



## NOTICE OF MEETING

<b>Meeting:</b>	<b>Overview and Scrutiny Committee</b>
<b>Date and Time:</b>	<b>Tuesday, 19 January 2010 at 7.00 pm</b>
<b>Place:</b>	<b>Civic Offices, Fleet</b>
<b>Telephone Enquiries to:</b>	<b>01252 774141 (Mrs G Chapman)</b> <a href="mailto:gill.chapman@hart.gov.uk">gill.chapman@hart.gov.uk</a>
<b>Members:</b>	<b>Neighbour (Chairman), Axam, Butler C, Davies, Gotel, Haffey, Healey, Hunt, Murr, Radley JE, Street</b>

G Bonner  
Chief Executive

CIVIC OFFICES, HARLINGTON WAY  
FLEET, HAMPSHIRE GU51 4AE

---

## AGENDA

**COPIES OF THIS AGENDA ARE AVAILABLE IN LARGE PRINT  
AND BRAILLE ON REQUEST**

### **1 MINUTES**

The minutes of the meeting of 15 December 2009 are attached to be confirmed and signed as a correct record. **Paper A**

### **2 APOLOGIES FOR ABSENCE**

### **3 CHAIRMAN'S ANNOUNCEMENTS**

**4 DECLARATIONS OF INTEREST (PERSONAL AND PERSONAL AND PREJUDICIAL)**

**5 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)**

**6 HOUSING SERVICES REVIEW**

Oral update on progress.

**7 FEEDBACK FROM SERVICE BOARDS**

Oral feedback from members.

**8 WASTE COLLECTIONS IN SEVERE WEATHER**

Paper to follow. **Paper B**

**9 2010/11 BUDGET UPDATE REPORT**

This report provides the Committee with an opportunity to comment on the budget update report considered by Cabinet on 14 January 2010. **Paper C**

**RECOMMENDATION**

1 That the Committee notes the budget update report and amended savings target.

2 That the Committee notes that work is continuing to identify further options to balance the 2010/11 budget.

**10 STRATEGIC OPTIONS FOR FUTURE MANAGEMENT OF LEISURE CENTRES**

To present the findings of a consultant's report on the Council's options for the strategic management of its leisure centres, and to recommend action to be taken in this regard. **Paper D**

**RECOMMENDATION**

That the Committee agree the broad approach to the future management of its leisure centres as set out below.

**11 DRAFT COMMUNITY ENGAGEMENT STRATEGY**

To seek the Committee's views on the draft Community Engagement Strategy, attached as an appendix to this report. **Paper E**

## **RECOMMENDATION**

That the Committee consider and express their views on the draft Community Engagement Strategy.

### **12 REVIEW OF FUTURE DELIVERY OF CLOSED CIRCUIT TELEVISION (CCTV) SERVICE**

To advise members on the options for the future delivery of the CCTV service.  
**Paper F**

## **RECOMMENDATION**

That the Committee consider the options for the future delivery of the service and whether it wishes to advise which it considers merit further detailed work.

### **13 PERFORMANCE MANAGEMENT FRAMEWORK**

To advise members on the new Performance Management Framework. **Paper G**

## **RECOMMENDATION**

That the committee considers the new Framework and whether it wishes to make any comments on its content or approach.

### **14 CABINET WORK PROGRAMME**

The Cabinet Work Programme is attached for information. **Paper H**

### **15 OVERVIEW AND SCRUTINY WORK PROGRAMME**

The Overview and Scrutiny Work Programme is attached for consideration and amendment. **Paper I**

**Date of Despatch: 12 January 2010**

## OVERVIEW AND SCRUTINY

**DATE OF MEETING**      **19 JANUARY 2010**

**TITLE OF REPORT:**      **SEVERE WEATHER AND WASTE COLLECTIONS -  
LESSONS LEARNT**

**Report of:**              **Corporate Director**

**Cabinet member:**      **Councillor Stephen Parker, Environment**

### **1 PURPOSE OF REPORT**

The purpose of this report is to provide Overview and Scrutiny Committee with a briefing about how refuse and recycling was collected during the severe weather which occurred before, during and after the Christmas period. The report will then identify areas for improvement. The results from this analysis have been used to formulate a new, proposed emergency plan for waste collections. The Council's current emergency plan for waste collections is attached as Appendix 1 of this report. The new draft plan is attached as Appendix 2.

### **2 OFFICER RECOMMENDATION**

That Overview and Scrutiny debate the suggested amendments to the emergency plan and either endorse the new plan or provide a steer for an alternative amended plan.

### **3 BACKGROUND**

3.1 Hart District Council has an emergency plan which provides guidance on how the Environmental Services Team should operate in emergency situations. This includes severe weather and also when there are high levels of sickness i.e. Flu Pandemic and staff are unable to work. It gives clear guidance to the priorities of waste collections and how staff should be utilised.

3.2 The priorities for waste collection are:

- |                 |                      |
|-----------------|----------------------|
| 1 <sup>st</sup> | Residual             |
| 2 <sup>nd</sup> | Clinical             |
| 3 <sup>rd</sup> | Recycling            |
| 4 <sup>th</sup> | Litter Bin Clearance |
| 5 <sup>th</sup> | Garden Waste         |
| 6 <sup>th</sup> | Glass                |
| 7 <sup>th</sup> | Bulky Waste          |
| 8 <sup>th</sup> | Street Sweeping      |

3.3 The policy also states that the suspending of the collection of recycling, glass and garden waste should be considered in poor weather.

3.4 In this recent incidence of severe weather, snow started during the night of 17 December and collections were suspended on Friday 18<sup>th</sup> December 2009. Collections

recommenced on Monday 21<sup>st</sup> December, with collections being made to those black bins missed on the Friday and those due on the Monday.

3.5 Collections were suspended again on Tuesday 22<sup>nd</sup> December and re-commenced on Tuesday 29<sup>th</sup> December 2009.

3.6 On Christmas Eve, the following message was put on the Council's website :

"Whilst the weather has improved many of the estate roads and footpaths are still covered with compacted snow and ice which has made it necessary to suspended collections again today.

Weather permitting we will be resuming normal collections on Tuesday 29<sup>th</sup> December when both blue and black bins as well as glass due for collection on Christmas Day will be collected. From Tuesday onwards collections will be in accordance with the published collection calendar for the Christmas period.

Any **black bins** not collected to date should be put out on Tuesday 29<sup>th</sup> December. Whilst we cannot confirm the day on which these will be collected, additional vehicles will be operating over the period between Christmas and New Year catching up on any black bins which have been missed to date.

Any **blue bins** or **glass** not collected to date will now not be collected until the next scheduled collection date, when any excess will be picked up. If any excess is left next to the bins in bags please ensure these are left open and do not tie them up.

See the Council's website for details of the collection arrangements over the Christmas period and for the latest information on the disruption due to the severe weather. If you are a facebook user then you can also get regular updates on the council's face book site at [www.facebook.com/HartDistrictCouncil](http://www.facebook.com/HartDistrictCouncil).

Happy Christmas and apologies for any inconvenience caused".

3.7 A catch-up plan was put together which established an additional crew to go out on Tuesday 29<sup>th</sup>, Wednesday 30<sup>th</sup> and Thursday 31<sup>st</sup> December and collect the black bins that were missed on 22<sup>nd</sup>, 23<sup>rd</sup> and 24<sup>th</sup> December. This is in accordance with the Council's emergency plan as detailed in Appendix I of this report.

3.8 The catch -up plan instructed to all other crews was to start their normal Christmas Calendar Collections on Tuesday 29<sup>th</sup> December 2009 collecting either blue or black bins due. For example Tuesday 29<sup>th</sup> they would collect all bins normally a Friday collection, Wednesday 30<sup>th</sup> collect those normally a Monday Collection and so on. This element of the plan was not in accordance with the Council's emergency plan and unfortunately it meant that a large number of residents who had missed black bin collections before Christmas did not receive a clear up collection until after the Christmas break.

3.9 On 29<sup>th</sup> December a decision was made to revert to the established policy for all crews to focus on the collection of black bins which had been missed.

- 3.10 However, due to the sheer volume of waste (accentuated by the additional waste that is created at Christmas time) the clear up was not completed until Tuesday 5<sup>th</sup> January.
- 3.11 Further snow occurred on Wednesday 6<sup>th</sup> January and collections had to be suspended again until Tuesday 12<sup>th</sup> of January. On the 12<sup>th</sup> January crews focused on collecting the black bin back log from the previous Tuesday. Accessible glass bank and litter bins were also collected. More snow on the 13<sup>th</sup> meant that collections had to be suspended again.

## **4 ANALYSIS OF EMERGENCY ACTIONS**

- 4.1 The Council's current policy is to focus on the collection of all black bins, this is to ensure that all food waste is collected as quickly as possible. The down side of this approach is that it widens the level of disruption across the District. It was because of this that the Head of Service moved away from the established policy and refuse collection crews were instructed to return to normal Christmas calendar collections. This move was undertaken with the best intentions. However, the move created an inconsistency of approach and the information was not well communicated.
- 4.2 In addition to this, there were a number of other communication and back office failings. The depot was operational on 29<sup>th</sup>, 30<sup>th</sup> and 31<sup>st</sup> of December. In previous years, the telephone lines were diverted from the contact centre to the depot on the days that the Civic Offices were closed. This year telephone calls to the Council were taken by the Capita contact centre in Southampton, which was open on 29<sup>th</sup>, 30<sup>th</sup> and 31<sup>st</sup> but the lines were still transferred to the depot. This meant that the depot staff were attempting to field a very high number of calls whilst also trying to organise the crews. A voicemail message was left for the large number of calls which could not be answered. However, this message was incorrect and for technical reasons the staff at the depot could not change it. This further increased the frustration of residents.
- 4.3 External communications could also have been better, website updates were slow and members were not adequately informed of collection arrangements.
- 4.4 This analysis is not meant to be critical of the individuals involved. Both the collection crews and office staff worked hard and with best intentions to clear refuse as quickly as possible. The next section of this paper makes some suggestions about what could be changed to make collections more effective in future bouts of severe weather.

## **5 PROPOSALS FOR IMPROVEMENT**

### **Policy**

- 5.1 The Council needs to question whether its' current policy is fit for purpose. The current policy "shares the pain" of the disruption across the district and ensures the food waste is collected swiftly. Whereby attempting to resume normal collections as quickly as possible ignoring the priorities for waste collection minimises the disruption for a larger number of residents. Both of these approaches have merits and weaknesses. The Council needs to make a decision about which approach is favoured and then apply this approach consistently.
- 5.2 This paper is assuming that the Council does keep the hierarchy of waste collection

and focuses on collecting black bins in times of bad weather. However, it is proposed that litter is moved above recycling collections in the priority order.

- 5.3 It is also proposed that the collection arrangements should be varied, depending on how many days collections are suspended. The details of this are set out in the proposed new emergency collection plan in Appendix 2 of this paper.
- 5.4 In addition to the above, the Council could adopt some new approaches to collections, including :

- Key Collection Points

There are some areas of the District which will be far more accessible than others, for example, Reading Road South. The Council could establish a number of these points and residents could take their bagged refuse to them. The Council could identify a number of sites on main thoroughfares where refuse trucks will be able to get to and publicise these points in the refuse collection calendar.

- An Established Collection Route

Alternatively, the Council could establish a "red route" across the district and arrange for the County Council to ensure that this route is gritted. The Council will then collect all refuse along this route and as in the option above residents can bring their refuse to this point in order that it may be collected. The red routes could be aligned to the Hampshire Priority One and Two Routes which would increase the prospect of the County Council gritting the road.

- 5.5 The Council could also adopt a policy of collecting what it can, when it can. This may not be a wholly equal way of doing things but it will enable the Council to collect as much refuse as possible, leaving a smaller back log for when the weather does improve.
- 5.6 The Council will also need to consider how it prioritises the catch up once the bad weather has ceased. Again this can be based upon the principles of minimising disruption and returning to normal as soon as possible, lengthening the back log for some people or "sharing the pain" and lengthening the overall period of disruption. At the time of writing the catch up plan was utilising additional crews to catch up with the collection of black bins and attempting to return to normal collections as soon as possible.

### **Communications**

- 5.7 One of the key reasons for the Council outsourcing its' central services was to improve its' resilience. Calls to the Council are now answered by Capita's contact centre in Southampton, providing access to a much larger contact centre, which is open between Christmas and New Year. In future years, the call centre in Southampton will take all of the waste calls and will advise residents of the current situation. A protocol has been drawn up to ensure effective information flows between depot and Capita staff.

- 5.8 Up-to-date information will also be put on the website. The Council now has a group of nominated staff who are contactable 24/7 to update the website and depot staff will receive training to enable them to update the website. Depot staff will also send emails to all members informing them of the current situation.
- 5.9 In addition, it is proposed that local media are utilised to provide information. Regular press releases will be sent to both the Basingstoke gazette and Fleet news. Eagle FM can also be utilised to inform residents of when they can expect collections to take place.

## **6. CONCLUSION**

All of the above changes have now been incorporated into the new emergency plan in Appendix 2 of this paper. It is proposed that Overview and Scrutiny Committee debate the above proposals and suggest any further amendments.

Contact: Emma Broom, extension 4450, email [emma.broom@hart.gov.uk](mailto:emma.broom@hart.gov.uk)

Appendices:

Appendix 1 – Waste Management Contingency Plan  
Appendix 2



**HART DISTRICT COUNCIL****WASTE MANAGEMENT CONTINGENCY PLAN****Introduction**

This document is to provide guidance on how the Environmental Services Team should operate in emergency situations including when due to high levels of sickness i.e. Flu Pandemic staff are unable to work. It gives clear procedures as to the priorities of waste collections that should be made and how staff should be utilised.

These procedures will be used by the nominated person in charge at the depot on the day i.e. duty Streetcare Officer. This person will be responsible for making the decision regarding what vehicles and crews leave the yard dependant on the staff available.

In the case of bad weather the duty officer, Quality & Safety Supervisor and Unison Health & Safety Representative will decide on whether or not it is safe for vehicles and crews to leave the yard. This will also depend on the number of staff that have been able to get into work.

The decision of this group will be final but must be based upon safety issues including the safety of the crews and residents.

**Procedures**

In case of emergency the following actions should be taken to ensure essential services are delivered.

**Essential services in case of emergency**

- Refuse collection to be carried out fortnightly and extra waste to be taken.
- Recycling would be suspended if for a short period however, after time recycling would be put out as normal and collected.
- Clinical Waste needs to be maintained due to its classification.

Appendix I attached gives details of priorities of collections.

**Non-essential services in order of priority in case of emergency**

- **1<sup>st</sup> Residual**
  - **2<sup>nd</sup> Clinical**
  - **3<sup>rd</sup> Recycling**
  - **4<sup>th</sup> Litter Bin Clearance**
  - **5<sup>th</sup> Garden Waste**
  - **6<sup>th</sup> Glass**
  - **7<sup>th</sup> Bulky Waste**
  - **8<sup>th</sup> Street Sweeping**
-

**Equipment required carrying out essential services - Refuse Collection only on fortnightly basis**

- 3 standard refuse collection vehicles and 1 Small 7.5 tonne vehicle
  - Personal protective equipment and clothing. All staff should be in possession of PPE. However if replacements are required please see supplier sheet.
  - Fuel. Fuel cards will be in operation however, the depot does have a supply on site if required.
  - Disposal point. This is unlikely to change in case of Depot closure. Should this be an issue Hampshire CC will find an alternative disposal site. Refer to Disposal site contingency plan kept in operations. The Contingency Plan for disposal sites will be as the agreed Emergency Plan.
- 

**Staff required to carry out essential services – Refuse Collection only on fortnightly basis**

- 7 Loaders (2 per vehicle and 1 on Small Truck) ~ please see loader/driver check sheet attached.
- 3 HGV drivers and 1 7.5 tonne driver ~ see loader/driver check sheet attached.
- 1 Manager (minimum)
- Minimum of 2 support services staff. To offer advice and to make adhoc requests.

**Working Hours**

Waste collections are not to start before 6.30am. Staff are contracted to work until 2.50pm but on a Group Task and Finish System.

**Communication**

It is important that any decisions affecting the collections made are communicated to the residents. Firstly all information should be given to the Contact Centre either via email, telephone or fax as soon as possible after the decision has been made. At the same time all Councillors and Internal Staff should be advised of the decision as well.

At the same time arrangements should be made to update the website via the appointed person, currently this is Tony Broome.

**Office/Yard Cover**

At the same time as crews may be affected it is also likely that Streetcare Officers etc will be affected and we need to consider who can carry out their work in an emergency.

Streetcare Officers – Normal requirement is one person in from 5.45am to ensure that crews are in and sort out the vehicles they will work on as well as ensure we have agency cover for those not available. In an emergency they will decide which services are carried out or not on that day.

SCO's are Lynne Broome, Philip Mundy and Angela Nash.  
Alternative cover can be provided by  
Mark Hatherly (Loader)  
Tony Neal (Quality & Safety Supervisor)  
Tony Broome (Waste Management Officer)  
Sarah Incher (Waste & Recycling Manager)

Yard Cover is required by the "Safe Systems of Work for Springwell Lane Depot Fuelling and Transport Movements" which has been approved by the HSE and the Corporate Health & Safety Committee. This system of work is attached as Appendix 2. This requires one trained Banksman to undertake the control of vehicles out in the morning and back in, in the afternoon, including parking requirements.

Trained Yard Cover  
Tony Neal (Quality & Safety Supervisor)  
Mark Hatherly (Loader)  
Jason Howarth (Loader/Small truck Driver)  
Ashley Maund (technical & Admin Officer)

**STAFF AND EQUIPMENT REQUIRED  
TO CARRY OUT ESSENTIAL SERVICES**

<b>SERVICES TO BE PROVIDED</b>	<b>STAFF REQUIRED</b>	<b>VEHICLES REQUIRED</b>
<b>REFUSE/RECYCLING ONLY</b>	7 HGV Drivers 1 x 7.5 tonne driver	7 x 26 tonne Refuse Collection Vehicles 1 x 7.5 tonne vehicle
<b>REFUSE ONLY - weekly</b>	7 HGV Drivers 1 x 7.5 tonne driver	7 x 26 tonne Refuse Collection Vehicles 1 x 7.5 tonne vehicle
<b>GLASS</b> FORTNIGHTLY	2 Hgv Drivers 5 loaders 1 x 7.5 tonne Driver	2 x 18 tonne Toploaders 1 x 7.5 tonne Vehicle
MONTHLY	2 HGV Drivers 4 loaders	1 x 18 tonne Toploaders 1 x 7.5 tonne Vehicle and 1 x 18t Toploader part time
<b>CLINICAL</b>	1 Driver and 1 Loader – one day per week (Wednesday)	1 x 3.5 tonne Box Van
<b>GARDEN</b>	7 HGV Drivers 1 x 7.5 tonne driver	7 x 26 tonne Refuse Collection Vehicles 1 x 7.5 tonne vehicle
<b>BULKY</b>	1 Driver and 1 Loader – two days per week (Monday and Thursdays)	1 x 3.5 tonne Box Van

**Staff Unavailability**

	<b>Up to 1 day</b>	<b>2 – 5 days</b>	<b>≥ 1 week</b>
<b>Frontline Staff</b> Up to 25%	This would impact significantly on the service. Priority core services would be maintained with agency staff or extended working hours.	Services to be maintained through use of agency staff and suspension of some non-priority services.	Services to be maintained through use of agency cover, suspension of some non-priority services and sharing labour from other Environment service areas. Consideration of suspension of recycling, glass and garden collections.
Up to 50%	This would significantly impact on the service. Priority core services would be maintained with agency staff or extended working hours. Consideration of suspension of recycling, glass and garden collections	Services to be maintained through use of agency staff and suspension of some non-priority services. If staff do not arrive for work then priority will be given to the more urban rounds. Consideration of suspension of recycling, glass and garden collections	Services to be maintained through use of agency cover, suspension of some non-priority services and sharing labour from other Environment service areas. If staff do not arrive for work then priority will be given to the more urban rounds. Consideration of suspension of recycling, glass and garden collections.
Up to 75%	Services to be maintained through use of agency staff and suspension of <b>all</b> non-priority services and sharing labour from other Environment service areas. Cancellation of Kerbside recycling	Services to be maintained through use of agency staff and suspension of <b>all</b> non-priority services and sharing labour from other Environment service areas. Cancellation of Kerbside recycling	Serious service issues will arise at this level of absence. Some services to be maintained through use of agency staff and suspension of <b>all</b> non-priority services and sharing labour from other

	considered with catch up the following week.	considered with catch up the following week.	Environment service areas. Consideration given to suspension of collection of kerbside recycling indefinitely and special arrangements and advice to the public on alternative storing and collection arrangements.
<b>Street Cleansing Staff</b>			
Up to 25%	No impact on service provision. Spare vehicles available.	Limited impact. Spare vehicles available. Staff to work extended working hours if required.	Limited impact. Spare vehicles available. Staff to work extended working hours if required.
Up to 50%	No impact on service provision. Spare vehicles available	Limited impact, provided vehicle breakdowns is minimal. Spare vehicles available. Staff to work extended working hours if required.	Limited impact, provided vehicle breakdowns is minimal. Spare vehicles available. Staff to work extended working hours if required.
Up to 75%	No impact on service provision provided vehicle breakdowns are minimal. Spare vehicles available.	Significant impact on service provision. Alternative resource would be required.	Serious impact on service provision, as vehicles require safety checks to comply with regulations. Alternative resource would be required or vehicle hire with maintenance considered.

In an emergency all staff will be utilised for the priority services including the Street Cleansing Crews. Sweepers Drivers will be utilised to cover other vehicles as required. Litter Pickers will have to be used to cover bin collections as required.

Agency Cover will need to prior warn agency companies of the increased need for their staff to be available for our services. Abacus and Rapier are the two main companies we use and are fully aware of the Councils requirements in an emergency. Extra staff will need to be trained to carry out services in our area.

### **Depot facilities**

<b>Office Accommodation</b>	No impact on service provision. Operations co-ordinated from Civic Centre depot and/or home.	No impact on service provision. Operations co-ordinated from Civic Centre depot and/or home.	No impact on service provision. Operations co-ordinated from Civic Centre depot and/or home.
<b>Depot Access and Parking</b>	Limited impact on day one. Alternative secure storage required for the refuse fleet at other sites possibly neighbouring Local Authorities.	Significant impact in relation to secure overnight parking. Alternative secure storage required for the refuse fleet at other sites possibly neighbouring Local Authorities.	Serious impact for secure overnight parking. Alternative secure storage required for the refuse fleet at other sites possibly neighbouring Local Authorities.

**HART DISTRICT COUNCIL****WASTE MANAGEMENT CONTINGENCY PLAN****Introduction**

This document is to provide guidance on how the Environmental Services Team should operate in emergency situations including when due to high levels of sickness i.e. Flu Pandemic staff are unable to work. It gives clear procedures as to the priorities of waste collections that should be made and how staff should be utilised.

These procedures will be used by the nominated person in charge at the depot on the day i.e. duty Streetcare Officer. This person will be responsible for making the decision regarding what vehicles and crews leave the yard dependant on the staff available.

In the case of bad weather the duty officer, Quality & Safety Supervisor and Unison Health & Safety Representative will decide on whether or not it is safe for vehicles and crews to leave the yard. This will also depend on the number of staff that have been able to get into work.

The decision of this group will be final but must be based upon safety issues including the safety of the crews and residents.

**Procedures**

In case of emergency the following actions should be taken to ensure essential services are delivered.

**Essential services in case of emergency**

Refuse and Recycling Collections to be undertaken as per the priorities below:

- **1<sup>st</sup> Residual**
  - **2<sup>nd</sup> Clinical**
  - **3<sup>rd</sup> Litter Bin Clearance**
  - **4<sup>th</sup> Recycling**
  - **5<sup>th</sup> Garden Waste**
  - **6<sup>th</sup> Glass**
  - **7<sup>th</sup> Bulky Waste**
-



- 8<sup>th</sup> Street Sweeping
- 

In cases where refuse collections have to be completely suspended, once re-started, the catch up- plan will operate as per the table below:

NUMBER OF DAYS MISSED	BIN TYPE	WHAT WILL HAPPEN	CREWS AND VEHICLES	EXTRA REQUIREMENTS
1	<p><b>BLACKS</b> Normal</p> <p>Small Truck</p>	<p>Black Bins for missed day and today – Normal Crews x 6</p> <p>Black Bins – Small Truck – need to put extra vehicle out to help collect if this is the week for blues if not suspend blue collections and they transfer to helping normal crews collecting blacks</p> <p>Blue Bins – Suspended for missed day</p>	<p>7 Crews</p> <p>Normal Crew plus extra crew of Driver and loader</p>	<p>Driver plus loader</p> <p>2<sup>nd</sup> Small Truck</p>

	<p><b>BLUES</b></p> <p><b>GLASS</b></p> <p><b>GARDEN</b></p> <p><b>BULKY</b></p> <p><b>CLINICAL</b></p>	<p>and today</p> <p>Glass Collections – Missed Day suspended and collect normal day</p> <p>Garden Waste – Suspend missed collection day and collect normal day</p> <p>Bulky Waste – If any, postpone collections and move to next available date.</p> <p>Clinical Waste – If any, can be postponed to next week or collected by Litter Crews</p>		
2	<p><b>BLACKS</b></p> <p>Normal</p> <p>Small Truck</p>	<p>Black Bins for missed days – Normal Crews split between crews</p> <p>Black Bins – Small Truck – need to put out second Small Truck and Small Glass Truck to collect. This will need extra staff which could be made up from Bulky/Sweeper/Agency. However, if blue bins tjhis week then suspended collections and divert crew to help other crews collecting blacks</p> <p>Black Bins due today collected by Glass Collection crews and vehicles</p>	<p>Normal 7 crews</p> <p>Normal Crew plus 2 more crews of Driver and Loader</p>	<p>2 more crews of Driver and Loader</p> <p>2<sup>nd</sup> Small Truck</p> <p>Small Glass Truck</p>

	<p><b>BLUES</b></p> <p><b>GLASS</b></p> <p><b>GARDEN</b></p> <p><b>BULKY</b></p> <p><b>CLINICAL</b></p>	<p>with back up from Routes</p> <p>Blue Bins – Suspended for missed day and today</p> <p>Glass Collections – Missed Day suspended and they collect today</p> <p>Garden Waste – Suspend missed collection day and collect normal day</p> <p>Bulky Waste – If any, postpone collections and move to next available date.</p> <p>Clinical Waste – If any, can be postponed to next week or collected by Litter Crews</p>		
<p><b>3</b></p>	<p><b>BLACKS</b> Normal</p>	<p>Black Bins for missed days on basis of earliest first – Normal Crews x 6 plus 2 Glass Crews and Garden Waste Crew (may need to call in extra vehicles to undertake this as only one of our Garden Waste vehicles has lifts)</p>	<p>Normal 7 crews plus Glass &amp; Garden Crews</p>	<p>Glass Crews and vehicles</p> <p>Garden Waste Crews and vehicle</p> <p>May need to call in extra vehicle and agency crews</p> <p>2 more crews of</p>

	<p>Small Truck</p> <p><b>BLUES</b></p> <p><b>GLASS</b></p> <p><b>GARDEN</b></p> <p><b>BULKY</b></p> <p><b>CLINICAL</b></p>	<p>Black Bins – Small Truck – need to put extra vehicle out to help collect – again start on the earliest first</p> <p>Blue Bins – Suspended for all missed days and today</p> <p>Glass Collections – Suspended for all missed days and today</p> <p>Garden Waste – Suspended for all missed days and today</p> <p>Bulky Waste – If any, postpone collections and move to next available date or Litter Crews can undertake</p> <p>Clinical Waste – If any, can be postponed to next week or collected by Litter Crews</p>	<p>Normal Crew plus 2 more crews of Driver and Loader</p>	<p>Driver and Loader</p> <p>2<sup>nd</sup> Small Truck</p> <p>Small Glass Truck</p>
<p><b>4</b></p>	<p><b>BLACKS</b> Normal</p>	<p>Black Bins for missed days on basis of earliest first – Normal Crews x 6 plus 2 Glass Crews and Garden Waste Crew (may need to call in extra vehicles to undertake this as only one of our Garden Waste vehicles has lifts)</p>	<p>Normal 7 crews plus Glass &amp; Garden Crews</p>	<p>Glass Crews and vehicles</p> <p>Garden Waste Crews and vehicle</p> <p>May need to call in</p>

				extra vehicle and agency crews
	Small Truck	Black Bins – Small Truck – need to put extra vehicle out to help collect – again start on the earliest first	Normal Crew plus 2 more crews of Driver and Loader	2 more crews of Driver and Loader 2 <sup>nd</sup> Small Truck Small Glass Truck
	<b>BLUES</b>	Blue Bins – Suspended for all missed days and today		
	<b>GLASS</b>	Glass Collections – Suspended for until backlog of black bins cleared		
	<b>GARDEN</b>	Garden Waste – Suspended for until backlog of black bins cleared		
	<b>BULKY</b>	Bulky Waste – If any, postpone collections and move to next available date or Litter Crews can undertake		
	<b>CLINICAL</b>	Clinical Waste – If any, can be postponed to next week or collected by Litter Crews		

<b>I WEEK</b>	<b>BLACKS</b> Normal	All resources out to collect black bins only starting with the earliest missed day. Or resume collections of balck bins but on their normal collection day.	Normal 7 crews plus Glass & Garden Crews	Glass Crews and vehicles  Garden Waste Crews and vehicle  May need to call in extra vehicle and agency crews  2 more crews of Driver and Loader
	Small Truck		Normal Crew plus 2 more crews of Driver and Loader	2 <sup>nd</sup> Small Truck  Small Glass Truck
	<b>BLUES</b>	All suspended until backlog of black bin waste collected.		
	<b>GLASS</b>	All suspended until backlog of black bin waste collected.  We will need to start collecting from Glass Bank sites as this would be the alternative location for the residents to take glass.	1 Glass Crew of Driver and Loader	
	<b>GARDEN</b>	All suspended until backlog of black bin waste collected.		

	<b>BULKY</b>	Collections will have to be made as it cannot be left any longer.	Driver and Loader	
	<b>CLINICAL</b>			

<b>2 WEEKS</b>	<b>BLACKS</b> Normal	All resources out to collect black bins only starting with the earliest missed day. Or resume collections of black bins but on their normal collection day.	Normal 7 crews plus Glass & Garden Crews	Glass Crews and vehicles  Garden Waste Crews and vehicle  May need to call in extra vehicle and agency crews  2 more crews of Driver and Loader
	Small Truck		Normal Crew plus 2 more crews of Driver and Loader	2 <sup>nd</sup> Small Truck  Small Glass Truck
	<b>BLUES</b>	All suspended until backlog of black bin waste collected.	1 Glass Crew of Driver and Loader	
	<b>GLASS</b>	All suspended until backlog of black bin waste collected.  We will need to start collecting from Glass Bank sites as this would be the alternative location for the residents to take glass.  All suspended until backlog of black bin waste collected.  All suspended until backlog of black bin		



	<b>GARDEN</b>	waste collected.		
	<b>BULKY</b>	Collections will have to be made as it cannot be left any longer.	Driver and Loader	
	<b>CLINICAL</b>			

<p><b>2 WEEKS</b></p>		<p><b>ALTERNATIVE SUGGESTION OR ADDITIONAL COLLECTION METHODS</b></p> <p>We need to consider alternatives to leaving black and blue bins especially if the delay is due to bad weather.</p> <p>Suggestions are:-</p> <p><b>(1) Strategic Collection Points –</b> Set up locations across the District for Vehicles and Crews to be located for collection of waste delivered by residents. Each area of the district would have agreed locations that if vehicles are not able to get to roads then vehicles and crews will be sited for residents to take their waste to for disposal. Unfortunately it is likely that this would involve both waste and recycling being collected together in same vehicle and being disposed off for Energy Recovery.</p> <p><b>(2) Established Route –</b> this is setting up a route which follows Hampshire County Councils Priority Sweeping routes and collecting bins from these locations. It would be possible to advise residents that if they are able to take their bins or bagged waste to the nearest road on this route that we would be able to collect. Again need to consider the collection of just black bins or both.</p>		
<p><b>I MONTH</b></p>	<p><b>BLACKS</b> Normal</p>	<p>All resources out to collect black bins only starting with the earliest missed day. Or resume collections of black bins but on their normal collection day.</p>	<p>Normal 7 crews plus Glass &amp; Garden Crews</p>	<p>Glass Crews and vehicles</p> <p>Garden Waste Crews and vehicle</p> <p>May need to call in extra vehicle and agency crews</p>

	Small Truck		Normal Crew plus 2 more crews of Driver and Loader	2 more crews of Driver and Loader 2 <sup>nd</sup> Small Truck Small Glass Truck
	<b>BLUES</b>	All suspended until backlog of black bin waste collected.		
	<b>GLASS</b>	All suspended until backlog of black bin waste collected.  We will need to start collecting from Glass Bank sites as this would be the alternative location for the residents to take glass.	1 Glass Crew of Driver and Loader	
	<b>GARDEN</b>	All suspended until backlog of black bin waste collected.  All suspended until backlog of black bin waste collected.		
	<b>BULKY</b>	Collections will have to be made as it cannot be left any longer.	Driver and Loader	
	<b>CLINICAL</b>			

<p><b>OTHER SERVICES</b></p>	<p><b>LITTER BINS</b></p> <p><b>LITTER PICKING</b></p> <p><b>FLYTIPPING</b></p> <p><b>STREET SWEEPING</b></p>	<p>If suspension of these services are due to bad weather we will have to review on a daily basis.</p> <p>Litter bins would need to be maintained as residents will attempt to use these to dispose of waste and we need to maintain their collection as best possible.</p> <p>Crews can be diverted to help out on waste collection services or to Snow Clearance as required.</p>		
------------------------------	---	---	--	--

---

**Equipment required carrying out essential services - Refuse Collection only on fortnightly basis**

- 3 standard refuse collection vehicles and 1 Small 7.5 tonne vehicle
- Personal protective equipment and clothing. All staff should be in possession of PPE. However if replacements are required please see supplier sheet.
- Fuel. Fuel cards will be in operation however, the depot does have a supply on site if required.
- Disposal point. This is unlikely to change in case of Depot closure. Should this be an issue Hampshire CC will find an alternative disposal site. Refer to Disposal site contingency plan kept in operations. The Contingency Plan for disposal sites will be as the agreed Emergency Plan.

---

**Staff required to carry out essential services – Refuse Collection only on fortnightly basis**

- 7 Loaders (2 per vehicle and 1 on Small Truck) ~ please see loader/driver check sheet attached.
- 3 HGV drivers and 1 7.5 tonne driver ~ see loader/driver check sheet attached.
- 1 Manager (minimum)
- Minimum of 2 support services staff. To offer advice and to make adhoc requests.

**Working Hours**

Waste collections are not to start before 6.30am. Staff are contracted to work until 2.50pm but on a Group Task and Finish System.

**Communication**

All information should be given to the Capita Contact Centre as per the agreed protocol

All District Councillors, Parish Councillors and Internal Staff should receive daily emails advising them of current situation

Website should be updated daily and press releases sent to local media

**Office/Yard Cover**

At the same time as crews may be affected it is also likely that Streetcare Officers etc will be affected and we need to consider who can carry out their work in an emergency.

Streetcare Officers – Normal requirement is one person in from 5.45am to ensure that crews are in and sort out the vehicles they will work on as well as ensure we have agency cover for those not available. In an emergency they will decide which services are carried out or not on that day.

SCO's are Lynne Broome, Philip Mundy and Angela Nash.

Alternative cover can be provided by

Tony Neal (Quality & Safety Supervisor)

Tony Broome (Waste Management Officer)

Sarah Incher (Waste & Recycling Manager)

Yard Cover is required by the "Safe Systems of Work for Springwell Lane Depot Fuelling and Transport Movements" which has been approved by the HSE and the Corporate Health & Safety Committee. This system of work is attached as Appendix 2. This requires one trained Banksman to undertake the control of vehicles out in the morning and back in, in the afternoon, including parking requirements.

**Trained Yard Cover**

Tony Neal (Quality & Safety Supervisor)

Jason Howarth (Loader/Small truck Driver)

Ashley Maund (Technical & Admin Officer)

Paul Wheeler (Driver)

Mick Wheeler (Loader)

**STAFF AND EQUIPMENT REQUIRED  
TO CARRY OUT ESSENTIAL SERVICES**

<b>SERVICES TO BE PROVIDED</b>	<b>STAFF REQUIRED</b>	<b>VEHICLES REQUIRED</b>
<b>REFUSE/RECYCLING ONLY</b>	7 HGV Drivers 1 x 7.5 tonne driver	7 x 26 tonne Refuse Collection Vehicles 1 x 7.5 tonne vehicle
<b>REFUSE ONLY - weekly</b>	7 HGV Drivers 1 x 7.5 tonne driver	7 x 26 tonne Refuse Collection Vehicles 1 x 7.5 tonne vehicle
<b>GLASS</b> FORTNIGHTLY	2 HGV Drivers 5 loaders 1 x 7.5 tonne Driver	2 x 18 tonne Toploaders 1 x 7.5 tonne Vehicle
MONTHLY	2 HGV Drivers 4 loaders	1 x 18 tonne Toploaders 1 x 7.5 tonne Vehicle and 1 x 18t Toploader part time
<b>CLINICAL</b>	1 Driver and 1 Loader – one day per week (Wednesday)	1 x 3.5 tonne Box Van
<b>GARDEN</b>	7 HGV Drivers 1 x 7.5 tonne driver	7 x 26 tonne Refuse Collection Vehicles 1 x 7.5 tonne vehicle
<b>BULKY</b>	1 Driver and 1 Loader – two days per week (Monday and Thursdays)	1 x 3.5 tonne Box Van

Staff Unavailability

	Up to 1 day	2 – 5 days	≥ 1 week
<b>Frontline Staff</b>  Up to 25%	This would impact significantly on the service. Priority core services would be maintained with agency staff or extended working hours.	Services to be maintained through use of agency staff and suspension of some non-priority services.	Services to be maintained through use of agency cover, suspension of some non-priority services and sharing labour from other Environment service areas. Consideration of suspension of recycling, glass and garden collections.
Up to 50%	This would significantly impact on the service. Priority core services would be maintained with agency staff or extended working hours. Consideration of suspension of recycling, glass and garden collections	Services to be maintained through use of agency staff and suspension of some non-priority services. If staff do not arrive for work then priority will be given to the more urban rounds. Consideration of suspension of recycling, glass and garden collections	Services to be maintained through use of agency cover, suspension of some non-priority services and sharing labour from other Environment service areas. If staff do not arrive for work then priority will be given to the more urban rounds. Consideration of suspension of recycling, glass and garden collections.
Up to 75%	Services to be maintained through use of agency staff and suspension of <b>all</b> non-priority services and sharing labour from other Environment service areas. Cancellation of Kerbside recycling considered with catch	Services to be maintained through use of agency staff and suspension of <b>all</b> non-priority services and sharing labour from other Environment service areas. Cancellation of Kerbside recycling considered with catch	Serious service issues will arise at this level of absence. Some services to be maintained through use of agency staff and suspension of <b>all</b> non-priority services and sharing labour from other Environment service areas. Consideration given to suspension of

	up the following week.	up the following week.	collection of kerbside recycling indefinitely and special arrangements and advice to the public on alternative storing and collection arrangements.
<b>Street Cleansing Staff</b>			
Up to 25%	No impact on service provision. Spare vehicles available.	Limited impact. Spare vehicles available. Staff to work extended working hours if required.	Limited impact. Spare vehicles available. Staff to work extended working hours if required.
Up to 50%	No impact on service provision. Spare vehicles available	Limited impact, provided vehicle breakdowns is minimal. Spare vehicles available. Staff to work extended working hours if required.	Limited impact, provided vehicle breakdowns is minimal. Spare vehicles available. Staff to work extended working hours if required.
Up to 75%	No impact on service provision provided vehicle breakdowns are minimal. Spare vehicles available.	Significant impact on service provision. Alternative resource would be required.	Serious impact on service provision, as vehicles require safety checks to comply with regulations. Alternative resource would be required or vehicle hire with maintenance considered.

In an emergency all staff will be utilised for the priority services including the Street Cleansing Crews. Sweepers Drivers will be utilised to cover other vehicles as required. Litter Pickers will have to be used to cover bin collections as required.

Agency Cover will need to prior warn agency companies of the increased need for their staff to be available for our services. Abacus and Rapier are the two main companies we use and are fully aware of the Councils requirements in an emergency. Extra staff will need to be trained to carry out services in our area.



**Depot facilities**

<b>Office Accommodation</b>	No impact on service provision. Operations co-ordinated from Civic Centre depot and/or home.	No impact on service provision. Operations co-ordinated from Civic Centre depot and/or home.	No impact on service provision. Operations co-ordinated from Civic Centre depot and/or home.
<b>Depot Access and Parking</b>	Limited impact on day one. Alternative secure storage required for the refuse fleet at other sites possibly neighbouring Local Authorities.	Significant impact in relation to secure overnight parking. Alternative secure storage required for the refuse fleet at other sites possibly neighbouring Local Authorities.	Serious impact for secure overnight parking. Alternative secure storage required for the refuse fleet at other sites possibly neighbouring Local Authorities.

**OVERVIEW AND SCRUTINY COMMITTEE**

**DATE OF MEETING:** 19 JANUARY 2010

**TITLE OF REPORT:** 2010/11 BUDGET UPDATE REPORT

**Report of:** Section 151 Officer

**Cabinet member:** Councillor Ken Crookes, Leader of the Council

**1 PURPOSE OF REPORT**

**1.1** This report provides the Committee with an opportunity to comment on the budget update report considered by Cabinet on 14 January 2010.

**2 OFFICER RECOMMENDATION**

**2.1** That the Committee notes the budget update report and amended savings target.

**2.2** That the Committee notes that work is continuing to identify further options to balance the 2010/11 budget.

**Contact Details:** Kevin Jaquest / 01252 774453 / [kevin.jaquest@hart.gov.uk](mailto:kevin.jaquest@hart.gov.uk)

**APPENDICES**

**Appendix 1 – 2010/11 Budget Update Cabinet Report**

**CABINET**

**DATE OF MEETING: 7 JANUARY 2010**

**TITLE OF REPORT: 2010/11 BUDGET UPDATE REPORT**

**Report of: Section 151 Officer**

**Cabinet member: Councillor Ken Crookes, Leader of the Council**

**1 PURPOSE OF REPORT**

**1.1** This report provides Cabinet with an update on how the 2010/11 budget process is progressing and highlights key issues facing the Council in setting a balanced budget.

**2 OFFICER RECOMMENDATION**

**2.1** That Cabinet notes the report and that the updated savings target is £137,000 after including further savings options totalling £344,000 in the budget preparation.

**2.2** Cabinet notes that work is continuing to identify further options to balance the budget.

**3 BACKGROUND**

**3.1** The council's budget is being formulated within the external context of the prolonged economic recession, deteriorating public finances and with interest rates at the lowest levels since the establishment of the Bank of England in 1694.

**3.2** Internally the transfer of land, facilities and responsibilities from special expenses to the three new Parish Council's of Fleet, Church Crookham and Elvetham Heath from 2010/11 has a significant impact on the Council's budget.

**3.3** The Medium Term Financial Strategy (MTFS) considered in August 2009 identified that significant ongoing savings of £500,000 - £600,000 were likely to be needed to balance the 2010/11 budget.

**4 BUDGET PROCESS**

**4.1** The budget process has involved Heads of Service and budget holders reviewing their budgets with finance staff. This process starts with the existing years base budget which, where appropriate, is amended for one off items, inflationary increases (in line with the budget strategy) the ongoing implications of last year's outturn, the current years monitoring implications, savings requirements, statutory changes and Council and Cabinet decisions.

**4.2** A series of service review meetings, comprising Members and officers, have also been held to help link formulating the budget with policy objectives. The review meetings also considered budget issues and service savings options. The draft budget proposals produced by this process have also been the subject of an initial stage "budget challenge" by the Leadership Team.

## **5 INITIAL BUDGET POSITION**

**5.1** The figures provided below are subject to change as the budget process progresses.

**5.2** The initial budget position shows that the Council will need to find further savings of £481,000 to balance the 2010/11 budget after making service changes already identified. The table below summarises the main changes from the 2009/10 base budget to the draft 2010/11 budget.

<b>2010/11 Initial Budget Update</b>	<b>£000</b>
2009/10 Base Budget	10,369.1
Less Special Expenses	-764.9
	9,604.2
Employee pay award & increments	201.0
Inflation	69.0
Fees and charges price increases	-70.0
Reduced Income	692.0
Increased Income	-229.0
Known Costs	458.7
Savings	-636.0
Residual Special expenses costs	232.9
Likely Housing & Planning Delivery Grant Shortfall	250.0
Service Changes Proposed (Appendix 2)	-335.0
Leisure management restructure	-45.0
2010/11 Base budget	10,192.8
Contribution to balances	50.0
Funded from Balances	-115.0
Adjusted 2010/11 Budget	10,127.8
Funded by	
Council Tax (based on 2.5% increase)	5,758.0
Collection fund surplus	35.0
Other grants (paragraph 7.2)	
Formula grant	3,854.0
	9,647.0
Target Saving Required	480.8

**5.3** The main budget changes identified in the initial 2010/11 budget are detailed in Appendix I and are summarised below;

**5.3.1** Employee Costs – This comprises an assumed pay award of 1%, fully funds incremental progression, employers pension cost increases and includes an assumed vacancy savings target of £100,000.

- 5.3.2** Inflation – Inflation allowances have been made in accordance with the MTFs with supplies and services budgets generally only being increased where there is a contractual commitment.
- 5.3.3** Fees and Charges – Most discretionary fees and charges have been increased by 2% except car park charges and the Leisure 365 card which have no budgeted increase.
- 5.3.4** Reduced Income – The economic climate continues to have a significant adverse impact on a range of the Councils income sources with a reduction in income budgets approaching £700,000.
- 5.3.5** Interest rates are forecast to remain low for longer and to recover only slowly. This results in a further reduction in interest income of £125,000. Planning income continues to decline and is budgeted to be £60,000 below the 2009/10 budget level. Car park and penalty charge notice income is also declining significantly resulting in a reduced budget of £120,000. Leisure income is budgeted to be £80,000 below the 2009/10 budget. A number of government grant streams are also reducing, particularly the concessionary fares grant which is likely to be reduced by £75,000.
- 5.3.6** Increased Income – However there are some income sources that are budgeted to increase in 2010/11 and these include recycling income of £127,000 following recovery in prices and net income of £59,000 from the proposed wheel bin garden waste service.
- 5.3.7** Known costs – A range of known costs have been identified including election costs of £50,000, various budget corrections including reducing the vacancy target and one off costs for the Housing condition survey of £40,000 and waste contract retendering costs of £30,000.
- 5.3.8** Savings – The identified budget savings have more than offset additional known costs and include, reduced planning service costs of £68,000, reductions in electricity costs of £70,000, employee savings of £126,000 and the updated full year impact of the capita contract £96,000.
- 5.3.9** Residual Special Expenses - Total cost reductions or continuing income from Parishes of £532,000 have been identified as a result of the transfer of assets and functions to the new parishes. However there remain residual costs of £233,000 which represent direct service and support service costs and overheads that are not transferring to the new parishes and which have not been reduced in the short term.
- 5.4** Housing and Planning Delivery Grant - The 2010/11 base budget has costs of £415,000 supported from Housing and Planning Delivery grant. Based on the level of grant funding recently announced for 2009/10 (£170,000) it is estimated that grant funding in 2010/11 will be around £170,000 producing a funding shortfall of £250,000.
- 5.5** Council Tax – a 2.5% (£146k) Council tax increase is assumed at this stage, but this is largely offset by a reduction of £140k in the collection fund surplus. The Government is expected to apply capping to “excessive” Council tax increases and

whilst not announcing the criteria has stated it expects Council tax increases to be less than the average 3% increase seen in 2009/10.

- 5.6** Formula Grant – The Government confirmed this grant, at the previously indicated level, on 26<sup>th</sup> November a 1% (£39k) increase.
- 5.7** Service Changes – A range of service changes have been considered and changes totalling £335,000 are currently proposed. These include removing the 30 minute car parking band, rationalising a waste collection route and changed car park management. A list of the main budget and service changes proposed is attached as Appendix 2.
- 5.8** Funded from balances – It is proposed to fund the one off costs of the Housing condition survey, the waste tender and Local Development Framework (LDF) studies from the general fund balance.

## **6 FURTHER SAVINGS**

- 6.1** The Council needs to identify further savings of £481,000 to balance the 2010/11 budget. Cabinet and the Council’s Leadership team continue to work on identifying budget options.
- 6.2** Appendix 3 details the further savings options that have been identified so far and which were considered by Scrutiny Committee on 16 December 2009.
- 6.3** It is proposed that the following savings are included in the 2010/11 budget preparation;

Further Proposed Savings (Appendix 3)	2010/11 £000
Assume 0% pay award	-90.0
Reduced shared legal services inflation	-10.0
Corporate management review	-35.0
Reduce building maintenance	-75.0
Tree service review	-40.0
Members allowances - no increase	-44.0
Property Services review	-50.0
<b>Total</b>	<b>-344.0</b>

- 6.4** The inclusion of these further savings reduces the savings target from £481,000 to £137,000.

## **7 REVENUE RESERVES**

- 7.1** The estimated revenue reserve position is shown in Appendix 4.
- 7.2** It is proposed to allocate anticipated Local Public Service Agreement (LPSA2) revenue grant funding and Local Authority Business Growth Incentive (LABGI) funding of £277,000 (£114,000 in 2009/10 and £163,000 in 2010/11) to the general

fund balance along with an annual contribution from revenue of £50,000 to “repay” the one off redundancy costs incurred as part of the outsourced contract.

- 7.3** Specific one off expenditure totalling £115,000 is planned to be supported from balances. The anticipated general fund balance in 2010/11 is £1.375m which is £425,000 higher than the minimum level set in the MTFS.
- 7.4** Budget savings and service changes are intended to be implemented with a minimum need for redundancies. However some redundancy costs may be incurred and an estimate of these possible costs is currently being produced for inclusion in the 2010/11 budget funded from the general fund balance.
- 7.5** It is therefore prudent to be planning to maintain the general fund balance at a higher amount than the minimum level, given the risks to the Council’s income sources generated by the current economic climate and possible one off redundancy costs.
- 7.6** Analysis is currently being undertaken to identify the relevant commuted sum balances that will be transferred to the new Parish Councils.

## **8 MANAGEMENT OF RISK**

- 8.1** The Council faces difficult choices to identify savings that will ensure a robust and balanced budget for 2010/11. The key risks remain around ensuring realistic income budgets are set, given the current uncertain economic climate, and that the savings needed to balance the budget are identified and are deliverable.

## **9 CAPITAL PROGRAMME**

- 9.1** The capital programme is currently being updated to reflect forecast slippage from 2009/10 and a revised programme will form part of the February budget report.

## **10 CONSULTATION**

- 10.1** Consultation on the budget proposals will be carried out in January and will include businesses, the citizen’s panel and a consultation event.

## **11 CONCLUSION**

- 11.1** A savings target of £137,000 remains to balance the 2010/11 budget after updating the initial budget for the proposed further savings detailed in paragraph 6.3.

**Contact Details: Kevin Jaquest / 01252 774453 / kevin.jaquest@hart.gov.uk**

## **APPENDICES**

- Appendix 1 - Main Budget Changes
- Appendix 2 – Proposed Service Changes
- Appendix 3 – Potential Savings Options
- Appendix 4 – Revenue Reserves

<b>2010/11 BUDGET CHANGE ANALYSIS</b>	Planning £000	Technical Services £000	Leisure £000	Comm & Partner £000	Corp man £000	Finance £000	Housing £000	Democratic £000	Regulatory £000	TOTAL £000
REDUCED INCOME										
Correct base budget one off grant		58								58
Planning Fees	60									60
Other income	5									5
Reduced Car park income		42								42
Reduced Penalty Charges		80								80
Depot rental		14								14
Sponsored roundabouts			10							10
Reduced 365 card income			47							47
Other leisure income reduction			30							30
Reduced commuted sums income			79							79
Reduced area based grant				20						20
Reduced advertising income					7					7
Reduced interest income						124				124
Reduced licence fees						10				10
Reduced rodent income							13			13
Reduced cost recovery									12	12
Loss of concessionary fares grant		75								75
Reduced EH pollution income									6	6
<b>TOTAL REDUCED INCOME</b>	<b>65</b>	<b>269</b>	<b>166</b>	<b>20</b>	<b>7</b>	<b>134</b>	<b>13</b>	<b>0</b>	<b>18</b>	<b>692</b>
INCREASED INCOME										
Net Wheelbin garden waste		-59								-59
Recycling		-127								-127
Wasp nest income							-8			-8
Additional section 106 admin income					-30					-30
Contributions									-5	-5
<b>TOTAL INCREASED INCOME</b>	<b>0</b>	<b>-186</b>	<b>0</b>	<b>0</b>	<b>-30</b>	<b>0</b>	<b>-8</b>	<b>0</b>	<b>-5</b>	<b>-229</b>



<b>2010/11 BUDGET CHANGE ANALYSIS</b>	Planning £000	Technical Services £000	Leisure £000	Comm & Partner £000	Corp man £000	Finance £000	Housing £000	Democratic £000	Regulatory £000	TOTAL £000
<b>KNOWN COSTS</b>										
Correct base budget	11		9							20
Concessionary travel		10								10
Rates		10	2							12
Gas			6							6
Glass Route		18								18
Staff/operations		17		2	42		15		4	80
Members allowances / review					8			44		52
Other		22	17		15	5				59
Reduced vacancy savings target			44							44
Bank charges						30				30
Insurance						8				8
Housing condition survey							40			40
Refuse contract tender		30								30
Elections								50		50
<b>TOTAL KNOWN COSTS</b>	<b>11</b>	<b>107</b>	<b>78</b>	<b>2</b>	<b>65</b>	<b>43</b>	<b>55</b>	<b>94</b>	<b>4</b>	<b>459</b>
<b>SAVINGS</b>										
Reduced planning costs (legal, advertising, supplies and services)	-68									-68
Building control and planning posts	-43									-43
Electricity		-28	-42							-70
Fuel		-7								-7
Consultants		-6							-3	-9
Equipment and materials		-15	-2						-4	-21
Maintenance		-10		-15						-25
Grounds maintenance contract			-22							-22
Employee related		-18	-5		-6		-41	-10	-3	-83
Vehicle maintenance		-20								-20
Vehicles		-19								-19
Full year impact of capita contract						-96				-96
Reduced litter crew		-55								-55
Other operational savings		-58					-10			-68
Reduced bad debt write offs							-30			-30
<b>TOTAL SAVINGS</b>	<b>-111</b>	<b>-236</b>	<b>-71</b>	<b>-15</b>	<b>-6</b>	<b>-96</b>	<b>-81</b>	<b>-10</b>	<b>-10</b>	<b>-636</b>

<b>Service Changes</b>	
	<b>£000</b>
<b>Housing</b>	
Dog warden contract contracting out - reduce proactive activity, i.e. park patrols and attending community events	- 10
<b>Housing</b>	<b>- 10</b>
<b>Leisure &amp; Environmental Promotion</b>	
Leisure strategy equip/furn/mat - saving being made as part of the savings target	- 1
Leisure publicity saving being made as part of the savings target	- 4
Hart Leisure centre repair & maint.- redn. in decoration can impact on visitors	- 11
Hart Leisure Centre - Price increase above the 2% standard	- 2
Hart Leisure Centre - redesign of activity programme	- 3
Hart Leisure Centre Coaching fees - Increased number and varied courses	- 12
Frogmore Leisure Centre closure Sunday evenings & reduced staffing costs throughout week	- 69
Southwood playing fields to be managed by external club	- 13
rent - Income from the club that is leasing Southwood playingfields	- 4
<b>Leisure</b>	<b>- 119</b>
<b>Regulatory Services</b>	
Search fees - New income budget of £5,000 from experience of CON29r new income receipts during 2009/10.	- 5
<b>Regulatory Services</b>	<b>- 5</b>
<b>Technical Services</b>	
Offer Green Waste Concessions	8
Car Park management changes	- 55
Removal of 30 minute banding from car park charges	- 70
Removal of route 7 waste collection	- 84
<b>Technical Services</b>	<b>- 201</b>
<b>TOTAL</b>	<b>- 335</b>

<b>Further Savings Options</b>	2010/11 £000	
<b>Budget Savings</b>		<b>Scrutiny committee Comments</b>
Reduce Pay award assumption (£50-90k) - assume that there will be a national public sector pay freeze in 2010/11	-90	Supported
Legal services - negotiate reduced inflation cost with Basingstoke & Deane for shared legal service	-10	Supported
Corporate management review	-35	Supported
<b>Service Changes</b>		
Reduce building maintenance budget - review planned maintenance programme	-75	No specific comments
Reduce Frogmore Leisure Centre operating hours	TBC	Mixed views
Tree service - review service	-40	Supported
Members Allowances - do not implement increase	-44	No specific comments
Property Service - review service	-50	Supported
<b>Total</b>	<b>-344</b>	

Estimated Revenue Reserves	Revenue Reserves			
	Unearmarked Revenue Reserves	Building Control	Commuted Sums S106*	Interest Reserve
<b>Balance as at 1st April 2008</b>	2,607	137	1,690	164
New Resources	0	0	109	65
Revenue Funding	(779)	(57)	(215)	(1)
Capital Funding				
<b>Balance as at 1st April 2009</b>	1,828	80	1,584	228
New Resources	114	0	160	0
Revenue Funding (M6 monitoring)	(130)	(132)	(253)	0
Funding of 2008/09 carry-forwards	(120)			
Funding of Redundancies	(416)			
Transfer to new Parish Councils	-	-	?	-
<b>Balance as at 1st April 2010</b>	1,276	(52)	1,491	228
New Resources	213	0	180	0
Funding of Redundancies	?			
Revenue Funding	(115)	0	(200)	0
<b>Balance as at 1st April 2011</b>	1,374	(52)	1,471	228

\* needs adjusting for Parish transfer

## OVERVIEW AND SCRUTINY COMMITTEE

**DATE OF MEETING:** 19 JANUARY 2010

**TITLE OF REPORT:** STRATEGIC OPTIONS FOR FUTURE  
MANAGEMENT OF LEISURE CENTRES

**Report of:** Chief Executive

**Cabinet Member:** Councillor Sara Kinnell, Leisure and Recreation

### 1. PURPOSE OF REPORT

1.1 To present the findings of a consultant's report on the Council's options for the strategic management of its leisure centres, and to recommend action to be taken in this regard.

### 2. RECOMMENDATION

2.1 That the Committee agree the broad approach to the future management of its leisure centres as set out below.

### 3. BACKGROUND

3.1 Members will be aware that some time ago the Council commissioned Strategic Leisure Limited, a firm of consultants, to carry out an appraisal of the potential strategic options open to the Council for the future management of its two leisure centres – Hart Leisure Centre and Frogmore Leisure Centre.

3.2 The Executive Summary of the report is attached as Appendix I. The full version of the report can be accessed from the Council's website at [www.hart.gov.uk/index/leisure.htm](http://www.hart.gov.uk/index/leisure.htm)

3.3 The report was received last August, but as might be expected it was a complex document and there have been a number of discussions with the consultants since then to clarify numerous issues raised.

3.4 As a result of those discussions, a broad approach to the future management of the leisure centres is now proposed as follows:

#### 3.5 Context

- a) Over the next 2-3 years the Council will need to spend money refurbishing its existing centres, particularly Hart Leisure Centre.
- b) The Council also needs to consider expanding Hart Leisure Centre, both to keep pace with population growth and also changing public expectations.
- c) Funding for these changes will need to be found either from developer contributions (Section 106), or by increased income generating a revenue stream which can then fund capital borrowing.

- d) There appears little prospect of finding enough money to completely relocate and redevelop the Hart Leisure Centre. A more realistic aspiration would be to build a new swimming pool on the opposite side of Hitches Lane, using the space occupied by the existing swimming pool to extend gym and other "dry" sports provision in the existing building.
- e) Of the future management options considered by the Consultants, only a refocused in-house model, the "existing Non-Profit-Distributing-Organisation (NPDO)" model, or the hybrid private/NPDO model appeared viable. The Head of Leisure does not believe he can make the level of savings suggested by the consultants for the refocused model.
- f) The possibility of saving Non-Domestic Rates makes the "existing NPDO" model appear the most attractive financially, although this model carries risks for the effective management of the centre.
- g) The ability of an NPDO to avoid paying VAT on new construction would also be attractive if new construction were likely to take place.
- h) If the Council can commit itself to relocating the swimming pool as described in (d) above, this would save the need for a significant element of the necessary refurbishment works, and so would be significantly more cost effective.

### **3.6 Recommended approach**

From the above, it is recommended that the Council should follow a two pronged approach:

- i) It should seek to relocate the swimming pool as described above over a 3 year timescale, to be funded from developer contributions and an expectation of enhanced income;
- ii) Until the pool can be relocated, it should continue to be operated under the existing inhouse management arrangements; and
- iii) If and when relocation becomes possible, the council should pursue the "existing NPDO" model of centre management, with a view to an NPDO being identified and in place to allow it to feed into the design of the new swimming pool, etc, and to manage the facilities following refurbishment.

## **4. FINANCIAL IMPLICATIONS**

- 4.1 There are no direct financial implications arising from this report, although any potential relocation of the swimming pool, or changes to the management of the centres, will of course have significant financial implications. These will be the subject of further reports to members if and when appropriate.

CONTACT: Geoff Bonner – Chief Executive

EXTENSION: 4108

EMAIL: [geoff.bonner@hart.gov.uk](mailto:geoff.bonner@hart.gov.uk)

# Section 1

---

## Executive Summary

## 1 Executive Summary

- 1.1 Strategic Leisure was commissioned by Hart District Council (HDC) to undertake a ‘high level’ management options appraisal for the management of the Council’s directly managed leisure facilities. The purpose of the appraisal is to evaluate the management options available to the Council and to make recommendations in relation to the most appropriate option.
- 1.2 The Council currently manages two leisure centres, Hart Leisure Centre and Frogmore Leisure Centre
- 1.3 The scope of this options appraisal is as follows:
- To review the existing service delivery within HDC for sport and leisure management
  - To identify existing models of service delivery in the public sector, and assess their advantages and disadvantages
  - To identify which of the available models may offer an appropriate way forward

	<b>Issues identified</b>
<b>Dual use agreements</b>	<ul style="list-style-type: none"> <li>• Currently very vague and would have to be formalised if any externalisation.</li> <li>• Centre Managers currently work more on a series of gentleman’s agreements rather than being formally adhered.</li> <li>• Fear would be that any redrafting of the dual use agreements with the County Council would put the District in a worse off position.</li> </ul>
<b>Support services</b>	<ul style="list-style-type: none"> <li>• Support services costs are currently high.</li> <li>• The Council is currently in discussions with Capita to externalise finance, HR, and IT after discussions with BT’s support arm fell through.</li> <li>• Any externalisation of these elements will have an impact on the decision to outsource leisure.</li> </ul>
<b>Human resources</b>	<ul style="list-style-type: none"> <li>• HR has recently experienced outsourcing – revenues and benefits was outsourced last year. This went reasonably well.</li> <li>• Single status was completed last year which involved the re-grading of some staff. This had a negative impact on revenue.</li> <li>• Currently about 150 staff working within leisure, not all FT, some casual. This amounts to about 40% of the Council’s workforce</li> <li>• A two tier situation with casual staff as they did not go through evaluation. Other anomalies are the various instructors who are self employed and have an income share agreement</li> <li>• UNISON is the only union; however this is relatively insignificant at the leisure centres. Given the previous externalisation of revenues and the potential transfer of HR etc, externalisation of leisure not deemed to be a major issue.</li> <li>• Pensions – the council would probably be looking for Admitted Body status, as was the case with the previous externalisation</li> <li>• One of HR key services is to leisure. Leisure Centre Managers recruit staff and HR does all other HR related tasks. HR possibly transferred by summer, this could complicate matters as a 3rd party involved.</li> <li>• Payroll already transferred to Hampshire CC.</li> <li>• Looking for the managers of the centres to take on more responsibilities to enable the reduction in HR recharges.</li> <li>• Currently some streamlining of staff through natural wastage.</li> </ul>
<b>Legal</b>	<ul style="list-style-type: none"> <li>• The Council has entered into an agreement with Basingstoke and Deane for legal services, 20 lawyers in total, 3 based at Hart DC offices.</li> </ul>



	<b>Issues identified</b>
	<ul style="list-style-type: none"> <li>• Hart DC currently pay about £250k for legal services, a fairly rough apportionment to leisure would be based on number of case files relating to leisure</li> <li>• No procurement team within the authority – a large procurement exercise likely to be tendered out to private lawyers.</li> <li>• Initial legal view that there is a definite legal power for any transfer if only to a management contract.</li> </ul>
<b>Property</b>	<ul style="list-style-type: none"> <li>• Survey of Council's property portfolio conducted in 2006 and approved in 2008. Recommended that £2.8m required across all facilities, about half of this for leisure</li> <li>• It was agreed that this should be funded through revenue not capital, however next year this will be scrapped as revenue and be paid for by capital funding</li> <li>• The programme has been revamped and now only monies to be spent on urgent items, for leisure this means roofing and some other items.</li> <li>• About £500k left to spend on Hart Leisure Centre – still requires capital board approval. JE to provide details of capital programme.</li> <li>• If something is likely to generate income it is more likely to get through the capital programme.</li> <li>• Day to day maintenance dealt with by leisure centre managers. Contracts with external providers for M&amp;E. Property only involved with leisure on an ad-hoc basis.</li> <li>• Property side does not have much involvement with leisure, not a major issue if leisure was externalised. 1 FT &amp; 1 PT member of staff. PT close to retirement and FT could be redeployed elsewhere</li> </ul>
<b>Finance</b>	<ul style="list-style-type: none"> <li>• The authority is currently cash strapped and generally less wealthy than most authorities</li> <li>• Savings targets have been hit recently</li> <li>• NNDR savings have been secured for the next five years</li> <li>• £1.5 million budget hole – balanced budget 2009/10</li> <li>• Council is likely to support capital investment if there is a detailed business case</li> </ul>

## Forms of Management for Public Sector Leisure and Cultural Services

1.4 The options evaluated are as follows:

- Option 1 In-house direct provision (plus a refocused option)
- Option 2 Private Sector Partnership
- Option 3 Non-Profit Distributing Organisation (NPDO)
- Option 4 Partnership with and Existing Trust

1.5 We have not assessed in any detail the option to cease providing the service. Whilst as a discretionary service, this is an option, it is not part of the brief for this study.

1.6 Similarly the option to dispose of the facilities as a going concern is also not considered a viable option. It is unlikely that the Council owns the freehold of facilities in any case and/or the County Council would in all likelihood object to the sale or assignment of the lease on a long term basis to a commercial operator. Furthermore the leisure facilities attract a subsidy and are in need of significant capital expenditure. They would not be an attractive property acquisition to a commercial operator at the best of times but in the current economic climate would be seen as a liability rather than an asset.

## Advantages and Disadvantages of In-house Management

### Advantages and disadvantages of In house Management

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Direct Council control and ability to influence and change service delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Opportunity for savings in revenue expenditure through increased income and operational efficiencies would rely on ability of in-house resources.</li> </ul>
<ul style="list-style-type: none"> <li>• Allows potential interaction and economies of scale between service areas</li> </ul>	<ul style="list-style-type: none"> <li>• Any capital investment would rely on use of council capital and/or Prudential Borrowing which comes at an opportunity cost.</li> </ul>
<ul style="list-style-type: none"> <li>• Least disruption to services, no start-up costs incurred</li> </ul>	<ul style="list-style-type: none"> <li>• More difficult to demonstrate Best Value due to lack of competitive process</li> </ul>
<ul style="list-style-type: none"> <li>• Able to budget and apply strict financial controls</li> </ul>	<ul style="list-style-type: none"> <li>• No surety over future funding levels</li> </ul>

## Appropriateness of In house operation in Hart

- 1.7 As identified in table 4.1 Councils often decide to externalise the leisure service because the current in house operation is not performing and there is a perception that externalisation will significantly increase income and reduce expenditure due to a more commercially focused operation.
- 1.8 Our review of current performance has illustrated that both the Council's leisure facilities are performing well and there appears to be limited scope for improving income given the current capacity and utilisation of the centres. This would support the retention of the facilities in house.
- 1.9 The current economic situation is resulting in private sector organisations being very reluctant to tender for new contracts and this needs to be borne in mind. They will look to 'cherry pick' services where they feel there is scope to significantly improve the financial performance and therefore maximise profit. The relative economy, effectiveness and efficiency of the in-house service mitigates against this in this case.
- 1.10 A key driver for HDC is the need to spend capital to improve the leisure facilities and the limited resources currently at the Council's disposal. The need for capital may be such that if it can not be found in house will mitigate against an in house solution. However the availability of commercial sector capital is also severely limited at the moment and would be significantly more expensive than the use of public sector borrowing.

## Advantages and Disadvantages of the Private Sector

### Advantages and disadvantages of the Private sector

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• New 'commercial' approach to management (entrepreneurial culture).</li> </ul>	<ul style="list-style-type: none"> <li>• Some delegation of day to day control via the specification</li> </ul>
<ul style="list-style-type: none"> <li>• Competitive bidding process would be demonstration of Best Value and could realize increased revenue savings</li> </ul>	<ul style="list-style-type: none"> <li>• Impact on central services personnel</li> </ul>
<ul style="list-style-type: none"> <li>• Opportunity to improve revenue situation.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee anxiety over transfer</li> </ul>
<ul style="list-style-type: none"> <li>• Access to development capital if required</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement costs, timescale and risks</li> </ul>

<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Surety over future funding levels</li> </ul>	<ul style="list-style-type: none"> <li>• Potential dilution of the Council's objectives and policies</li> </ul>
<ul style="list-style-type: none"> <li>• Responsive service</li> </ul>	<ul style="list-style-type: none"> <li>• Imperfect competition may lead to too few bids to realise best value</li> </ul>
<ul style="list-style-type: none"> <li>• Career opportunities for staff</li> </ul>	<ul style="list-style-type: none"> <li>• Inability to attract tax-based savings</li> </ul>

## Appropriateness of Private Sector in Hart

- 1.11 In the case of HDC there does not appear to be potential for significant usage and income gains which negates one of the prime benefits of transfer of the operation to the private sector. In terms of the potential to reduce costs, our analysis shows that the centres are performing well. The only area of expenditure related to the facilities themselves where we feel that the costs could reduce in a private sector option is 'staffing'. We have reviewed the staffing structure and believe that there are opportunities to make savings. However it is important to note that TUPE would apply to any externalisation and it would take time for any operator to effect changes and have those changes reflected in any financial arrangement. Ironically it would be easier for the Council to review the staffing arrangements prior to any externalisation.

## Advantages and Disadvantages of 'Hybrid Trusts'

### Advantages and disadvantages of Hybrid trusts

<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Tax-based advantages (NDR/VAT)</li> </ul>	<ul style="list-style-type: none"> <li>• Market Capacity</li> </ul>
<ul style="list-style-type: none"> <li>• Potential savings are comparable with NPDO's</li> </ul>	<ul style="list-style-type: none"> <li>• Can be complex legal, administrative and organizational structures</li> </ul>
<ul style="list-style-type: none"> <li>• Commercial sector expertise.</li> </ul>	<ul style="list-style-type: none"> <li>• Partial loss of day to day control</li> </ul>
<ul style="list-style-type: none"> <li>• Access to capital.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential impact on central services personnel</li> </ul>
<ul style="list-style-type: none"> <li>• Good way of demonstrating Best Value via competitive process</li> </ul>	<ul style="list-style-type: none"> <li>• Commercial focus unless effectively monitored</li> </ul>
<ul style="list-style-type: none"> <li>• More entrepreneurial and responsive approach</li> </ul>	<ul style="list-style-type: none"> <li>• Start-up costs</li> </ul>
<ul style="list-style-type: none"> <li>• Potential Revenue effectiveness and surety</li> </ul>	

## Appropriateness of Private Sector Hybrids in Hart

- 1.12 A Public Private Partnership with a company structured with a not for profit subsidiary could be advantageous for the Council because in addition to the benefits described in the private sector option above e.g. access to capital, such a partnership could yield further tax-based savings in relation to National Non Domestic Rate relief and possibly VAT concessions, subject to the structure of the organisation and partnership. These financial benefits could yield additional revenue to underpin Prudential Borrowing repayments.

- 1.13 The Council would need to satisfy itself that the particular model chosen was legally robust and would also need to understand where the risks lie should the financial status of hybrid trusts change. For example many of the operators are reluctant to assume the financial risk of future changes in rating policy.
- 1.14 Such a partnership would however not alter some of the fundamental concerns about a private sector partnership in this case e.g. the lack of real savings, the issue of support service duplication and complication, the dual-use arrangements and the cost of capital.

## Advantages and Disadvantages of Leisure Trusts

### Advantages and disadvantages of Trusts

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>VAT favourable treatment of supplies of sporting services (NPDO must be 'principal rather than agent').</li> </ul>	<ul style="list-style-type: none"> <li>Loss of democratic control (arms-length trust can only have up to 20% direct public sector representation)</li> </ul>
<ul style="list-style-type: none"> <li>Will improve the Council's overall VAT position in relation to 5% partial exemption threshold</li> </ul>	<ul style="list-style-type: none"> <li>Trust may find it difficult to 'lever in' sufficient external capital and will still be dependent upon the Council for reinvestment in the assets</li> </ul>
<ul style="list-style-type: none"> <li>Relief from National Non-Domestic rates (NNDR) (up to 85% can be saved subject to 80% mandatory relief and 20% top-up discretionary relief)</li> </ul>	<ul style="list-style-type: none"> <li>Potential fragmentation and disengagement from the Council</li> </ul>
<ul style="list-style-type: none"> <li>Other Fiscal Advantages (favourable treatment in relation to Corporation Tax, Capital Gains Tax and Tax relief on donations)</li> </ul>	<ul style="list-style-type: none"> <li>Success depends on attracting and retaining quality 'Trustees/Directors'</li> </ul>
<ul style="list-style-type: none"> <li>Capital Expenditure (ability to borrow / secure capital outside of local authority allocation and regulations)</li> </ul>	<ul style="list-style-type: none"> <li>Potential Impact on central establishment personnel</li> </ul>
<ul style="list-style-type: none"> <li>Fits with Best Value (Partnership Arrangement)</li> </ul>	<ul style="list-style-type: none"> <li>Ability of TUPE to 'protect' employee benefits</li> </ul>
<ul style="list-style-type: none"> <li>Ability /Opportunity to engage the local community through direct representation</li> </ul>	<ul style="list-style-type: none"> <li>Reversibility not guaranteed</li> </ul>

## Appropriateness of Establishing a New Trust in Hart

- 1.15 Establishing a new trust will in theory result in the same management team operating under a new name managing and operating the same facilities and services. If there were a need to drive the business forward with a more commercial approach then establishing a new trust will not necessarily resolve any weaknesses in the service because any management and operational issues will continue to be dealt with by the same team under a new guise but with less control and support from the Council. This will depend to some extent on the mix and strengths of external Board Members in a Company Limited by Guarantee model.
- 1.16 The main disadvantage of the Trust approach is that a new trust would not be able to generate any significant capital investment. The main advantage of this approach would be the access to charitable status and tax-based savings thus enhancing the revenue position.

- 1.17 On the other hand this option would enable an element of risk transfer arising from externalising the services. It would also generate tax-based revenue savings (that are probably more secure than a hybrid trust arrangement) and furthermore it would enable the service to remain as an integrated whole (if this was considered material).
- 1.18 We would have concerns about the Council deciding to establish a new trust in relation to procurement issues and the risk of challenge. A more detailed feasibility study would be required to demonstrate Best Value of this approach. We are not convinced that this could be achieved and the Council may have to go down the twin track approach which is costly and time-consuming

### Advantages and Disadvantages of Existing Trusts

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>VAT favourable treatment of supplies of sporting services (NPDO must be 'principal rather than agent').</li> </ul>	<ul style="list-style-type: none"> <li>Loss of democratic control (arms-length trust can only have up to 20% direct public sector representation)</li> </ul>
<ul style="list-style-type: none"> <li>Will improve the Council's overall VAT position in relation to 5% partial exemption threshold</li> </ul>	<ul style="list-style-type: none"> <li>Trust may find it difficult to 'lever in' sufficient external capital and will still be dependent upon the Council for reinvestment in the assets</li> </ul>
<ul style="list-style-type: none"> <li>Relief from National Non-Domestic rates (NNDR) (up to 85% can be saved subject to 80% mandatory relief and 20% top-up discretionary relief)</li> </ul>	<ul style="list-style-type: none"> <li>Potential fragmentation and disengagement from the Council</li> </ul>
<ul style="list-style-type: none"> <li>Other Fiscal Advantages (favourable treatment in relation to Corporation Tax, Capital Gains Tax and Tax relief on donations)</li> </ul>	<ul style="list-style-type: none"> <li>Success depends on attracting and retaining quality 'Trustees/Directors'</li> </ul>
<ul style="list-style-type: none"> <li>Capital Expenditure (ability to borrow / secure capital outside of local authority allocation and regulations)</li> </ul>	<ul style="list-style-type: none"> <li>Potential Impact on central establishment personnel</li> </ul>
<ul style="list-style-type: none"> <li>Fits with Best Value (Partnership Arrangement)</li> </ul>	<ul style="list-style-type: none"> <li>Ability of TUPE to 'protect' employee benefits</li> </ul>
<ul style="list-style-type: none"> <li>Ability /Opportunity to engage the local community through direct representation</li> </ul>	<ul style="list-style-type: none"> <li>Reversibility not guaranteed</li> </ul>

### Appropriateness of an Existing Trust in Hart

- 1.19 It is likely that there would be some interest from existing trusts even allowing for the current economic situation. If an open tender procurement process is undertaken, these organisations would not be excluded from expressing an interest. At that stage their ability to fulfil the Council's requirements would need to be evaluated objectively and against other potential partners.
- 1.20 If the Council were to consider this approach they would need to be very careful that they were not being used as a 'lifeboat' for an existing trust particularly at this time. They would also need to be certain that an existing trust had the skills and resources to manage the service in a sustainable way.

## Summary of Management options

- 1.21 An in-house solution is the status quo and it can be demonstrated that they are performing economically, effectively and efficiently. We do not believe that an external organisation would manage the service any better. They may be able to access tax-based savings but much of this would be swallowed up in support services, profit margins, start-up costs etc.
- 1.22 The big question mark about the in-house option is the ability to raise capital. The Council could use Prudential Borrowing to fund capital but would need to demonstrate an ability to fund the re-payments. Whilst the private sector could inject capital, the current market conditions do not bode well for a private sector partnership or for a partnership with an existing trust. The cost of capital would be higher in an externalised service.
- 1.23 There are advantages and disadvantages of retaining services in-house but in this case the advantages may outweigh the disadvantages particularly when considering the complexities and risks of reviewing the dual use arrangements and the current move to externalise support services..
- 1.24 A partnership with a private sector operator has a number of merits. Firstly through so-called hybrid trust structures access to tax-based savings can be obtained although the risks of these structures need to be evaluated carefully. These revenue savings can be used to underpin Prudential Borrowing repayments although in this case these would not be too significant and a proportion would accrue to the County.
- 1.25 External capital funding can be levered in through a partnership with a private sector organisation. It should be noted however that this capital will need to be repaid through the lifespan of the contract and is more expensive than the use of in-house capital.
- 1.26 The main disadvantage of the private sector approach is the current market conditions. A potential advantage is the potential improvement of the Council's VAT position especially if capital is spent on the leisure facilities.
- 1.27 The option to establish a new Trust to operate the service also has some merit. The main disadvantages are that the Council will lose control over the service to a greater degree than under a private sector contract and there will be limited opportunity for external funding. Therefore although a new trust would yield some revenue savings associated with National Non Domestic Rates and VAT concessions, a new trust would not be able to access significant capital or bring about cultural change in service delivery. It is unlikely that the Council could set up a new Trust without some form of more detailed Best Value assessment. Start-up costs would also be significant.
- 1.28 Other existing trusts currently operating outside Hart would probably be interested in a partnership with the Council but Strategic Leisure doubt whether they would be capable of delivering any major capital investment and there would be significant concern over their primary focus and operating priority.
- 1.29 It can be seen therefore that all forms of management have relative advantages and disadvantages. The importance of these will depend on ones 'frames of reference' as well as the Council's financial position, political opinion and corporate priorities. The next section of the report identifies some of the key issues in Hart that will influence the choice of the optimum form of management

## Key Issues in Hart

- 1.30 This high level management options appraisal has highlighted some key issues in Hart. These are summarised below.
- **Effectiveness of current operation:** The leisure centres are performing well based on a number of benchmarks and performance indicators. The Quest scores indicate an effective operation and the net cost of the service is very low compared with other in-house local authorities.
  - **Opportunity for savings limited:** The efficiency of the in-house operation minimises the opportunity to generate savings from an externalised option.
  - **Dual-use Arrangements:** The agreements with the schools and County have been 'interpreted' over the years. There are many Gentleman's arrangements in place and most of these are in the District's favour. Any externalisation will need to be associated with a review and firming up of the agreements. This may increase the net cost of the service to the District and therefore reduce the potential savings.
  - **Savings to accrue to the County:** In any case a proportion of any savings arising from an externalisation would be due to the County under the current arrangements e.g. a proportion of any NNDR relief. Savings would need to be weighed up against the loss of direct control.
  - **High cost of support services:** When benchmarked against other local authorities and in particular other forms of management, the cost of support services attributed to the leisure centres is high. This is not unusual in a relatively small 'shire' District because proportionately there are fewer service departments against which these costs can be charged. Externalising the leisure management function would not reduce these costs (unless there was a commensurate reduction in overheads) because there would be no personnel on the TUPE list. Therefore costs would be duplicated.
  - **Out-sourcing of support services:** The Council is in the process of addressing the support services issue by outsourcing a number of administrative functions. Looking to externalise the leisure management service simultaneously may cause some complications.
  - **Relatively high staffing costs:** Having said that the net cost of the service is low, there is one area where we feel that savings could be made. Staffing levels are higher than we would expect particularly at a management/supervisory level.
  - **Need for capital investment:** The leisure centres are in need of investment to keep them up to customer expectation. Some of this investment is needed to maintain the fabric and structure of the facilities, some to refurbish and enhance the ancillary facilities such as changing rooms and some to create additional income generating facilities. The ability to fund this capital will be crucial. The Council is strapped for cash but can use Prudential Borrowing if it so chooses.
  - **High cost of external Capital:** One way to secure this investment would be to partner with a commercial sector company (a leisure trust option would not be likely to yield capital). However the cost of this capital is typically 10-15% which is significantly higher than public sector borrowing.
  - **Current market conditions:** There is evidence that fewer commercial sector companies are bidding for work in the current economic climate. Those that are have started to be much more risk averse and are applying much higher margins. Given the economic nature of the in-house approach we do not feel that there is scope to make significant revenue savings particularly when allowing for part of the savings to accrue to the County and to retain a client function.
  - **Synergy with other leisure facilities:** There are some existing outdoor sports facilities and the potential for more and better ones to be provided adjacent to the Hart Leisure Centre. Strategic Leisure believes that these should be integrated with the management of the leisure centres.
  - **Start-up resources and costs:** Any externalisation will be draining on the Council's time and resources. It is clear that there is insufficient expertise and time available to manage a significant externalisation. Setting up a leisure trust from scratch would cost at least £100k and an externalisation to a commercial contractor at least £50k. We do not believe that this can be justified at this time when the benefits of an external approach are so uncertain.



## Conclusion

- 1.31 **In the case of Hart District Council and taking all relative factors into account we believe that the advantages of retaining services in house outweigh the disadvantages, at least for the time being.**
- 1.32 **Given the existing effectiveness of the service, current market conditions, the impending externalisation of support services and the risk of increasing the net cost through reviewing dual-use arrangements, Best Value may be served at least in the short term by retaining services in-house. The Council should consider in more detail the opportunity to invest in the leisure facilities through prudential borrowing and make some adjustments to the way services are delivered in-house before re-considering an externalisation.**

## Recommendations

- 1.33 Strategic Leisure makes the following recommendations to Hart District Council in relation to the options for the management of leisure facilities;
- 1.** That the leisure management service remains in house (for the foreseeable future) and at least pending the out-sourcing of support services
  - 2.** That the Council undertakes a review of the staffing levels at the leisure centres
  - 3.** That the Council undertakes a feasibility study into the ability to extend the income generating capability of the leisure facilities and to refurbish them through a self-financing capital scheme



**OVERVIEW AND SCRUTINY COMMITTEE**

**DATE OF MEETING:** 19 JANUARY 2010

**TITLE OF REPORT:** DRAFT COMMUNITY ENGAGEMENT STRATEGY

**Report of:** Chief Executive

**Cabinet Member:** Councillor Ken Crookes, Leader of the Council

**1. PURPOSE OF REPORT**

1.1 To seek the Committee's views on the draft Community Engagement Strategy, attached as an appendix to this report.

**2. RECOMMENDATION**

2.1 That the Committee consider and express their views on the draft Community Engagement Strategy.

**3. INFORMATION**

3.1 The Corporate Plan Implementation Programme, agreed last July, committed the Council to preparing a Community Engagement Strategy, as a way of improving its engagement with the different communities and individuals which go to make up the district.

3.2 A draft of that strategy has now been prepared, and is attached as Appendix I to this report.

3.3 The Committee's views on the draft strategy are invited.

**4. FINANCIAL IMPLICATIONS**

4.1 There are no direct financial implications arising from this report. However, as a result of the implementation of the strategy the Council may need to incur expenditure in the future. This will be handled through normal budgetary control procedures, if and when it becomes necessary.

**CONTACT:** Geoff Bonner – Chief Executive

**EXTENSION:** 4108

**EMAIL:** [geoff.bonner@hart.gov.uk](mailto:geoff.bonner@hart.gov.uk)

## **COMMUNITY ENGAGEMENT STRATEGY - DRAFT**

### **I. CONTEXT**

1.1 For most people, there is no such thing as Hart District. The name doesn't relate to any easily identifiable place, it has no historic associations, and the area covered by the district covers a variety of rural and urban areas. There are a number of towns and villages, which share a number of characteristics but are also different from each other in many important respects. In transport terms, there is little to tie the district together – the M3 and the main London to Southampton railway line travels through the district, but they do not link it together. If you want to travel from the south of the district to the north, there are few obvious routes to take.

1.2 So Hart is not a single community – it is made up of a lot of different communities, sharing similarities but also with significant differences between them.

1.3 Communities are also not just about geographic areas – within Hart there are lots of social communities as well – older people, younger people, single people, families, ethnic minorities, people with disabilities, people who think of themselves as rural and others who think of themselves as urban, and so on.

1.4 If Hart District Council, and its partners, is to serve all these communities effectively it needs to understand their needs and views, and the way in which different communities - and indeed different individuals – have different needs and views. If we don't understand what people need and want, and the different needs and wants of different people, we cannot serve them either effectively or efficiently. For the vast majority of the Council's services, one size will certainly not fit all.

1.5 Not only that, we also need to try and empower people – all those different people and communities – to help themselves and to take control of issues that Affect them in their daily lives. We need not just to listen to people, not just to understand them, but to give them the means to take control for themselves, so that they can choose the services and the opportunities they want.

### **2. AIM OF THE STRATEGY**

2.1 This strategy is about to trying to change the way Hart District Council and its partners work. It is about trying to develop an approach to our work which puts communities and people truly at the centre of our work. It is about doing everything we can to tailor our services as closely as possible to the needs and wants of people, to recognise that different people have different needs and wants, and to help those people make their own choices and exercise their own control over events.

**The AIM of this strategy is therefore to better engage with the public:-**

- **so that we have a better understanding of their needs and views; and**
- **so that we understand the different needs and views of different people;**

**in order to:-**

- **help us better meet people’s needs;**
- **improve our own efficiency and effectiveness; and**
- **empower people and communities to influence the things that affect their daily lives.**

2.2 A strategy is just a first step. Adopting it does not automatically bring about the changes it seeks. Together with our partners, and in dialogue with our communities, we now need to put in place the myriad of changes needed to bring about this new approach. There is a lot of work to do.

## **SUMMARY OF THE STRATEGY**

### **CONTEXT**

Hart is not just one community – it is made up of lots of communities and individuals, all of whom have differing needs. The Council has to try to meet the needs of those communities and individuals. It has only limited resources to do so, and therefore has to make sure it uses those resources as efficiently and effectively as possible.

### **AIM OF STRATEGY**

To better engage with the public:-

- so that we have a better understanding of their needs and views; and
- so that we understand the different needs and views of different people;

in order to:-

- help us better meet people’s needs;
- improve our own efficiency and effectiveness; and
- empower people and communities to influence the things that affect their daily lives.

### **OVERALL APPROACH**

1. Recognition of the existence of different communities with differing needs.
2. Recognition that engagement with communities is necessary to understand their needs prior to making policy or service changes.
3. Undertake background work to identify differing communities and best means of engaging with them.

4. Develop a “palette” of techniques to engage effectively with communities, including developing the skills, materials and systems needed for those techniques.
5. For any particular proposal, identify communities most likely to be affected and target engagement on them, using engagement techniques selected from the palette.
6. Use information gained from engagement to design policy or service changes to ensure resources used as effectively as possible to meet differing community needs.

#### **ORGANISATIONAL CHANGES REQUIRED**

1. Recognition of different community needs to be built into organisational culture.
2. Engagement to be coordinated corporately, but to be an integral part of service development and delivery.
3. Corporate group to be set up at senior management level to lead engagement work.
4. Engagement work to take place through and with partner organisations, particularly the LSP.

#### **EQUALITIES**

Equalities – ie recognition of the differing needs of differing community groups – is automatically a part of this process.

### **3. THE OVERALL APPROACH**

#### **3.1 Different People: Different Needs**

3.1.1 At the heart of this strategy is the recognition that people are not the same, and their communities are not the same either. A young single parent on a low income, living in a rented house, has completely different needs and wants from public services than a retired couple living in their own home with a good pension and their family nearby. There are many different communities, often overlapping with each other, within the district – communities of people of different ages, on different incomes, living in different forms of housing, employed/unemployed/retired people, people from ethnic minorities, people who work locally, and people who commute to London. People with problems such as alcohol dependency, physical disabilities, mental illness, and so on.

3.1.2 Councillors and staff often find it difficult to understand in detail these different needs, and even more difficult to change the way we provide services to cater for people with different needs. Our offices tend to be open during “normal” working hours – fine for retired people, but very difficult for people who themselves have to work at those times. We tell people that they can access a range of our services through our website, without recognising that many people do not have ready access to the internet. We expect people

to fill in forms, without realising that for many people this can be a major challenge, particularly if a form has been badly designed.

3.1.3 These things are not deliberate, but stem from a lack of knowledge and understanding of peoples needs. At the heart of the Community Engagement Strategy, therefore, is the need to identify ways of communicating with people in order to understand what their needs and wants actually are, as opposed to what we think they are. If we have that understanding, we can at least start to think about how we can serve them better.

### **3.2 Communication – It’s Good To Talk**

3.2.1 We need better communication, but that is not easy to achieve. There are a myriad of different ways of communicating with the people we serve, but none of them provides a total solution. We can do surveys, we can use citizens panels and focus groups, we can set up public meetings, we can put information on our website, we can invite people to complain, we can use the political process to make decisions about the Council’s future direction, we can talk to bodies such as parish councils and voluntary organisations – but none of these communication techniques can be guaranteed to give us a true and unbiased picture, drawing on all sectors of the community, of what people really want and need.

3.2.2 But that is no reason not to try. No single consultation technique will give us all the answers, but by using a wide range of different techniques we have a better chance of establishing communication, certainly by comparison with doing nothing. Rather than looking for a single perfect communication technique, we need to develop a wide range of techniques, and apply several of them to any particular communication issue. If we want to communicate, for example, with people about our leisure centres, we perhaps need to survey the people who use the leisure centres, talk to parish councils and local community groups about their views of our leisure centres, form focus groups of young people, old people, single parents, working families with children, etc. We could talk to the clubs and societies who organise events in our leisure centres. We could talk to representatives of people with disability challenges. We could invite comments using the Council newspaper or our website. And so on. Using all these communication channels will give us much more information, from a wider variety of sections of the community, than doing just one thing.

### **3.3 Targeting – Who’s In The Frame?**

3.3.1 To be effective, communication needs to be targeted. The best means of communicating with (say) teenagers is not likely to be the same as with (say) elderly people. So our choice of communication techniques needs to bear in mind the people we are targeting for that communication.

3.3.2 Unfortunately, this poses the chicken and egg problem, that until we communicate with people, we may not know whether they have a view on the service, or indeed whether they use the service at all. If we assume, for example, that daytime use of a leisure centre is likely to be by retired people and parents with young children, we may miss the significant number of shift workers or unemployed people who also use the centre at that time.

3.3.3 If we put out leaflets in English and Commonwealth Country languages, we may fail to communicate with East Europeans and therefore not understand the wants and needs that they may have.

3.3.4 Before undertaking any communication exercise, we therefore need to think carefully about who the exercise is targeted at, and whether there may be other target groups that we are not taking into account.

3.3.5 One new tool which may help targeting is the Hampshire Insight project, currently being put together by a consortium of Hampshire councils, using the nationally available “Mosaic” data. This project will help to build “pen portraits” of the sorts of people and communities likely to be found within particular geographic areas of the district, which may help the process of identifying the targets for any particular communication activity.

### **3.4 Subject Matter – Narrowing It Down**

3.4.1 All forms of communication have their uses, but it is generally more effective and allows better use of resources if subject matter of the communication can be narrowed down. A survey of people’s views on the leisure service, for example, is less likely to receive a good response than one on specific proposed changes to the opening hours of the swimming pool. The more focused, and the more specific the issue being communicated, the easier it is to obtain meaningful results.

### **3.5 Hard And Soft Information**

3.5.1 Some communication approaches produce “hard” factual information, which can then be subject to mathematical analysis. Others tend only to produce “soft” information – impressions, views, opinions, anecdotes, etc – words rather than numbers.

3.5.2 Soft data is often regarded as less reliable than hard data, and it can often be hard to produce simple results from it. However, soft data still has important uses – particularly in describing qualitative things, or in explaining a situation. The Council needs to make use of both types of information in communicating with its communities.

3.5.3 Care has to be taken, however, about how representative any particular piece of information is – an individual may hold impassioned views on a particular service, but they may simply be the views of that one individual; the rest of the community may have a diametrically opposed view. This is not to say that that person’s views are invalid, merely that they have to be used with care and in recognition of the context in which they are given.

## **4. ACTION PLAN**

4.1 Based on the above, therefore, the Council is looking for an approach that seeks to communicate with everyone with an interest in a particular issue, and will use a variety of different communication techniques to try to be as effective as possible. It will choose those techniques on the basis of the particular community or people being targeted, and will try to make the communication as focused and specific as possible. It will try to work as closely as possible with partner organisations in engaging with the community. Communication may produce either hard or soft data (or both) and the Council will exercise care in interpreting these types of data, bearing in mind the potential shortcomings of each.

4.2 We will do this through the following Action Plan.

<b>ACTIONS</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALES</b>
<b>ORGANISATION</b>		
Identify Lead Cabinet Member for Community Engagement	Cabinet	By April 2010
Identify Lead Officer for Community Engagement	Chief Executive	By April 2010
Set up Corporate Group for Community Engagement	Chief Executive	By April 2010
Create Community Engagement group within Hart Strategic Partnership	Hart Strategic Partnership	By April 2010
<b>RECOGNITION</b>		
Undertake training to develop understanding of strategy throughout council - members and staff	Lead Officer/ Corporate Group	By June 2010
Start discussion with partner organisations to develop shared understanding of differing community and individual needs	Chief Executive	From March 2010
<b>IDENTIFICATION</b>		
Build Profile of different communities and different needs within district, for example through:- Hampshire Insight project Dialogue with groups representing different communities (eg parish councils, voluntary groups, charities, etc) Use of professional knowledge within council (eg of homeless people through housing staff, of crime victims through community safety staff, etc) Use of knowledge of partner organisations (eg health service, police) Publish Profile Continue to develop Profile	Head of Housing Corporate Group  Corporate Group  Hart Strategic Partnership Corporate Group Corporate Group	By June 2010 By September 2010  By June 2010  By September 2010 Autumn 2010 Ongoing
<b>DEVELOPMENT</b>		
Develop skills, materials and systems for engagement with communities and individuals	Lead Officer/ Corporate Group	Ongoing
Develop practical guidance to staff on using engagement techniques	Lead Officer/ Corporate Group	Ongoing

<b>DELIVERY</b>		
Train staff to use techniques in day to day work of council	Heads of Service	Ongoing
Engage with partners to share engagement techniques and information/ understanding gained from them	Lead Officer/ Corporate Group	Ongoing

Geoff Bonner  
Chief Executive  
8 January 2010



## **APPENDIX**

*(The following note has been prepared as guidance for a member of the council's staff approaching the issue of engaging with the public on a policy or service change)*

### **CONSIDERING CHANGE – A BRIEF GUIDE**

If you are considering introducing a change to one of the Council's policies or services, there are a number of steps you should follow.

The following guide is intended to help.

The starting point for any change should be the Corporate Group for Community Engagement. They will be able to give you guidance on identifying the people you should be seeking to engage with, what data already exists within the Council and its partners which may be relevant, possible techniques you could use, and so on. Your starting point should therefore be a brief paper to the group setting out what it is you are thinking of doing and asking their advice. You will also find the group a helpful place to refer back to whilst your work is proceeding.

There will normally be four main stages to the engagement process. These are:

- A) **Consider who is likely to be affected** by the proposed change. The people you identify here will be the ones you should seek to engage with.

To identify them you could:

- Use your own professional knowledge and judgements.
- Use data derived from the Hampshire Insight project.
- Use information already held within the Council – for example from among the officers on the Corporate Group, from elected members, from the results of previous engagement work, etc.
- By asking partner organisations or other councils who may have undertaken similar work

- B) **Consider different needs of different groups.**

Having identified your main target groups, you then need to think about what their differing needs might be, particularly in relation to communication. You could think about, for example, whether any of the following factors might influence how you engage with them:

- Their age.
- The geographic area they are located in.
- Their ethnicity.
- Their income and whether they suffer from any form of deprivation.
- The use they make of the service.
- Their social, economic or cultural background.

This list is not exhaustive and you may be able to think of some other characteristics which may be relevant for consideration here as well.

- C) You then need to consider what **engagement techniques** are most appropriate for each of the groups you are trying to engage with. There is a potentially large range of possible approaches, and you should try to think creatively about which of these (there will often be more than one) are most likely to give you satisfactory engagement. They include:
- Surveys.
  - Citizen's panels.
  - Focus groups.
  - Forums.
  - Public meetings.
  - Road shows.
  - Use of the website.
  - Use of social networking websites.
  - Use of proxy groups, representative groups, voluntary organisations with an interest in that particular section of the community, etc.
  - Parish councils.

This list is emphatically not exhaustive.

In considering engagement techniques, it is important to recognise the strengths and weaknesses of each for the particular group you are trying to contact. For example, social networking websites may be a very good way of communicating with young people, but much less effective for contacting the middle aged. More mature people are more likely to participate in focus groups or citizen's panels than young people. The skill of engagement is not to seek a single technique, but to recognise that different techniques will be appropriate for different groups in different circumstances, and to use the resources available to you as effectively as possible in trying to reach a broad cross section of groups in a meaningful way. The Corporate Group on Community Engagement will be able to help advise you here.

When you identify a group that you wish to communicate with, you will often find that partner organisations are also interested in engaging with that same group. You can often make engagement more effective by working in partnership with others, pooling your resources and expertise to both your benefit and that of the partner organisation. Again, the Corporate Group will advise you on this.

Generally speaking, more meaningful responses are received from engagement over focused and specific questions, than over more generalised vague ones. Where possible, you should try to focus your questions to a level that will have clear meaningful for participants.

Distinctions are often drawn between "hard" data – (ie, data which can be expressed in numerical terms and which have measurable degrees of statistical significance) and "soft" data (often impressionistic, descriptive, verbal information) which cannot be readily aggregated or assessed for its statistical significance. Both types of data are valid, but need interpretation if they are to be used effectively. Hard data is often viewed as more "reliable", but in many instances that reliability can be spurious, and

in any case it may not be possible to obtain hard data in any particular instance. Again, the Corporate Group can help advise you here.

**D) Collate and Analyse Results**

Having undertaken your various engagement techniques, you should now have a body of information to help inform the changes you are proposing to make. Exactly how to use it will vary from case to case, and it is difficult to be specific here. As a public body, the Council will normally prefer solutions which satisfy the needs of as many different community groups as possible, so ideally you should be looking for a way forward which provides a consensus across the range of different interests that you have engaged with.

Often, however, that consensus is not possible; the views and needs of one sector of the community may be diametrically opposed to those of another. In that case, political judgement may be needed to decide the best way forward. As an officer, your role should be to report these findings and suggest possible ways forward, for the appropriate member forum to consider and eventually decide.

## OVERVIEW AND SCRUTINY COMMITTEE

**DATE OF MEETING:** 19 JANUARY 2010

**TITLE OF REPORT:** REVIEW OF FUTURE DELIVERY OF CLOSED CIRCUIT TELEVISION (CCTV) SERVICE

**Report of:** Corporate Director

**Cabinet member:** Councillor Nippy Singh, People and Partnerships

### **1 PURPOSE OF REPORT**

**1.1** To advise members on the options for the future delivery of the CCTV service.

### **2 OFFICER RECOMMENDATION**

**2.1** That the committee consider the options for the future delivery of the service and whether it wishes to advise which it considers merit further detailed work.

### **3 BACKGROUND**

**3.1** Both Hart and Rushmoor installed CCTV monitoring systems at similar times and over the last six months discussions have taken place to consider the merits of joint working for the future delivery of the services. The Councils have jointly commissioned consultants to advise on the four options for the future

Option 1 – A contractual arrangement where one authority buys the service from the other

Option 2 – Procurement of CCTV services from the private sector/external provider

Option 3 – The development of a jointly ‘owned’ CCTV service

Option 4 – the likely costs of both authorities upgrading their CCTV services individually

Consultants were also asked, in addition to the above, to:

1. Advise on market maturity
2. Advise on the technologies and equipment available to deliver the service and provide vendor independent advice.
3. Develop a specification for staffing and equipment
4. Provide indicative costs for each of the options outlined above

A summary of the consultants report is attached as Appendix I.

**3.2** Both the Rushmoor and Hart CCTV Control Rooms require an upgrade of their Control Room Equipment due to advances in technology and the manufacturers phasing out old Monitors and Tape Based Recording equipment. This parallels the domestic TV industry where Flat Screen Televisions and Digital Video Recorders are now the norm.

Both control rooms therefore need to upgrade to new flat screen monitors and to Digital Video Recording systems due to existing equipment having become redundant

## **4 CONSIDERATIONS**

### **4.1 Headline figures**

If both authorities were to upgrade their control rooms separately the total capital cost would be £487,000 with the cost to Hart being £235,500 of that sum.

Building a single control room to serve both authorities is estimated to cost £373,000 giving a capital saving of £114,000 between the two authorities.

The revenue costs of a joint control room is estimated to save the two authorities approximately £90,000 year on year

### **4.2 Options for future service delivery**

Of the four options considered the consultants recommend a partnership is set up which allows both authorities to share running costs on a pro-rata basis with both having ownership of the system

### **4.3 Issues to be considered**

- I. Maintaining the comprehensive nature of the service – currently both authorities operate a 24/7 service 365 days of the year
- II. Ensuring the council has effective management control of service delivery and future enhancements
- III. Potential to ensure future capacity and expansion of the service
- IV. Potential to achieve economies of scale both in respect of the initial capital investment in upgrading the control rooms and in the revenue costs of running the service
- V. Ensuring equivalent or improved focus on the CCTV needs of Hart District

## **5 POLICY IMPLICATIONS (Alignment with Corporate Plan, Sustainable Community Strategy, other Council Plans, see full list)**

- 5.1** Hart has a long established CCTV service which makes a significant contribution to the corporate priority of a safe district

## **6 FINANCIAL IMPLICATIONS**

- 6.1** There are no financial implications arising from this report.

## **7 OTHER IMPLICATIONS**

- 7.1** **Equality and Diversity** – the work of the CCTV service makes a contribution to the achievement of equality and diversity objectives in the district

- 7.2** **Environmental Sustainability** – none

**7.3 Crime and Disorder (Section 17)** – the work of the CCTV service makes a significant contribution to the reduction of crime and disorder in the district and also to the provision of reassurance to residents and businesses in the district.

## **8 CONCLUSION**

**8.1** Following discussions between officers and members of both authorities it is considered there is considerable potential to bring the CCTV services of both authorities together to provide an excellent CCTV service to both districts while achieving economies of scale in the investment needed to upgrade both systems.

Having considered the consultants advice it is recommended that officers continue to work with officers at Rushmoor Borough Council to work up in greater detail option 1 and option 3 above, while retaining option 4 as a likely 'plan B' and as a benchmark to measure potential joint service delivery against.

It is proposed that officers bring the conclusions of this work back for further consideration and a decision on the best option to implement for future service delivery as soon as possible. It is currently estimated that this piece of work will take about six months to complete.

**Contact Details:**    **Officer:**        **Viv Evans, Corporate Director**  
                                 **Extension:**    **4425**  
                                 **E-mail:**        **viv.evans@hart.gov.uk**

**APPENDIX I**            **Summary of the consultants report on 'CCTV review for  
Rushmoor Borough Council and Hart District Council'**  
                                 **9 December 2009**

**CCTV Review for Hart District Council and Rushmoor Borough Council**  
**Summary of Consultants Report**  
**9 December 2009**

**I Executive Summary (Unabridged)**

Both the Rushmoor and Hart CCTV Control Rooms require an upgrade of their Control Room Equipment due to advances in technology and the manufacturers phasing out old CRT Monitors and Tape Based Recording equipment. This parallels the domestic TV industry where Flat Screen Televisions and Digital Video Recorders are now the norm.

Both control rooms therefore need to upgrade to new flat screen monitors and to Digital Video Recording systems due to existing equipment having become redundant.

In view of the fact that both control rooms need new equipment to continue their operations; this report looks at the Staffing Levels, Running Costs, Current Equipment and Upgrade Costs for both to provide advice and recommendations concerning:

- a) Upgrading Each Control Room in isolation
- b) Building a Single joint Control Room for both Authorities
- c) Suggesting how one Authority may buy services from the other
- d) Providing Options for Outsourcing the whole Service to a 3<sup>rd</sup> Party
- e) Providing Opportunities for Income Generation

Headline Figures

By building a single joint control room, a total capital saving of £113,000 can be made between the two Authorities compared to each upgrading their own Control Rooms. Equipment costs such as Monitor Walls, Power Management, Control Workstations and Equipment Room installations would be shared.

The Revenue costs of a joint control room can jointly save the two Authorities approximately £90,000 year on year through the lowering of overheads. This would be achieved by a small reduction in existing joint staff levels, incorporating a combined staff shift pattern. This will reduce duplication of staff between the less sensitive hours of 2am to 9am while still retaining a 24/7 CCTV monitoring service at the existing level of monitoring.

Paying for Services

The report documents typical rates that Local Authorities charge other Local Authorities for monitoring CCTV cameras, with a range of £2,500 per camera, per annum to £3,500 per camera per annum.

However the report recommends that a Partnership is set up rather than a fixed monitoring cost which allows both Authorities to share running costs on a pro-rata basis with both having ownership of the system.

### Outsourcing

Optimum is aware of one Local Authority that is in the post Tender stage of outsourcing their entire CCTV service (staffing, maintenance, equipment upgrades including a new control room) with a CCTV installation company incorporating a long term contract.

Existing staff will be employed using TUPE. This is a very new approach to providing the service, with expected benefits for future income generation. The contract was only recently awarded and therefore it is too early at this stage to explore and examine how successful this arrangement actually works in practice.

### Income Generation

The report provides advice concerning opportunities and sources for income generation and ensures that expansion space is included for new equipment in any of the control room options, thus allowing for future proofing.

### Summary

The report concludes by recommending that a single joint Monitoring Centre is developed using a partnership agreement between both Authorities that addresses the Revenue costs including, administration, management, staffing, maintenance and equipment renewal.

## **2 Options for Service Delivery**

**Option 1:** Contractual arrangement – one authority buying the service from the other. Initially this will be developed as upgrading/ renewing the CCTV equipment and services for one Authority with additional capacity to provide the service for the other authority.

**Option 2:** Procurement of CCTV services from private sector/ external provider.

**Option 3:** The development of a jointly ‘owned’ CCTV service for Rushmoor Borough Council and Hart District Council. This includes the potential for development of a company which can achieve income by supplying services to third parties. The costs in this option will be shared and it is envisaged that this will initially be a partnership arrangement.

Consultants were also required, in addition to the above, to:

1. Advise on market maturity
2. Advise on the technologies and equipment available to deliver the service and provide vendor independent advice.
3. Develop a specification for staffing and equipment
4. Provide indicative costs for each of the options outlined above.

In addition Consultants were asked to compare the options for future delivery with continuing the existing arrangements with an individual upgrade of each authorities control room.



### **3 Option 1 - Contractual arrangement – one authority buying the service from the other**

Charges for the Monitoring Service

A range of charging options exist for the Monitoring Service

1 - Charging a “Per Camera” fee to other Authorities – the price range is currently in the range of £2,500 and £3,500 per camera

2 - Forming a Partnership and share revenue costs i.e. staffing and management costs on a pro-rata basis

<b>Costs which are shared pro-rata</b>	<b>Costs paid by each authority partner</b>
Control Room Operator Costs Control Room Supervisor Cost Control Room Telephone Charges (note: room space and power are provided in kind by Thames Valley Police)	Their own BT fibre revenue costs  Their own Capital Costs for camera upgrades or replacements.  Their own Capital Costs for equipment in the control room, each authority has its own Digital Video Recorders and Matrix  Their own maintenance costs but use the same maintenance contractor
From 2010 there will be a combined Maintenance Contract for both Authorities, split pro-rata	

3 – Charging for a defined number of staff – some control rooms determine that they require a certain number of staff to cover the monitoring duties of the client authority and charge the relevant staff costs to the client authority

Various charging regimes for the Client Authority.

Cost Per Camera – Advantages	A known cost per annum for monitoring
Cost Per Camera - Disadvantages	Adding two extra cameras could cost between £5,000 and £6,000 per annum in extra monitoring fees making camera additions unattractive if revenue is not available
Partnership – Advantages	Both parties have ‘ownership’ of the system and a say in how it is run.
Partnership – Disadvantages	As cameras are added (or removed) the pro-rata ratio of cameras can change, altering the annual charges per Authority
Paying for Staffing – Advantages	Fixed annual price. Possible to add a number of cameras for no extra cost
Paying for Staffing – Disadvantages	No saving when removing cameras

### **4 Staffing Arrangements for a Joint Control Room**

Rushmoor has 70 cameras (excluding the new 3G camera) and Hart has 56 cameras. Rushmoor’s current staffing consists of 1 Manager plus 4 Operators (12 hr shifts). Hart’s current staffing consists of 1 Manager, 4 Operators (12 hr shifts), 1 Part Time Operator (14 hrs per week) and 2 other P/T staff.

A single joint Control Room will have a total of 126 cameras, some of which are fixed view cameras in car parks.

When considering the staffing of the joint control room, several factors need to be considered

1. One CCTV Manager Position for both Authorities based in the Control Room.
2. Consideration for one Control Room Supervisor (depending on the duties specified for the CCTV manager)
3. Provision of sufficient Operators for Day Time and Evening (to 0200) monitoring at existing staffing levels.

Optimum recommends dual-staffing from 0900 to 0200

4. Reduce staff to 1 operator in the 0200 to 0900 less sensitive period.

The VTAS (Rushmoor) and the PETs (Hart) systems both show a reduced number of CCTV incidents from 2am to 9am early in each week. During this time a single operator could be used.

5. Extra shifts for the night time economy periods e.g. Thursday, Friday and Saturday between 1900 and 0300.
6. The benefits of digital recording systems allowing incident reviewing to take place at the Operator Console, at separate Review Room as is currently used and even at the Police Station using Remote Reviewing Software.

Optimum recommends that incident copying is only available at the Monitoring centre Review Room.

Staff and other cost saving

Existing costs for both systems	£397,160	
Joint Monitoring at Rushmoor 37.77%)	£288,285	(-£108,875 =
Joint Monitoring at Hart 31.93%)	£301,037	(-£96,122 =

## **5 Costs for Control Rooms Upgrading Jointly**

The new joint control room will require:

- Upgrade to Digital Recording
- A larger Monitor Wall – although not every camera will be on view simultaneously, the new monitor wall will be fully flexible allowing different layouts of cameras for day time, night time, weekend, special events etc
- Operator control positions with mapping and incident entry – to allow an operator to handle the larger number of cameras

- Digital recorder re-play at the operator console – this will allow an operator to replay an incident to aid description and identification of people or vehicles present.
- An integrated radio system – to manage the increased number of radio systems

Extra space requirements include:

- The Operator Console will require 4 positions – 3 for Operator use and a separate position which can be used during Police or Authority operations (E.g. RIPA, monitoring of Taxis, Refuse, Licensing). The current consoles have only two positions.
- Monitor Wall will be 50% wider than the current monitor wall.
- Equipment Rack Space is needed to house additional telecommunications and digital recording equipment with air-conditioning and UPS
- If the Control Room is to monitor external alarms, or bring in other sources of revenue, then additional Equipment room space, desk space, monitor wall space and office space (for meetings) will be needed.

**Recommendation**

For a Joint Control Room with the space to monitor external CCTV systems or Alarms (generating revenue) Optimum recommends that the new CCTV Control Room will require approximately double the space that is currently used by either Control Room and Equipment Room.

**Total Costs of a joint control room - £373,000**

In order to combine both control rooms there will be a range of costs associated with re routing fibre optic links to either Rushmoor or Hart.

Hart uses BT fibre optics.	Capital costs of re-routing -	£45,000
	Revenue costs -	£4,500 pa
Rushmoor uses NTL fibre optics	Capital costs of re-routing -	£70,000
	Revenue costs -	£7,500 pa

**6 Costs for Control Rooms Upgrading Individually**

Rushmoor	£251,500
Hart	£235,500
Total for both	£487,000

**7 Analysis of Capital Costs for a Joint Control Room**

Building a joint Control Room –	£372,200 plus re-routing costs
Upgrading individually -	£487,000

There is a £113,000 joint saving for the two authorities by building a single control room

## **8 Procurement of CCTV services from the private sector**

Within the last 12 months one London Borough has ‘outsourced’ its CCTV provision to the private sector.

Two contractors are currently in the market to deliver outsourced solutions. These are British Telecom, in partnership with Quadrant Security Group, and Siemens. For the purposes of this exercise the consultant has held only general talks with both contractors to ascertain the potential for this option.

Based on experience elsewhere BT suggested they could save 10% on existing running costs per annum. Siemens stated they could save 20% on existing running costs but only after year 3 onwards. In both cases this is based on a minimum 10 year contract. All companies were looking for 10 to 15 year contracts. It is understood the London Borough has committed to a 15 year contract.

All companies promoted the benefits of outsourcing. One account manager oversees the staff, any installation work (including upgrades and new equipment) and the maintenance.

Siemens stated how on maintenance, a long term contract delivers savings as a) they have a long term contract to spread the cost over and b) they are more inclined to invest in new equipment to save staff time rather than carry out short term repairs to older equipment.

In relation to new equipment, the cost can be spread out over the contract duration.

For example a new camera bought in Year 3 priced at £21,000 could be spread over the remaining 7 years, increasing the annual cost by £3k per annum.

All contractors stated that they would use their experience of the market and their contacts to bring in new business, for which the revenue would be shared

This revenue share is aimed to provide sufficient income to meet the running costs of the CCTV control room, making the service pay for itself.

The total outsourcing of CCTV is new to the Local Authority Sector, although private organisations have used this system for a number of years.

Advantages	Long term contract with possible Capital and Revenue savings. A Partner to help bring in Revenue with the resources to sell systems to 3 <sup>rd</sup> parties, install them and link them back to the CCTV Control Room
Disadvantages	Long term contract, although the existing Hart IT outsourcing is for 10 years (with a 5 year break clause)  This is a new model for CCTV Control Rooms and has not yet been tried and tested

## **9 Summary and Conclusions**

Both Authority CCTV Control Rooms need to upgrade their equipment due to their existing recording systems and monitors having become obsolete as technology has been developed.

The costs included in this report show that there are both Capital expenditure savings and year on year Revenue savings available to both Authorities if a combined CCTV Control Room is developed.

By building a combined control room, a capital saving of £113,000 can be made jointly between the two authorities.

The management costs of a combined control room can save the two Authorities together, approximately £90,000 year on year, through the lowering of overheads and a staff shift pattern which reduces duplication of staff between 0200 and 0900 daily.

Combined Authority CCTV Control Rooms are common place throughout the UK and are increasing annually.

Concerns that relocated CCTV control rooms cause the Police to travel extra distance to obtain evidence, in this case is not an issue.

Optimum's recommendation is to develop a new combined Control Room but to allow sufficient space to expand additional services in the future.

## OVERVIEW AND SCRUTINY COMMITTEE

**DATE OF MEETING:** 19 JANUARY 2010

**TITLE OF REPORT:** PERFORMANCE MANAGEMENT FRAMEWORK

**Report of:** Corporate Director

**Cabinet member:** Councillor Ken Crookes, Use of Resources

### **1 PURPOSE OF REPORT**

**1.1** To advise members on the new Performance Management Framework.

### **2 OFFICER RECOMMENDATION**

**2.1** That the committee considers the new Framework and whether it wishes to make any comments on its content or approach.

### **3 BACKGROUND**

**3.1** Over the last six months several changes to the way we manage performance have been trialled, such as the creation of the Service Boards and the involvement of members from both Cabinet and Overview and Scrutiny Committee in attending monthly meetings of the Boards. Also we have changed the type of information being reported to OSC on a quarterly and also the presentation of the information to make it easier to understand. Whilst feedback has indicated that these changes have improved members and officer understanding and focus on performance there remains a lot more to do and the Performance Management Framework attached as Appendix I encapsulates changes already made and looks to take these further to ensure the Council is effective and achieves clear improvements in performance in future.

### **4 POLICY IMPLICATIONS (Alignment with Corporate Plan, Sustainable Community Strategy, other Council Plans, see full list)**

**4.1** The implementation of an effective Performance Management Framework forms a key element in achieving the Corporate Plans' aim of creating 'An Organisation of Excellence'.

### **5 FINANCIAL IMPLICATIONS**

**5.1** There are no financial implications arising from this report.

### **6 OTHER IMPLICATIONS**

**6.1** **Equality and Diversity** – None

**6.2** **Environmental Sustainability** – None

**6.3 Crime and Disorder (Section 17) – None**

**7 CONCLUSION**

**7.1** Members are asked to consider the new Performance Management Framework and comment as appropriate on its content or approach.

**Contact Details:**    **Officer:**        **Viv Evans, Corporate Director**  
                              **Extension:**    **4425**  
                              **E-mail:**        **viv.evans@hart.gov.uk**

**APPENDIX I        Performance Management Framework**

**PERFORMANCE MANAGEMENT FRAMEWORK**

**1. INTRODUCTION**

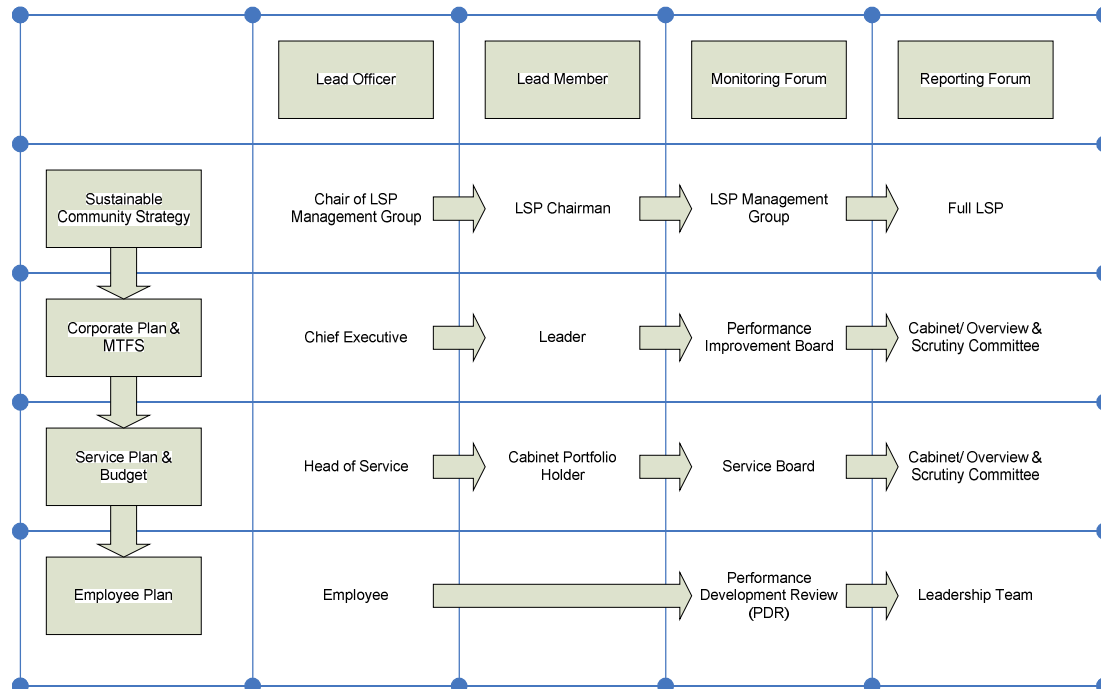
1.1 Performance Management is one of the most important management techniques used in the Council. It sets out, at each level of management, the tasks and targets the Council wants to achieve, and then monitors how well it is achieving them. If monitoring shows that satisfactory progress is not being made, corrective action can then be taken. Performance Management helps the council clarify and prioritise its objectives, mitigate risk, and allocate resources effectively

**2. PERFORMANCE MANAGEMENT HIERARCHY**

2.1 The system is hierarchical – ranging from the Hart Strategic Partnership, through the Council itself, each of the Services within the Council, down to individual employees within each service. The tasks and targets set at each level provide the context for the tiers below, and fit within the context provided by the tiers above. The whole system therefore ensures that everything the Council is doing fits together in a mutually supportive way.

2.2 The four main tiers within the system, and the people and forums responsible for managing each tier, are shown in the following diagram:

**Figure 1: Performance Management Hierarchy**



**3. PLANNING & MONITORING**

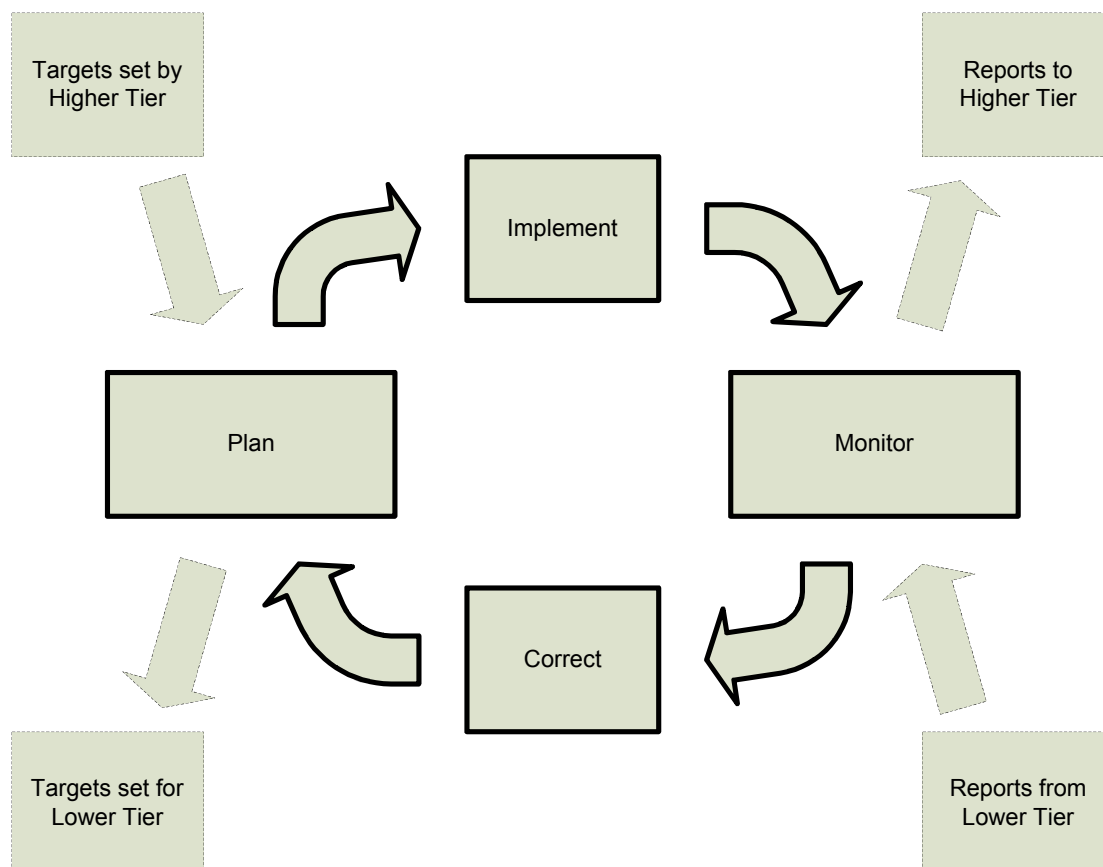
3.1 At each tier, the lead officer and lead member develops a strategy or plan, setting out the tasks and targets they propose to achieve. Those tasks and



targets are in accordance with the context set by the tiers above, and also include tasks and targets being set for the tiers below. Each plan is implemented by the lead officer, and progress against the plan is monitored by the appropriate monitoring forum, who take any corrective action necessary if any element of the plan is not being achieved. Each monitoring forum also reports regularly to the appropriate reporting forum, usually at member level.

3.2 The following diagram may make the operation of this process at each individual tier easier to understand:

**Figure 2: Planning & Monitoring Cycle**



#### **4. MEASUREMENT OF PERFORMANCE**

4.1 At each level in the hierarchy, work will generally fall into one of two categories:

- a) **Tasks, or Projects** – one off pieces of work that have a specific beginning and end. These may include a building project, a service review, the introduction of a new computer system, etc – anything with a clear beginning and end. Progress against these will generally be measured using Milestones, ie, dates by which certain parts or stages of the task should be completed.
- b) **Ongoing work** – this will generally be an ongoing system or process in which, whilst individual pieces of work may have a beginning and an end, the process

itself continues. Thus the processing of determining planning applications is regarded as ongoing work; each individual planning application has a beginning and an end, but the continuing flow of new applications means that the work as a whole continues. Performance of ongoing work will normally be judged by Performance Indicators – for example, the number of planning applications handled within the year, the average time taken to process each application, and so on. There should normally be an expectation of improved performance each year against these indicators – so the average time taken to process each planning application should reduce from one year to the next. Targets will be set each year to drive that improvement process.

- 4.2 Performance will therefore be measured either by the extent to which project milestones are successfully met, or performance indicators are successfully achieved.

## **5. TIMESCALES**

- 5.1 Generally speaking, plans are produced over a three year timescale, with the first year being more detailed, and the second and third years indicative. Monitoring generally takes place on a monthly basis, with upward reporting of progress generally taking place quarterly.

## **6. SYSTEM MANAGEMENT**

- 6.1 The whole performance management system is managed through the “Covalent” computer system, which stores information about targets and tasks, together with monitoring information, details of expenditure, etc.

## **7. MEMBER ENGAGEMENT**

- 7.1 Over the years of operation of the current system, it has proved difficult to get effective member engagement in Performance Management, particularly from Overview & Scrutiny Committee. Different monitoring reports have been produced at different times, and large quantities of paper have been submitted to some Committee meetings which has made it difficult for members to effectively gain an understanding of performance, let alone make a meaningful contribution to it.
- 7.2 Two major changes have now been made. The first of these has been the move to a co-ordinated monitoring report for Overview & Scrutiny Committee and Cabinet, which brings together monitoring information from a variety of activities into a single document, produced at regular intervals. The document includes summary information and uses graphical techniques to try to make the information provided more digestible.
- 7.3 The second change has been to establish Service Board meetings, one for each major service, comprising the relevant Cabinet member, two members of Overview & Scrutiny Committee, and relevant officers. These meetings go through both Service Plan and budget monitoring information for the service throughout the year, and also consider the budget and Service Plan roll-forwards during autumn and winter each year. This approach means that

Overview & Scrutiny members are more closely involved in the details of each service's monitoring than hitherto.

## **8. IMPROVEMENTS TO THE SYSTEM**

- 8.1 Most of the system described above is already in operation and has been for some time. However, there are a number of improvements which will take place over the coming months, not so much in the system itself as the way it is operated. These include:
- a) **Public/customer engagement in setting targets** – to reflect the Council's emphasis on public engagement, there should be involvement of the public or customers in setting targets and performance measures, so far as practicable, at each level of the hierarchy.
  - b) **Emphasis on using performance management to drive performance improvements** – the main purpose of the performance management system is to drive improvement. There should therefore be an emphasis on reaching higher targets each year, with an expectation that improved performance should be achieved even within a similar level of resource. Where improvement is not possible, this should be explicitly explained.
  - c) **Emphasis on monitoring outcomes, or outputs, rather than inputs** – an ideal measure of performance is one which accurately reflects the benefit to the public of the service being provided – often called an "outcome" measure. This is not always practicable, so as a second choice "output" measures – eg, the number of units produced – should be used in preference to "input" measures – eg, the cost of providing the service.
  - d) **Clear responsibilities for performance at each level** – plans should make clear who is responsible for achieving each target in order to give clear accountability. At the level of individual employees, this will help clarify work objectives and ensure employees are focussed on council priorities. The council's current Performance Development Review (PDR) system needs strengthening to ensure this happens consistently across the organisation.
  - e) **Greater consistency within the system:**
    - There should be consistent definitions used within the system – eg, the distinction between project and ongoing work, between milestones and performance indicators, etc.
    - The Council should use a consistent set of performance indicators from year to year, to allow measurement of performance over a period of years. The temptation to chop and change performance indicators should be resisted.
    - There should be consistent use of the Covalent system across all services and at each level in the hierarchy. Whilst the system can generate a wide range of reports, and individual managers may find it helpful to use non-standard reports within their own work, reports to the reporting forums should be in a consistent format to allow easy appreciation of the information contained in them.

- Only information about performance should be included in the performance management system. The Council holds a lot of other information which may or may not be of general interest, but which does not measure performance. That other information should be collected and held elsewhere, it does not belong within the performance management system.
- The whole process of performance management depends upon good quality data; if information is inconsistent or unreliable, or is not collected in accordance with the relevant definitions, it gives an erroneous impression. Those involved in supplying information to the system must comply with rigorous data capture and analysis techniques, and will be subject to audit scrutiny from time to time.
- Good staff training in the use of the system at all levels is an important prerequisite to effective use of the data it contains.

f) **Reporting of information** – to be useful, information has to be reported in a quantity and format that makes it readily capable of assimilation by those receiving the report. Lots of small print with endless lists of performance indicators are not helpful in this regard. There should therefore be:

- A reduction in the number of performance indicators and milestones being reported at each level of the hierarchy.
- Much greater use of graphic techniques to illustrate performance.
- Reporting based on a mixture of “key” performance indicators and milestones, coupled with “exception” reporting where performance is giving cause for concern. Non-key and non-exception reporting should not be necessary.
- Reporting should take place at regular intervals in a consistent format to enable those receiving the information to handle it effectively. A schedule of reporting dates should be produced for each reporting forum.

## 9. ACTION PLAN

9.1 Overall Responsibility for improving the Performance Management System rests with the Corporate Director (Viv Evans) supported by the Performance & Innovation Officer .

<u>ACTIONS</u>	<u>RESPONSIBILITY</u>	<u>TIMESCALE</u>
<b>IDENTIFY STAFF</b>		
Identify Lead Officer Responsible for each Strategy/Plan	Leadership Team	March 2010
Identify Data Collection Officer(s) for each Strategy/Plan	Relevant Lead Officer	March 2010

<b>DEVELOP SYSTEM/MATERIALS</b>		
Review format of all documentation, forms and systems used to produce clearer, more standardised approach	Corporate Director (Viv Evans)	March 2010
Review definitions used in system and standardise them	Corporate Director (Viv Evans) + Lead Officers	March 2010
Review use of Covalent system and standardise reporting forms	Performance & Innovation Officer	March 2010
Review arrangements to ensure good data quality and identify improvements	Corporate Director (Viv Evans) + Performance & Innovation Officer + Internal Audit Manager	June 2010
Review data quality audit arrangements and identify improvements	Internal Audit Manager	June 2010
Identify storage/reporting mechanisms for non-performance data	Corporate Director (Viv Evans)	April 2010
Develop techniques for engaging the public/ customers in setting targets and monitoring performance	Corporate Director (Viv Evans) + Lead Officers	March 2011
Develop Training Plan for staff using the system	Corporate Director (Viv Evans)	June 2010
Develop Guidance Pack on using system for Lead Officers	Corporate Director (Viv Evans)	June 2010
Develop Guidance Pack on using system for Data Collection Officers, particularly regarding data quality	Performance & Innovation Officer	June 2010
Develop graphic techniques for reporting and promulgate these to relevant staff	Corporate Director (Viv Evans) + Performance & Innovation Officer	Oct 2010
Review and if necessary revise forms used for PDR system	Corporate Director (Viv Evans) + HR(Capita)	Oct 2010
<b>PROVIDE TRAINING</b>		
Provide Training to Lead Officers in using system	Corporate Director (Viv Evans)	April 2010
Provide Training to Data Collection Officers in using system	Performance & Innovation Officer	April 2010
Provide Training for all staff in using the PDR system	Corporate Director (Viv Evans) + HR(Capita)	Oct 2010

Provide Training for Members involved in setting targets/monitoring	Corporate Director (Viv Evans)	Oct 2010
<b>TARGET SETTING</b>		
Develop Target Setting Schedule showing when targets should be set and by whom	Corporate Director (Viv Evans)	July 2010
Review current indicators and targets and identify "Key" Indicators/ Targets for reporting at each level	Corporate Director (Viv Evans) + Lead Officers	July 2010
Issue guidance on "Exception" reporting	Corporate Director (Viv Evans)	July 2010
<b>REPORTING</b>		
Develop Reporting Schedule showing which information should be reported where and when	Corporate Director (Viv Evans)	March 2010
<b>MEETINGS TIMETABLE</b>		
Establish annual timetable of meetings at all levels in the system, for both target setting and reporting purposes	Corporate Director (Viv Evans)	April 2010
<b>REVIEW</b>		
Review performance of system each year and recommend improvements	Corporate Director (Viv Evans)	June 2011

Geoff Bonner  
Chief Executive  
8 January 2010

## CABINET

### KEY DECISIONS/ WORK PROGRAMME AND EXECUTIVE DECISIONS MADE

#### January 2010

Cabinet is required to publish its Key Decisions and forward work programme to inform the public of issues on which it intends to make policy or decisions. The Scrutiny Committee also notes the Programme, which is subject to regular revision. *Items in italics denote changes to a previously published Plan.* **All items are key decision unless stated otherwise.**

Report Title	Ref (Note 1)	Outline/Reason for Report/Comments	Original Due Date	Revised Due Date	Decision Deadline	Cabinet Member (Note 2)	Service (Note 3)
Sale of Council owned land to provide affordable housing	Nov 09	Decision deferred from December meeting	Dec 09	Jan 10		SB	NP
Equality Framework for Local Government	Apr 09	To inform members about change to the Equality Framework and their implications	July 09	Jan 10		NS	CD
Workforce Strategy	Jan 10	Report	Jan 10			KC	CX
2010/11 Outline Budget Report		Update on current position	Jan 10			KC	F
Setting the Council Tax Base		Approval	Jan 10			KC	F
Service Plans 2010/11		Draft Service Plans for consideration	Jan 10	Feb 10		KC	CD
Options for future delivery of CCTV	Oct 09	Report on options	Nov 09 Jan 10	Feb 10		NS	CD
Review of S106 Policy	Jul 09	Report	Sept 09	Feb 10		RA	P&ER
Environmental Maintenance Service Enforcement Policy and Procedures	Oct 09	To comply with the Clean Neighbourhoods and Environment Act	Dec 09	Feb 10		SP	TS&EM
Environmental Health	Oct 09	Shared Service with Rushmoor & Basingstoke and Deane	Dec 09	Feb 10		SB	CD
2010/11 Revenue Budget,		Approval	Feb 10			KC	F

PAPER H

<b>Report Title</b>	<b>Ref (Note 1)</b>	<b>Outline/Reason for Report/Comments</b>	<b>Original Due Date</b>	<b>Revised Due Date</b>	<b>Decision Deadline</b>	<b>Cabinet Member (Note 2)</b>	<b>Service (Note 3)</b>
Capital Programme and Council Tax Proposals							
2009/10 Quarterly Budget Monitoring		Quarterly Monitoring	Feb 10 Aug 10 Nov 10			KC	F
Leisure Strategy	Dec 09	Report	Feb 10			SK	L&EP
Community Engagement	Jan 10	Report	Feb 10			KC	CX
Future aims and objectives for Queen Elizabeth Barracks site	Aug 09	Report	Mar 10			RA	CD
Service Plans 2010/11		Approval / update after budget approval	Apr 10			KC	CX
Corporate Plan Implementation Plan	Oct 09	Updated plan	Nov 09	Jun 10		KC	CX
Performance Indicators 2009/10		Reporting Council's performance over 2009/10	Jun 10			KC	CX
LDF Core Strategy	Mar 09	Preferred option document for consultation	Jun 10			RA	P&ER
Medium Term Financial Strategy		Update on 2010/11 Medium Term Financial Strategy	Aug 10			KC	F
Communications and Consultation Policy	Mar 08	Review	Sept 08	TBA		JK	CX
Older Persons Housing Strategy	Mar 09	Revised strategy	Jun 09	TBA		SB	HS



Notes:

1 Date added to Programme

2 Cabinet Members:

KC Crookes

SK Kinnell

RA

Appleton

SB

Band

JK

Kennett

SP

Parker

NS

Singh

3 Service:

CX *Chief Executive*

CD *Corporate Directors*

CS *Community Safety*

DS *Democratic Services*

F *Finance*

HR

*Human Resources*

P&ER

*Planning and Environmental Regulation*

HS

*Housing and Customer Services*

P

*Partnerships*

IT

*Information Technology*

SLS

*Shared Legal Services*

L&EP

*Leisure and Environmental Promotion*

TS &EM

*Technical Services and Environmental Maintenance*

MO

*Chief Solicitor & Monitoring Officer*

**OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME – January 2010**

<b>Issue and Description of Topic</b>	<b>Current Position Objectives</b>	<b>Date to Committee</b>	<b>Resources Required</b>	<b>Contact</b>
<b>Budget Proposals 2010/11 (Annual)</b>	Draft Budget to be presented for referral back to Cabinet.	Jan 10	Report	Head of Finance
<b>Progress Report on 2009/10 Service Plans</b>		Feb 10	Report	Corporate Director
<b>Environmental Health -</b>	Options for a Shared Service with Rushmoor & Basingstoke and Deane	Feb 10	Report	Corporate Director
<b>Performance Information (Quarterly) (Annually in August)</b>	Committee receives quarterly highlight reports.	Feb 10 May 10 Aug 10 Nov 10	Report	Performance and Innovation Officer
<b>Revenue Budget Monitoring</b>	Quarterly summary	Feb 10 May 10 Aug 10 Nov 10	Report	Head of Finance
<b>Crime and Disorder Committee</b>	Scrutiny to include Action Plan and priorities for 2010/11, with an invitation to Cllr Collet to attend.	Mar 10	Report	Corporate Director
<b>Outside Bodies Representation</b>	Reports from Councillors sitting as representatives on outside bodies.	Apr 10	Report	Corporate Director
<b>Meeting with South West Trains &amp; Network Rail</b>		Apr 10 Oct 10	Presentation	Corporate Director
<b>Flooding</b>	Report	Twice a year		
<b>TAG Masterplan</b>	Invitation to participate in Scrutiny of Masterplan	June 09	Discussion	Corporate Director

<b>Housing Associations</b>	Report from Housing Services on perceived lack of service (Sentinel, Thames Valley Housing and Hyde Housing)	tba		
<b>Budget Proposals 2011/12 (Annual)</b>	Draft Budget to be presented for referral back to Cabinet.	Dec 10 Jan 11	Report	Head of Finance

## **OVERVIEW AND SCRUTINY COMMITTEE**

Date and Time: Tuesday, 19<sup>th</sup> January 2010 at 7.00 pm

Place: Committee Room 1, Civic Offices, Fleet

**Present:**

### **COUNCILLORS –**

Neighbour – Chairman

Butler C, Davies, Gotel, Haffey, Healey, Murr, Street

In attendance:

Parker, Ive

Officers Present:

Geoff Bonner	-	Chief Executive
Viv Evans	-	Corporate Director
Emma Broom	-	Corporate Director
Kevin Jaquest	-	S151 Officer
John Elson	-	Head of Technical Services and Environmental Maintenance

### **58. MINUTES**

The minutes of the meeting held on 15<sup>th</sup> December 2009 were confirmed and signed as a correct record.

### **59. APOLOGIES**

Apologies for absence were received from Councillors Axam and Radley JE.

### **60. CHAIRMANS ANNOUNCEMENTS**

The Chairman had attended the Joint Scrutiny Seminar hosted by Hampshire County Council on 15 January 2010.

He had also received a request from Councillor Street to invite the Royal Mail to a future meeting of the Overview and Scrutiny Committee to discuss their service during the recent adverse weather conditions. The Committee agreed to the request.

### **61. DECLARATIONS OF INTEREST (PERSONAL AND PERSONAL AND PREJUDICIAL)**

Councillor Davies declared a personal interest in item 12, CCTV, in that a family member was employed by Optimum Security Services.

**62. PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)**

Mr Gerry Hirst read his statement regarding the waste service during the bad weather.

*Councillor Street entered the meeting during this item.*

**63. HOUSING SERVICES REVIEW**

Councillor Healey updated members on progress. The review was now intending to report in either February or March

**64. FEEDBACK FROM SERVICE BOARDS**

Various members advised on their attendance at Service Boards during the past month

**65. SEVERE WEATHER AND WASTE COLLECTIONS – LESSONS LEARNT**

Members were briefed on how refuse and recycling was collected during the recent severe weather and identified areas for improvement. The new draft Waste Contingency Plan was presented for consideration and approval.

**RESOLVED**

That the new Waste Management Contingency Plan be approved.

*Councillors Ive and Davies entered the meeting during this item.*

**66. 2010/11 BUDGET UPDATE REPORT**

The report provided the Committee with an opportunity to comment on the budget update report considered by Cabinet on 14 January 2010.

**RESOLVED**

- 1 The budget update report and amended savings target be noted.
- 2 Members noted that work is continuing to identify further options to balance the 2010/11 budget.

**67. STRATEGIC OPTIONS FOR FUTURE MANAGEMENT OF LEISURE CENTRES**

The findings of a consultant's report on the Council's options for the strategic management of its leisure centres were presented, with the recommended action to be taken in this regard.

**RESOLVED**

- 1 That the broad approach to the future management of its leisure centres be agreed as set out in the report.

- 2 That Overview and Scrutiny recommend Cabinet should defer any decision pending high level financial analysis of the service over the last five years.

## **68. DRAFT COMMUNITY ENGAGEMENT STRATEGY**

The Committee's views were sought on the draft Community Engagement Strategy, attached as an appendix. Members suggested that it be termed a Policy, and with that amendment the document was noted.

### **RECOMMENDATION**

That the Draft Community Engagement Policy be considered for approval by Cabinet.

## **69. REVIEW OF FUTURE DELIVERY OF CLOSE CIRCUIT TELEVISION (CCTV) SERVICE**

Members were advised on the options for the future delivery of the CCTV service. Members debated the options and the issues in considerable detail.

### **RESOLVED**

That Cabinet be advised to pursue:

Option 3 – The development of a jointly 'owned' CCTV service

Option 4 – the likely costs of both authorities upgrading their CCTV services individually

In greater detail.

## **70. PERFORMANCE MANAGEMENT FRAMEWORK**

Members were asked to consider the new Performance Management Framework, and whether it wished to make any comments on its content or approach.

After discussion members agreed that they were supportive of the approach and the information was noted.

## **71. CABINET WORK PROGRAMME**

The Cabinet Work Programme was noted.

## **72. OVERVIEW AND SCRUTINY WORK PROGRAMME**

The Overview and Scrutiny Work Programme was considered and amended.

The meeting closed at 10.35 pm