

BUDGET TASK AND FINISH GROUP – FINAL REPORT

1. PURPOSE

- 1.1 The Budget Task & Finish Group has, on behalf of all members, explored and reviewed the Council's plans for each portfolio. 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 2019 and beyond.

Membership of Group

Cllr A Alvey
Cllr G Blunden
Cllr R Clark
Cllr K Craze
Cllr P Dowd
Cllr M Levitt
Cllr A E McEvoy
Cllr A O'Sullivan (Chairman)
Cllr J Reilly
Cllr A Sevier

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, detailed Resource Plans for each Portfolio were developed with Portfolio Holders and Service Managers, and provided to the Group.
- 2.3 Each Portfolio Resource Plan included:
- Medium Term Financial Plan - 2019 Onwards
 - Position Statement for each Portfolio
 - Summary Risk Register by Portfolio
 - Performance Scorecard by Portfolio
 - Summary Budget for each portfolio

- 2.3 The Group found these very useful and reviewed these 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 a wide range of detailed questions.
- 2.4 The Group were pleased that considerable progress had been made on several of the recommendations from last year, and noted that updates had been reported through the relevant overview and scrutiny panels. It would still like to see future progress reports on those issues not yet pursued.

3. FINDINGS OF THE TASK & FINISH GROUP

Generic and tailored questions were asked to each Portfolio Holder. The generic questions were as follows:

1. What challenges and key actions are emerging within your Portfolio over the next few years and how will you address them within current financial constraints?
2. What further work could be done to secure your portfolio's sustainability? Please give examples, including the identification of new revenue income streams and opportunities to bid for and utilise one-off funding from external sources.
3. To what extent does your portfolio look at best practice and innovation in local government elsewhere, to boost its performance?
4. How are you securing best value for money with the services within your portfolio, whilst maximising opportunities for partnership agreements / collaboration?
5. We have noted that in some Portfolios there is a concern over a skills shortage.
 - a. Could you confirm the effects on your budget and how are you addressing these?
 - b. What opportunities have been considered to buy-in services from outside the Council?

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

3.1 Planning and Infrastructure Portfolio

Members were pleased to see that the Building Control Service was showing improved income and hoped this trend would continue.

The Group would encourage the Council to further maximise its Pre - Applications Income and raise awareness among business that this service is available, and the overall benefits.

The Members noted that the Trees and Conservation services have been brought back in house, but in a cost neutral way.

The Group were mindful of the potential for a fluctuating workload of planning staff in connection with the local plan, and query whether sharing staff with other authorities to deal with workload peaks and troughs has been considered.

Action to follow up: Examine the possibility of sharing staff with other authorities to deal with workload peaks and troughs.

3.2 Environment and Regulatory Services Portfolio

The group were concerned to note the potential financial impact as a result of the proposed changes to recycling payments and contamination charges put forward recently by HCC, which could have an implication of circa£750,000 on the Council's General Fund budget. The Group hoped would encourage the two authorities to work together to reduce this cost.

The Group would like to see if more could be done to support schools and elsewhere regarding communications on recycling and litter, and that this communications work be properly resourced. Clear and concise communications to the public on recycling were essential.

The Group was pleased to see that the Pest Control service was now budgeted to break even and looked forward to seeing this continue to move in the right direction.

It was noted that originally the glass collection vehicles were funded from Government grant and a replacement programme should be in place. The Group note the increased cost of glass collections, and query whether new avenues of income (eg pubs etc), might be viable. The increased cost had improved glass tonnage now being recycled.

Following the recent £25k grant for coastal works the Group suggest that efforts be made to obtain further funding.

Action to follow up: Increase communications on recycling, including to schools, keeping the message to the wider public as clear and concise as possible.

Action to follow up: Continue to explore all options to secure third party funding

3.3 Community Affairs Portfolio

The Group noted that some activities falling within the Community Affairs portfolio were funded directly from Central Government (e.g., the Supported Families programme (formerly Troubled Families)). Given the perceived benefits of the Programme, and that it was unclear whether it would be funded beyond 2020, it was suggested the Community Panel assess how the Council might respond to a withdrawal of Government funding, including whether there were ways of continuing the Programme inhouse, perhaps through using existing, related resources in Housing, or other resources elsewhere.

It was further suggested that a full breakdown of the external and internal funding for this Portfolio be made available to the Community Panel to ensure members have a complete picture of the Portfolio functions and related funding.

On Customer Services, the Group again emphasised the importance of the development of the new website as a central part of the new customer service strategy, and the need to maximise the benefits for customers and the council, while retaining traditional (e.g. face to face) communications for those who still need it.

The Group welcomed the combined CCTV / Appletree Careline service and encourage the service to look for more income streams, such as advertising in local hospitals

within the District as well as further afield. There should also be checks that the promotional film for Appletree Careline was being shown in doctor's surgeries as arranged.

The Group felt that advertising / public communications should be increased across the portfolio, given the potential income benefits.

It was also felt that the Community Grants fund could be better publicised and that NFDC's contribution be acknowledged in recipients' communication material.

Action to follow up: Breakdown of internal and external funding to be brought to the Community panel, in light of the potential withdrawal of funding beyond 2020.

Action to follow up: Continue to explore all advertising avenues for Carelines, including local hospitals.

Action to follow up: Review the advertising of community grants to ensure a range of organisations are aware of this annual process.

3.4 Local Economic Development, Property and Innovation Portfolio

Given that this Portfolio was primarily focussed on business growth through helping external organisations, the Group explored the direct and indirect benefits to the Council, business, and community.

The Group felt there should be a better evidence base to show the benefits of the Portfolio's work, with better targets, clearer objectives to measure achievements, and a different mix of activities.

The group felt that greater contact could be made with the 8,000 businesses in the District, and were informed of an aim to implement a new website and app. The Group were supportive of the Portfolio Holder engaging with ICT on the development of a Business Case to request the required funding to implement this. Whilst the Group heard that the Portfolio's work indirectly led to increased Business Rates for the Council, it was pointed out that this was only the case where new businesses were brought into the area, although it was acknowledged that Council intervention and assistance might also help businesses to stay in the District.

The Group were supportive of ongoing efforts to pursue and encourage Broadband and mobile signal provision in the Forest, given the strong business and resident need.

The Group suggest that the quality of service provided by the Council could be measured by doing a survey among local business contacts to measure the value they place on the council's work in this area. The results of this survey to be reported to COSP.

Action to follow up: Develop the performance scorecard for the Portfolio to better represent the objectives and measurable achievements.

Action to follow up: Continue to drive forward the provision of broadband and mobile data and follow up through the scrutiny panel as appropriate.

Action to follow up: Develop a business case for a new business orientated website/app

3.5 Finance, Corporate Services and Improvement Portfolio

The Group support the delivery of commercial property investment, noting the relatively modest projects to date, also noting that no external borrowing is required in the short-medium term.

Concern was expressed at the apparent delay in the Police moving to Lymington Town Hall, and members urged the portfolio holder to bring the project to fruition.

The Group note the on-going project to implement the new Financial system and look forward to the benefits it will bring.

The Group welcome the move towards paperless working and expect this to extend across the council.

Members acknowledged that the Council's continual development was heavily reliant on the progress of its ICT projects, for example, the new website, Office 365, the new telephony system, and software upgrades. The delay with the self-serve kiosks at the Health & Leisure centres was one example where the crystallisation of operational savings might be affected by such delays. The Group emphasised the need for the recruitment and retention of good ICT project managers to expedite projects and ensure their success.

The Group notes the continued pressure on car parking at ATC and welcome the roll-out of ICT projects to further enable remote and flexible working.

Action to follow up: Secure the Police tenancy at the Town Hall, or re-advertise this space for an alternative tenant.

Action to follow up: Ensure the resource is in place to deliver the variety of necessary ICT projects

3.6 Leader and Corporate Affairs Portfolio

The Group were pleased to see the draft Corporate Plan submitted to Cabinet and welcomed its content.

A number of issues were raised involving human resources in the Council. These were:

- Recruitment difficulties – this varied in pockets across the Council.
- The need for regular staff surveys, to see trends, gather ideas and improve outcomes
- Suggestion that Exit interviews be collated and reported.
- Online learning for staff - how do we ensure this is effective when compared to other modes of training, such as team building.
- Setting targets for growth of apprenticeships over future years

LEP Projects – the Group were very keen that the Council should do its utmost to secure as much funding as it could for the local area in the form of ambitious and specific projects. It suggested that a list of specific detailed projects be drawn up for submission to the LEP and that these be pursued in consultation with the relevant O&S Panel.

NPA Partnership working – the Leader and all portfolio holders are encouraged to make further efforts to expand partnership working and joint service provision with the NPA, so as to realise the obvious organisational benefits to the Council and the local community.

Action to follow up: Encourage specific projects to be submitted to the LEP to deliver valuable external funding to the District.

3.7 Housing Services Portfolio

The Group felt that progress in Housing over recent times had been very positive, with a fundamental transformation of the service in the last 18 months and the introduction of new systems, procedures and policies. The Group wished to congratulate the portfolio holder and lead officers for their efforts in achieving this, with noticeable enthusiasm and drive.

The Group noted that there had been few targets included on the Housing Portfolio score sheet, and had enquired about future performance benchmarking including or best practice comparators against other authorities. It was pleased to see that the Service was developing a new performance framework to capture key operational performance indicators across all functions in the Housing Service, and it was anticipated that the Housing Overview & Scrutiny Panel would be receiving regular updates in this regard. It further noted that there would be additional targets set under the performance management framework of the new corporate plan.

Members were interested to see the effects of the introduction of the new allocations policy in the New Year.

Members queried whether there was a Strategy in place to deal with potential increases in tenancy arrears arising from the introduction of Universal Credit.

Action to follow up: Develop the new performance framework and key performance indicators including the additional targets to monitor success as against the objectives of the current housing strategy.

3.8 Leisure and Wellbeing Portfolio

The Group was mindful of the ongoing process to identify a preferred partner to operate the Council's 5 Health and Leisure Centres.

Members felt that the Dibden Golf Course was a good example of collaborative working with external partners, and it was hoped that experience gained from this would prove useful in developing a good relationship with any prospective Leisure centre operator.

The Group hoped that, where the Leisure Centres had local competition, the Council owned centres could react quickly to new initiatives and stay competitive.

Members also suggested that approaches should be made to local schools and colleges to forge a link between them and the leisure centres, to encourage apprenticeships or similar training for the development of good staff.

The Group noted the delay in introducing the self-serve kiosks in Leisure Centres, and felt it important to expedite the matter.

The Group commented that having now completed the Eling Experience project, it would encourage a review of the arrangements with the Town Council.

Action to follow up: Consider closer working with schools and colleges in order to encourage Leisure based apprenticeships or similar training

Action to follow up: Review the arrangements with the Town Council on the operation of the 'Eling Experience'

4. CONCLUSIONS / GROUP COMMENTS

- 4.1 Overall the Group was again impressed with the depth and breadth of knowledge of the Portfolio Holders and were grateful to them for their support and engagement in this process. Common themes this year are staff recruitment and retention difficulties, the need for improved communications on such issues as waste recycling and business marketing, the continued need to innovate in income generation, and a greater focus on performance monitoring.
- 4.2 The Group again would wish to emphasise the importance of the website upgrade and other ICT projects and the many efficiencies across the Council which depend upon the success of these projects, and that these be efficiently managed.
- 4.3 The Group reiterates the need for continued impetus to drive forward partnership/collaborative working with neighbouring councils and partner organisations.
- 4.4 The Group would also like the Council to address known areas where skill shortages are visible e.g. HGV Drivers. In some instances, these will be addressed through a review of our pay as against the market, but also through encouraging the next generation of potential employees through engagement with schools and colleges.
- 4.5 Finally, the Group is mindful that many of its comments or suggestions are not directly related to detailed 'budget' considerations, but are more about business / corporate strategy. It would welcome feedback from EMT, the Cabinet and others about the usefulness of the exercise and how it might improve, the future direction of the group, the methods used to carry out its work, and the timing and timescale. It requests that feedback be given in the form of a report to Corporate Overview and Scrutiny Panel.

5. RECOMMENDATIONS

- 5.1 That the relevant Overview and Scrutiny Panels be given regular updates on progress with the actions and matters highlighted throughout this report.

Further Information:

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Background Papers:

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