

AGENDA
SCRUTINY BOARD

Date: Thursday, 24 November 2016

Time: 6.00 pm

Venue: Collingwood Room - Civic Offices

Members:

Councillor Mrs S M Bayford (Chairman)

Councillor S D Martin (Vice-Chairman)

Councillors B Bayford

S Cunningham

M J Ford, JP

L Keeble

A Mandry

Ms S Pankhurst

C J Wood

Deputies: F Birkett

Mrs M Brady

J E Butts

Mrs L E Clubley

Mrs T L Ellis

R H Price, JP

Mrs K K Trott



1. Apologies for Absence

2. Minutes (Pages 5 - 10)

To confirm as a correct record the minutes of the Scrutiny Board meeting held on 15 September 2016.

3. Chairman's Announcements

4. Declarations of Interest and Disclosures of Advice or Directions

To receive any declarations of interest from members in accordance with Standing Orders and the Council's Code of Conduct and disclosures of advice or directions received from Group Leaders or Political Groups, in accordance with the Council's Constitution.

5. Deputations

To receive any deputations of which notice has been lodged.

6. Vanguard Update (Pages 11 - 42)

To consider a report by the Director of Finance and Resources which provides an update on the Vanguard Interventions.

7. Review of the Medium Term Finance Strategy (Pages 43 - 84)

To consider a report by the Director of Finance and Resources on a review of the Medium Term Finance Strategy.

8. Review of the Board's Work Programme (Pages 85 - 94)

To consider a report by the Director of Finance and Resources which invites members to review the Board's work programme for 2016/17.

9. Minutes of Meetings of Policy Development and Review Panel

To receive the minutes of the Policy Development and Review Panels held since 1 September 2016.

(1) Minutes of meeting Tuesday, 6 September 2016 of Planning and Development Policy Development and Review Panel (Pages 95 - 98)

(2) Minutes of meeting Wednesday, 7 September 2016 of Leisure and Community Policy Development and Review Panel (Pages 99 - 102)

(3) Minutes of meeting Thursday, 8 September 2016 of Streetscene Policy Development and Review Panel (Pages 103 - 106)

(4) Minutes of meeting Thursday, 22 September 2016 of Health and Housing Policy Development and Review Panel (Pages 107 - 110)

(5) Minutes of meeting Thursday, 20 October 2016 of Streetscene Policy Development and Review Panel (Pages 111 - 116)

10. Executive Business (Pages 117 - 124)

If requested by a member, to consider any item of business dealt with by the Executive, since the last meeting of the Board. The relevant Executive meetings are 10 October 2016 and 7 November 2016. (This will also include any decisions taken by individual Executive members during the same time period.)

P GRIMWOOD
Chief Executive Officer
Civic Offices
www.fareham.gov.uk
16 November 2016

**For further information please contact:
Democratic Services, Civic Offices, Fareham, PO16 7AZ
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FAREHAM

BOROUGH COUNCIL

Minutes of the Scrutiny Board

(to be confirmed at the next meeting)

Date: Thursday, 15 September 2016

Venue: Collingwood Room - Civic Offices

PRESENT:

Mrs S M Bayford (Chairman)

S D Martin (Vice-Chairman)

Councillors: B Bayford, S Cunningham, M J Ford, JP, L Keeble, A Mandry,
Ms S Pankhurst and C J Wood

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies of absence.

2. MINUTES

It was AGREED that the minutes of the Scrutiny Board meeting held on 23 June 2016 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman announced that it was the awards for South and South East in Bloom this evening at Ferneham Hall and she was hopeful that the success of previous years continued again for this year.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. REVIEW OF THE BOARD'S WORK PROGRAMME

The Board considered a report by the Director of Finance and Resources which reviewed the Board's work programme for 2016/17.

Members were invited to put forward any suggestions for any items they would like to see included. Councillor Ford stated that he would like a report providing an Update on Vanguard. The Director of Finance and Resources addressed the Board and advised them that a report on Vanguard is planned to go to the Executive at its meeting on 7 November 2016. He suggested that should any member wish to scrutinise this report then an item could be added onto the Board's work programme at a later date.

It was AGREED that the Board's work programme for 2016/17 be approved.

7. MINUTES OF MEETINGS OF POLICY DEVELOPMENT AND REVIEW PANELS

The Board was asked to receive the minutes of the Policy Development and Review Panels held since 1 May 2016.

(1) Minutes of meeting Tuesday, 17 May 2016 of Planning and Development Policy Development and Review Panel

The Chairman of the Planning and Development Policy Development and Review Panel, Councillor A Mandry was invited to present the minutes of the meeting held on 17 May 2016.

It was AGREED the minutes be received.

(2) Minutes of meeting Tuesday, 19 July 2016 of Planning and Development Policy Development and Review Panel

The Chairman of the Planning and Development Policy Development and Review Panel, Councillor A Mandry was invited to present the minutes of the meeting held on 19 July 2016.

It was AGREED the minutes be received.

(3) Minutes of meeting Tuesday, 24 May 2016 of Public Protection Policy Development and Review Panel

The Chairman of the Public Protection Policy Development and Review Panel, Councillor M J Ford, JP was invited to present the minutes of the meeting held on 24 May 2016.

It was AGREED the minutes be received.

(4) Minutes of meeting Tuesday, 26 July 2016 of Public Protection Policy Development and Review Panel

The Chairman of the Public Protection Policy Development and Review Panel, Councillor M J Ford, JP was invited to review the minutes of the meeting held on 26 July 2016.

It was AGREED the minutes be received.

(5) Minutes of meeting Thursday, 26 May 2016 of Health and Housing Policy Development and Review Panel

The Chairman of the Health and Housing Policy Development and Review Panel, Councillor B Bayford was invited to present the minutes of the meeting held on 26 May 2016.

It was AGREED the minutes be received.

(6) Minutes of meeting Thursday, 21 July 2016 of Health and Housing Policy Development and Review Panel

The Chairman of the Health and Housing Policy Development and Review Panel, Councillor B Bayford was invited to review the minutes of the meeting held on 21 July 2016.

Councillor Bayford referred to minute item 6, the Heath Update. He informed the Board that he gave a brief presentation on the role of the Health and Housing Panel with regards to Health provision within the Borough, and offered to present the same presentation to the Board members as health provision has been identified by the Board previously as an issue that needs to be address.

It was AGREED that:-

- (a) the minutes be received, and
- (b) the Chairman of Health and Housing provide a presentation to Board members at a briefing session to be confirmed.

(7) Minutes of meeting Wednesday, 1 June 2016 of Leisure and Community Policy Development and Review Panel

The Chairman of the Leisure and Community Policy Development and Review Panel, Councillor Ms S Pankhurst was invited to present the minutes of the meeting held on 1 June 2016.

It was AGREED the minutes be received.

(8) Minutes of meeting Wednesday, 27 July 2016 of Leisure and Community Policy Development and Review Panel

The Chairman of the Leisure and Community Policy Development and Review Panel, Councillor Ms S Pankhurst was invited to present the minutes of the meeting held on 27 July 2016.

It was AGREED the minutes be received.

(9) Minutes of meeting Thursday, 9 June 2016 of Streetscene Policy Development and Review Panel

The Chairman of the Streetscene Policy Development and Review Panel, Councillor L Keeble was invited to present the minutes of the meeting held on 9 June 2016.

It was AGREED the minutes be received.

(10) Minutes of meeting Thursday, 14 July 2016 of Streetscene Policy Development and Review Panel

The Chairman of the Streetscene Policy Development and Review Panel, Councillor L Keeble was invited to present the minutes of the meeting held on 14 July 2016.

Councillor Wood referred to minute item 7, Annual Report on Street Cleansing Service, and enquired as to what the Council's responsibility is with regard to the removal of weeds on the kerbside. The Director of Operations explained to the Board that the responsibility of the treatment of eradicating weeds was Hampshire County Council and that the Borough Council's responsibility is to clear up the weeds once they have been treated and have died, as part of the street sweeping service.

Councillor Ms Pankhurst asked for her thanks to be passed to the Operations Manager and his team for the hard work and extremely quick responses to reports of street cleansing issues.

It was AGREED the minutes be received.

8. EXECUTIVE BUSINESS

The Chairman invited members to indicate if they wished to consider any other item of business dealt with by the Executive since the last meeting of the Board. There were no other items of Executive Business considered.

(The meeting started at 6.00 pm
and ended at 6.23 pm).

FAREHAM

BOROUGH COUNCIL

Report to Scrutiny Board

Date **24 November 2016**

Report of: **Director of Finance and Resources**

Subject: **VANGUARD UPDATE**

SUMMARY

At its meeting on 15th September, the Scrutiny Board requested that a progress report on the work with Vanguard be brought to a future meeting for consideration. Subsequent to this, the Executive considered a Vanguard Progress report on 7th November 2016, and this was complemented with a Member training session prior to the meeting.

The Executive report is attached as Appendix 1, and the Scrutiny Board are invited to consider and comment on the progress made.

RECOMMENDATION

That Members are asked to:-

- (a) consider the progress made with the Vanguard programme of interventions; and
- (b) provide comments for the Executive to consider.

Appendix 1: Report to the Executive, 7th November 2016, "Vanguard Progress"

Enquiries:

For further information on this report please contact Lindsey Ansell. (Ext 4567)

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 November 2016

Portfolio:	Policy and Resources
Subject:	Vanguard Progress
Report of:	Director of Finance and Resources
Strategy/Policy:	Efficiency Plan
Corporate Objective:	Dynamic, prudent and progressive Council

Purpose:

To provide an update on the Council's achievements as a result of the introduction of the Vanguard method, including financial savings achieved and improvements in customer satisfaction, and to propose that the existing contract be extended to allow for a further phase of works.

Executive summary:

Works on phase four of the Vanguard interventions are well under way with further interventions proposed, however the contract with the Vanguard Consultancy is nearing its completion. This most recent phase has focused on introducing the Vanguard method within the Streetscene and ICT departments, as well as looking at purchasing and payments within finance and resources and the cash office function.

Significant lessons have been learnt from each intervention to date and new ways of working have been implemented, which have resulted in a more responsive, customer focused approach. Services are being tailored to suit the individual customer, rather than using a 'one size fits all' approach.

The main purpose of the initial contract was to improve the overall customer experience; the interventions have however generated unplanned savings of £956,400 per annum, with further savings likely in the future.

Whilst the Vanguard approach is working well, there is a possibility that the rollout of interventions could lose its momentum as the consultancy contract nears its completion.

To keep up the momentum and to rollout the Vanguard method in further areas, it is proposed that the Council awards the Vanguard Consultancy a further contract extension. This will enable additional interventions to be carried out with the advice

and guidance of a specialist consultant.

The contract extension should continue to be viewed as a “spend to save” initiative, with additional annual savings expected as new ways of working are implemented. This means that funds would be used from the spending reserve, with the reserve being replenished with any additional savings made.

Recommendation/Recommended Option:

That the Executive agrees:

- (a) to waive Contract Procedure Rules in order to extend the existing contract with the Vanguard Consultancy; and
- (b) to fund the extension of the existing contract from the spending reserve surplus to be replenished by subsequent savings from further interventions.

Reason:

To continue the programme of transformational change within the Council, improving the experience of our customers, empowering our employees, and identifying savings through improved efficiency.

Cost of proposals:

£100,000 revenue expenditure, funded from revenue reserves, with a view to replenishing the reserves when savings are realised.

Appendices:

- A: Building Services intervention
- B: Parking Services intervention
- C: Development Management intervention
- D: Benefits intervention
- E: Recruitment intervention
- F: Environmental Health intervention
- G: Insurance Claims intervention
- H: Tenancy intervention
- I: Housing Options intervention
- J: ICT intervention
- K: Intervention summary and plan

Background papers: None

Reference papers:

- Executive Report on 13 May 2013
- Executive Report on 6 October 2014
- Full Council Report on 11 December 2014
- Executive Report on 20 April 2015

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	7 November 2016
Subject:	Vanguard Progress
Briefing by:	Director of Finance and Resources
Portfolio:	Policy and Resources

INTRODUCTION

1. The purpose of this report is to provide an update on the progress of the work being undertaken under the guidance of the Vanguard Consultancy and, due to the success of the programme, propose that the existing contract be extended to allow for a further phase of works.

BACKGROUND

2. The Council has a good track record of providing high quality services. When customer satisfaction levels were measured in 2011 via a postal survey, 92% of respondents indicated that they were happy with the way in which the Council runs things.
3. Whilst this was an excellent result, and a reflection of the hard work and commitment by both members and officers, there was still room for improvement. With a view to maintaining and increasing customer satisfaction and avoiding complacency, the Chief Executive Officer investigated different approaches to the way services are designed and delivered, specifically those aimed at improving levels of customer satisfaction.
4. As a result of this investigation, the Executive considered a report on 13 May 2013, outlining a new management approach to improving customer satisfaction, which would require the appointment of specialist consultants to work alongside managers and employees to provide guidance and support throughout the process. The report recommended that the Executive approve the appointment of the Vanguard Consultancy.
5. The Executive approved the recommendation to waive contract procedure rules and approved the appointment of the Vanguard Consultancy to implement changes to the way the Council delivers its services to customers.
6. The initial cost of the proposals was £300,000, split over a three year period, with £200,000 expenditure being met from funds earmarked for "Improving the Customer Experience" and "Invest to Save" which was approved by the Executive on 16 July 2012 and the remaining £100,000 considered as part of the budget setting cycle for 2014/15.

THE VANGUARD METHOD

7. The Vanguard method is loosely based on a systems thinking approach and provides an appropriate framework to help to implement the necessary changes to improve service provision and customer satisfaction.
8. Working alongside managers and employees, Vanguard's key to success is to design services "outside in" from a customer's perspective, rather than using a "one size fits all approach" and designing processes for the benefit of the organisation.
9. As well as creating better processes, the systems thinking method can lead to changes to measures, costs, structure and the role of support functions. As well as leading to tangible improvement in customer service, there is also evidence that suggests staff morale is improved, as front line employees feel more empowered to solve a customer's problem.

VANGUARD PROGRESS – PHASE 1

10. The first phase of the process commenced in September 2013, with all Directors and Heads of Service learning the Vanguard method, understanding the customer experience and identifying opportunities for change.
11. Lessons learnt from the first phase were that:
 - the majority of customers' problems were not solved at the first point of contact;
 - as an organisation, we stand behind rules and regulations;
 - we are courteous and have high satisfaction levels but we don't solve customers' problems quickly;
 - defining the purpose of each service from the customers' point of view is critical for improvement;
 - targets are not always helpful as they can cause perverse actions; and
 - technology can create extra work as we "feed the machine".
12. Annual savings of £59,000 were captured from the first phase of works, achieved through the deletion of two vacant posts.
13. The second phase of works was identified, which included detailed interventions in housing repairs, car parking penalty charge notices, planning applications, benefits and recruitment advertising.

VANGUARD PROGRESS – PHASE 2

14. The second phase of works focused on detailed interventions in the service areas identified at the end of phase one.
15. The Executive considered a progress report on 6 October 2014. Significant lessons had been learnt from each intervention and new ways of working were being implemented, resulting in a more responsive, customer focused approach. In summary, these new ways of working had resulted in:

- the average time to fix a repair to a Council property dramatically falling from 89 days to 6 days (appendix A);
 - the number of “challenges” to parking penalty charge notices falling by 50% (appendix B);
 - the average time taken to process a planning application falling from 56 days to 36 days (appendix C);
 - the average time to process a benefit application falling from 20 days to 6 days (appendix D); and
 - an improved range of candidates applying for job vacancies (appendix E).
16. As a result of the intervention into the housing repairs service, the frequency of electrical and emergency lighting testing was changed. This resulted in annual savings of approximately £109,000, bringing the annual savings to date to £168,000.
17. The Executive report on 6 October 2014 also set out progress to date and details of a third phase of works to be implemented within the terms of the initial contract. This included interventions commencing in environmental health noise control, insurance, housing tenancy services and strategic housing, and requested that £30,000 of the savings already achieved through this initiative be recirculated through the Housing Revenue Account, to fund the intervention into housing tenancy services.

INTERIM REPORT

18. The last update on the level of savings achieved by the introduction of the Vanguard methodology was considered by the Full Council on 11 December 2014.
19. The report stated that whilst £168,000 of savings had been reported to the Executive in October 2014, further savings had been identified as a result of Vanguard interventions by the time of the December meeting. These additional savings had resulted from a restructure of the Building Services team (£88,000 per annum), a restructure of the Parking team (£75,000 per annum) and a restructure of the Benefits team (£50,000), and amounted to annual savings of £381,000.

VANGUARD PROGRESS – PHASE 3

20. The third phase of works focused on environmental health noise control, insurance, housing tenancy services and strategic housing. As previously identified during the second phase of works, introducing new ways of working in these areas resulted in significant improvements to the services provided to the Council’s customers.
21. In summary, the new ways of working had resulted in:
- the time taken to deal with noise complaints from start to finish falling from up to 6 months to 3-4 weeks (appendix F);
 - Insurance claims being resolved more quickly by gathering all of the facts as soon as an incident is reported and speaking with the customer face-to-face to understand what matters to them when rectifying any damage. As a result, officers have more time to spend proactively working with different service areas, enabling them to learn lessons and prevent similar incidents reoccurring (appendix G);

- tenants now having more choice about where they live and how would like their home to look (appendix H); and
- strategic housing officers working with customers to help them solve their housing needs in the best way and also ensuring that, where appropriate, a suitable property is allocated. In addition, the size of the waiting list has reduced from 1100 to 1070 (appendix I).

VANGUARD PROGRESS - PHASE 4

22. On 20 April 2015, the Executive considered a report that reviewed the outcome of the initial contract with the Vanguard Consultancy and proposed that an extension of the existing contract be awarded for a further phase of works.
23. The Executive agreed to waive the contract procedure rules in order to extend the existing contract with the Vanguard Consultancy and to fund an extension to the contract using £170,000 of the spending reserve surplus, to be replenished by subsequent savings from the new interventions.
24. The extension to the contract would allow for another phase of works to commence, with new interventions proposed in Streetscene, ICT Helpdesk and the Council's overall approach to purchasing and payments. It would also allow for the expansion of the existing interventions, so other work areas could be looked at.
25. Essentially, from this point forward, the contract would be viewed as a "spend to save" initiative. This means that funds would be used from the spending reserve, with the reserve being replenished with any additional savings made. Evidence clearly indicates that one-off expenditure on the Vanguard Consultancy normally results in a significant level of annual savings which more than justify the initial investment.
26. Phase 4 has now commenced and whilst still in the early stages, has resulted in the following process improvements:
 - cutting out of unnecessary administration when accepting pitch bookings and creating a smoother process, as well as improved handling when dealing with abandoned vehicle and fly tipping reports;
 - ICT problems being fixed first time whilst preventing a reoccurrence as well as removing the requirement for employees to regularly change their network password; this in itself as reduced the number of password reset requests from 200 per month to just 2 per month (appendix J);
 - improvements to the flow of the invoicing process when dealing with payments for materials and sub-contractors, and thereby reducing manual work and hand offs; and
 - an intervention into the cash office function determined that there is still a requirement for a cash office for the foreseeable future. As well as simplifying several processes, the intervention identified a need to continue looking at all areas of Parking Services as well as starting an intervention in Finance.
27. With further funding, it is proposed that detailed interventions will continue in Streetscene (to include refuse and recycling, street cleansing, public open spaces, grounds maintenance and cemeteries) and Finance, as well as expanding the Parking and ICT interventions. The Vanguard method will also be introduced to other services

and departments including Council Tax and Business Rates and Democratic Services. Appendix K shows the proposed intervention summary and plan.

FURTHER SAVINGS

28. As a result of various Vanguard interventions across the Council, further annual savings have been identified.
29. At the Full Council meeting on 15 October 2015, it was reported that additional savings had been achieved following the deletion of two posts within the management structure (Director of Community and Head of Building Services); this had resulted in savings of £168,100.
30. Further annual savings have already been realised, following departmental restructures in Development Management (£33,700), the Customer Service Centre (£92,000) and Environmental Health (£65,000).
31. A recent efficiency savings exercise has also identified annual savings of £216,600, as a result of new ways of working, bringing the total expected annual savings to £956,400. These additional savings will be achieved by the deletion of posts as follows:
 - Customer Service Centre (establishment reduction) - £23,700
 - Civil Enforcement Officer (vacant pending retirement) - £25,800
 - Personnel Restructure (including deletion of vacant Senior Personnel Officer post) - £38,400
 - Planning Project Officer (vacant) - £20,600
 - Grounds Maintenance Supervisor (vacant) - £34,400
 - Housing Options Manager (vacant) - £47,900
 - Business Support Officer (vacant) - £25,800
32. Whilst on-going savings have been delivered as a result of the Vanguard interventions, some of the interventions have also led to spending being redirected to front line activities within the service. In other services where costs have increased, such as housing repairs, these are being monitored closely to ensure that the right balance is being struck between cost control and meeting customer demand.

NEXT STEPS

33. The Vanguard intervention process is working well and has introduced a cultural change across the authority. As more services go through an intervention, these new ways of working are becoming standard practice, lowering the likelihood of staff slipping back into the 'old' way of working.
34. New employees are trained in the new way of working and we will eventually reach a time where more staff have gone through the intervention process than have not.
35. There is a possibility that the rollout of interventions, and the programme of cultural change, could lose its momentum when the current contract ends.

36. Whilst it would be possible to carry out further interventions based on in-house expertise, any progress would be relatively slow because those officers still have to undertake their day jobs. It is therefore proposed to award the Vanguard Consultancy a further contract extension to provide advice and guidance on the next phase of interventions.
37. The contract extension would allow for the interventions in Finance and Streetscene to continue (covering refuse and recycling, street cleansing, public open spaces, grounds maintenance and cemeteries), as well as expansion of the interventions in Parking and ICT. The extension would also enable the Vanguard method to be introduced to other services and departments, including Council Tax and Business Rates and Democratic Services.
38. The new contract should be viewed as a “spend to save” initiative. It would therefore be viewed as self-funding and would be put in place to increase the speed of change.

FINANCIAL IMPLICATIONS

39. The new contract will be viewed as self-funding. It is therefore proposed to redirect £100,000 of the spending reserve surplus to fund a further year of support.
40. It is proposed that the Council’s Contract Procedure Rules are waived in order to extend the current contract with the Vanguard Consultancy.

CONCLUSION

41. The fourth phase of embedding the Vanguard method is well under way, with a detailed intervention proposed in Streetscene and the continuation of interventions in other areas.
42. Significant lessons have been learnt from each intervention and new ways of working are resulting in a more responsive, customer focused approach.
43. The new ways of working have introduced a cultural change across the services that have gone through the intervention process. As this process has not yet been introduced across all services, there is the possibility that without continued guidance from the Vanguard Consultancy, this period of change could lose its momentum when the current contract comes to an end.
44. Annual savings of £956,400 have already been identified, although some of the interventions have also led to spending being redirected to front line activities within the service.
45. The contract with the Vanguard Consultancy is nearing its end. To enable the works to continue, it is proposed that the current Vanguard Consultancy contract is extended, using £100,000 of the spending reserve surplus.
46. The contract extension would enable existing interventions to continue, as well as enabling the commencement of detailed interventions across additional services.

Enquiries:

For further information on this report please contact Lindsey Ansell (Ext 4567).

Item 9(1) Tabled Item Amended Appendix A – Building Services Intervention

Building Services

The Building Maintenance Service maintains 2,349 residential properties as well as the Council's public buildings. The intervention took place in 2014 and looked at the responsive repairs element of the service.

The old approach Purpose: Maintain the Council assets to a high standard, within budgets and in accordance with Council policies

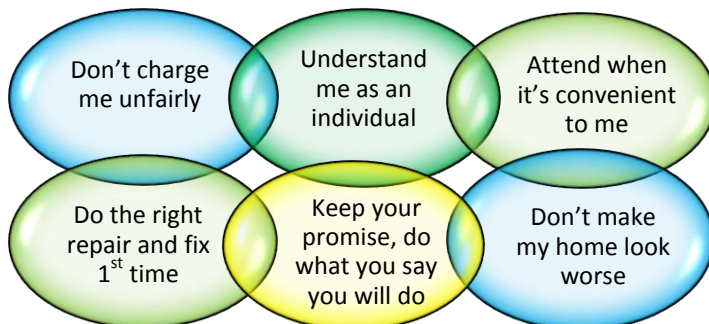


The Vanguard intervention highlighted that the service, as it was previously delivered, focused on making a surplus, controlling costs, policy compliance, and a basic premise that we didn't trust the customer. When a request for repairs was received a surveyor would visit the property to determine what works were required.

The focus was generally only to deal immediately with repairs that were an emergency or considered urgent.

The surveyor would inform the customer that any other non-urgent works would be dealt with as part of a planned programme of works. This approach resulted in a lot of waste work and the average time to complete a repair was 89 days.

The new approach Purpose: Fix My Home

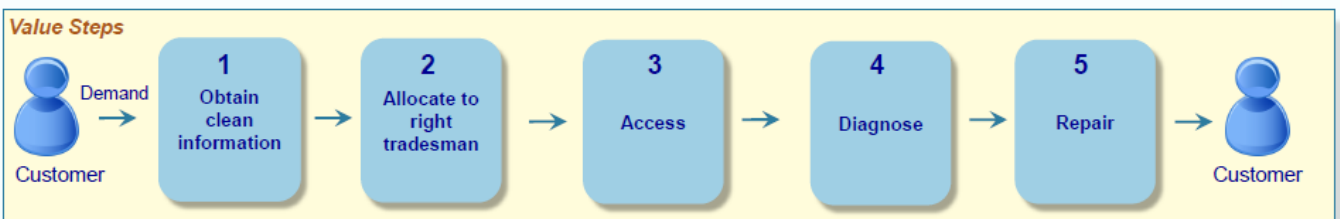


Following the Vanguard intervention, the focus is now on fixing the repair and doing what matters to the customer in a proportionate way, taking into account the circumstances. The tradesmen are empowered to determine what repair is needed and what is proportionate. The focus is on fixing the repair first time, as well as arranging a time to visit that is convenient for the customer.

"Your tradesmen were very patient and understanding with my son, who has learning difficulties – they spoke directly with him, rather than over him, and didn't make assumptions"

Customer feedback

In the majority of cases, repairs are now being dealt with immediately, as we are doing 'what matters' for the tenant and not putting works off. This approach has reduced a significant amount of waste work from the system. The average time taken to complete a repair is currently 8 days and 60% of the jobs are completed within a single visit.



Appendix B – Parking Services Intervention

Parking Services

The Parking Services intervention took place in 2014 and focused on Parking Enforcement and the issue of Penalty Charge Notices (PCN's).

The old approach Purpose: To enforce Parking Enforcement Legislation



Osborn Road Multi-Storey Car Park

Of the 8,400 PCN's that were issued in 2013, 2,440 (29%) were "challenged" by customers, with 62% of the challenges being successful. This highlighted that under the old approach, a high level of preventable demand was built into the system.

Notices that were subsequently cancelled were being served because of the rules that we imposed on our Civil Enforcement Officers (CEO's); they believed that legislation gave them no choice but to issue a notice and were also under the misapprehension that they were required to issue a certain number of notices.

This caused high levels of customer dissatisfaction as well as unnecessary work by officers dealing with angry customers and administering the cancellation of the PCN's.

The new approach Purpose: To serve a good PCN that is not challenged



CEO in new uniform

The new approach gives the CEO's freedom to engage with customers and educate them into understanding why they have parked inappropriately, rather than simply issuing a penalty charge notice. They are now able to make decisions based on common sense and the facts set out in front of them.

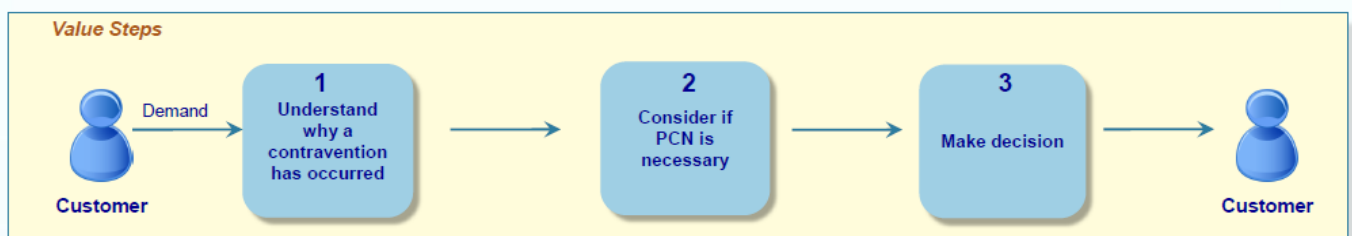
In 2015/16, 8403 PCN's were issued and 1756 (21%) of these were challenged; of these challenges, 13% were successful.

This new method has therefore resulted in a reduction in the number of challenges as well as the number of PCN's that are cancelled; in turn this has also seen a decline in back office administration.

By talking with our customers and explaining the issues, officers are experiencing less confrontation. This has been supported by a recent change in uniform; the enforcement officers now wear a more casual style uniform, giving them a softer, more approachable look.

"We feel we can now engage more with our customers and use our own common sense when dealing with issues"

CEO feedback



Appendix C – Development Management Intervention

Development Management

The Development Management intervention began in February 2014 and started by looking at how we deal with planning and related applications. Dealing with planning applications is a major statutory function of the service, with approximately 1,150 applications received each year.

The old approach Purpose: To make decisions on planning applications within either 8 or 13 weeks

Prior to the Vanguard Intervention the operation of the service revolved around making decisions on applications within either 8 or 13 weeks. In order to meet these targets some applications would get refused if they were unacceptable and the deadline was approaching. Alternatively applicants were invited to withdraw applications rather than get their application refused. These two approaches meant that the applicant suffered delay, additional costs and frustration whilst a second application was prepared and considered. The Council in turn incurred additional costs either defending planning appeals or processing a second planning application (for which it is not allowed to make a charge).



Old process flow, showing the numerous stages

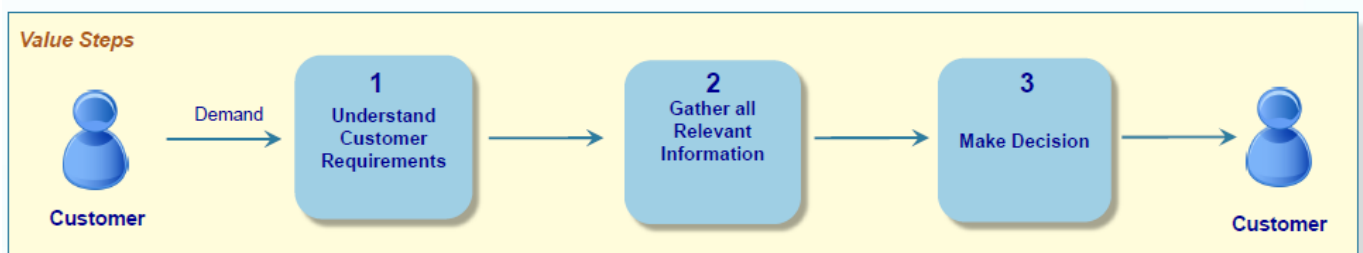
The new approach Purpose: To make good decisions and to give good advice

"...thanks for your communication throughout the process. Some Councils are very difficult to speak to if there are issues...so it makes a refreshing change to deal with Fareham, who have a much more proactive approach"

Customer feedback

There is now far greater dialogue between Development Management and applicants and their agents. If planning applications are not acceptable when first submitted we speak to the applicant and their agents to see if problems can be addressed. Ultimately we aim where possible to deal with planning applications once. Applicants and agents are keen to get the 'right' decision rather than any decision within 8 or 13 weeks.

This is not to say that applicants and their agents do not want decisions made quickly. Development Management Officers now focus on making decisions as soon as it is practically possible to do so rather than focusing on 8 or 13 week targets. As a result many planning applications are now decided far quicker than under the 'old' system.



Appendix D – Benefits Intervention

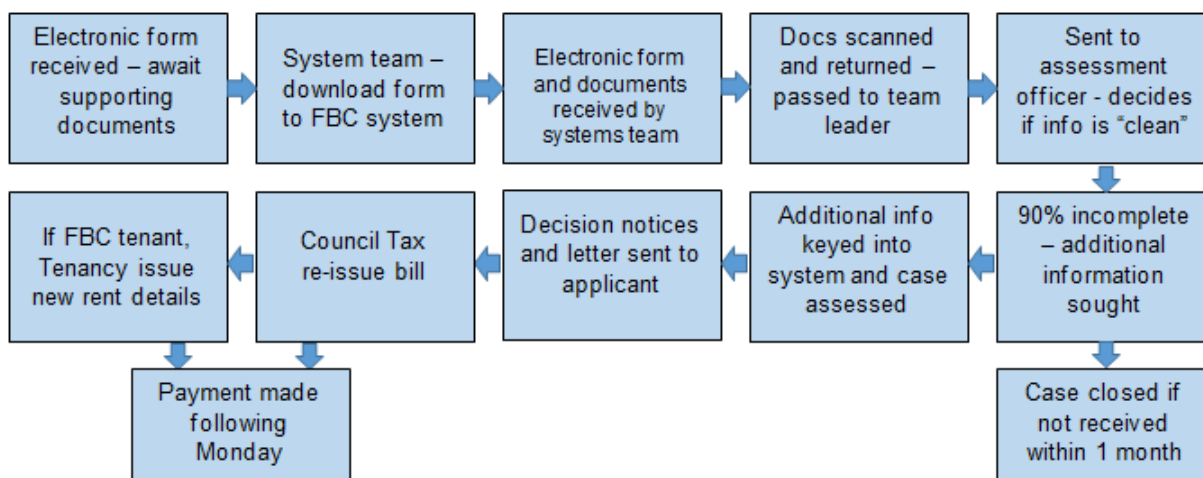
Benefits

In 2014, the Benefits intervention team reviewed the way in which they processed claims for Housing Benefit and Council Tax Support. Annually, the team receive approximately 1,200 new claims and 16,000 reports of changes in circumstances from claimants.

The old approach Purpose: To make decisions quickly

Under the old approach, the average time to process new claims was 20 days, although in reality it could take between 1 and 50 days. 90% of all claims were incomplete, so a large amount of time was spent chasing for further information.

The computer generated letters resulted in 75% of officer time spent dealing with preventable demand such as “I don’t understand”, “I want my case reviewed”, “how much benefit am I getting” and “I want to appeal as I think my benefit award is wrong”.



The new approach Purpose: Help me receive the benefits I am entitled to quickly and easily

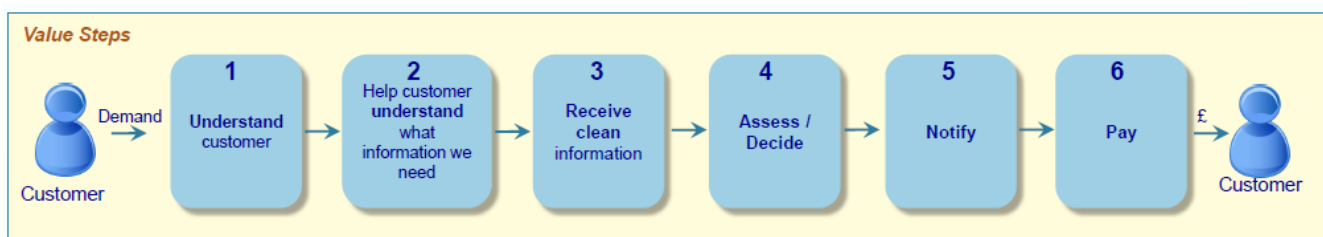
“Top marks! It was handled extremely well so I knew exactly how much I was entitled to... it relieved my anxiety knowing what I would be paid and when”

Customer feedback

The new approach sees officers providing a more tailored response to meet the needs of the individual and ensures that officers only do what matters to our customers, rather than getting caught up in complex procedures.

Following a team restructure, every customer is able to talk to a Benefits Assessment Officer who will deal with every aspect of their claim and, in the majority of cases, determine their benefit entitlement at the first point of contact.

There has been a 78% reduction in the number of formal review requests and a 100% reduction in the number of appeals. It now takes half the time to process new claims and a third of the time to process changes in circumstances. Preventable demand has fallen and the average time to process an application is now 9 days.



Appendix E – Recruitment Intervention

Recruitment

The recruitment and selection intervention commenced in March 2014, with a new approach considered for each recruitment exercise. This is a significant area of work for HR with 98 people recruited since 2014, across 77 vacancies.

The old approach Purpose: To recruit people to posts

The recruitment process previously operated under a “one size fits all” approach, using a standard advert, job description, person specification and lengthy application form for every post.

HR provided a support role advising managers and managers were responsible for their own recruitment administration, including vacancy approvals, drafting adverts and inviting candidates in for interview. The whole process was very extensive and included a lot of unnecessary and time consuming administration.

There was a lack of communication with applicants; whilst feedback was provided after their interview, candidates did not hear from us if they were not shortlisted.

The new approach Purpose: Right person in the right job, at the right time

The difference the “Vanguard Method” has made to Recruitment at Fareham Borough Council

What it was....	What it is.....
Our Customers - Candidates	
Lack of communication to applicants. Give me more info on the culture	Feedback whether good or bad System changes needed to allow better communication.
One sizes fits all	Bespoke recruitment, more personalised
Lengthy/Overly complicated/Make it easy to reapply	Changing application, turn sections on and off to suit the job
Unfriendly/Wordy	Simplify job details, make it easier, more communication
Too much paper in contract pack	Look to online on-boarding, remove the unnecessary
Our Customers - 'Managers'	
HR are supportive in interviews but too much paperwork for managers	HR take the lead, turn off unnecessary systems and paperwork. Talk!
Process takes too long. Employment checks delay start dates	Start the process earlier at assessment stage
Scoring (unpopular)	Justifiable reasons, not scores
Lengthy Business Case to recruit	Talk about who it is and why needed – approve
One size fits all	Bespoke recruitment

The new process is much quicker and slicker, with unnecessary systems and administration being removed. HR now lead the process and more time is spent speaking with managers and candidates to understand their requirements. Remaining administration is dealt with by HR, allowing managers to focus on delivering their services.

Feedback is now provided to candidates at every stage of the process

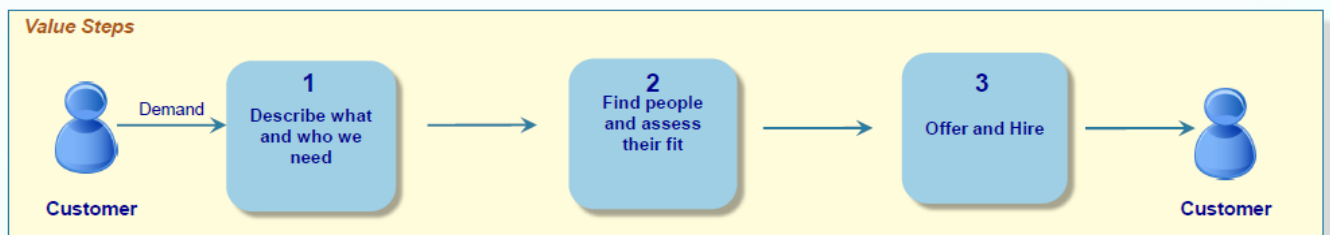
The recruitment process is tailored to fit the job, rather than using a standard approach.



“I had a genuine picture of what the job was about...I felt I could sell myself better”

Customer feedback

Recent job advertisements for two very different roles



Appendix F – Environmental Health Intervention

Environmental Health

This intervention took place in August 2014 and after initial scoping it was decided to focus on neighbour noise complaints. This is a significant area of work for the Pollution team with approximately 1000 complaints a year across Fareham and Gosport.

The old approach Purpose: To enforce Statutory Nuisance legislation



The old approach to dealing with noise complaints focused on enforcing legislation. It was a 'one size fits all' approach with the customer having to complete log forms for one month before any further action commenced. Upon receipt of the forms, a letter would be sent to the property making the noise, threatening the occupier with prosecution. The image to the left shows the process map, with the various standard letters used shown at the bottom.

The out of hours service was used to gain evidence to support formal action; however this was only followed through in less than 1% of cases. The majority of the time, the other 99% of customers became frustrated by the process and stopped making contact, resulting in the complaint being closed.

The process was very lengthy and usually took in excess of 60 days to go through. It mainly made relationships between neighbours worse and the problem was rarely solved.

The new approach Purpose: To help neighbours live peacefully together

"Really supportive and helpful. Problem was resolved - very good service"

Customer feedback

The focus now is on speaking to customers in person to understand the issues they have with their neighbours. The officers then talk to the neighbour in person (where appropriate) and mediate between the two, if the customer doesn't want to themselves. Neighbours are often unaware they are affecting each other and most of the time they are keen to resolve any issues. The officers remain in contact throughout and the complaint stays open until the customer is happy that the problem has been resolved.

This new approach led to a team restructure and recruitment to two new posts of Neighbour Liaison Officers. The focus is now centred on helping neighbours to live peacefully together.

The process now generally takes 2-3 weeks, with the issues being resolved to everyone's satisfaction. Officers experience less confrontation and enjoy greater job satisfaction. The out of hours service tends to only be used when the informal approach fails.



Appendix G – Insurance Claims Intervention

Insurance Claims

The insurance claims intervention commenced in summer 2014. The Finance team administers around 100 claims a year for public liability, motor and property damage claims.

The old approach **Purpose: To minimise the cost to the Council**



With the previous approach to dealing with claims, a non-injury claim could take up to 16 months to settle and injury claims up to 3 years. Most legitimate claims were processed through the Council's insurers even when the value of the claim was below the excess, lengthening the time to settle or reject a claim.

The onus was on the customer to provide evidence of a claim and to arrange the repair/replacement of any property damage.

Contact with the customer was limited and we followed our insurer's advice when rejecting claims based on legal liability and did not fully consider the impact of the loss or damage to the customer.

Evidence gathering was piecemeal and involved numerous interactions between the service area, insurance officer and insurer. The process was very time consuming and something that should have been relatively quick and easy to resolve took months, sometimes years, rather than weeks, to resolve.

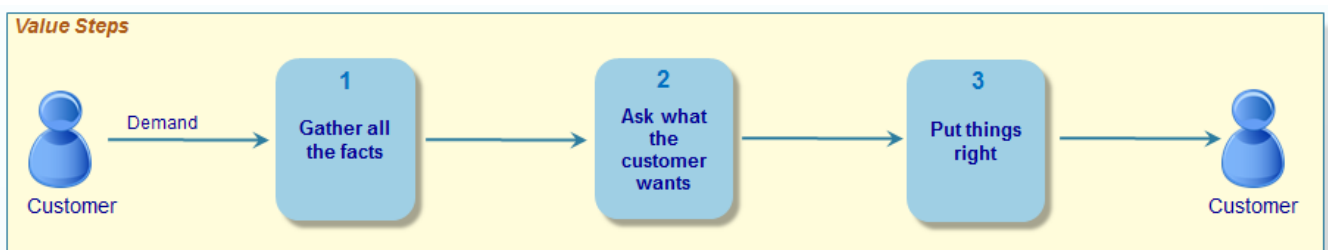
The new approach **Purpose: Put right what went wrong**

"I can't thank you enough for all your help. I appreciate all you have done for me. A big thank you."

Customer feedback

Under the new approach, most claims are dealt with in-house rather than being sent to the Council's insurer. Officers are resolving claims more quickly by gathering all the facts as soon as an incident is reported including attending the location of the incident, taking photographs and measurements of any damage and speaking to the customer face-to-face to understand what matters to them when rectifying any damage. The customer is informed throughout the process and we allow them to decide how any remedial works are to take place and how they are reimbursed. As a result, incidents are resolved more quickly and to the customer's satisfaction. A typical non-injury claim now takes a month to resolve.

The Finance team now has a dedicated Insurance and Risk Officer, who has more time available to proactively work with departments analysing incidents and looking at ways to prevent similar occurrences. As well as receiving positive comments from our customers, employees are feeling more empowered to make their own decisions.



Appendix H – Tenancy Services Intervention

Tenancy Services

In 2015, an intervention in Housing was completed covering Tenancy Services, which focused on the way in which we fill vacant properties. This was run in conjunction with an intervention in Housing Options and how we help people in housing need.

The old approach Purpose: To fill void properties as quickly as possible

The old approach saw the allocation of housing being dealt with by three separate services, with each one having their own priorities, targets and performance measures.

Empty properties were returned to 'standard' before a new tenant had been identified and often items or adaptations that could have been used were removed.

Available properties were advertised on our website and we received an average of 80 bids for every property. The whole process was time-consuming, confusing and disappointing for customers.

The new approach Purpose: Match people to the right property

Under the new approach, upon receipt of a notification of a property becoming void, we now match a suitable applicant from the Housing Waiting List.

When doing this, up to date and detailed information about the applicant's current circumstances, together with knowledge of the attributes of the property becoming vacant are used.

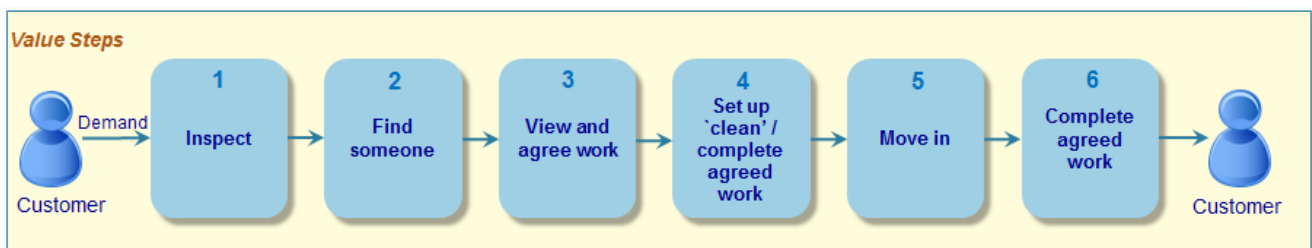
Examples of things we look at are: does it contain adaptations that could be made use of by an applicant; what are the sizes of the rooms; local knowledge of the neighbourhood from the Area Housing Officer. By amalgamating all of this knowledge, we can ensure that the most appropriate person in the highest need of re-housing is matched to the property.

"...pride in my flats condition & its daily upkeep is now the norm and all thanks to your help. I can at long last, after 6 or more dreadful and horrible years, start returning to being my true self again and rest easier now. Your job title should be changed to 'Dream Maker'"

Customer feedback

The work is now undertaken by one service with no hand-offs to other teams. This ensures that customers are supported, involved and fully aware of what is happening at every stage.

Feedback from customers has been excellent and officers are now experiencing far greater job satisfaction.



Appendix I – Housing Options Intervention

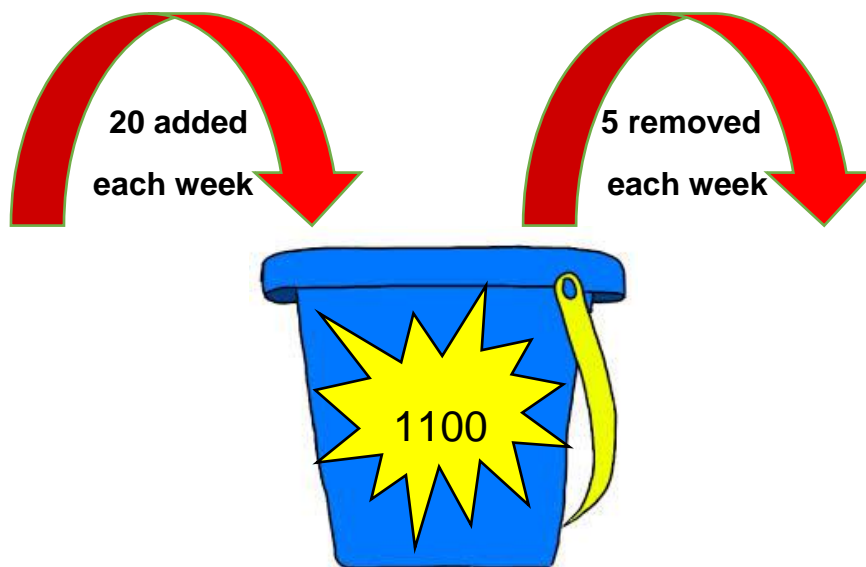
Housing Options

In 2015, an intervention in Housing was completed covering Housing Options, which focused on the way in which we help people in housing need. This was run in conjunction with an intervention in Tenancy and how we look at filling our vacant properties.

The old approach Purpose: To determine what our legal duty is and only do that

The old approach to dealing with people in housing need focused on the legislation and would often mean that families were placed in unsuitable temporary accommodation whilst waiting for a home through the Housing Waiting List.

In addition to this, people who were already adequately housed were able to join the Housing Waiting List. As a result, the list was growing and for the majority of applicants there was no realistic chance of ever being offered a property.



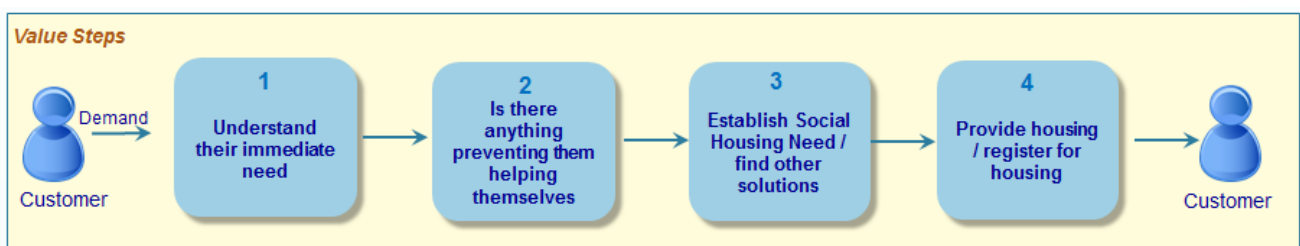
The new approach Purpose: Help people solve their housing problem

"...there are not enough people like in you the world! You have been like an actual super-hero and saved us! We both thank you from the bottom of our hearts for all your help and support – you have gone above and beyond from day one."

Customer feedback

The focus now is ensuring officers speak with our customers face to face and provide comprehensive and intensive support, tailored to individual specific needs and circumstances. This enables the majority of customers to remain in their existing home or secure suitable alternative accommodation.

Only where there is a clear need for housing that can only be solved through the provision of social housing are people added to the Housing Waiting List. The size of the waiting list has reduced and currently holds 1070 customers.



Appendix J – ICT Intervention

ICT Service

The ICT intervention began in summer 2015 and initially focused on the helpdesk/support function, before it was quickly recognised that the scope of the intervention needed to cover the whole of the service. The ICT service provides support to Council employees and deals with all issues relating to ICT systems and equipment.

The old approach Purpose: Fix my problem with a quick fix

The old approach very much focused on providing a 'quick fix' for those with any problems. Often the root of the issue was not diagnosed and/or resulted in a further problem. In addition, the views of the service users were not 'trusted' and as a result some problems could go on for a long time before being fixed, causing frustration to users. If the deadline for a job was nearing, it would simply be extended to allow further time for completion.

There would be approximately 200 open helpdesk requests at any one time, with a 60% failure demand. Up to 200 lock-outs or password reset requests would be received per month.

The new approach Purpose: Fix my problem first time and prevent it reoccurring



The new approach ensures that priorities are driven by the service users and more time is spent ensuring problems are permanently fixed in a timely manner, whilst looking at ways to prevent a reoccurrence.

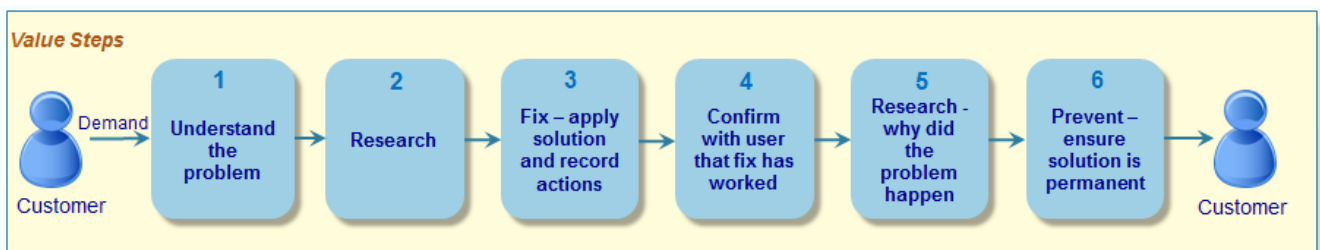
The ICT department now work more closely as a team to ensure problems are solved as effectively as possible and regular team meetings are held.

A 'duty officer' system has been introduced to free up resources for project work and permanent fixes.

Officers now trust the view of the service user and know that they need to understand more about their problems – rather than trusting their judgement to diagnose a problem, they have a face to face conversation and experience the problem themselves.

The new way of working has resulted in a reduction in the number of open helpdesk requests - currently 76, with this figure steadily reducing. The 60% failure demand has already decreased to 40%.

A simple change that has had a major impact is that users are no longer required to regularly update their system log-in password; as a result of this only 2 password reset requests are received per month.



Appendix K – Intervention Summary and Plan

Service / System / Flow / Intervention	System / Flow Owner	2013				2014				2015				2016				2017																					
		S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
Responsive Repairs - 1	SB																																						
Benefits	ZH																																						
Parking - 1	KW																																						
Recruitment	SR																																						
Development Management - Planning	LS																																						
Insurance	CH																																						
Environmental Health - Statutory Nuisance	IR																																						
Tenancy Services - Lettings	JS																																						
Strategic Housing - Help me	CD																																						
ICT - Help Desk / Support	SR																																						
Streetscene - 1	MB																																						
Responsive Repairs - 2	SB																																						
Cash Office	AR																																						
Tenancy Services - Rental Income	JC																																						
Tenancy Services - Living in - Help me	JC																																						
Parking - 2	KW																																						
Procurement	LU																																						
Risk Management	EH																																						
Council Tax & Business Rates	AC																																						
Streetscene - 2	MG																																						
Democratic Services	LU																																						
Finance	EH																																						

KEY

Intervention

Parking – 1

Parking – 2

Tenancy Services – Living – Help Me

Streetscene – 1

Streetscene – 2

Finance

Democratic Services

Flows

PCN Flow

Swipe Cards (Disabled Badge Holders)
Residents Permits & Scratch Cards
Dispensations
Season Tickets

Mutual Exchange
Permission Requests
Adaptations
Neighbours & Neighbourhoods
General Help & Advice

Pitch Bookings
Bulky Waste & Fridge Collection
Bin Delivery & Collection
Refuse & Recycling

Street Cleansing
Public & Open Spaces
Grounds Maintenance
Cemeteries

Payables (Purchase-to-Pay)
Receivables
Budget – Preparation & Follow-up
Financial Reporting

Committee Support
Elections Support

FAREHAM

BOROUGH COUNCIL

Report to Scrutiny Board

Date **15 September 2016**

Report of: **Director of Finance and Resources**

Subject: **REVIEW OF THE MEDIUM TERM FINANCE STRATEGY AND
EFFICIENCY SAVINGS REPORT**

SUMMARY

The Board is asked to consider the review of the Finance Strategy and to request the Director of Finance and Resources to refer any comments of the Board to the Executive, when the fees and charges, revenue budget and capital programme are submitted for final approval at the Executive meeting on 6 February 2017.

RECOMMENDATION

The Board is asked to consider whether it wishes to submit comments on the Medium Term Finance Strategy for consideration by the Executive.

INTRODUCTION

1. The purpose of this report is to give the Scrutiny Board the opportunity to consider the Medium Term Finance Strategy and Efficiency Savings report that were presented to the Executive on 10 October 2016 when the budget guidelines for the next financial year were agreed.
2. If the Board has any comments on the Medium Term Finance Strategy then these will be considered by the Executive at it's meeting in February 2017, when the fees and charges, revenue budget and capital programme are approved and a recommendation is made regarding the council tax to be set for the forthcoming year.

RISK ASSESSMENT

3. There are no significant risk considerations in relation to this report.

CONCLUSION

4. The Board is asked to consider whether it wishes to submit comments on the Medium Term Finance Strategy for consideration by the Executive.

Attachment 1 [Copy of Medium Term Finance Strategy Report to the Executive 10 October 2016](#)

Attachment 2 [Copy of Medium Term Finance Strategy](#)

Attachment 3 [Copy of Efficiency Savings Report to the Executive 10 October 2016](#)

Background Papers:

None

Reference Papers:

None

Enquiries:

For further information on this report please contact Neil Wood (Ext 4506).

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 10 October 2016

Portfolio:	Policy and Resources
Subject:	Medium Term Finance Strategy
Report of:	Director of Finance and Resources
Strategy/Policy:	Finance Strategy
Corporate Objective:	A dynamic, prudent and progressive Council

Purpose:

This report reviews the Council's finance strategy in the light of the Council's current financial position, the agreed objectives and priorities and the budgetary and other pressures that the Council will face in the current and future years.

Executive summary:

The strategy document, attached to this report as Appendix A, sets out the broad principles on which the management of the Council's finances are based and provides background information regarding the level of resources, the revenue budget and capital programme.

The document also focuses on the various issues that will impact on the Council's financial position, now and in the future.

In the light of these issues, the current financial position has been reviewed and the projected position in future years, up to 2020/21, examined.

To summarise the overall capital position, the programme for services other than council housing, up to 2020/21, has been updated and now totals £43.9 million. Resources of £15 million are available now to finance the programme and between 2016/17 and 2020/21 resources of £30.3 million are anticipated from borrowing, direct revenue funding, capital grants and capital receipts.

At the same time, maintenance and improvement programmes for the Council's asset base indicate significant sums need to be spent over the next 10 years, which exceed the resources currently available. The Strategy therefore strengthens the need to identify new resources to provide for the works.

Based on existing spending plans and taking account of the known variations and revenue budget pressures in future years, the projected revenue budget for the life of the strategy through to 2020/21 would indicate a significant increase in the

amount payable by the council tax payers, if mitigating action was not taken.

Much of the Strategy will be dependent outcomes of the future resource reviews but the Strategy explains the measures currently underway, and further steps that are planned during the strategy period, to ensure that council tax increases are maintained within acceptable limits and in accordance with the Council's corporate priorities.

Members are reminded that the inclusion of any growth items would lead to a more significant increase with extra revenue expenditure of, say, £60,000 increasing the council tax by a further 1%. The projections of expenditure and funding for 2017/18 and later years indicate that the budgetary pressures will continue.

The Council's main priorities are to produce sustainable spending plans, maintain adequate reserves and to continue to minimise increases in the net revenue budget, such that increases in Fareham's proportion of the council tax does not exceed the prevailing inflation rate. Consequently, strict budget guidelines must be maintained.

The Scrutiny Board will consider the various issues at its meeting on 24 November 2016 and the Board's views will be reported to the next meeting of the Executive after that date.

Recommendation/Recommended Option:

That the Executive agrees:

- (a) the Council's finance strategy and the budget guidelines for 2017/18, as set out in the finance strategy document attached to this report; and
- (b) to submit the updated Pay Policy, annexed to the Medium Term Finance Strategy, to Council for approval.

Reason:

It is appropriate that strict budget guidelines remain in force, spending levels are tightly controlled and no new spending plans either capital or revenue can be implemented until the necessary finance has been identified and secured.

Cost of proposals:

The cost of the proposed capital and revenue schemes are set out in the attached finance strategy document.

Appendices: **A:** Draft Finance Strategy – 2016/17 to 2020/21

Background papers: None

Reference papers:



Medium Term Finance Strategy 2016/17 to 2020/21 (DRAFT)

FAREHAM
BOROUGH COUNCIL

CONTENTS

Background

Fundamental Principles

- Resources
- Capital Expenditure
- Revenue Expenditure
- Transparency and Openness
- Partnership Working

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Capital Resources

The Overall Capital Position

Minimum Revenue Provision

Revenue Budget and Council Tax for 2015/16

Future Budget Pressures

The Spending Reserve

Projected Council Tax for 2015/16 to 2019/20

The Need for Efficiency Initiatives

Overall Revenue Position

Sensitivity Analysis

Risk Assessment

Budget Setting Principles for 2017/18

Conclusion

Appendix A - Budget Responsibilities

Appendix B – Budget Principles

Appendix C - Pay Policy

BACKGROUND

1. The Council's medium term finance strategy provides a structure for the prudent management of the Council's financial resources, to ensure that they match and support the direction of its corporate objectives.
2. Fareham has a long history of prudent financial management which has been the subject of favourable comments from the Council's external auditors over many years.
3. At the same time the strategy must ensure that the requirement to set a balanced budget is fully met and that the Council is able to respond to year-on-year changes and short-term service delivery issues.
4. To overcome these difficulties the finance strategy is supported by a strategic and long term approach to corporate planning that is delivered through an integrated and co-ordinated service and financial planning process.
5. Most importantly though, there are a number of fundamental principles that are followed by the Council and which form the basis of the finance strategy and which are key to the Council's approach to financial management.

THE FUNDAMENTAL PRINCIPLES

6. The principles of the strategy cover five main areas – resources, capital expenditure, revenue expenditure, transparency and openness, and partnership working. More details on the principles can be found at Appendix B.

Resources

7. It is essential that the Council has sufficient resources in place to meet its financial requirements. However, situations may arise, either long or short term that may put pressure on these resources.
8. In order to mitigate any potential situation the following reserves will be held:
 - Major Repairs and Renewals Fund to cover emergency capital expenditure in relation to the Council's assets
 - A spending reserve to cover unforeseen changes in revenue expenditure or income.
9. These reserves should not be used to meet on-going, unsustainable levels of revenue expenditure but any surpluses on the reserves can be used for one-off projects.

Capital Expenditure

10. All new potential capital schemes will only be considered if they make a clear contribution to the Council's objectives and priority actions and support the Council's Asset Management Plan.
11. Where new capital schemes are included in the capital programme there will

be a need to ensure that the necessary resources are in place to meet the full capital costs (including where appropriate external funding) and also that the on-going revenue costs will be fully met.

Revenue Expenditure

12. New revenue spending plans will only be considered if they make a clear contribution to the Council's objectives and priority actions or to meet new statutory responsibilities.
13. Strict budget guidelines are maintained and are approved by the Executive each year.
14. All significant new revenue spending plans are considered together for inclusion at the time of council tax setting and are subject to a prioritisation process.

Transparency and Openness

15. It is Council policy to be transparent in the decision making process and provision of information about the Council's activities through the website. To this end, budgetary plans and historical spending information (including payments to third party suppliers) is published in a variety of formats on the Council's transparency portal, accessible through its website.
16. As part of the Localism Act 2011 the Council is required to prepare and publish a pay policy statement. The policy for 2016/17 was approved by The Executive as part of the Medium Term Financial Strategy in October 2015. The Pay Policy Statement for 2017/18 is attached at Appendix C.

Partnership Working

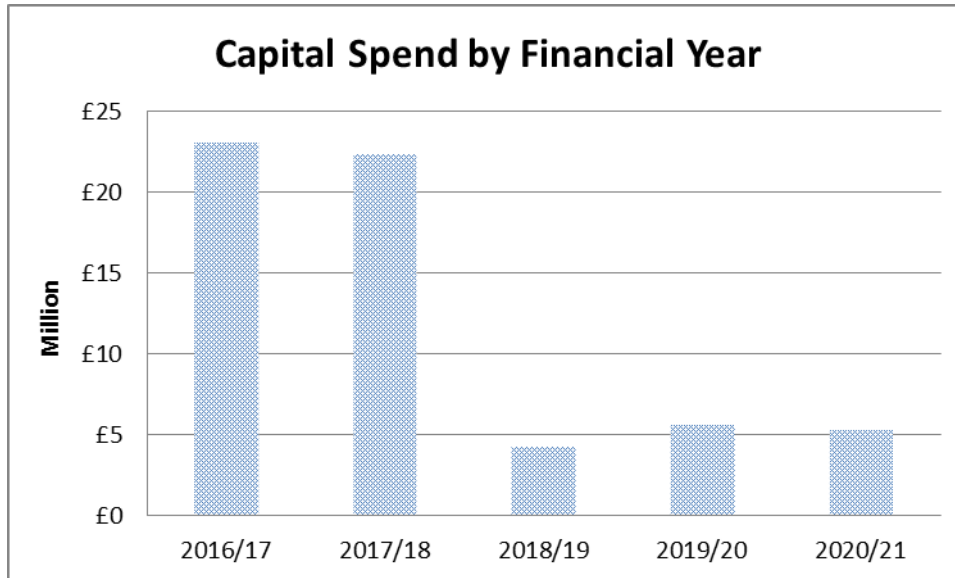
17. The Council has adopted as a corporate priority the need to save money, raise income and work in partnership with others to achieve more for less while continuing to minimise council tax increases.
18. In order to achieve this, the Council has worked with partners to provide a better service to our customers while still recognising the need to make efficiencies and ensure that costs are controlled and income targets are achieved.

THE GENERAL FUND CAPITAL PROGRAMME

19. The Council has adopted as a corporate priority the need to maximise the value gained from assets that are owned by the Council. The finance strategy demonstrates how the Council's capital programme supports its corporate priorities and sets the framework for developing the capital investment programme to deliver these priorities.
20. The Council agrees a rolling five-year programme each year consistent with the finance strategy and the resources available along with any impact on the revenue budgets.
21. Each review of the Council's finance strategy includes a review of the capital programme for non-housing services, the latest being by the Executive on 1 February 2016 when the programme for the years 2015/16 to 2019/20 was

approved.

22. The capital programme for the duration of the strategy has been amended to take into account carry forwards from 2015/16 and now totals £43.9 million. The phasing of the programme is:



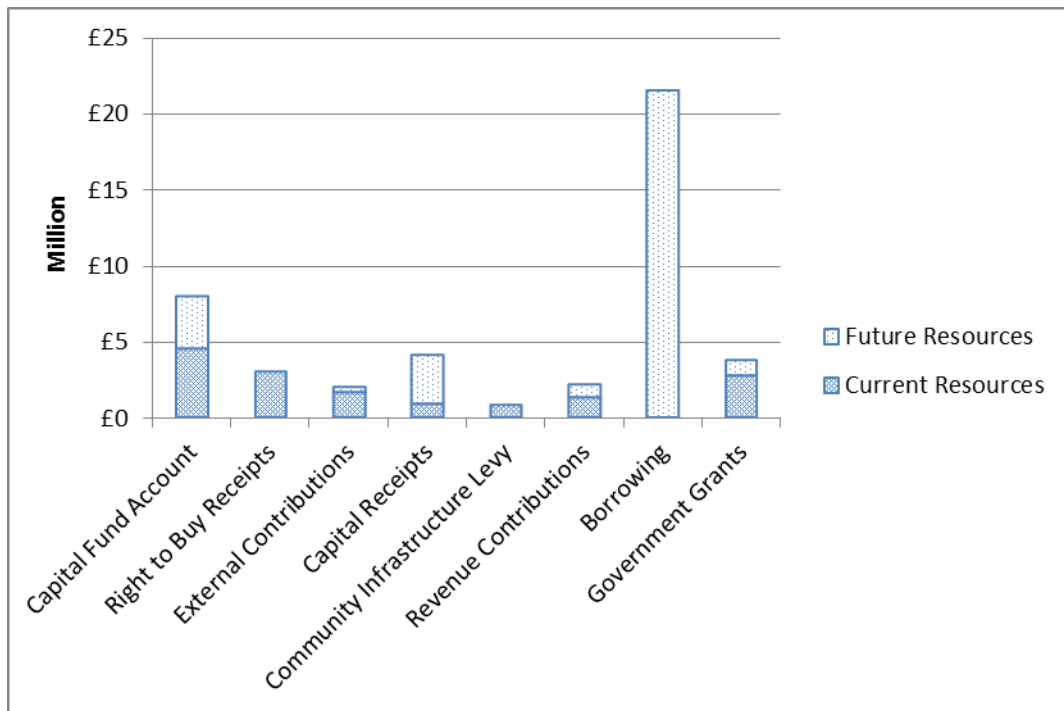
23. The main schemes in the capital programme are:

Schemes	£000s
Daedalus	26,455
Holly Hill Leisure Centre	3,909
Asset Replacement Programme (ICT, Vehicles etc.)	2,515
Disabled Facilities Grants	1,760
Civic Offices Improvement Programme	1,270

24. The phasing of the detailed programme will be considered in detail during the budget process to ensure it realistically reflects the latest forecast for capital expenditure.

CAPITAL RESOURCES

25. The Council's current and future financial resources that are available to finance the capital programme are:



THE OVERALL CAPITAL POSITION

26. Resources of £45.3 million are estimated to be available over the life of the capital programme and therefore there should be a surplus of resources of approximately £1.4 million in 2020/21.
27. The forecast surplus of resources is limited and relies partly on resources that have not yet been secured (such as future capital receipts as well as continued revenue contributions towards capital investment), totalling £7.4 million.
28. In the event that these resources do not materialise, other funding options will need to be investigated including borrowing, reliance on external funding or the programme scaled back. Longer term, the increasing need to use New Homes Bonus to support revenue costs will make it more difficult to continue relying upon revenue sources to fund the capital programme.
29. It must also be borne in mind that the implications of some of the Council's priority actions and emerging capital spending pressures have not yet been quantified. Costs associated with approved schemes also remain provisional until tenders have been received.
30. Spending pressures in this respect include repair and refurbishment or replacement works to Council assets (for example, community and leisure facilities, car parks, etc.) that have yet to be added to the capital programme.

MINIMUM REVENUE PROVISION

31. Where the Council finances capital expenditure from borrowing, it must put aside resources to repay the borrowing in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP).

32. Borrowing costs (MRP and interest charges) for schemes funded by debt will be covered by revenue generating assets. MRP is estimated to be £135,000 per year.

REVENUE BUDGET AND COUNCIL TAX FOR 2016/17

33. The revenue budget for providing services in 2016/17 was agreed by the Executive on 1 February 2016. The net budget of £8,903,300 was recommended to Full Council, with funding of £2,803,232 which left a demand on the council tax payers of £6,100,068. This meant that the council tax for 2016/17 was set at £145.22 which was in line with government recommendations and this was approved by the Full Council on 19 February 2016.

FUTURE BUDGET PRESSURES

34. The risk profile of the Council's finances has increased in recent years, and is set to increase further in the future as the demand for increased expenditure presents itself, the fundamental change in the way local government services are funded and the general reduction in the quantum of funding available.
35. To manage the financial risks effectively, the Council maintains a profile of the spending pressures it faces and the impact the cost of these pressures will have on the Council Tax.
36. Central Government Funding - In December 2015 the Chancellor issued a 4 year settlement programme for all local authorities and for Fareham this showed that the amount of funding would reduce by £1million during the 4 year period including no longer receiving Revenue Support Grant in years 3 and 4.
37. This means that authorities like Fareham will be totally reliant on business rates and income from tax payers to fund the net General Fund Budget
38. Interest on Balances – The budget for 2016/17 is £570,000 and covers the General Fund share of interest on investments together with the notional interest payable by the Housing Revenue Account to the General Fund.
39. In August 2016 the base rate was reduced to 0.25% which has an effect on the interest received on the Council's investments. This along with the money to be used in the capital programme will see a dramatic reduction in the amount of interest that will be received.
40. Movements in the cost of employment - The rising cost of employment in future years reflects the cost of an assumed 1 % pay award and other pay movements.
41. Increased Pension Costs – During 2013, the triennial pension fund valuations took place and concluded that the fixed element of the contributions needed to increase, so that the fund liabilities could be met. It is likely that this increase will continue after the next valuation takes place in

2016.

42. Reduction in Parking Income - The income from parking fees has declined over recent years, mainly due to changes in the way people shop and to specific factors, such as the new shopping complex at Whiteley, and store parking spaces at Tesco. This decline has continued during 2016/17.
43. Reduction in Commercial Rent Income - As with car parking income the level of commercial rent has steadily declined, mainly in relation to the Council's interest in the shopping centre at Fareham. As a result, this places pressure on the income budgets within the commercial property portfolio.
44. Land Charges – As part of the Queen's speech in June 2014 it was announced that the land charges function would be centralised and run by the Land Registry in order to support the delivery of digital services. The timetable for this is not clear but would result in a significant loss of income for the Council. The latest information has suggested that there will be a gradual move over to the Land Registry commencing in the autumn of 2017.

THE SPENDING RESERVE

45. It is Council policy to maintain the spending reserve at 5% of gross expenditure and the current balance of £2,961,000 exceeds the minimum threshold for 2016/17 which, based on the estimated gross expenditure of £46.3 million, should be £2,315,000. Proposals to use the surplus of £646,000 will be developed during the autumn, for consideration in January, alongside the consolidated draft budget for 2017/18.

PROJECTED COUNCIL TAX FOR 2017/18 TO 2020/21

46. In the budget setting process for 2016/17 the government allowed councils to increase council tax whereas during the previous few years it had been encouraging councils to freeze council tax in order to help tax payers during the recession.
47. The previous referendum limit of 2% was changed to allow those with historically low council tax figures, such as Fareham, to increase their tax by a maximum of £5.
48. Throughout the duration of this strategy period the government is expecting Fareham to increase their council tax by £5, in order to bring the tax up towards the level that it would have been at had the tax not been frozen during the previous 6 years.

THE NEED FOR EFFICIENCY INITIATIVES

49. At the meeting of the Executive on 8th February 2016, the Executive Leader announced the scale of the savings required, stating that:-

“Finding another £1 million by 2018 will be a challenge, but because of our prudent approach we do not have to make any savings for the financial year ahead, starting in April 2016, so there will be no need for any sudden decisions. I have, however, asked the Chief Executive to start work on

closing the budget gap, and to bring forward proposals for the Executive to consider later this year, so we are well prepared and can minimise the impact on our residents and our staff”.

50. In response to this, the Executive considered proposals from the Chief Executive Officer at its October meeting to achieve savings of almost £1million, to ensure that the council is in a position to set balanced budgets through to 2019/20 and give itself a good base for the years after that.
51. The Council develops its efficiency plans well in advance to ensure that they are sufficiently reliable before being included in budgets, and to allow the full consequences of such changes to be considered and consulted upon where appropriate.
52. Such opportunities in the October report have been developed on the following basis with the following values identified

<p>Priorities</p> <p>£79,500</p> <p>Re-focussing resources on priority services</p>	<p>People/Process</p> <p>£616,800</p> <p>Reducing overheads and back office costs</p>
<p>Proceeds</p> <p>£257,000</p> <p>Identify opportunities to maximising income returns</p>	<p>Procurement</p> <p>£33,000</p> <p>Deliver cost savings through improved procurement</p>

53. In preparing the Finance Strategy, these efficiencies totaling £986,300 have been incorporated in the forecasts.

THE OVERALL REVENUE POSITION

54. The Council has been committed to minimising increases in the overall net budget and council tax increases. This has proven successful in restricting the proportion of gross expenditure on general fund services that has to be met by council tax payers, currently 13%.
55. Because the proportion is so low, the Fareham element of the council tax (around 10%) is very sensitive to even minor increases in expenditure. An increase in gross expenditure of 1% (approximately £1½m) would result in an increase in the amount to be met by council taxpayers of 8.2%.
56. There are a number of budget pressures that will have an impact on the

Council's overall position in the current and future years but with other budget changes these can be accommodated and ensure a sustainable budget is set each financial year.

57. The following table shows the projected position for the years 2017/18 to 2020/21:

Projections for	2017/18	2018/19	2019/20	2020/21
	£000s	£000s	£000s	£000s
Spend on Services	12,284	12,284	12,284	12,284
Other budgets	-712	-2,086	-1,986	-2,086
Budget Pressures	360	930	1,090	1,330
Less Efficiencies	-817	-986	-986	-986
Total Budget Requirement	11,115	10,142	10,402	10,542
Funded by:				
New Homes Bonus	-2,068	-1,300	-1,300	-1,300
Transitional Grant	-74	0	0	0
Revenue Support Grant	-288	0	0	0
Business Rates	-1,800	-1,853	-1,769	-1,515
Interest On Balances	-500	-450	-450	-450
Portchester Crematorium Contribution	-125	-125	-125	-125
Council Tax Payers	-6,325	-6,482	-6,642	-6,806
Total Funding Projection	-11,180	-10,210	-10,286	-10,196
Surplus(-)/Shortfall(+)	-65	-68	+116	+346

58. Although significant savings have already been identified over the next four years, it is clear that further reductions will be necessary to produce a balanced budget for the period in 2020/21. This will be reviewed over the strategy period and steps taken as necessary, to deliver a balanced budget.

SENSITIVITY ANALYSIS

59. For each of the financial pressures, an assessment has been made about the possible variation above and below the "most likely" position. This allows the sensitivity of the projected totals to changes on each financial pressure to be assessed. As more information becomes available about the individual pressures, the projections can be updated and made more certain.
60. The following table highlights the gearing effect that additional expenditure has on the council tax.

	£M	% Increase
Spending = £46.3 million	46.3	
- An extra £500,000	0.5	1.1
Council Tax Payers	6.1	
- An extra £500,000	0.5	8.2

RISK ASSESSMENT

61. The budget projections indicate the susceptibility of the Council's revenue budget to changes in the level of expenditure and income caused by factors outside the control of the Council. It is clear that even a small variation in expenditure or income would have a significant impact on the Council's revenue budget position.
62. There are a number of services where the costs and/or income directly correlate with service activity, some of which would have a notable impact on the Council's overall financial position if a significant variation in activity arose. These are classified as "volatile" services and account for £11.9m of gross expenditure and £10.0m of gross income. Special arrangements are in place to track financial performance of these services and the other major services, and take action where there is a significant deviation from plans.
63. Given the uncertain funding position and external pressures facing the Council, it is important to maintain a minimum spending reserve equivalent to 5% of gross revenue expenditure.

BUDGET SETTING PRINCIPLES FOR 2017/18

64. In addition to the fundamental principles on which the Council's medium term finance strategy is based, the Council adopts for each financial year a set of budget setting principles that form the framework for budget preparation.
65. It is proposed therefore that the following budget guidelines be adopted for 2017/18:
 - No provision for the effects of inflation to be provided in revenue budgets except to cover price increases that are unavoidable or the Council is legally obliged to accept,
 - Revenue budgets to be cash-limited to the current level and to be reviewed to ensure that all on-going savings that have accrued in previous years and the current year are reflected in future budgets,
 - Fees and charges to be increased to achieve a realistic increase in income wherever possible and every effort to be made to identify new sources of income. The proposed charges should be considered alongside those for similar services in neighbouring

authorities and, where appropriate, the charges levied by private sector providers,

- New revenue commitments and capital schemes will only be considered for inclusion in the budget where the expenditure is essential to protect the Council's assets or meet the Council's corporate priorities.
- Full weight to be given to the Council's overall position and future council tax levels when services are reviewed and revenue budgets, capital programmes and fees and charges are considered.

CONCLUSION

66. The Council has a long history of prudent financial management, of achieving efficiency savings while providing a wide range of excellent services.
67. The projections set out in this report give a broad indication of the anticipated level of expenditure, based on the latest information available about the Government's funding intentions.
68. There also remains a number of budget pressures linked to corporate priorities, both revenue and capital, which either need to be mitigated or resourced through reallocating funds from within the total budget envelope.
69. By having an effective efficiency plan the Council is able to meet its budget position for the four years of the spending settlement period. The position from 2020/21 onwards will become clearer when future government spending plans are released.
70. In the meantime there will be a continued need to focus on the need to identify where capacity can be created through the delivery of more efficient services to meet demand, while protecting, as far as possible, services to the public, using the four-part model highlighted in the strategy.

BUDGET RESPONSIBILITIES

Responsibility for budgets rests formally with the Full Council but there are arrangements in place as part of the Constitution that delegates certain responsibilities to the Executive, the committees and to officers.

The timetable for the financial planning and budget process is:

Stage	Detail	
1	Consultation with residents and business representatives (incl. Chambers of Commerce, Federation of Small Businesses, the Institute of Directors, Business Solent and Solent Local Enterprise Partnership)	Continual
2	Member approval review of corporate objectives and priority action plan	June 2011 (reviewed September 2014)
3	Member review of Medium Term Finance Strategy	October
4	Member consideration of revenue budgets and local service agreements, the capital programme and fees and charges	January
5	Member consideration of new capital schemes and revenue growth items Member review of Finance Strategy Member confirmation of capital programme Member confirmation of overall revenue budget	February
6	Member approval of the council tax	February

Full Council

The Full Council has the general responsibility for setting the Council's policy and budget framework. The Full Council must ensure the following:

- Corporate strategies are approved in accordance with the projected resources of the Council;
- Approved revenue budgets, capital programmes and council tax levels are in accordance with the Council's finance strategy;
- Supplementary estimates are only approved after consideration of the Council's overall financial position.

The Executive

The Executive has general responsibility for making decisions on Council services within the policy and budget framework. The Executive must ensure the following:

- Detailed estimates of expenditure and income for all services and

committees, and the proposed council tax levels are prepared within the context of the council's finance strategy for approval by Full Council;

- Expenditure is only incurred if it forms part of the approved service revenue budget or capital programme;
- Any decision to reallocate revenue or capital budgets from one service to another does not exceed the virement rules;
- The overall revenue budget and capital programme are not exceeded.

The Committees

The Committees have general responsibility for carrying out non-Executive functions within the powers delegated to them by Full Council. The Committees must ensure the following:

- Detailed estimates of expenditure and income for committee services are submitted to the Executive for approval by Full Council;
- The committee revenue budgets are not exceeded.

Employees

All budgets are allocated to a named manager who has the authority to spend the approved budget. Financial regulations also form part of the Constitution and these set out the scheme for the authorisation of expenditure.

Expenditure can only be incurred within the revenue and capital budgets approved by the Council.

Officers can delegate their power to incur expenditure but only within the limits of their own delegated powers.

The limits given to any individual employee are in accordance with the schedule of limits set out in the financial regulations. All employee powers to incur expenditure should be officially documented and authorised in a form approved by the Statutory Chief Finance Officer.

The Council's financial regulations are available to all employees on the corporate filing system giving detailed guidance on:

- The responsibilities of employees
- Financial reporting
- Revenue and capital budgets
- Budgetary control and virements.

THE FUNDAMENTAL PRINCIPLES

The principles of the strategy cover five main areas – resources, capital expenditure, revenue expenditure, transparency and openness, and partnership working.

Resources

A minimum balance on the following reserves will be kept

Name of Reserve	Minimum Balance
Major Repairs and Renewal Fund	£1 million
Spending Reserve	5% of gross expenditure (currently £2.315 million)
<p>The Major Repairs and Renewals Fund is used to cover emergency capital expenditure in relation to the Council's assets.</p> <p>The spending reserve is retained to cover unforeseen changes in revenue expenditure or income.</p>	

Any deficits arising from services provided on behalf of other agencies (such as the on-street parking service), may be held on the Council's balance sheet but should be fully offset by an equivalent contribution to the spending reserve, to protect the Council's long term finances.

The need to increase the minimum balance on the Major Repairs and Renewals Fund, the working balance and the spending reserve is considered by the Executive at the end of each financial year and as part of the annual finance strategy review.

Reserves are not used to meet on-going, unsustainable levels of revenue expenditure.

“Windfall” or one-off revenue resources will only be used to increase capital resources or to meet one-off revenue expenditure.

Capital receipts from the sale of assets will be used to meet future corporate priorities rather than be retained for use on the service that has relinquished the asset.

Resources allocated to particular capital projects but subsequently not required are returned to meet future corporate priorities rather than be retained for use by that service.

All decisions regarding the use of significant reserves take account of the effect on the revenue budget from a reduction in investment interest.

Capital Expenditure

All new potential capital schemes are subject to the process for the prioritisation of new capital schemes, as set out in the Council's Financial Regulations.

New schemes will only be considered if they make a clear contribution to the Council's objectives and priority actions and support the Council's Asset Management Plan.

When new potential capital schemes are considered for inclusion in the capital programme during the year, this is only agreed in principle with the final decision being made at the time of council tax setting except in exceptional circumstances where a delay could jeopardize the achievement of an important priority.

No new capital schemes are included in the capital programme without the necessary resources to meet the full capital costs and the on-going revenue costs being in place.

When decisions are made concerning the inclusion of new schemes in the capital programme, these factors need to be considered:

- The on-going operational costs associated with the scheme
- The whole life costing implications of the scheme
- The cost of servicing the debt if the scheme is financed by borrowing
- The loss of investment interest if internal resources are used and therefore no longer available for investment.

In the light of these factors, it is inappropriate to consider the inclusion of non-priority schemes in the capital programme.

Every effort will be made to secure external (non-borrowing) sources of funding capital schemes. Internal capital resources will only be released to fund schemes once external sources of funding (such as developers contributions, lottery grants, etc) have been explored and rejected.

Capital schemes will normally be financed by internal resources or external contributions. Borrowing will only being considered where government support is available to meet, at least in part, the capital financing costs, or where there is a sound economic business case (e.g. for spend to save schemes) whereby borrowing costs are wholly offset by long term revenue income or savings.

Revenue Expenditure

The Council has adopted as a corporate priority the need to save money, raise income and work in partnership with others to achieve more for less while continuing to minimise council tax increases.

Strict budget guidelines are maintained and are approved by the Executive each year.

New revenue spending plans will only be considered if they make a clear contribution to the Council's objectives and priority actions or to meet new statutory responsibilities.

When any significant new revenue spending plans are considered for inclusion in the revenue budget during the year, this is only agreed in principle with the final decision being made at the time of council tax setting.

All significant new revenue spending plans are considered together for inclusion at the time of council tax setting and are subject to a prioritisation process.

No new revenue spending plans are included in the revenue budget without the necessary resources to meet the full capital costs and the on-going revenue costs being in place. This is particularly important because of the implications for the council tax of even modest increases in expenditure.

Part of the revenue budget is support by use of the New Homes Bonus while the balance is used to support the capital programme.

New Homes Bonus funding is used in the following way:

- Firstly, if necessary, the award is top-sliced to meet reduced central government funding, and to support service delivery (particularly where demand has grown in line with the growth in housing);
- The balance is earmarked for investment in capital schemes or other projects, which are driven by corporate priorities;
- In determining the use of funds for capital investment, there should be a bias towards
 - investing in land & property that will generate a long term source of income;
 - Projects that support economic or employment growth;
 - Projects that support or secure further housing delivery.

Transparency and Openness

It is Council policy to be transparent in the decision making process and provision of information about the Council's activities through the website. To this end, budgetary plans and historical spending information (including payments to third party suppliers) is published in a variety of formats on the Council's transparency portal, accessible through its website.

Partnership Working

The Council will seek to work with partners to achieve more for less and actively pursue the achievement of the Council's priorities. The following key partnerships have been identified:

- Portchester Crematorium Joint Committee (with Gosport BC, Havant BC and Portsmouth CC)

- Building Control Partnership(with Gosport BC and Portsmouth CC)
- Fareham Community Safety Partnership (with Police and Crime Commissioner for Hampshire, Probation Service and Hampshire CC)
- Project Integra (with other Hampshire authorities)
- Fareham and Gosport CCTV Partnership
- Partnership for Urban South Hampshire (PUSH)
- Solent Local Enterprise Partnership
- Environmental Health Partnership (with Gosport BC)
- Legal Services Partnership (with Southampton CC)
- Eastern Solent Coastal Partnership (with Gosport BC, Havant BC and Portsmouth CC)

FAREHAM BOROUGH COUNCIL PAY POLICY STATEMENT FINANCIAL YEAR 2016 - 17

1. Purpose

The purpose of this Pay Policy Statement (“Pay Statement”) is provided in accordance with the Localism Act 2011 (“Localism Act”) and this will be updated in each subsequent financial year.

This Pay Statement sets out Fareham Borough Council’s pay policies relating to its workforce for the financial year 2017-18, including the remuneration of its Chief Officers, lowest paid employees and the relationship between its Chief Officers and that of its employees who are not Chief Officers.

2. Definitions

For the purpose of this Pay Statement the following definitions apply:

2.1 “Pay” in addition to base salary includes charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements and termination payments.

2.2 “Chief Officers” refers to the following roles within the Council:

Statutory Chief Officers are:

- a) Chief Executive Officer, as Head of Paid Service
- b) Director of Operations, as Monitoring Officer
- c) Director of Finance & Resources, as Section 151 Officer

Non Statutory Chief Officers are:

- d) Director of Planning & Regulation

Deputy Chief Officers are:

- f) Heads of Service who report directly to/or accountable to a statutory or non-statutory Chief Officer in respect of all or most of their duties.

2.3 “Lowest paid employees” refers to those employees employed within Grade1 of the Council’s mainstream pay structure. This definition has been adopted because Grade1 is the lowest grade on the Council’s mainstream pay structure.

2.4 “Employee who is not a Chief Officer” refers to all employees who are not covered under the “Chief Officer” group above. This includes the “lowest paid employees”. i.e. employees on Grade1.

3. Pay Framework and remuneration levels

3.1 General approach

The pay structure and pay scales have been designed to enable the Council to recruit and retain suitably qualified employees at all levels who are dedicated to fulfilling its corporate objectives and delivering services to the public whilst operating within an acceptable financial framework.

With a diverse workforce the Council recognises that its Pay Policy needs to retain sufficient flexibility to cope with a variety of circumstances that may arise that might necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. The decision to apply a market premium will be approved by the Head of Personnel and ICT and endorsed by the Chief Executive Officer.

The Chief Executive Officer, as Head of Paid Service, has delegated power to update the pay policy in line with establishment changes

3.2 Responsibility for decisions on pay structures.

The outcome of reviews into the local pay and grading structures covering all jobs are submitted to a meeting of Full Council for approval.

The Council's locally determined pay structures are based on the outcome of a job evaluated process and were implemented for the Chief Officers, Heads of Service and all other employees in April 2008. This followed a national requirement for all Local Authorities to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer to comply with employment legislation.

The pay structure for the Chief Executive Officer was established in 2008 having regard to the need to be fully competitive in the market and to be confident of attracting and retaining the highest calibre of employee to reflect the high level of organisational and corporate performance which the Council requires its Chief Executive Officer to deliver. Relevant labour market and comparative remuneration data was considered. This was reviewed in 2013.

3.3 Pay scales and grading framework

With effect from 1 April 2016 the National Living Wage(NLW) came into force which guaranteed those aged 25 and over a minimum hourly rate of £7.20, furthermore it is anticipated that the minimum will rise to around £9 per hour by 2020. As a result of this Fareham's local scale points 1 and 2 would have been below the NLW and have been removed from the pay scales.

The impact of these changes on Fareham's pay scales will be kept under review. Further changes to the pay scales are anticipated but these are not likely to take place until 1 April 2018 and will be reported to members accordingly.

The National Minimum Wage still applies to those under 25 but Fareham's pay scales are not aged biased.

The mainstream pay structure for all employees below the level of Heads of Service was determined through a local process based on the outcome of a job evaluation scheme. The pay structure from 1 April 2016 consists of a pay spine of 44 points, comprising 11 grades containing 5 spinal column points with the exception of grade 1. Grade 1 is the lowest grade and 11 the highest. Each employee will be on one of the 11 grades based on their job evaluated role.

The Chief Executive's pay grade reflects the same principles as for all of the Council's pay structures consisting of 5 spinal column points.

The pay structure for Chief Officers and Heads of Service was determined through a local process that took into account market alignment with District Councils in Hampshire and the outcome of a job evaluated process. It followed the same principles as applied for the mainstream pay structure and consists of one pay grade for Chief Officers and three pay grades for Heads of Service with all grades containing 5 points.

Details of the Council's pay structures are published on the Council's website and a copy as at 1st April 2016 is appended to this Statement (at annex 1).

Pay awards are considered annually for all employees. The outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions in relation to the settlement of the annual pay award is normally applied. With effect from April 2016 a 2 year pay deal was agreed taking the pay award through to 31 March 2018.

If there is an occasion where the Council believes that the National Pay Settlement would distort the local pay structures alternative proposals will be developed, discussed with the trade unions and brought to Elected Members for formal approval.

4. Remuneration – level and element

4.1 Salaries

4.1.1 "Chief Officers" are identified at 2.2 above and constitute the Council's Corporate Management Team. They are all paid within the Council's pay structures as follows:

- a) Chief Executive Officer, as Head of Paid Service will be paid a salary within the grade range £109,080 to £126,250.
- b) Statutory and Non-Statutory Chief Officers will be paid a salary within the grade range £77,398 to £88,895.

4.1.2 "Deputy Chief Officers" who are Heads of Service are all paid within the Council's pay structures as follows:

- c) Heads of Service will be paid a salary within grades ranges £51,259 to £77,398.

Typically these Chief Officers and Heads of Service have received the same percentage pay award as for all other employees.

Details of Chief Officer and Heads of Service remuneration have been published since 2010 on the Council's website.

4.2 “Lowest paid employees”

Each lowest paid employee will be paid a salary within the pay scales for Grade1 mindful of the need to meet the National Living Wage requirements.

A very detailed review of pay and grading was undertaken on this topic along with other parts of the grading structure and the review and recommendations were reported to Full Council in December 2014.

4.3 Bonuses and Performance related pay

There is no provision for bonus payments or performance related pay awards to any level of employee.

There is, however, an honorarium provision which may be awarded where an employee performs duties outside the scope of their post over an extended period or where the additional duties and responsibilities involved are exceptionally onerous. All such payments are subject to approval by a Chief Officer (Director) and the Head of Personnel and ICT.

4.4 Other pay elements

The pay structure for Chief Officers does not take account of the clearly defined additional responsibilities in respect of the Section 151 and Monitoring Officer roles. Officers undertaking these roles receive payment equivalent to two spinal column points based on the incremental pay progression from the penultimate to maximum point of the pay grade for Chief Officers.

Provision for the recognition of the role of acting Head of Paid Service exists within the Chief Officers pay structure for up to two spinal column points on the same payment principle as for the Section 151 and Monitoring Officers.

These pay arrangements allow for flexibility in the allocation of the additional roles to Chief Officers and for the responsibilities to be rotated.

4.5 Charges, fees or allowances

Allowances or other payments, for example shift working, standby, etc. may be made to employees, below the level of Chief Officer, in connection with their role or the pattern of hours they work in accordance with National or Local collective agreements.

The Council recognises that some employees incur necessary expenditure in carrying out their responsibilities, for example travel costs. Reimbursement for reasonable expenses incurred on Council business are paid in accordance with the Council's collective agreement and subsequent amendments to it.

The Chief Executive Officer has been appointed as the Council's Returning Officer for elections and he has appointed the Head of Democratic Services, the Head of Corporate Services and the Director of Finance and Resources as his Deputy Returning Officers. For performing elections duties the Returning Officer and Deputies receive a fee payable according to a scale of costs, charges and expenses set by the Hampshire and Isle of Wight Election Fees Working Party and allowed under the Local Government Act 1972.

The Chief Executive Officer and Chief Officers are entitled to receive payment for one subscription to a relevant professional body.

4.6 Benefits in kind

Benefits in kind are benefits which employees receive from their employer during their employment which are not included as part of their salary. Fareham has a computing scheme and car leasing scheme that employees have a choice to sign up for in lieu of salary. These benefits are reportable to HMRC and taxed accordingly. Since the introduction of these schemes there has been a Government review of all salary sacrifice schemes and as a result of this a review of Fareham's scheme is under way pending the outcome of the consultation by the government.

4.7 Pension

All employees as a result of their employment are eligible to join the Local Government Pension Scheme(LGPS).

4.8 Severance payments

The Council already publishes its policy on discretionary payments on early termination of employment and flexible retirement as well as publishing its policy on increasing an employee's total pension. These policies are applied in support of efficient organisational change and transformation linked to the need for efficiencies and expenditure reduction.

Details of the Council's policies are published on the Council's website.

No employee who has left the Council in receipt of a redundancy or severance package will be re-employed by the Council, in any capacity, unless there are exceptional business circumstances in which case approval is required from the Chief Executive Officer.

The government has indicated that it will enforce a cap on exit payments of £95,000 with the likely implementation date to be early 2017 following further consultation in the autumn of 2016.

4.9 New starters joining the Council

Employees new to the Council will normally be appointed to the first point of the salary scale for their grade. Where the candidate's current employment package would make the first point of the salary scale unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a different starting salary point within the grade may be considered by the recruiting manager in consultation with Personnel Services. The candidate's level of skill and experience should be consistent with that of other employees in a similar position on the salary scale within the grade.

5. Relationship between remuneration of "Chief Officers" and "employees who are not Chief Officers".

This relates to the ratio of the Council's highest paid employee (falling within the definition of "Chief Officers") and the mean average earnings across the whole workforce as a pay multiple. By definition, the Council's highest paid employee is the Chief Executive Officer. The mean average pay has been calculated on all taxable earnings for the financial year 2016-17, including base salary, allowances, etc.

Highest paid employee	£126,250
Mean average earnings for remainder of workforce	£25,765
Ratio	4.90

**Fareham Borough Council
Local Pay Scales as at 01/04/2016**

Chief Executive

Spinal Column Point		Annual
5	1	126,250
4		121,958
3		117,665
2		113,373
1		109,080

Directors (Grade & Salary scale)

Spinal Column Point		Annual
5	1	88,895
4		85,783
3		82,781
2		79,883
1		77,398

Senior Management (Grades & Salary scales)

Spinal Column Point			Annual
5		1	77,398
4			75,202
3			73,019
2			70,549
1			68,164
5		2	68,164
4			65,778
3			63,476
2			61,254
1			59,111
5	3		59,111
4			57,042
3			55,045
2			53,119
1			51,259

Mainstream (Grades and Salary scales)

Spinal column point			From 1 April 2016	Spinal column point	JE points range
46		11	50794	46	
45			49674	45	
44			48582	44	
43			47516	43	
42		10	46463	42	LG11 700+
41			45898	41	
40			44782	40	
39			43689	39	LG10 622 – 699
38		9	42607	38	
37			41583	37	
36		8	40469	36	
35			39393	35	
34			38335	34	
33			37308	33	
32		7	36218	32	
31			35169	31	
30		6	34142	30	LG8 543 – 585
29			33153	29	
28			32185	28	
27			31242	27	LG7 497 – 542
26		5	30330	26	
25			29455	25	
24		4	28597	24	
23			27764	23	
22			26954	22	
21			26172	21	
20		3	25345	20	
19			24545	19	
18			23774	18	LG5 386 – 429
17		2	23026	17	
16			22245	16	
15			21493	15	
14			20770	14	LG4 338 – 385
13		1	20061	13	
12			19388	12	
11			18735	11	
10			18097	10	
9			17494	9	
8			16889	8	
7			16287	7	
6			15794	6	
5			15269	5	LG2 246 – 279
4			14965	4	
3			14726	3	

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 10 October 2016

Portfolio:	Policy and Resources
Subject:	Efficiency Savings
Report of:	Chief Executive Officer
Strategy/Policy:	Medium Term Financial Strategy
Corporate Priorities:	All corporate priorities apply

Purpose:

The purpose of this report is to outline a number of efficiency savings to be captured either before or during the 2017/18 financial year, enabling the Council to achieve a balanced budget for the following year.

Executive summary:

The Council's Medium Term Financial Strategy sets out the broad principles on which the management of the Council's finances are based and provides background information regarding the level of resources, the revenue budget and capital programme.

When considering the impact of the Government's Comprehensive Spending Review in February 2016, the Executive Leader highlighted a £1,000,000 gap in the Council's budget from 2018 onwards and requested the Chief Executive Officer to prepare and bring forward a range of options to close the budget gap.

Such options have been considered and developed using the following four-part model:-

- *Procurement* - delivering cost savings through improved procurement;
- *Proceeds* - identifying opportunities to maximise income returns;
- *People* - reducing overheads and back office costs; and
- *Priorities* - re-focussing resources on priority services.

This review has given rise to £986,300 of efficiency proposals which will be taken forward over the course of the next financial year in readiness for the 2018/19 budget cycle.

As part of this process, a review of the Council's employee structure has been undertaken. As a result of the review it is proposed to delete 12 posts from the establishment, of which 9 are vacant, resulting in annual savings of £379,800.

Recommendations:

That the Executive:

- (a) notes the proposed reductions in the staffing establishment, as set out in the report;
- (b) agrees the proposal to meet redundancy costs from transitional grants and existing establishment budgets; and
- (c) agrees the savings under the headings “procurement” ,“proceeds” and “priorities” subject to a decision by Council on the 2017/18 council tax at the appropriate time.

Reason:

To achieve the necessary savings before or during the 2017/18 financial year to deliver a balanced budget for the following year.

Cost of proposals:

The proposals set out in the report will achieve annual savings of £986,300.

The maximum 'one off' costs associated with severance payments would be £209,000. This figure could be lower if post-holders are redeployed to other positions within the Council. These costs would be funded from a combination of transitional grant and the existing establishment budget.

Appendices:

A - Efficiency proposals

B - Feedback from UNISON Consultation

Background papers: None

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date: 10 October 2016

Subject: Efficiency Savings

Briefing by: Chief Executive Officer

Portfolio: Policy and Resources

INTRODUCTION

1. The purpose of this report is to outline a number of efficiency savings to be captured before or during the 2017/18 financial year, enabling the Council to achieve a balanced budget for the year commencing April 2018.

BACKGROUND

2. In November 2015, the Chancellor of the Exchequer announced the results of the Government's Comprehensive Spending Review. The main message was that the Government would continue its drive to reduce the National Debt and, as a result, it would be necessary to cut public spending between 2016 and 2020.
3. In mid-December 2015, following on from the Chancellor's announcement, the Council received details of the Local Government settlement. It came as no surprise that the settlement included a significant reduction in Government funding for the period 2016 to 2020.
4. Having analysed the details of the Local Government settlement it became clear that the Council would need to reduce its annual revenue budget by approximately £1 million by April 2018.
5. It is important to put the figure of £1 million into context. Back in 2008, when the recession first hit, the Council's annual net budget was approximately £12 million a year and we employed around 525 people. In 2016 our annual net budget is less than £9 million with an employee establishment of 425 posts. Over that time frame, the Council has successfully identified millions of pounds in annual (on-going) savings whilst continuing to provide a wide range of high quality services. We have managed to achieve this at the same time as reducing our number of employees by some 20%.
6. Finding another £1 million by 2018 is therefore a significant challenge for the Council. Our work on introducing the Vanguard method has helped a lot (without it, our target would have been more like £1.5 million) and still offers more ways to reduce costs.

7. At the meeting of the Executive on 8th February 2016, the Executive Leader announced the scale of the savings required, stating that:-

“Finding another £1 million by 2018 will be a challenge, but because of our prudent approach we do not have to make any savings for the financial year ahead, starting in April 2016, so there will be no need for any sudden decisions. I have, however, asked the Chief Executive to start work on closing the budget gap, and to bring forward proposals for the Executive to consider later this year, so we are well prepared and can minimise the impact on our residents and our staff”.

8. This report sets out proposals to close the budget gap.

PROPOSALS

9. The proposed savings have been researched and reviewed under the four elements of the Council’s Efficiency Plan. These can be summarised as follows:-

- Procurement – identifying new and innovative methods of procuring services, producing more flexible contracts, smarter buying etc;
- Proceeds – identifying opportunities to generate new income streams;
- People – reviewing staffing structures and reducing headcount where possible; and
- Priorities – reviewing the priority of services with customers and, where necessary, considering a reduction in low priority services.

10. The following paragraphs set out the proposed savings.

Procurement

11. The Council has arrangements in place to deal with “out of hours” emergency calls. Over recent years, when a customer has phoned the emergency number the call has been diverted to an operator working for First Call based in Blackpool. The operator screened the call to ascertain whether it was a real emergency before contacting a Council Standby Officer.
12. Having recently reviewed the contract with First Call, it was decided that we could provide a more flexible, local, response by dealing with initial emergency calls at the Council’s CCTV Control Centre. These new arrangements have been put in place and are working well. The new approach has resulted in annual savings of £19,000 from the “out of hours” service.
13. This follows a recent review into the CCTV contract. An analysis of spending over recent years suggests that the budget could be reduced by £10,000 per annum due to an ongoing underspend in this area.
14. In 2012 Hampshire County Council led on an initiative which meant that it would manage and fund Meals on Wheels provision. Previously this cost had been

shared with Hampshire districts, with a Fareham Borough Council contribution of £8,000.

15. In return, the Hampshire districts were asked to support a volunteer-led meals support service through a financial contribution to Hampshire County Council or Age Concern, known as Food and Friendship. Fareham Borough Council paid £4,000 per annum to support the initiative.
16. However, the take up for the Food and Friendship service has been very low, and in 2014/15 no payment was made at all for the service. Following discussion with the Executive Member for Leisure and Community, it was decided to end the funding of £4,000. Should any vulnerable older person come forward requiring support then consideration would be given to providing funding from the Community Grants scheme.
17. As a result, the proposed procurement savings can be summarised as follows:-
 - “Out of hours” contract £19,000
 - CCTV underspend £10,000
 - Food and Friendship grant £4,000

Proceeds

18. On the 8th February 2016, the Executive agreed to provide funding for a commercial investment opportunity that had become available at 136-138 Southampton Road, Park Gate, Fareham. The terms of the investment remain confidential but the decision has resulted in an additional rental stream of £110,000 per annum.
19. Members will also be aware of the Council’s strategy to rent office space within the Civic Offices to other organisations. By redesigning furniture layouts for Council employees, it has been possible to release three floors within the Civic Offices for this purpose. Recent tenancy agreements have resulted in an additional rental stream of £59,000 per annum.
20. On the 19th February 2016, the Council agreed a council tax for Fareham Borough Council for 2016/17 of £145.22 per band D property, which represented a £5.00 increase. This decision was taken in line with Government expectations that all councils would increase council tax to offset the reduction in the Government’s revenue support grant.
21. If councillors are minded to take a similar decision for 2017/18 then the increase would result in an additional sum of £88,000 per annum.
22. As a result, the additional income to be generated from the above proposals can be summarised as follows:-
 - Rental from acquisition of commercial property £110,000
 - Rental from space in the Civic Offices £59,000
 - Proposed increase in council tax 2017/18 £88,000

People

23. The Council currently spends around £15 million a year on the workforce and this is, by far, the largest of the Council's budgets. As such, it is inevitable that savings will need to be made in this area and that this will result in some post losses.
24. It is important to recognise that all 425 posts are important and that all employees make a valued contribution to the work of the Council. There are no easy solutions. Clearly it is important to protect, where possible, those employees working on 'front line' services.
25. The work that the Council has been undertaking as a result of implementing the Vanguard methodology has helped to identify some posts which are no longer required, and the majority of these are currently vacant.
26. It is therefore proposed to delete 12 posts, as detailed in Appendix A, of which 9 are currently vacant. This would result in annual savings of £379,800.
27. Maximum severance costs would be £209,000 and it is proposed that these costs are primarily funded from the transitional grant provided by the Government for this very purpose (i.e. £74,000 per annum for two years). It is important to note that severance figures could be lower if post-holders were redeployed to other positions within the Council.
28. Further savings of £83,000 have already been captured from recent restructures of the Environmental Health Partnership, the Property Team and the Leisure and Community Team.
29. A further £51,000 per annum can be captured by reducing corporate training and overtime budgets, in proportion with the overall reduction in employee headcount over recent years.
30. A review of the allocation of costs between the Housing Revenue Account and General Fund, following recent management changes, results in a reduction of £35,100. In addition, savings of £67,900 have been identified by deleting vacant hours from various posts throughout the organisation where employees have requested reduced working hours.
31. As a result, the proposed net savings from employee budgets would be as follows:-

• Occupied posts	£104,100
• Vacant posts	£275,700
• Recent restructures	£83,000
• Training/overtime	£51,000
• HRA/General Fund split	£35,100
• Residual hours	£67,900

Priorities

32. The final category of potential efficiency savings requires a review of the services that we provide as a Council and whether they could be adapted or, in extreme cases, stopped.
33. Despite the scale of the savings required there are no proposals to stop any services, but adaptations are recommended in two areas.
34. The first relates to the future of Westbury Manor Museum and this was subject to an Executive report on the 6th June 2016. Members agreed a proposal to remodel the Westbury Manor Museum as a vibrant 'culture stop', with pop-up exhibitions and events, enhanced café and retail outlet. The capital investment agreed, and the new management arrangements, will result in an annual saving of £64,500.
35. The second area relates to the future of the Fareham Today magazine. At present we print 47,000 copies of Fareham Today three times a year, posting the magazine to every household in the Borough. It is proposed to move to an on-line version of the magazine and to only produce printed copies on request. This would actually enable the communications team to produce more editions each year because they could be shorter, more up to date and regularly refreshed. The savings would be accrued from the reduction in print and postage costs. It is estimated that this proposal would generate annual savings of £15,000.
36. As a result, the proposed savings from this category would be as follows:-
 - Westbury Manor Museum £64,500
 - Fareham Today £15,000

FINANCIAL IMPLICATIONS

37. In order to provide a balanced budget by April 2018, it will be necessary to reduce the annual revenue budget by approximately £1million either before or during the 2017/18 financial year. This report proposes savings totalling £986,300, which is considered to be sufficient to meet the needs of the Council's Medium Term Financial Strategy.
38. Proposals relating to the redundancy of three permanent employees will not need to be implemented until March 2018. Severance costs would primarily be met from the transitional grant provided by the Government for this very purpose (i.e. £74,000 per annum for two years). It is important to note that severance figures could be lower if post-holders were redeployed to other positions within the Council.
39. The early capture of all the savings outlined above would help to provide the foundations for a planned approach to the Council's budget setting process.

CONSULTATION

40. A 30 day consultation process with employees and trade unions commenced on 1st September 2016. Feedback will be shared with members to assist the decision making process after the close of the consultation period on 1 October 2016.

DELEGATED POWERS

41. The Chief Executive Officer (as Head of Paid Service) has delegated authority to make all of the decisions on staffing structures outlined above, within an agreed establishment budget.

EQUALITY IMPACT ASSESSMENTS

42. It is important that any major policy decisions taken by the Council are subject to an equality impact assessment to ensure that any decision taken does not have any unfair consequences for any individuals or groups within the local community.
43. There are only two proposals within the list of efficiency savings detailed in Appendix A which would require an equality impact assessment before implementation. These include the proposed changes to the Fareham Today magazine and the end of the Food and Friendship Grant.

RISK ASSESSMENT

44. An assessment of the risks and opportunities associated with this decision has been undertaken. The main risks can be summarised as follows:-
- The capacity of the remaining workforce to undertake the work required.
 - The loss of experience and expertise could reduce the organisation's ability to respond to issues as quickly as in the past.
 - The possibility of not achieving the additional income proposed.
 - The potential negative impact on the overall morale of the workforce.
45. These risks can largely be controlled but will need to be carefully and sensitively managed over the coming months.

CONCLUSION

46. The Medium Term Financial Strategy has identified the need to make efficiency savings in 2017/18 and the proposals within this report should allow the Council to deliver a balanced budget for by April 2018.
47. The proposals outlined above result in the deletion of 12 posts from the establishment, of which 9 are currently vacant. The main impact on the

organisation would be a reduction in employee posts to 413, with front line posts largely unaffected.

Appendices: A – Efficiency Proposals
 B - Feedback from UNISON Consultation – to be tabled

Reference Papers:

Executive Report - 12th October 2015 - Medium Term Finance Strategy

Executive Report – 8th February 2016 – Purchase of Commercial Investment 136-138 Southampton Road

Executive Report – 6th June 2016 – Westbury Manor Museum Re-modelling Proposal

Efficiency Proposals

	Description	Estimated saving
PRIORITIES		
1	Move Fareham Today to a predominantly online service and produce printed copies on request.	£15,000
2	The regeneration of Westbury Manor Museum (as per Executive report) including new management arrangements in partnership with the Hampshire Cultural Trust.	£64,500
TOTAL FOR PRIORITIES		£79,500
PEOPLE/PROCESS		
3	Customer Service Centre. Reduce the establishment in the CSC by the equivalent of 1 FTE due to falling customer enquiries as a result of implementing the Vanguard methodology.	£23,700
4	New Property Team. Savings accrued from a recent restructure bringing property specialists together into a single team.	£8,600
5	Delete the post of Head of Estates FE025 and merge the Estates and Property Teams.	£46,000
6	Delete the post of Benefits Supervisor FH003. The post is no longer required following the full implementation of the Vanguard methodology within the Benefits service.	£34,400
7	Delete 1 FTE from Car Park Civil Enforcement Officer posts following pending retirement. This can be achieved due to the efficiencies gained through the implementation of the Vanguard methodology.	£25,800
8	Restructure of the Environmental Health Partnership (completed May 2016). A review of how the partnership is working has enabled savings of £130,000 (with Fareham's share being 50% of the total.)	£65,000
9	Restructure of the Leisure and Community Team (completed May 2016) following a review of the vacant Community Development Manager post SL019.	£9,400
10	Personnel Services. Delete the vacant Senior Personnel Officer post CH009 as a result of efficiencies gained through the implementation of the Vanguard methodology. The work will be allocated as follows:- <ul style="list-style-type: none"> • Duties to other Senior Personnel Officers and Development and Performance Officer • Extend grade of 1 fte trainee post 	£38,400
11	Delete vacant Planning and Development Project Officer post. Efficiencies gained through the implementation of the Vanguard	£20,600

	Description	Estimated saving
	methodology allow work to be reallocated to other members of the team.	
12	Review the allocation of costs between the HRA and General Fund following the recent senior management restructure.	£35,100
13	Delete the vacant post of Democratic Services Manager following the restructure of Democratic Services (completed May 2016).	£18,400
14	Reduction of overtime budgets due to changes in working practices.	£26,000
15	Delete the vacant Grounds Maintenance Supervisor post SS004. Early work on the Vanguard intervention indicates that the work can be covered by another Supervisor post.	£34,400
16	Reduce training budgets to reflect overall reduction in employee headcount.	£25,000
17	Delete vacant post of Principal Audit and Assurance Officer FA007. Work to be covered by Senior Audit and Fraud Analyst with additional hours to be worked by Audit and Fraud Analyst Post.	£25,000
18	Delete vacant Corporate Policy and Equalities Officer post FH031. Work on equalities to be covered by Corporate Policy Officer post.	£39,400
19	Delete vacant Housing Options Manager post SH016. As a result of efficiencies gained through the Vanguard intervention, the work can be covered by merging the post with Senior Housing Officer (Options).	£47,900
20	Delete vacant Business Support Officer post SM005 as no longer required following the deletion of the post of Director of Community Services.	£25,800
21	Delete vacant hours from various posts throughout the organisation where employees have requested reduced working hours.	£67,900
TOTAL FOR PEOPLE/PROCESS		£616,800
PROCEEDS		
22	Consider an increase in the Council Tax by £5 for a Band D property in 2017/18 (in line with Government expectations).	£88,000
23	New rental stream from the recent investment in property in Southampton Road (as per Executive report).	£110,000
24	New rental stream from letting office space within the Civic Offices to new tenants.	£59,000
TOTAL FOR PROCEEDS		£257,000
PROCUREMENT		

	Description	Estimated saving
25	A recent review of the “ out of hours ” service has resulted in a decision to divert calls through the CCTV control centre rather than through third party.	£19,000
26	A recent review of the CCTV monitoring contract has resulted in savings being identified due to ongoing underspends.	£10,000
27	A food and friendship trial (linked to the meals on wheels) service has finished and will now be picked up under new voluntary sector arrangements.	£4,000
TOTAL FOR PROCUREMENT		£33,000

SUMMARY	
Priorities	£79,500
People/Process	£616,800
Proceeds	£257,000
Procurement	£33,000
Gross value of opportunities	£986,300
Severance Cost Totals*	£209,000

***Transition grant to be used to offset severance (£74k p.a. for 2 years)**

FAREHAM

BOROUGH COUNCIL

Report to Scrutiny Board

Date **24 November 2016**

Report of: **Director of Finance and Resources**

Subject: **REVIEW OF WORK PROGRAMME 2016/17**

SUMMARY

Items for the draft work programme of the Board for the year were agreed by the Board at its meeting on 17 March 2016 and endorsed by the Council at its meeting on 28 April 2016. The Board reviewed the work programme at its last meeting on 15 September 2016.

RECOMMENDATION

The Board is now invited to further review the work programme for 2016/17.

INTRODUCTION

1. At the meeting of the Board on 17 March 2016, members agreed items for the draft work programme of the Board for the current year, 2016/17. The work programme was subsequently confirmed by the Council at its meeting 28 April 2016 and reviewed at the last meeting of the Board on 15 September 2016. The Board's work programme is set out in Appendix A to this report.
2. The progress on actions since the last meeting of the Board is attached at Appendix B for information.

REVISIONS TO THE WORK PROGRAMME

3. Members are asked to note the following revisions to the work programme:
 - (i). The item titled 'Presentation by, and questioning of, the Executive Member for Leisure and Community' which was scheduled for this meeting has been removed from the 2016/17 work programme and will be reallocated in the 2017/18 work programme;
 - (ii). The item titled 'Review of Corporate Strategy and Corporate Priorities' has been moved from the 12 January 2017 meeting to the 16 March 2017 meeting; and
 - (iii). A report titled 'Vanguard Update' has been added onto the work programme for this meeting.

RISK ASSESSMENT

4. There are no significant risk considerations in relation to this report.

CONCLUSION

5. The Board is now invited to further review its work programme for 2016/17.

Background Papers:

Reference Papers:

Enquiries:

For further information on this report please contact Andrew Wannell. (Ext 4620)

SCRUTINY BOARD – DRAFT WORK PROGRAMME 2016/17

DATE	SCRUTINY BOARD ITEM
19 May 2016	Review of Work Programme 2016/17 Presentation from Head of Project Integra Receive minutes of meetings of Policy Development and Review Panels
23 June 2016	Review of Work Programme 2016/17 Presentation by, and questioning of, the Executive Member for Health and Housing Receive minutes of meetings of Policy Development and Review Panels
15 September 2016	Review of Work Programme 2016/17 Receive minutes of meetings of Policy Development and Review Panels
24 November 2016	Review of Work Programme 2016/17 Vanguard Update Review of the Medium Term Finance Strategy Receive the minutes of meetings of Policy Development and Review Panels
12 January 2017	Preliminary overall review of work programme 2016/17 and draft 2017/18 Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2017/18 Housing Revenue Account Budget and Capital Plans 2017/18 Receive minutes of meetings of Policy Development and Review Panels
16 March 2017	Final review of work programme 2016/17 and draft work programme 2017/18 Presentation by, and questioning of, the Executive Member for Planning and Development Review of Corporate Strategy and Corporate Priorities Receive minutes of meetings of Policy Development and Review Panels

Items to be assigned:

- Review of the implementation of the universal credit system and its impact on the residents of Fareham
- Minutes of meetings of the Portchester Crematorium Joint Committee (as appropriate)

SCRUTINY BOARD WORK PROGRAMME - PROGRESS SINCE LAST MEETING

APPENDIX B

Date of Meeting	Subject	Type of Item	Action by Board	Outcome	Link Officer
15 September 2016	Review of the Board's Work Programme	Review	<p>The Board considered a report by the Director of Finance and Resources which reviewed the Board's work programme for 2016/17.</p> <p>Members were invited to put forward suggestions for any items they would like to see included. Councillor Ford stated that he would like a report providing an Update on Vanguard. The Director of Finance and Resources addressed the Board and advised them that a report on Vanguard is planned to go to the Executive at its meeting on 7 November 2016. He suggested that should any member wish to scrutinise this report then an item could be added onto the Board's work programme at a later date.</p> <p>It was AGREED that the Board's work programme for 2016/17 be approved.</p>	Complete	Andrew Wannell
	Minutes of Meetings of Policy Development and Review Panels	Scrutiny	<p>The Board was asked to receive the minutes of the Policy Development and Review Panels held since 1 May 2016.</p> <p>(1) Minutes of Meeting Tuesday, 17 May 2016 of Planning and Development Policy Development and</p>		Andrew Wannell

			<p>Review Panel</p> <p>The Chairman of the Planning and Development Policy Development and Review Panel, Councillor A Mandry was invited to present the minutes of the meeting held on 17 May 2016.</p> <p>It was AGREED the minutes be received.</p> <p>(2) Minutes of meeting Tuesday, 19 July 2016 of Planning and Development Policy Development and Review Panel</p> <p>The Chairman of the Planning and Development Policy Development and Review Panel, Councillor A Mandry was invited to present the minutes of the meeting held on 19 July 2016.</p> <p>It was AGREED the minutes be received.</p> <p>(3) Minutes of meeting Tuesday, 24 May 2016 of Public Protection Policy Development and Review Panel</p> <p>The Chairman of the Public Protection Policy Development and Review Panel, Councillor M J Ford, JP was invited to present the minutes of the meeting held on 24 May 2016.</p>	<p>Complete</p> <p>Complete</p> <p>Complete</p>	
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			<p>review the minutes of the meeting held on 21 July 2016.</p> <p>Councillor Bayford referred to minute item 6, the Health Update. He informed the Board that he gave a brief presentation on the role of the Health and Housing Panel with regards to Health provision within the Borough, and offered to present the same presentation to the Board members as health provision has been identified by the Board previously as an issue that needs to be addressed.</p> <p>It was AGREED that:-</p> <p>(a) the minutes be received; and</p> <p>(b) the Chairman of Health and Housing provide a presentation to Board members at a briefing session to be confirmed.</p> <p>(7) Minutes of meeting, Wednesday 1 June 2016 of Leisure and Community Policy Development and Review Panel</p> <p>The Chairman of the Leisure and Community Policy Development and Review Panel, Councillor Ms S Pankhurst was invited to present the minutes of the meeting held on 1 June 2016.</p>	<p>Complete</p> <p>Date still to be confirmed.</p> <p>Complete</p>	
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			<p>It was AGREED the minutes be received.</p> <p>(8) Minutes of meeting Wednesday, 27 July 2016 of Leisure and Community Policy Development and Review Panel</p> <p>The Chairman of the Leisure and Community Policy Development and Review Panel, Councillor Ms S Pankhurst was invited to present the minutes of the meeting held on 27 July 2016.</p> <p>It was AGREED the minutes be received.</p> <p>(9) Minutes of meeting Thursday, 9 June 2016 of Streetscene Policy Development and Review Panel</p> <p>The Chairman of the Streetscene Policy Development and Review Panel, Councillor L Keeble was invited to present the minutes of the meeting held on 9 June 2016.</p> <p>It was AGREED the minutes be received.</p> <p>(10) Minutes of meeting Thursday, 14 July 2016 of Streetscene Policy Development and Review Panel</p> <p>The Chairman of the Streetscene Policy Development and Review Panel, Councillor L Keeble was invited to</p>	<p>Complete</p> <p>Complete</p>	
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			<p>present the minutes of the meeting held on 14 July 2016.</p> <p>Councillor Wood referred to minute item 7, Annual Report on Street Cleansing Service, and enquired as to what the Council's responsibility is with regard to the removal of weeds on the kerbside. The Director of Operations explained to the Board that the responsibility of the treatment of eradicating weeds was Hampshire County Council and the Borough Council's responsibility is to clear up the weeds once they have been treated and have died, as part of the street sweeping service.</p> <p>Councillor Ms Pankhurst asked for her thanks to be passed to the Operations Manager and his team for the hard work and extremely quick responses to reports of street cleansing issues.</p> <p>It was AGREED the minutes be received.</p>	Complete	
	Executive Business	Review	<p>The Chairman invited members to indicate if they wished to consider any other items of business dealt with by the Executive since the last meeting of the Board. There were no other items of Executive Business considered.</p>		Andrew Wannell

FAREHAM

BOROUGH COUNCIL

Minutes of the Planning and Development Policy Development and Review Panel

(to be confirmed at the next meeting)

Date: Tuesday, 6 September 2016

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor A Mandry (Chairman)

Councillor J E Butts (Vice-Chairman)

Councillors: K A Barton, S Cunningham, G Fazackarley, N J Walker and
C J Wood

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies of absence.

2. MINUTES

It was AGREED that the minutes of the Planning and Development Policy Development and Review Panel meeting held on 24 May 2016 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. FAREHAM TOWN CENTRE PARKING SURVEY - PRESENTATION

The Panel received a presentation from the Transport Planner (Planning Strategy and Regeneration) which provided information on the outcome of a recent survey undertaken on parking provision for the town centre, which will be used to inform the preparation of the Fareham Town Centre Regeneration Vision, and sought member's views on the results of the survey.

The presentation provided information on:

- The survey objectives
- The current parking provision in the town centre
- The methodology used for the survey
- The outcome and results summary for the inner stay car parks
- The outcome and results summary for the outer stay car parks

Members commented on the lack of signage and visibility of both the Fareham Shopping Centre Multi Storey car park and Lysses car park, and suggested that this is likely to be a significant reason as to why these car parks are underutilised.

It was also suggested that the loss of the Osborn Road Multi Storey car park would reduce the visitor attractiveness of the town centre, as it is significant in terms of parking numbers. However, it was also noted that this car park is in need of modernisation, with better sized parking bays and a more attractive appearance.

Lastly it was noted that a parking behaviour survey is planned to be undertaken in order to gain a better understanding as to why people choose to use one car park over another.

It was AGREED that:-

- (a) the Transport Planner (Planning Strategy and Regeneration) be thanked for his informative presentation; and
- (b) Officer's note Member's comments when preparing the Fareham Town Centre Regeneration Vision.

7. PORTCHESTER DISTRICT CENTRE PARKING SURVEY - PRESENTATION

The Panel received a presentation from the Transport Planner (Planning Strategy and Regeneration) which provided information on the outcome of a recent survey undertaken on parking provision for the Portchester District Centre, which will be used to inform the preparation of the Portchester District Centre Regeneration Vision, and sought member's views on the results of the survey.

The Survey provided the following information:

- The methodology used for the survey
- The dates of when the survey took place
- Analysis of the occupation levels of the short stay car parks
- Analysis of the occupation levels of the long stay car parks

The Panel enquired as to whether there was any data collected on the misuse of the car parks in respect of cars parking for longer periods than is permitted. The Transport Planner informed the Panel that he did not currently have this information but that he would liaise with the Head of Parking and Enforcement and would advise members accordingly.

The Portchester Ward Councillors' in attendance informed the Panel that all of the car parks within the District Centre were well used especially on a Wednesday which is the Portchester Market Day, and that this often results in complaints from the public who have difficulty in finding available spaces.

It was AGREED that:-

- (a) the Panel thank the Transport Planner (Planning Strategy and Regeneration) for his informative presentation; and
- (b) that Officers note Members comments on the results of the survey when preparing the Portchester District Centre Regeneration Vision.

8. PLANNING AND DEVELOPMENT POLICY AND DEVELOPMENT REVIEW PANEL WORK PROGRAMME

The Panel considered a report by the Director of Planning and Regulation which invited members to review the Panel's work programme for 2016/17.

It was AGREED that the Panel:-

- (a) agree the proposed Work Programme for 2016/17, as set out in Appendix A to the report;
- (b) noted the outcomes from matters considered at the Panel meeting on 19 July 2016, as set out in Appendix B to the report; and
- (c) noted the Planning and Development Executive Portfolio work programme for 2016/17, as set out in Appendix C to the report.

(The meeting started at 6.00 pm
and ended at 7.37 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Leisure and Community Policy Development and Review Panel (to be confirmed at the next meeting)

Date: Wednesday, 7 September 2016

Venue: Collingwood Room - Civic Offices

PRESENT:

Ms S Pankhurst (Chairman)

Mrs L E Clubley (Vice-Chairman)

Councillors: Mrs S M Bayford, M J Ford, JP, Mrs C L A Hockley,
D L Steadman and Mrs K K Trott

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies for absence received for this meeting.

2. MINUTES

It was AGREED that the minutes of the Leisure and Community Policy Development and Review Panel held on 27 July 2016 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman acknowledged the tour of various leisure and community sites within the Borough that Member's went on today. All Members agreed they enjoyed the tour and found it very useful.

The Chairman thanked the organisers of the tour which was reiterated by the Members.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OR ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. LONG ACRE SKATE PARK - PETITION

A petition comprising over 100 signatures has been received requesting a Skate Park at Long Acres in Park Gate.

Members discussed this Petition and the site which is a small play area. It was raised that a Skate Park is already in existence in Abshot Road which is within walking distance of Long Acres and that, at this time, there would be no consideration of a Skate Park at Long Acres due to the close proximity of another one. It was agreed that the Head of Leisure and Environmental Services will write to the Petitioner explaining the decision at this time.

7. MEMBERS TOUR - LEISURE & COMMUNITY FACILITIES

A discussion was held following the tour by Members throughout the day of leisure and community facilities across the Borough. All Members agreed the visits had been useful and they were pleased to have seen the new Holly Hill Leisure Centre and surrounding open space. A question was raised about the opening date for the Centre and although there is no confirmed date, this is likely to be towards the end of September 2016. An official opening will then follow.

Discussion followed about the work of the Coldeast Volunteers and the transformation to the pond and surrounding area within the past year. Looking forward, progress will be made on the community orchard and the network of paths which will go through the woodland area.

Members commented that we have so much open space but a small number of Rangers and whether consideration could be given to funding another Ranger. The Head of Leisure and Environmental Services highlighted the excellent work of the Rangers and many volunteers across the Borough who compliment this work. Discussion took place about an existing temporary Ranger post and whether consideration could be given to making this a permanent post. The Head of Leisure and Environmental Services stated that this would not be considered unless there was an obvious need, and the current arrangements are proving to be very effective and discussions are ongoing about the potential of combining some maintenance work with the Streetscene team.

8. COMMUNITY GRANT AWARDS

The Panel received a presentation of the Leisure and Community Manager in respect of changes to the Community Grant Scheme whereby the CATS Funding monies and Matched Funding are now combined, creating the Community Fund which has streamlined and simplified the process for applying and processing grant applications for everyone involved.

The presentation highlighted how funding applications are considered in terms of the longevity of the group and how they will continue to fund activities in the future, what financial contribution the group can make alongside FBC funding from, for example, other external funding streams. Accounts are scrutinised and the funding must be for a purpose that involves the wider community.

The presentation outlined the close working between Officers, the applicant group and Ward Councillors throughout the application process. This continues once funding is approved, not only to ensure monies are spent, with the opportunity for a return of any funds if there is an underspend, but also to see the improvements made for the benefit of the community. Auditing also takes place together with the signing of a Community Fund Use Agreement to ensure the return or recovery of monies.

Members discussed the auditing aspect of the Grants and the role of the Ward Councillor; the expectations that groups should contribute either financially or otherwise, for example, by providing labour, to show commitment; and how the application stage of the process looks in some details at available monies groups have access to that could be used to fund their project.

The Leisure and Community Manager was thanked for her presentation.

9. WESTBURY MANOR MUSEUM RE-MODELLING - VERBAL UPDATE

The Panel received a presentation from the Head of Leisure and Environmental Services in respect of the proposed changes to the Westbury Manor Museum.

The Head of Leisure and Environmental Services outlined the proposed changes to each floor and how the changes will bring an interactive visitor experience to the whole building in a change to the existing Museum layout where café and exhibits are separate.

Comments of interested parties have been taken on board and there will be separate office and restroom space for staff and volunteers. The ground floor will see a room available for community use; a larger café area; and a more open feel to the outside of the museum. On the first floor it is envisaged there will be open display cases and more interactive opportunities. The second floor will house two studios for arts and cultural focussed start-up businesses; storage space; and office/restroom space.

The timetable of works schedules the Museum to close in January 2017 with reopen due June 2017.

The Head of Leisure and Environmental Services was thanked for his presentation.

10. REVIEW OF WORK PROGRAMME

The Panel considered a report by the Director of Operations which reviews the Panels proposed Work Programme for 2016/17.

Members requested that a verbal update be given to the 18 January 2017 meeting in respect of the first three months since opening of the new Holly Hill Leisure Centre.

It was AGREED that:

- (a) the Panel note the revisions to the work programme:-
 - (i) the Open Spaces Improvement Programme has moved to the November meeting; and
 - (ii) two items were added to the September meeting, Community Grant Awards and Long Acre Skate Park

- (b) with the addition of an update on the Holly Hill Leisure Centre being added to the 18 January 2017 meeting, the Panel approve the current Work Programme for 2016/17.

(The meeting started at 6.00 pm
and ended at 6.56 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Streetscene Policy Development and Review Panel

(to be confirmed at the next meeting)

Date: Thursday, 8 September 2016

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor L Keeble (Chairman)

Councillor S D Martin (Vice-Chairman)

Councillors: Mrs L E Clubley, J M Englefield, G Fazackarley, R H Price, JP
and K A Barton (deputising for J E Butts)

**Also
Present:**



1. APOLOGIES FOR ABSENCE

An apology of absence was received from Councillor J E Butts.

2. MINUTES

It was AGREED that the minutes of the Streetscene Policy Development and Review Panel held on 14 July 2016, be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman asked for his thanks be passed on to the team who are currently undertaking improvement works at Wickham Road Cemetery. He is very impressed with the progress that is being made and the quality of the work being undertaken.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

In accordance with the Standing Orders and the Council's Code of Conduct, Councillor's J M Englefield and R H Price, JP declared a non-pecuniary interest in minute item 7 – Allotment Review – as they both have allotments within the Borough.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. REVIEW OF WORK PROGRAMME 2016/17

The Panel considered a report by the Director of Operations which invited members to review the work programme for 2016/17.

Councillor Keeble addressed the Panel and informed them that as part of the review of the Allotment Agreement there would be a Officer/Member working group set up to help with this review. The Panel was asked for volunteers for the working party, it was agreed that Councillor's Keeble and Mrs Brady be appointed to the working group.

Councillor Price requested a report on the challenges of recruiting Heavy Goods Vehicle (HGV) drivers be brought to the Panel at the next meeting. The Director of Operations agreed that a verbal report providing an update on the Council's upcoming recruitment campaign for HGV drivers can be provided at the October meeting.

Councillor Martin requested a report providing an update on Waste Prevention to be added to the 2016/17 work programme. The Director of Operations suggested that this be included on the work programme for the March meeting.

It was AGREED that:-

- (a) a verbal update on the outcomes of the recruitment campaign for HGV drivers be added to the 20 October meeting;
- (b) a report on Waste Prevention be added to the 3 March 2017 meeting;
and
- (c) subject to the inclusions of (a) and (b) above, the work programme for 2016/17 be approved.

7. ALLOTMENT REVIEW

Councillor's J M Englefield and R H Price, JP declared a non-pecuniary interest in this item as they both have allotments within the Borough.

The Panel considered a report by the Director of Operations which provided an update to the Panel on the provision of allotments within the Borough.

The Chairman addressed the Panel on this item and read out the following comments provided by Councillor Butts who was unable to attend the meeting: *'The agenda item on Allotments provides an opportunity to publicly thank the Horticultural Development Officer, Matt Wakefield for the sterling work he did to 'encourage' Southern Water to resolve the water supply issues at Sarisbury Allotments over the summer. We were within just a couple of days of major issues – crop and plant loss due to the dry conditions and no effective water supply – requiring all of Matt Wakefield's efforts, and contingency planning, to resolve before it was too late.'*

It was AGREED that the content of the report be noted.

8. ANNUAL REPORT ON RECYCLING

The Panel considered a report by the Director of Operations which provided an annual update on the performance of the recycling facilities within the Borough.

The Panel enquired as to whether Officer's had reconsidered the possibility of collecting food waste. The Director of Operations informed members that the situation regarding food waste has not changed since this was last considered, and that the capital and revenue costs involved with implementing this service could not be justified against the small amount of difference that the collection of food waste would make to the Council's recycling figures.

The Recycling Co-Ordinator also addressed the Panel to remind them that there is a visit to the Energy Recovery Facility (ERF) and Material Recovery Facility (MRF) arranged for 19 October 2016, if any Members are interested in going please let her know.

It was AGREED that the content of the report be noted.

(The meeting started at 6.00 pm
and ended at 6.45 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Health and Housing Policy Development and Review Panel

(to be confirmed at the next meeting)

Date: Thursday, 22 September 2016

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor B Bayford (Chairman)

Councillor F Birkett (Vice-Chairman)

Councillors: Mrs M Brady, Mrs C Heneghan, S D Martin, Ms S Pankhurst
and D L Steadman

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. MINUTES

It was AGREED that the minutes of the Health & Housing Policy Development and Review Panel held on 21 July 2016 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at the meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. HEALTH UPDATE

The Panel received a verbal update from the Chairman on local health issues.

The Chairman reported that, unfortunately, there has not yet been any improvement in the use of the Fareham Community Hospital.

The Chairman also reported that NHS England is currently focussing on producing Multi-year Sustainable Transformation Plans to ensure that health and care services are built around the needs of local populations. The Hampshire Plan is being led by the Chief Officer of the Fareham and Gosport Clinical Commissioning Group. More information should be available on this at the next Panel meeting when Members are due to receive an update from the Fareham & Gosport Clinical Commissioning Group on local health priorities.

7. SOCIAL & AFFORDABLE HOUSING UPDATE

The Panel received a verbal update from the Head of Housing, Revenues and Benefits on the Social and Affordable Housing Programme. The following updates were provided:

- The Council has now taken possession of Stevenson Court. Potential tenants for 13 of the 16 flats have been identified and the first tenants are likely to start moving in after 10 October 2016. Arrangements will now be made for Members to visit Stevenson Court as agreed at the last meeting.

- A site visit took place last week to Sylvan Court. The building is looking fantastic and possession will take place towards the end of the year.
- Guidance is awaited from central government on longer term future Social and Affordable housing plans as there is an indication that there is a need for a greater variety of tenures to be provided. In the meantime, the Council is continuing to take up the opportunities that arise through Housing Associations.

The Chairman advised that as the designs of Sylvan Court and Collingwood Court are very similar, arrangements will be made for Members to view Sylvan Court when it is completed.

The Chairman also advised that an Officer/Member Working Party has been set up to review and consider the Council's new Housing Strategy. The Officer/Member Working Party includes the Executive Member for Health & Housing and the Executive Member for Planning. The Panel will be given the opportunity to comment on the outcomes before they are recommended to the Executive.

It was AGREED that the Head of Housing, Revenues and Benefits be thanked for her verbal update.

8. WELFARE REFORM UPDATE

The Panel considered a report by the Head of Housing, Revenues and Benefits which provided an update on Welfare Reforms.

It was AGREED that the Panel note the content of the report.

9. VANGUARD PRESENTATION AND REPORT ON COUNCIL HOUSING REPAIRS & MAINTENANCE

The Panel received a presentation by the Planned Maintenance Manager on changes made as a result of the Vanguard interventions. The presentation highlighted what the building services team do, how they used the 'systems thinking' approach to understand what matters to customers and how to improve and measure performance.

The Panel also considered a report by the Director of Operations on Council Housing Repairs and Maintenance covering all aspects of the service delivered to residents for the first quarter of 2016/17.

It was AGREED that the Panel:-

- a) thank the Planned Maintenance Manager for a very informative presentation; and
- b) note the content of the report.

10. TENANCY MANAGEMENT REPORT

The Panel considered a report by the Director of Operations on the performance of Tenancy Services with regard to rent arrears, management of empty homes, anti-social behaviour, estate services and tenant involvement.

Members welcomed the reduction in rent arrears to 1.66% of the projected annual rent debit and requested that for future reports, the illustrative graph provided in the report include the previous year's data for comparison purposes.

It was AGREED that the Panel note the content of the report.

11. REVIEW OF THE WORK PROGRAMME 2016/17

The Panel considered a report by the Director of Operations which reviewed the Work Programme for 2016/17.

It was AGREED that the Work Programme for 2016/17 be approved.

(The meeting started at 6.00 pm
and ended at 7.45 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Streetscene Policy Development and Review Panel

(to be confirmed at the next meeting)

Date: Thursday, 20 October 2016

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor L Keeble (Chairman)

(Vice-Chairman)

Councillors: J E Butts, Mrs L E Clubley, R H Price, JP and K A Barton
(deputising for G Fazackarley)

Also Present: Councillor's; Miss T G Harper, Executive Member for
Streetscene (item 8), S Cunningham (item 9), Mrs C Heneghan
(item 9) and M J Ford, JP (item 9)



1. APOLOGIES FOR ABSENCE

Apologies of absence were received from Councillor's; G Fazackarley, S D Martin and J M Englefield.

2. MINUTES

It was AGREED that the minutes of the Streetscene Policy Development and Review Panel held on 8 September 2016, be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement:

Hampshire Waste and Recycling Centres are currently unable to accept Fridges or Freezers. This has impacted Fareham Borough Council as these items were collected under the bulky waste collection service, which has now been suspended.

The Director of Operations informed the Panel that this problem is not related to the review that is currently being undertaken by Hampshire County Council in relation to the operation of the Household Waste Recycling Centres. He went on to explain that it is believed to be a temporary problem and that Hampshire County Council is working with the Environment Agency and DEFRA to try and resolve this issue.

Members will be updated further when more information is available.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. REVIEW OF WORK PROGRAMME 2016/17

The Panel considered a report by the Director of Operations which reviewed the Panel's work programme for 2016/17.

It was AGREED that the work programme for 2016/17, as set out in Appendix A to the report, be approved.

7. OUTCOME OF RECRUITMENT CAMPAIGN

The Panel received a verbal update by the Refuse, Recycling and Transport Manager on the outcome of the recent recruitment campaign for HGV drivers.

She informed the Panel that there were 4 vacancies, and due to the change in recruitment methods by expanding the advertisement remit which promoted a high level of applicants, they have successfully filled all 4 posts.

The Panel thanked the Refuse, Recycling and Transport Manager for her update.

8. ANNUAL REVIEW OF GROUNDS MAINTENANCE SERVICE

The Panel considered a report by the Director of Operations on an annual review of the Grounds Maintenance Service.

At the invitation of the Chairman Councillor Miss T Harper, Executive Member for Streetscene addressed the Panel on this item.

The Panel asked several questions regarding the frequency of grass cutting, if any money from developers is provided for grass cutting on new developments, the pressures on the service as new land is taken into the Council's control and the issues surrounding identifying who is the responsible authority for grass cutting on land.

The Panel were informed that the grass cutting is down approximately 14 times a year, with the maximum that can be achieved being 16, but the frequency will depend on weather conditions throughout the year. In relation to developer contributions, the Panel were informed that through the 106 agreements that developers are required to pay an element of that will be for grass cutting, and that these agreements are generally for 10 years. The Director of Operations informed the Panel that the status of the grass cutting service is regularly evaluated especially as new land is taken on to ensure that the service can be maintained and delivered within the confines of the current budget. Lastly the Panel were informed that Fareham Borough Council has been working closely with Hampshire County Council on a mapping exercise to identify land ownership. This will result in a comprehensive map being produced clearly showing the ownership of each plot of land, which will make future enquires much simpler to respond to.

It was AGREED that the content of the report be noted.

9. MEMBERS OPEN FORUM

The Chairman invited Councillor Ford to address the Panel as he had submitted a question.

His question was "Given that we have a commercial arm to our waste collection service in order to generate income, does the same apply to our grounds maintenance function? For example, would we 'sell' our grass cutting service to other (Public Service) organisations such as schools?"

The Chairman provided the following response "The issue of 'selling' the Council's services such as grass cutting and other grounds maintenance operations is a matter that Officers will be exploring in greater detail in the future. The Grounds team already provide a small amount of minor works for

local sports clubs such as pitch marking and grass cutting. This year it is estimated that the above work will provide an income of approximately £1,000. This is in addition to the Street Cleansing service that provides litter bin emptying and litter picking for Hampshire Countryside and a bin emptying service for the English Heritage Site at Titchfield Abbey. This provides an income of around £2,600 per annum for the Operations team.

Caution is needed when progressing this proposal, particularly with regard to the scale of the work as smaller contracts and parcels of work can place additional operational demands on the team without always providing enough income for any additional resources. The scenario can place an extra burden on the existing maintenance teams that in turn can have a detrimental effect on the standards of maintenance achieved with the current grounds operations undertaken in the Borough.

Larger value contracts may need significant up-front capital investment to provide the necessary vehicles and equipment to undertake the work and also carry a risk that, after the initial term, the contract will not be won at the next attempt thus resulting in the need to dispose of the acquired assets. This type of contract also requires a significant amount of Officer time to be spent on the tendering process to ensure the bid not only has a chance to succeed but is also sustainable and affordable for the Council. This can place a high demand on the existing management resource that could lead to issues with the day to day operation all without any security that a bid will be successful.

Recently, the Grounds team have taken over the grounds maintenance of Daedalus Airfield and this has provided a saving in maintenance costs for the airfield operator and therefore in turn, for the Council. The Grounds service is also expanding annually as new areas of land are adopted in the Borough each year, most recently, the large and on-going Coldeast development. Officers need to ensure the service is not overstretched and is best placed to undertake the maintenance of these additional parcels of land without compromising the existing standards achieved generally in the Borough so that any further expansion of the service by selling its operations to others is sustainable for the service.

It is understood that the Portchester Crematorium Grounds Maintenance contract will shortly come up for tender and Officers are already looking into this as a viable option to submit a tender for the Council's services, as the work is located within the Borough and would be complimentary to the teams portfolio of work.

Officers in Streetscene are currently busy working with Hampshire Highways to secure a new agency agreement for Highway grass, shrub and hedge maintenance. The existing agreement comes to an end in Spring 2017 and Officers are working to ensure that existing maintenance standards are not compromised for the residents of Fareham and that Fareham Borough Council continue to provide this service.

Another project that Officers are looking to explore over the coming year is the option of bringing grounds maintenance work that is currently outsourced to private contractors back as an in house service. Officers will be evaluating if

work such as the Hedge and Sports Maintenance contract and a number of other smaller parcels of work could be brought back in house cost effectively. There would be a need for some capital investment in vehicles and plant to realise this proposal but there are a number of advantages that this option could provide:

- A more flexible management of the hedge and sport tasks by having direct control of the operational staff.
- Increased range of equipment available to the team and therefore, the opportunity to provide an income from selling the specialist operations to others.
- Ability to absorb small amounts of additional work without any extra cost compared to the current contractual arrangements requiring any extra work to be funded by an agreed scheduled rate.
- Greater team resilience and flexibility through more staff resource and equipment.

In summary, the priority for the team is to first secure a new Highway Maintenance Agency Agreement, then fully evaluate the potential to bring existing outsourced contract work back in house. Following this to ensure that the Grounds Maintenance team are in a strong and stable position before exploring further the expansion of our services to outside bodies. In the meantime, this would not preclude consideration being given for small items of work to be 'sold' if this can be achieved without compromising the existing service provision."

At the Invitation of the Chairman Councillor's Cunningham and Mrs Heneghan addressed the Panel on this item.

The Chairman thanked Officers and Members for their participation in the Members Open Forum.

(The meeting started at 6.00 pm
and ended at 7.08 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Executive

(to be confirmed at the next meeting)

Date: Monday, 10 October 2016

Venue: Collingwood Room - Civic Offices

Present:

S D T Woodward, Policy and Resources (Executive Leader)
T M Cartwright, MBE, Public Protection (Deputy Executive Leader)
Miss S M Bell, Leisure and Community
K D Evans, Planning and Development
Miss T G Harper, Streetscene
Mrs K Mandry, Health and Housing

Also in attendance:

B Bayford, Chairman of Health and Housing Policy Development and Review Panel
Mrs S M Bayford, Chairman of Scrutiny Board
Mrs P M Bryant, Chairman of Licensing and Regulatory Affairs Committee
M J Ford, JP, Chairman of Public Protection Policy Development and Review Panel
L Keeble, Chairman of Streetscene Policy Development and Review Panel
A Mandry, Chairman of Planning and Development Policy Development and Review Panel



1. APOLOGIES FOR ABSENCE

There were no apologies given for this meeting.

2. MINUTES

RESOLVED that the minutes of the Executive held on the 05 September 2016 be confirmed and signed as a correct record.

3. EXECUTIVE LEADER'S ANNOUNCEMENTS

The Executive Leader placed on record his thanks to all Officers who were involved with the Holly Hill Leisure Centre project, for which the official opening took place earlier that day. The project has reached a successful conclusion and is one of the largest projects in the history of the Council.

Olympic Gold Medalist, Adam Peaty formally opened the Leisure Centre which marked his first official opening and he met members of the public, including the many youngsters who were in attendance.

Reiterating his thanks to Officers and to the Members who were involved, the Executive Leader stated that this long awaited Leisure Centre will bring many benefits to people across the Borough.

4. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

5. PETITIONS

There were no Petitions submitted at this meeting.

6. DEPUTATIONS

There were no Deputations made at this meeting.

7. MINUTES / REFERENCES FROM OTHER COMMITTEES

There were no minutes or references from other committees brought to this meeting.

8. LEISURE AND COMMUNITY

(1) Holly Hill Play and Recreational Facilities

RESOLVED that the Executive approves £130,000 from the section 106 contributions for outdoor sport and recreation for the construction of a new multi-use games area and items of outdoor equipment on the land adjacent to Holly Hill Leisure Centre.

9. POLICY AND RESOURCES

(1) Medium Term Finance Strategy

RESOLVED that the Executive agrees:

- (a) the Council's finance strategy and the budget guidelines for 2017/18, as set out in the finance strategy document attached to this report; and
- (b) to submit the update Pay Policy, annexed to the Medium Term Finance Strategy, to Council for approval.

(2) Efficiency Savings

RESOLVED that the Executive:-

- (a) notes the proposed reductions in the staffing establishment, as set out in the report;
- (b) agrees the proposal to meet redundancy costs from transitional grants and existing establishment budgets; and
- (c) agrees the savings under the headings "procurement", "proceeds and "priorities" subject to a decision by the Council on the 2017/18 council tax at the appropriate time.

(3) Commercial Acquisition

RESOLVED that the Executive:-

- (a) agrees to the purchase of the commercial investment; and
- (b) approves the of terms set out in confidential Appendix A.

(The meeting started at 6.00 pm
and ended at 6.16 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Executive

(to be confirmed at the next meeting)

Date: Monday, 7 November 2016

Venue: Collingwood Room - Civic Offices

Present:

S D T Woodward, Policy and Resources (Executive Leader)
T M Cartwright, MBE, Public Protection (Deputy Executive Leader)
Miss S M Bell, Leisure and Community
K D Evans, Planning and Development
Miss T G Harper, Streetscene
Mrs K Mandry, Health and Housing

Also in attendance:

B Bayford, Chairman of Health and Housing Policy Development and Review Panel
Mrs S M Bayford, Chairman of Scrutiny Board
M J Ford, JP, Chairman of Public Protection Policy Development and Review Panel
A Mandry, Chairman of Planning and Development Policy Development and Review Panel
Mrs M Brady, for Item 9(2)
S Cunningham, for Item 8(1)
P J Davies, for Items 8(1) and 9(2)
Mrs K K Trott, for Items 8(1) and 9(1)



1. APOLOGIES FOR ABSENCE

There were no apologies given for this meeting.

2. MINUTES

RESOLVED that the minutes of the Executive held on the 10 October 2016 be confirmed and signed as a correct record.

3. EXECUTIVE LEADER'S ANNOUNCEMENTS

There were no announcements made by the Executive Leader at this meeting.

4. DECLARATIONS OF INTEREST

There were no Declarations of Interest made at this meeting.

5. PETITIONS

There were no Petitions submitted at this meeting.

6. DEPUTATIONS

Deputations were received from Suzanne Freeman representing First Port at Homefayre House, and from PC Darren Graham of Hampshire Constabulary, both for item 8(1) – Public Spaces Protection Order.

7. MINUTES / REFERENCES FROM OTHER COMMITTEES

There were no references from other committees presented at this meeting.

8. PUBLIC PROTECTION

(1) Public Spaces Protection Order

Deputations on this item was received from Suzanne Freeman representing First Port at Homefayre House and PC Darren Graham of Hampshire Constabulary.

At the invitation of the Executive Leader, Councillors P J Davies, Mrs K K Trott and S Cunningham addressed the Executive on this item.

RESOLVED that the Executive agrees to implement a Public Spaces Protection Order under section 59 of the Anti-Social Behaviour, Crime and Policing Act 2014.

9. POLICY AND RESOURCES

(1) Vanguard Progress

At the invitation of the Executive Leader, Councillor Mrs K K Trott addressed the Executive on this item.

RESOLVED that the Executive agrees:

- (a) to waive Contract Procedure Rules in order to extend the existing contract with the Vanguard Consultancy; and
- (b) to fund the extension of the existing contract from the spending reserve surplus to be replenished by subsequent savings from further interventions.

(2) Development of sites at 96 Highlands Road and 2 Fareham Park Road

At the invitation of the Executive Leader, Councillors P J Davies and Mrs M Brady addressed the Executive on this item.

RESOLVED that the Executive:

- (a) agrees in principle with the development of the site of the former Hampshire Rose Public House and No 2 Fareham Park Road for affordable housing;
- (b) approves a capital budget of up to £2,850,000 for the implementation of the development; and
- (c) agrees, in principle, that Aspect Building Communities Ltd should be the preferred method of delivery for the site.

(3) Finance Monitoring Report 2016/17

RESOLVED that the Executive notes the Revenue and Capital Budget Monitoring Report.

(4) Treasury Management Monitoring Report 2016/17

RESOLVED that the Executive notes the Treasury Management Monitoring Report for 2016/17.

(The meeting started at 6.00 pm
and ended at 7.09pm).

