

HAVANT BOROUGH COUNCIL

Scrutiny Board

21 December 2016

Review of the Budget 2017/2018

FOR RECOMMENDATION

KEY DECISION NO

REPORT BY: Budget Scrutiny and Policy Development Panel

1.0 EXECUTIVE SUMMARY

1.1 The review was established to analyse the formation process for the 2017/18 budget.

2.0 RECOMMENDATIONS

2.1 The Scrutiny Board recommend to Cabinet:

2.1.1 to agree to the transfer of the responsibilities and associated budgets for all current economic development events and the responsibility for the mayoral service to the Community Team;

2.1.2 to consider the appointment of a full or part time Funding Officer within the Community Team with the aim that this post be self funding and to enable the Council to take greater advantage of external funding;

2.1.3 to consider committing the Council to a major investment scheme in 2017/18 that will act as the catalyst for town centre regeneration; and

2.1.4 the regular economic status reports be reinstated.

2.2 The Scrutiny Board be recommended to adopt the budget scrutiny process undertaken this year as a model for future budget scrutiny projects.

3.0 RESOURCES:

3.1 The transfer of the responsibilities and associated budgets for all current economic development events, to the Community Team. Together with the responsibility for the mayoral service will not lead to additional staffing costs. This will reduce the costs of the Business Economy and Town Services Team by approximately £30,000 in 2017/18; the exact budget to be agreed between the two teams involved.

3.2 The appointment of a Funding Officer would have an additional financial cost and would need to be budgeted. However, the creation of this post will free

up officer time and has the potential to attract more external funding for community events, organisations or facilities, which should reduce the financial burden on the Council.

- 3.3 The production of regular updates on the economic status of the Borough will have small financial impact on the budget of the Business Economy and Town Services Team.

4.0 LEGAL:

- 4.1 In relation to the transfer of events and in order to ensure public safety, all large scale events are subject to a Safety Advisory Group meeting. The Council issues licences for events are arranged in liaison with the Estates team.

5.0 STRATEGY:

- 5.1 The delivery of financially sustainable services is a key commitment in the Councils' Corporate Strategy.

6.0 RISKS:

- 6.1 In relation to the transfer of events, risks associated with large scale events are covered at the Safety Advisory Group and advice and guidance given to the event organiser.

7.0 COMMUNICATIONS:

- 7.1 Events enable positive news stories for the Council. At this time all communication regarding this report has remained an internal process.

8.0 FOR THE COMMUNITY:

- 8.1 Events are often well attended by local residents and can increase visitor numbers. The delivery of financially sustainable services, which are affordable for customers will benefit the community.

9.0 METHODOLOGY

- 9.1 This review was undertaken to review the budget proposals for 2017/18. It was agreed that the review would be carried out investigating a sample of services as follows:

- a) Early thoughts discussions' with six services.
- b) Discussion with the Leader of the Council and the Chief Finance Officer on the strategic direction for the budget 2017/18.
- c) Deep Dive' sessions with three of the services reviewed at a) above.

9.2 Full details of the methodology of the project are set out in a separate Findings Pack.

10.0 KEY FINDINGS

10.1 Norse South East JVC

The Norse South East JVC had only been operational since April 2016 and time is needed to enable the working practices between the Council and the Norse JVC to become fully efficient and effective before a detailed investigation into the Environmental Services budget is undertaken. In the meantime the Operations, Environmental Services and Norse South East Scrutiny and Policy and Development Panel can monitor progress and make recommendations to the Scrutiny Board.

10.2 Planning Services

The Panel was pleased to learn that despite restrictions placed on how Planning Services could raise income, a number of innovative actions and initiatives had been put in place to generate more income and reduce the financial burden of this service upon the Council.

10.3 Community Team

Funding Officer

10.3.1 The Panel was impressed with the work of the Community Team and in particular how this team use a small financial outlay to attract additional external funding for major schemes and events in the Borough e.g. Front Lawn Recreation Scheme.

10.3.2 The Panel consider that the work of the team could be improved further, if the Council appointed a full time or part time Funding Officer who could keep up to date with available external funding opportunities and identify groups/schemes that could benefit from these funds. Such a post would not only reduce the financial demands upon the Council, but benefit the community as a whole.

Events

10.3.3 The Panel endorses the transfer of the responsibilities and associated budgets for all current economic development events, to the Community Team together with the responsibility for the mayoral service. It was seen as a sensible move that would result in efficient use of limited resources and streamline internal responsibilities.

10.3.4 The Community Team no longer directly deliver the range of events it used to and has moved away from direct delivery, focussing instead on supporting community groups to manage local events or to commission partners to deliver on the Council's behalf. A similar approach to the economic

development events will reduce the financial burden on the Council and benefit the community as a whole.

- 10.3.5 This transfer will also enable the economic development service to focus on delivering the Prosperity Havant agenda.

10.4 **Neighbourhood Support**

- 10.4.1 The Panel was impressed with the work of the Neighbourhood Support Service and endorses their direction of travel for 2017/18 towards more efficient and effective ways of working. The Panel in particular acknowledges that car parking charges will not increase in 2017/18, until a review of the service has been completed including a full analysis of data received from new car parking payment machines.

10.5 **Economic Development**

- 10.5.1 The Panel consider that there is room for improvement in the following areas:

Investment in Major Schemes

- 10.5.2 Although the Team has been investigating ways of improving town centres and other potential forms of development in the Borough, there has been no commitment to any one scheme. The Panel was concerned at the prospect of £50k-£100K outlay to determine the viability of the Brockhampton Farm site for development, believing such expenditure would be better spent revitalising the town centres. As a public sector body the Council is able to borrow at very attractive rates compared to external private organisations. This represents an advantage for the Council as a reduced cost of borrowing increases the profitability margin for investment.

- 10.5.3 Areas in need of development or redevelopment have been identified and the Panel consider that the Council should take advantage of the borrowing rates and invest in a major scheme in 2017/18 in one of these areas. It acknowledges the exploratory work to understand what has been achieved in other parts of the South. The Panel thought there was a need to establish partnerships with other outside bodies and developers to take this work forward at an increased tempo. Redevelopment of town centres that includes a residential element would reinvigorate those areas and help address the Objective Assessment of Housing Need (OAHN).

Economic Status of the Borough

- 10.5.4 The Council has ceased providing updates on the economic status of the Borough. These updates proved valuable across the Council and it is the view of the Panel that they should be reinstated at the earliest opportunity using the resource that has been freed up by the transfer of economic development events to the Community Team.

The Role of the Team

10.5.5 The Panel strongly endorses the current review into the role of the team by the Economy, Planning, Development and Prosperity Havant Scrutiny and Policy Development Panel. Despite having three meetings (one 'early thoughts' and two 'deep dives') comprising almost six hours of discussion, the Panel still remain unsure as to what they do. There was no indication of priorities and there did not appear to be clear targets.

Appendices

Appendix – Comments on Final Report

Background Papers

[Findings Pack](#)

Contact: Councillor Gary Hughes
Title: Scrutiny Lead for the Budget Scrutiny and Policy Development Panel
Telephone: 02392 374152
E-Mail: gary.hughes@havant.gov.uk