

### Leader's Portfolio Oct 2017

#### Priorities of the Portfolio

- Helping local business grow
- Service outcomes for the community
- Living within our means
- Working with others to achieve more

#### Performance

The cost of this Portfolio is £3.45 (2.1%) of the £163.36 annual Band D Council Tax. The majority of the spend within the Portfolio relates to the Council's support to businesses, via the Economic Development Service.

Last year the Council was engaged in many discussions dealing with Devolution and Local Government Reorganisation. It was anticipated that the General Election of June 2017 would provide more clarity, however, to date, little has been heard from the government in this regard. There have been no formal discussions with any other organisation so far in 2017 on this issue.

In 2017/2018 a new economic development team was set up to provide a broader level of support to business in the New Forest. The work of the new team will be driven by a Business Strategy of which a draft was agreed by Cabinet in August and is now being consulted on and developed with partners.

The relationship with the New Forest Business Partnership has continued to grow and once more the Awards Ceremony in November and the Business Exhibition in May both successfully showed off the diversity of New Forest businesses.

In April 2017 the council also supported the creation of Go New Forest to help better support the Tourism business sector with the promotion of the New Forest as a major destination.

The Council is working closely with Hampshire County Council and large businesses in Totton and the Waterside to identify opportunities for economic growth that benefit the New Forest. This work is closely aligned with the development of the district's Local Plan which will set out areas for development over the next 20 years.

Links and working with the two Local Enterprise Partnerships continues and in May the Portfolio Holder chaired a meeting of the Solent LEP in Hythe.

The new apprenticeship levy was introduced in May 2017 and the council is committed to utilising the levy payments both for new apprenticeship recruits as well as apprenticeship training for existing employees. Following a robust advertising campaign, it is envisaged that 8 new apprentices will start by October 2017.

To ensure we continue to learn from others, and challenge what we do and how we do it, we are commissioning an LGA peer review in October 2017,

#### Challenges

The Council once again had to identify significant savings in setting the 2017/18 budget to help mitigate a £1.8m reduction in government determined funding in comparison to 2016/17. A further reduction in funding of £1.7m is expected in just 2 years to 2019/20, whilst cost increases over the same period based on a 1% pay award are forecast at another £1.7m. The Council's future plans must address this major financial challenge and ensure the Council's strategic objectives are aligned to resources available.

The highest risk identified for the Portfolio is that economic conditions limit growth and employment in the district and local businesses fail to prosper. Attempts will be made to mitigate against this risk by reviewing the best way to support local businesses in the future and continuing to work with relevant Local Enterprise Partnerships (LEPs) to the benefit of businesses in the District. This will be reinforced by the continuing support for enhanced broadband coverage in the New Forest.

The outlook for local government and many in the public sector over at least the medium term is of continued financial constraint. For the public sector, this has now been in operation for a long period. As a result, we are seeing a number of issues arising in recruiting and retaining in-house staff resources. This is across a range of service areas as pay has not been keeping pace with the local cost of living, and the public sector is seen as less attractive to those entering the employment market. Given that the Council largely provides the majority of services with an in house workforce this is something which we must address.

In addition to the above, in today's environment, it is becoming increasingly important to offer resilience to the community when difficult situation arise, such as recent incidents in the UK and other parts of Europe. It will be key for us to increase our resilience and preparedness.

#### Corporate Requirements

- Undertake reviews and key activities as identified in the corporate plan (delivery plan) to improve services for our customers and meet the budget shortfall, including an increased focus on collaborative working.

#### Key Activities

- LGA Peer Review in October 2017
- Review with partners, including the New Forest Business Partnership, the best way to support local businesses in the future together with pursuing its engagement with LEPs
- Support enhanced Broadband coverage in the New Forest

- Involvement in a multi-agency exercise in 2018 to test our emergency responses and resilience during an incident
- The development of an Organisational Strategy which identifies what the council will look like in the future is key as it will influence many of the key decisions we have to take moving forward.

## Supporting Information

In support of this plan the following documents are available:

- 1) The Portfolio's Performance Scorecard
- 2) Summary of Net Portfolio Spend