

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 7 September 2015

<b>Portfolio:</b>	Policy and Resources
<b>Subject:</b>	<b>Annual Review of the Corporate Strategy 2011-2017</b>
<b>Report of:</b>	Director of Finance and Resources
<b>Strategy/Policy:</b>	Corporate Strategy 2011-2017
<b>Corporate Objective:</b>	All Corporate Objectives Apply

**Purpose:**

The Council's performance management framework requires the Executive to undertake an annual review of the corporate vision and priorities. The purpose is to confirm future priorities and to update the wording where necessary. The outcome of the review will influence the budgets and local service agreements for the next financial year.

**Executive summary:**

The Corporate Strategy provides a clear focus on the most important issues that need to be addressed for 2011 – 2017. This annual review is an opportunity to consider the progress being made in delivering the corporate priorities and to assess the impact of any other influences on the Council's services and initiatives.

**Recommendation/Recommended Option:**

That the Executive recommends to Council the amendments to the strategy document, as set out in paragraph 9 of this report, along with any other amendments arising from the review.

**Reason:**

To meet the requirements of the Council's performance management framework.

**Cost of proposals:**

The financial implications of amending any of the Council's priorities would need to be calculated and reflected in the Council's medium term financial strategy.

**Appendix A:** Corporate Strategy 2011 - 2017

**Background papers:** Annual Audit Letter Year ending 31 March 2014, Ernst & Young LLP, 30 October 2014

Audit Results Report for the year ended 31 March 2014, Ernst & Young LLP, 22 September 2014

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## BOROUGH COUNCIL

### Executive Briefing Paper

**Date:** 7 September 2015

**Subject:** Annual Review of the Corporate Strategy 2011-2017

**Briefing by:** Director of Finance and Resources

**Portfolio:** Policy and Resources

#### INTRODUCTION

1. The Council's performance management framework requires the Executive to undertake an annual review of the corporate vision and priorities. The purpose is to confirm future priorities and update the wording where necessary. The outcome of the review will influence the budgets and local service agreements for the next financial year.
2. This is the fourth review of the Corporate Strategy 2011 -2017, which was adopted by the Council on 23 June 2011. A copy is attached as Appendix A.
3. Any changes proposed to the wording will need to be approved by the Council, because the Corporate Strategy comes within the Council's policy framework under the Constitution.

#### ISSUES FOR CONSIDERATION

##### Progress in delivering corporate priorities

4. The Strategy contains a number of Corporate Priorities for improvement. Progress on each item is listed below.

##### Affecting all Priorities

- The Welborne Plan was been adopted by the Council, on 8 June, following examination by an independent planning inspector.

##### Protect and Enhance the Environment

- An electric vehicle charge point was installed in Civic Way's North car park, as part of the roll out of charge points across the County. Up to two cars can make use of this facility at one time, with charging taking as little as thirty minutes.
- The Council was successful in retaining the Green Flag awards at the Sensory Garden in Fareham town centre and Holly Hill Woodland Park for the 6<sup>th</sup> and 7<sup>th</sup> consecutive years respectively. It is also the 11<sup>th</sup> consecutive year that the Council has received the Gold Award at the South and South East in bloom awards.
- The Council's recycling rate has continued to reflect regional and national trends and now stands at 35%. This is a drop of 0.5% compared to 2013/14, but still the 3<sup>rd</sup>

highest rate in Hampshire. The Council is working with Project Integra, a partnership of all Hampshire waste collection and disposal authorities, to improve recycling rates throughout the county.

#### Maintain and Extend Prosperity

- The Council has taken ownership of the land at Daedalus, which is comprised of the airfield and the East/West Enterprise Zone development areas.
- £1.5m of runway improvement works, at Daedalus, have been completed and represent an important step to allowing a greater variety of planes to use the airfield.
- The development of the Centre of Excellence in Engineering and Manufacturing Advanced Skills Training (CEMAST), a new campus for all automotive, engineering and manufacturing courses at Fareham College, has now been completed with the first students starting in September 2014. Improvement works, at the Bishopsfield Road campus, are due to be completed this month.
- The Council officially took control over Fareham Innovation Centre, at Daedalus, on 26 March following the completion of the £5.3m facility.
- The Solent Local Enterprise Partnership (LEP) approved a business case, made by the Council, for the provision of services and infrastructure for Daedalus West. The Council will invest £4.5m into the site and in return the Solent LEP has agreed that Business Rate growth will be retained by the Council.
- £90m of government funding for transport infrastructure on the Fareham-Gosport peninsula has been secured via the Solent Local Enterprise Partnership. The funding is focused on unlocking the potential of both Welborne and Daedalus as key development sites within South Hampshire. Works are underway to deliver improvements to Newgate Lane North, and plans are also in place to re-route Newgate Lane South and make improvements to the A27, between Station Roundabout and Segensworth. Approximately £15m of the funding is identified to contribute towards the cost of improving Junction 10 of the M27.
- The Council have been providing mentoring, for smaller businesses, to help deliver improvements and growth within Fareham town centre.
- The recession has affected businesses in the town centre, but it is hoped that the new owners of the Shopping Centre will help deliver improvements to growth and development in the area.

#### A Safe and Healthy Place to Live and Work

- The Environmental Health Partnership was successful in winning a Silver Award, in the 'delivering through efficiency' category, at the Improvement and Efficiency (IESE) Awards. The award recognised the Partnership's work in reducing costs whilst improving the quality of service.

#### Leisure for Health and Fun

- Planning permission has been secured for the construction of a new leisure centre and sports pitches at Coldeast. Holly Hill leisure centre is due to be opened in the summer of 2016.
- New skate parks have been installed at Park Lane and Abshot Road, providing improved leisure facilities for young people.
- The reconstruction of the Salterns Promenade and adjacent cycleway has been completed, following nearly £230,000 of investment from the Council.
- Refurbishment works have been completed on the cricket pavilion at Bath Lane Recreation Ground. The dilapidated clubhouse for Fareham and Crofton Cricket Club has been demolished and a replacement was opened in April.

### A Balanced Housing Market

- The Development Sites and Policies plan was adopted by the Council, on 8 June, following examination by an independent planning inspector.
- Collingwood Court has been completed, providing 23 one bedroom and 17 two bedroom, sheltered housing, apartments. Construction of Sylvan Court, 36 one and two bedroom set of flats, is currently underway and due to be completed in mid-2016.
- Construction on Stevenson Court, 16 affordable rented one bedroom flats located at Palmerston Avenue, is underway and is scheduled for completion in early 2016.
- Construction is also underway at Cold East Close, Sarisbury Green, on six two bedroom rented homes. Being built to the Passivhaus standard these new homes are expected to be very energy efficient. Once complete, this is scheduled to be in April 2016, these homes will be rented to people on the Council's Housing Waiting List.

### Strong and Inclusive Communities

- The Council has agreed to provide funding for the core work of Fareham Citizens Advice Bureau (CAB) until 2017/18. An additional £35,000 of funding, for Housing Debt Advice as well as Budgeting and Council Tax advice, has been agreed for the current financial year.
- £94,000 of funding has been secured, for the Fareham Park Project, through the 'Our Place' initiative. This funding will be used to review and improve the employment and training opportunities for young people in the Fareham Park area.
- The Council has changed how Community Action Teams (CATs) work. Most CAT meetings will now take place when there is a local 'hot topic' of interest to residents. The five CAT areas have been split up into 10 smaller areas, which more closely reflect the local communities in Fareham. An Engagement Officer post has also been created to replace the five CAT officer roles, which will allow for more engagement with residents.
- Engagement with residents via social media continues to grow. Since September 2014, the number of Twitter followers has increased by nearly 470 to approximately 3,500. The amount of people liking the Council's Facebook page grew by over 650 and we now have nearly 3,800 likes.
- The Council has continued to engage residents with regular consultations. Over 200 residents commented on the design plans for Holly Hill Leisure Centre. This was followed by a naming exercise in which almost 500 local school pupils voted. There have been a number of recent consultations related to play area improvements. The spring saw people comment on the final modifications to both the Welborne Plan and Development Sites and Policies Plan.

### Dynamic, Prudent and Progressive Council

- The Council's work, with the Vanguard Method, has achieved over £380,000 of on-going savings; whilst improving services delivered to the residents of the Borough. The points below highlight some of the key service improvements that have been achieved to date:
  - The time taken to process benefit claims has fallen from 17 days to 10 days and customers now deal with a single employee.
  - The average time to complete a day-to-day repair on a Council property has fallen from 89 days to 7 days. Tradesmen are now able to access a customer's property on the first visit in 96% of cases.
  - Within Parking Enforcement there has been a 50% reduction in the number of challenges received by the Council.
  - The new way of working, within Development Management, has seen the average time taken to process planning applications fall from 56 days to 36

days. This includes the statutory consultation period, required on planning applications.

- The savings achieved, with the Vanguard Method, allowed the Council to give mainstream employees a 4% pay rise in April. This rise re-establishes the gap between the lowest pay scale and the national minimum wage and also recognises the work being done by all employees, following a number of years with little or no pay rise.
- The Council received a Certificate of Excellence at the 2015 Improvement and Efficiency Awards, hosted by IESE, in recognition of the work that has been done with the Vanguard Method.
- The Council Tax collection rate was 98.61% in the 2014/15 financial year, which compares with a national average of 97.0%.
- The Council has invested nearly £5.9m as part of the Commercial Property Investment Acquisition Strategy. Five properties including 2 Sainsbury's and a Tesco store have been acquired. The purchases are generating £432,000 per annum for the council, representing an initial yield of 7.3%.
- The Council's efficiency plan remains on track and achieved savings of £804,000, during 2014/15.

### **The changing face of Local Government**

5. Following the General Election, in May, the UK has its first Conservative Government for nearly 20 years. The policies outlined in the July Summer Budget present a number of challenges for local government to tackle over the next five years.
6. The Government have announced the introduction of a National Living Wage of over £9 an hour by 2020. From April 2016 the Minimum Wage, for over 25s, will be £7.20 with further increases over the next several years to achieve the 2020 goal. The increases to wages will put additional pressure on the Council, by eliminating the gap between the Minimum Wage and the lowest rates of pay. Analysis of the Council's current pay scales shows that every point below the start of a LG3 is currently below the 2020 target.
7. The Government is aiming to run at a surplus in the 2019/20 financial year. The precise details of cuts are due to be announced in November, but this goal means that there are likely to be further cuts within local government for the foreseeable future.
8. Reforms of the welfare system, including the roll-out of Universal Credit, will result in significant changes to the system and potentially increase the pressure on services delivered by the Council. There are also proposals to reduce rents for social housing by 1% a year for 4 years, which will reduce the rental income collected by the Council.
9. Public sector pay rises have been set at 1% for 4 years from the start of next year. This cap on pay rises will limit the pressure on the Council's budget, but may cause problems with retaining and recruiting employees, because there is no such cap within the private sector.
10. The Cities and Local Government Devolution Bill is currently being considered by Parliament. The Bill outlines the Government's plans for devolution to councils across England and Wales. There is the potential for Fareham Borough Council to form part of a combined authority, similar to what has happened in Manchester and Cornwall. Work is underway to develop a proposal for a combined authority across the whole of Hampshire, but what powers will be devolved has yet to be agreed with the Government.

## **Any matters arising from reviews and/or inspections**

11. The most recent figure available, estimating the population of Fareham, remains the mid-2013 estimates from the Office for National Statistics. The population of the Borough is currently estimated to be 113,600.
12. The Office of the Surveillance Commissioners looked at the Council's RIPA structure and management arrangements and concluded that these were in good health and that the Council had made sensible use of these powers. A single recommendation was made and action taken, with a revised policy being approved by the Executive in February 2015.
13. The Welborne Plan and Development Sites & Policies Plan have both been accepted by the Planning Inspectorate. Both plans were adopted at a meeting of the Council on 8 June 2015.
14. The Annual Review Letter from the Local Government Ombudsman set out the number of complaints received and decided during the financial year 2014/15. During 2014/15 the Local Government Ombudsman received and made decisions on eight complaints. There was a single case, where the complaint was upheld against the Council, which related to a housing complaint. The findings and recommendation from the Local Government Ombudsman were accepted, including a small remedy payment.

## **Annual Audit**

15. The Council's external auditors, Ernst & Young, annual audit letter and annual governance report provide an overall assessment of the Council. Both documents cover the Council's accounts for the year ended 31 March 2014.
16. The Council was overall found to have made appropriate arrangements to ensure the efficiency and effectiveness in the use of resources.
17. The assessment for the 2014/15 financial year is expected to be presented to the Audit and Governance Committee later this year.

## **Any matter arising from consultation with local residents, partners or interested bodies**

18. There was no Residents' Survey this year, so there are no matters arising from this.

## **FINANCIAL IMPLICATIONS**

19. The financial implications of delivering the Council's priorities have been recognised within the budget planning process. Any significant changes to the Corporate Strategy 2011 – 2017 will need a financial appraisal to identify resources.

## **PROPOSALS**

20. Overall, the Corporate Strategy remains on track and it is proposed that the Executive recommends that the council approves the following minor changes to the Corporate Strategy document. Appendix A, attached to this report, includes a copy of the Corporate Strategy that incorporates these changes.

- Update the population of the Borough, from 112,800 to 113,600, to reflect the most up to date estimates available (Profile of Fareham, page 3).
- Amend the details regarding the investment, in provision of new swimming pool, to £9m based on the actual costs for the development of the leisure centre (Profile of Fareham, page 4).
- Amend the third paragraph to reflect the changes that have been made to Community Action Teams (Profile of Fareham, page 4).  
“Listening to residents’ views is essential to the Council and helps in the delivery of better services. Community Action Team (CAT) meetings take place when there is a local ‘hot topic’ of interest to residents. There are 10 CAT areas based upon each of the local communities in Fareham. An online Customer Engagement Panel has also been formed to help the Council be open and transparent; whilst also helping customers to better understand its business.”
- Amend the paragraph about the priority to maintain and extend prosperity to say (Our Priorities, page 6).  
“To **maintain and extend prosperity** by working with others to continue to support and promote the economic vitality of the Borough. Developing and improving vibrant town and district centres offering a range of shopping, leisure and employment opportunities, together with the delivery of an employment-led vision for Daedalus will be vital to achieving this priority.”
- Amend priorities 4a and 4b to reflect the developments at Daedalus over the past year (Our Priorities for Improvement, page 8).  
“4a) Develop a vision for Daedalus, to explain how the Council’s land-holding will be used to deliver employment opportunities, community benefits and hangar space, supported by a viable airfield.  
4b) Work with the Solent Local Enterprise Partnership and partners to deliver a thriving aviation-led employment area at the Solent Enterprise Zone at Daedalus.”
- Merge priorities 8a and 8b to create a combined priority 8 (Our Priorities for Improvement, page 9).  
“8) Development of land at Coldeast with the construction of a new leisure centre and provision of new community facilities including sports pitches, parkland, play area and a cemetery.)
- Re-number priority 11 to 11a (Our Priorities for Improvement, page 9).
- Create a new priority 11b (Our Priorities for Improvement, page 9).  
“11b) Bring forward proposals for affordable housing development through the new local housing company.”
- Remove paragraph discussing the Sustainable Community Strategy, because there is no longer a requirement to have this, following the implementation of the Deregulation Act 2015 (Strategic Framework, page 10).
- Amend the Strategic Framework diagram to reflect the removal of the Sustainable Community Strategy (Strategic Framework, page 12).

## CONCLUSION

21. This report is a key stage in the Council’s performance management framework. The Executive is invited to report the Corporate Strategy 2011 – 2017 so that the Council’s priorities can be reflected in the budgets and local service agreements for the next financial year.

**Reference Papers:** None