilities in the shorter term, but in the longer term, future work would depend on the outcome of a wider Asset Management Strategy which would be undertaken over coming months, in the context of the LGR.

RESOLVED:

- 1) That it be a recommendation to the Cabinet that the schedule of projects as included in Appendix 1 and 2 be supported.
- 2) That it be a recommendation to Cabinet that:
 - a) The schedule of projects, as included in Appendix 1 and Appendix 2 be approved within the 2025/26 budget, noting that this commits the Council to expenditure beyond 2025/26 whereby a project commences in 2025/26 and extends into future years.
 - b) The Vehicle and Plant replacement programme be approved for a 2-year period, covering purchases due in 2025/26 and 2026/27.
 - c) The Appletree Court scheme previously approved in August 2024 be removed from the Capital Programme, updating the Council's MTFP accordingly, and that the new £200,000 allocation for a reduced scope of work in the revised Capital Programme as referred to in recommendation 1 above, be approved.
 - d) The intention to create an Asset Management Strategy be noted.

39 CAPITAL STRATEGY 2025-26

The Panel received a report setting out the Council's proposed capital strategy for 2025/26.

It provided a high-level overview of how capital expenditure, capital financing and treasury management came together, with an overview of current activities and the implications for future financial sustainability.

It was noted that the total capital expenditure for 2025-2028 was forecast at £126m, which comprised £91.48m for works under the Housing Review Account, and £34.525m for the General Fund.

In reply to a question on the expected date for the introduction of the Business Rates reforms, it was reported that the Government was expected to commence its Fair Funding Review in the Spring of 2025, with conclusion in the Autumn in readiness for multi year settlements thereafter, and if there were no further delays,

it was currently anticipated that a Business Rate reset would take effect from 2027/28.

A member noted the Council's pension fund liability of £12m, and queried whether the Council should move from a defined benefit scheme to a defined contribution scheme perhaps for new employees. In response, officers explained that as NFDC was part of the Hampshire Local Government Pension Scheme, the Council was not able to determine the terms of the Scheme. The Authority and its employees contributed towards the Scheme, and the Council had no option but to meet the related liabilities. It was not known whether these arrangements would change under LGR.

It was noted that the spike in funding for 2025/26 was due to the new Waste service start-up costs.

RESOLVED:

That it be a recommendation to the Cabinet that the Capital Strategy 2025/26 be approved, including the adoption of the Minimum Revenue Payment (MRP) statement.

40 TRANSFORMATION PROGRAMME UPDATE

The Panel received and noted an update on progress with the Council's Transformation and Future New Forest Programme including the current stance in the context of LGR. A copy of the slides is attached to these minutes.

The approach was to refocus and reshape the approach, continuing to deliver benefits to customers, maintaining and upgrading systems, while some aspects would need to be paused or revisited.

The Panel was reminded of the project and work packages under the 4 themes of People and Capabilities, Customer and Digital Services, Assets and Accommodation, and Finances and Delivery. The live and future areas were highlighted and detail given on the approach under the various schemes.

A member asked if the recent employee survey would be revisited in the light of the LGR proposals, to ascertain what effect this was having on the wellbeing of staff, what reassurance was being given and the effect on recruitment and retention. It was explained that a number of staff briefing sessions were being undertaken by the Chief Executive, as well as a rolling Q&A facility, and although there was a degree of uncertainty at the present time, answers were being provided based on current information available.

It was emphasised that the new organisation could take 2-3 years to crystallise, and then systems, teams, and structures would have to be brought together, with the whole change possibly taking 10 years before it was fully completed.

It was noted that the People Strategy, which already included strong employee engagement arrangements, would become ever more important and would inform the way staff were kept informed and supported through change management sessions, with the leadership team and other groups.

A member raised a query concerning the future of the LTH and the information office, and how the Town Council would be affected, and it was advised that it was

still very early days in the LGR process and an Asset Strategy was currently being developed and this would be included in the deliberations in this context. No formal decisions had been taken. Reports would come forward to the Panel in due course.

In reply to a query on the shift from 'investing to save' to 'investing to modernise' and the need to show the related benefits, it was explained that the business case and future investment needs were being reviewed in order to bring the organisation to where it now needed to be. Regular updates would continue to be brought to this Panel.

41 CORPORATE PLAN: KEY PERFORMANCE DATA FOR QUARTER 1 AND 2

The Panel reviewed key performance data for Quarter 1 and 2 against the Key Performance Indicators and associated targets for the Corporate Plan.

Members were reminded that the Performance Management Framework was agreed by the Cabinet in 2024, and outlined the reporting and accountability commitments. The targets in the Dashboard had been reviewed by EMT in October 2024 and an exercise was undertaken to ensure the targets were appropriate and challenging. 48 KPIs were presented by corporate plan theme and priority. The portfolio holder, Panel and data owner for each KPI was given as well as the desired direction of travel and frequency of reporting.

In Q1, 10 of the KPI's reported were relevant to this Panel, and 9 in Q2. Summary data was given in the covering report including commentary where there were amber or red status reports, with appropriate mitigations and controls.

Members commented on the frequency of some indicators and asked that they be presented more regularly than every 2 years, for example the resident satisfaction with council services. It was explained that residents surveys were a very significant undertaking, were undertaken well, independently, and proportionately, and doing them more frequently would have a significant cost implication. The current frequency had been decided and was in the budget.

Whilst it was acknowledged that there were slightly fewer KPIS aligned with this Panel, it was pointed out that this Panel already received a number of significant reports on a regular basis, for example on the Freeport, the Transformation Programme, complaints and numerous budget reports, all of which were available to scrutinise as part of the Panel's overall performance monitoring role.

A member highlighted that the recent peer review had indicated some points for improvement in scrutiny. It was also suggested that the complaints report might somehow be combined with the KPI report to give more regular indications of progress.

It was suggested that the KPIs be colour - coded to show which KPIs were relevant to each Panel and a bigger font be used. Officers would consider these and any other suggestions on the most helpful format.

In response to a question on sickness trends, it was noted that a detailed analysis was regularly submitted to the HR Committee, but there appeared to be an increase in long term sickness, though short-term sickness was stable. It was reported that long term sickness employees were required to produce a doctor's certificate, and managers were working to support each member of staff affected. Data available since the papers had been published appeared to show a slight decline. The figures

did not relate to concerns over LGR as the data had been collected before LGR had been publicised.

On a comment concerning performance regarding the number of vacancies filled first time, it was reported that latest data was showing improvements, but this would become more challenging over time though there may be opportunities emerging with LGR and a broader pool of staff. With the People Strategy and the focus on training and development, the Council was still concentrating on being an attractive employer and engaging with staff during a time of uncertainty.

RESOLVED:

That the Q1 and Q2 dashboards be noted.

42 PORTFOLIO HOLDER'S UPDATE

The Panel received updates from the Leader and the Portfolio holder for Finance and Corporate.

Cllr Cleary, Leader

The Leader had been representing the New Forest and the Council's interests within wider discussions across Hampshire and the Solent and offered meetings with the 2 MPs in Forest. She was working closely with all group leaders and was pleased to have a shared view about the way forward. The Council was at an early stage in considering proposals around future reorganisation and the Government's letter, expected this month, should include more details regarding criteria. A report will be coming forward to Cabinet on devolution in response to Government's letter.

She commented that delivering local services was not just around scale and size but about local responsiveness and Local identity, and she would be striving to ensure that any future proposals took this into account.

The Leader was pleased to welcome the LGA Peer Review team in December and awaited its final report. The team had reflected on the progress that had been made to modernise and encourage a culture of empowerment and collaboration, and that the Council's ambition for local people and place was clear. The LGA recommendations would be reviewed and brought to this to this panel in March and on to Cabinet.

The Leader continued to champion the Council's efforts to become an employer of choice, attending employee forums and keeping an overview of the development of the People Strategy, and reference was made to a recent update on this at HR Committee outlining work to reshape the action plan in the light of potential reorganisation.

She concluded that the Council needed to be both strategic and tactical over the next few months and years, and be flexible in reviewing priorities and resources. In response to a question on the impact on staff, she emphasised her strong commitment to staff welfare.

The Leader was asked whether any preferences on which reorganisation models were being discussed with HCC, eg Southampton and Eastleigh or Winchester and Test Valley. In reply, the Leader explained that there were no indications as yet as it was too early in the process.

In answer to a question, the Leader explained that LGR had not impacted the Freeport at present. The Chief Executive added that at a recent meeting, the Chair of the Solent Freeport indicated that the Government had indicated that the governance of Freeports was likely to move into the mayoral strategic authorities. NFDC would continue to emphasise the importance of securing the delivery of benefits for the New Forest area under the original framework.

Cllr Heron, Finance and Corporate

The Portfolio Holder reported that work was underway with the asset management strategy, which would include consideration of the future use of Lymington Town Hall.

He noted that the main focus was on ensuring that the Council did not become a 'city extension', and that the future of the area was paramount to all members.

The Council was working with partners to deliver the best possible outcome for residents whilst reflecting the unique local area. He echoed the Leader's comments that it was early in the LGR process and that the Government's proposals were still awaited, but that the Panel would be kept updated as the situation evolved. He urged members from all parties to challenge their MP's and their party, to get the best result for the Council and its residents.

43 WORK PROGRAMME

The Panel reviewed its future work programme.

Members noted that the Chairman had worked with officers to balance out the workload for each meeting.

RESOLVED:

That the work programme be approved.

CHAIRMAN

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Resources and Transformation Overview and Scrutiny Panel

January 2025





Future New Forest

Transforming tomorrow, together

Resources and Transformation O&S Panel
23 January 2025



LGR- Impacts on Transformation & Considerations

- Reflect and reshape considering Local Government Reorganisation
- Focus on benefits to our residents remains - Customer strategy and Customer First digital project
- Vital upgrades and key system replacements
- People Strategy to move to more short-term delivery approach
- Refocus Asset work
- Certain aspects of the programme will need to be paused i.e. Accommodation strategy
- Revisit business case

Future New Forest Project Scope



Projects

- **Great place to work**
- **Grow –Connect- Empower**
- **Organisational Culture**
- **One Team**
- **Learning & Development**
- Digital Skills

Projects

- **Customer Strategy**
- **Target Operating model/Bv2**
 - Triage
 - Structures
- **Customer Management System**
- **Customer Portal/Self-Serve**

Projects

- **ATC Accommodation review**
- **Asset Management System**
- Asset Management Strategy Framework Deployment
- **Corporate Landlord**

Projects

- **Data Decision Making/Master Data**
- **Organisational benefits tracking**
- **Fees & Charges- options review**

Work Packages

- Comms & engagement approach
- Learning Events
- Apprenticeships Levy review and relaunch (Opportunities for all)
- **Staff Survey Results action plan**
- **Change Champions**

Work Packages

- **Technology Proof of Concepts**
- Approach to testing & modelling
- Revenue & Benefits Processes

Work Packages

- **Inspection & compliance tracking & reporting**

Work Packages

- Financial Process Improvements- Council Tax internal processes
- **HR- Transactional Processes inc Starters, Leavers, Movers**
- **Budget Processes**



Transforming tomorrow, together



Future New Forest Operational Project Scope

Place & Sustainability Transformation

Housing & Communities Transformation

Projects

- **Asset Inspection Regime**
- **Regulatory Services**
- **Planning Processes**
- Bartech/Customer Platform Integrations/Improvements
- **Place elements of Bv2 model**

Projects

- **Housing Maintenance System**
- Housing repair system (links to asset management)
- **Housing elements of Customer Platform and Bv2.**
- **Regulatory Services**

Work Packages

- Waste processes
 - missed bin
 - fly tipping
- **Taxi Applications Process**
- **Waste Service Improvement (support)**

Work Packages

- Housing Process Improvement:
 - **Voids**
 - Repairs
 - Rent Balance
 - Apply for housing
- Locata development



Thank you for your time

