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30 January 2017

S U M M O N S

MEETING: Policy and Organisation Board
DATE: 7 February 2017
TIME: 6pm
PLACE: Committee Room 1, Town Hall, Gosport
Democratic Services contact: Lisa Young

MICHAEL LAWTHER
BOROUGH SOLICITOR

MEMBERS OF THE BOARD

The Mayor (Councillor Mrs Hook) (ex officio)
Councillor Hook (Chairman)
Councillor Burgess (Vice-Chairman)

Councillor Allen	Councillor Foster-Reed
Councillor Bateman	Councillor Hicks
Councillor Carter	Councillor Hylands
Councillor Chegwyn	Councillor Jessop
Councillor Mrs Cully	Councillor Murphy
Councillor Edgar	Councillor Philpott

FIRE PRECAUTIONS

(To be read by the Mayor if members of the public are present)

In the event of the fire alarm sounding, please leave the room immediately. Proceed downstairs by way of the main stairs or as directed by GBC staff, follow any of the emergency exit signs. People with disability or mobility issues please identify yourself to GBC staff who will assist in your evacuation of the building.

IMPORTANT NOTICE:

- If you are in a wheelchair or have difficulty in walking and require access to the Committee Room on the First Floor of the Town Hall for this meeting, assistance can be provided by Town Hall staff on request

If you require any of the services detailed above please ring the Direct Line for the Democratic Services Officer listed on the Summons (first page).

NOTE:

- i. Councillors are requested to note that, if any Councillor who is not a Member of the Board wishes to speak at the Board meeting, then the Borough Solicitor is required to receive not less than 24 hours prior notice in writing or electronically and such notice shall indicate the agenda item or items on which the member wishes to speak.
- ii. Please note that mobile phones should be switched off or switched to silent for the duration of the meeting.
- iii. This meeting may be filmed or otherwise recorded. By attending this meeting, you are consenting to any broadcast of your image and being recorded.

AGENDA

RECOMMENDED
MINUTE FORMAT

1. APOLOGIES FOR NON-ATTENDANCE

2. DECLARATIONS OF INTEREST

All Members are required to declare, at this point in the meeting or as soon as possible thereafter, any disclosable pecuniary interest or personal interest in any item(s) being considered at this meeting.

3. MINUTES OF THE MEETING OF THE BOARD HELD ON 21
SEPTEMBER 2016

4. DEPUTATIONS – STANDING ORDER 3.4

(NOTE: The Board is required to receive a deputation(s) on a matter which is before the meeting of the Board provided that notice of the intended deputation and its object shall have been received by the Borough Solicitor by 12 noon on Friday 3 February 2017. The total time for deputations in favour and against a proposal shall not exceed 10 minutes).

5. PUBLIC QUESTIONS – STANDING ORDER 3.5

(NOTE: The Board is required to allow a total of 15 minutes for questions from Members of the public on matters within the terms of reference of the Board provided that notice of such Question(s) shall have been submitted to the Borough Solicitor by 12 noon on Friday 3 February 2017).

6. SERVICE REVIEWS

The purpose of this report is to update members on the proposed programme of service reviews. The report also seeks delegated authority from members for officers to approve the redundancy of certain posts that are identified as a result of reviews.

PART II
Michael Lawther

7. ANY OTHER ITEMS

which the Chairman determines should be considered, by reason of special circumstances, as a matter of urgency

Policy and Organisation Board
7 February 2017

**A MEETING OF THE POLICY AND ORGANISATION BOARD
WAS HELD ON 21 SEPTEMBER 2016**

The Mayor (Councillor Mrs Hook) (ex-officio), Councillors Allen, Bateman (P), Burgess (P), Carter (P), Chegwyn (P), Mrs Cully (P) Edgar (P), Foster-Reed (P), Hook (Chairman) (P), Hicks, Hylands (P), Jessop (P), Murphy, Philpott (P)

It was reported that in accordance with Standing Order 2.3.6 Councillors Beavis and Ms Diffey had been nominated to replace Councillors Murphy and Hicks respectively for this meeting.

13. APOLOGIES

Apologies for inability to attend the meeting were received from The Mayor and Councillors Allen, Hicks and Murphy.

14. MINUTES

RESOLVED: That the minutes of the meeting of the Board held on 6 July 2016 be signed as a true and correct record.

15. DECLARATIONS OF INTEREST

Councillors Edgar and Hook declared a pecuniary interest in agenda item 10, Gosport Borough Football Club.

16. DEPUTATIONS

There were no deputations.

17. PUBLIC QUESTIONS

There were no public questions.

PART II

18. EY – AUDIT RESULTS REPORT AND FINAL ACCOUNTS 2015/16 REPORT

Consideration was given to the Audit Results report from Ernst and Young and the Final Accounts 2015/16 report from the Borough Treasurer, summarising the findings from the 2015/16 audit and seeking approval of the Statement of Accounts respectively.

RESOLVED: That;

- a. The accounting policies contained within the Statement of Accounts (Appendix G) be approved;
- b. The Statement of Accounts (Appendix G) be approved;
- c. The outturn position contained in the report and Appendices including
 - The Capital Programme slippage details in appendix D
 - The write offs approved under delegated authority at appendix E be approved
- d. The letter of representation at Appendix F be approved.
- e. That the conclusions to date set out in the Audit Results Report be noted; and
- f. That the letter of management representation (included with the Final Accounts 2015/16 agenda item) be approved.

19. LOCAL TAXATION WRITE OFFS

Consideration was given to a report of the Borough Treasurer seeking approval for the write-off of business rates in respect of DJP Developments Hampshire Limited which exceed the Borough Treasurer's delegated limit under the Council's financial regulations.

In answer to a Member's question, the Board was advised that the owner of the DJP Developments had set up another company, but there was no legislation to prevent this.

Members were advised that the Council made provision in their budget for such incidences.

RESOLVED: That the write-off of £37,672.74 in respect of unpaid business rates for DJP Developments Hampshire Ltd be approved.

20. BUDGET STRATEGY INCLUDING CAPITAL PROGRAMME/ MEDIUM TERM FINANCIAL STRATEGY

Consideration was given to a report of the Borough Treasurer to consider the strategy for preparation of the General Fund budget and Capital Programme for the next financial year, in light of the medium term financial strategy and the current national and local financial situation.

The Board was advised that the Budget Strategy was a product of the Medium Term Financial Strategy and looked at how to meet the challenges of the financial climates and make the necessary changes.

The Board was advised that the efficiency plan was a new addition this year and Members acknowledged that not accepting the Government's proposals would potentially lead to a smaller settlement.

In answer to a Member's question the Chairman advised that he was unaware of any plans for Gosport Borough Council to be included in the proposed combined authority.

Members acknowledged that the cut in funding to Local Authorities was a massive challenge to overcome and recognised the pressure it was putting on authorities whilst they were still expected to deliver the same level of service.

RESOLVED:

- a) That the Council's current financial position be noted;
- b) that the Budget Strategy set out in Section 2 and Appendix A that will be used in the preparation of the budget for the 2017/18 financial year be approved;
- c) that the Medium Term Financial Strategy, efficiency plan and capital strategy as set out in appendix 1 and appendix 2 respectively be approved; and
- d) that the Government offer of a multi-year settlement to 2019/20 announced on 2 December 2015 be accepted.

21. TREASURY MANAGEMENT OUTTURN 15/16 AND REVIEW 2016/17

Consideration was given to the report of the Borough Treasurer detailing the annual treasury report as a requirement of the Council's reporting procedures.

RESOLVED: That the report and the 2015/16 prudential indicators be noted.

22. GOSPORT BOROUGH FOOTBALL CLUB LEASE EXTENSION

Councillors Edgar and Hook declared a pecuniary interest in the item, left the room and took no further part in the discussion or voting thereon.

Consideration was given to a report of the Borough Treasurer advising the Board of a request from Gosport Borough Football Club for an extension to their current lease for the Privett Park enclosure.

Members recognised the benefit of the proposal to the Football Club as it would allow them to access additional funding.

In answer to a Member's question, the Board was advised that the Football Club was up to date with its rent and that the rent was set based on an independent valuation and increased with the Retail Price Index.

Members were advised that the agreement would exist between Gosport Borough Council, Gosport Borough Football Club Trustees and Gosport Football Club Limited as an authorised guarantee agreement. Members advised that this would reduce any risk to the Council.

RESOLVED: That;

- (i) An extension to the Privett Park Enclosure lease between Gosport Borough Football Limited and this Council on the terms outlined in Section 2.0 of this report until 31st January 2046

- (ii) The assignment of the lease from the Trustees of Gosport Borough Football Club to Gosport Borough Football Club Limited subject to the Trustees entering into an authorised guarantee agreement with the Council for the payment of the rent and performance of the other obligations of the lease
- (iii) The granting of a further underlease for the mobile mast within the enclosure until 27th January 2046
- (iv) The Head of Legal Services to enter into such legal documentation as is necessary to effect the decision. The Football Club to pay the Council's associated reasonable legal costs.

23. ANY OTHER ITEMS

Members acknowledged that this was the last meeting that would be attended by the Borough Treasurer; Members paid tribute to the work undertaken by Mr Bowcher and acknowledged that this had been particularly difficult in recent years. Mr Bowcher and the Members acknowledged the hard work and support from Mr Bowcher's team.

24. EXCLUSION OF THE PUBLIC

RESOLVED: That in relation to the following item the public be excluded from the meeting, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this item there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all circumstances of the case, the public interest in maintaining the exemptions outweighs the public interest in disclosing the information, for the reasons set out in the report.

25. PROPOSED EXTENSION TO GOSPORT LEISURE CENTRE

Consideration was given to a report of Borough Treasurer requesting consideration that the Council fund an extension to the Gosport Leisure Centre to provide an improved fitness suite and studio facilities.

RESOLVED: That the recommendations contained in the report be approved.

CHAIRMAN

Concluded at 19.11

AGENDA ITEM NO.6

Board/Committee:	Policy and Organisation Board
Date of Meeting:	Tuesday 7 th February 2017
Title:	Service Reviews
Author:	Borough Solicitor and Deputy Chief Executive
Status:	FOR DECISION

Purpose

The purpose of this report is to update members on the proposed programme of service reviews. The report also seeks delegated authority from members for officers to approve the redundancy of certain posts that are identified as a result of reviews.

Recommendation

Members are recommended to:

1. Note the programme of reviews detailed in Appendix A below

Background

- 1.2 Part of the ongoing strategy is for the Chief Executive to review the Council's services to identify efficiencies and service improvements. This current review is to consider whether services could be provided more efficiently by providing them jointly.

2 Report

- 2.1 The proposed programme of reviews is attached at appendix A. The programme includes a series of service-based reviews (Legal, Planning etc), and also a series of cross-cutting, or thematic reviews (printing, contracts etc).
- 2.2 The programme of reviews makes no assumptions about the location of services, or the degree of merger/separation between the two councils' respective operations. However, members have indicated a clear desire to retain the principle of "Gosport services for Gosport residents", and this is being upheld throughout the programme.
- 2.3 The overall programme is being managed by Portsmouth CC's Director of HR, Legal and Performance, who is working with officers from both Gosport BC and Portsmouth CC to develop the most appropriate operating model for each service area.
- 2.4 Work is already underway in respect of a number of areas, as detailed below:

- 2.4.1 **Housing Service** - a summary of this major review is attached at appendix B. Work on this area started in advance of the rest of the review programme
- 2.4.2 **Legal Service** - this review has looked at the existing Legal team, it's relationships with other parts of the council, and the nature of the work that the team carries out. As a result of the review, it is proposed that one post will be deleted. The remaining staff members will work closely with counterparts within the Portsmouth CC Legal Team to ensure adequate professional leadership and development and to ensure that the Gosport lawyers are fully engaged at a high level of complexity.
- 2.4.3 **Planning** - work has commenced in this area, led by Portsmouth CC's Assistant Director of Culture and City Development, working with existing managers at Gosport BC. This work will look at the skills and levels of demand existent in each council with a view to developing a structure and operating model that supports both council's effectively.
- 2.4.4 **Economic Prosperity, Tourism and Culture** - this area is being looked at in conjunction with Planning (above), the recommendation being that these activities are intrinsically linked, and to emphasise the importance of Planning as a driver and enabler of economic growth and prosperity, as opposed to a purely regulatory function.
- 2.4.5 **Pay and Central Services** - this is a broad and diverse area of the council's operation, covering payroll, payments, insurance and procurement. A review of the payroll function has been started, led by Portsmouth CC's Payroll Manager. This review will look at, amongst other things, any cost savings from consolidating both councils' payrolls onto a single system.
- 2.4.6 **Printing & Reprographics** - this review is looking at how to reduce the volume of printed material, and ensuring that printing is produced in the most cost-effective way. Included in the review is a drive to reduce local desktop printing and a shift to greater use of multi-functional devices (MFDs) located around the offices.
- 2.4.7 **"Smarter Working"** - this thematic review is looking at a range of working practices and arrangements with a view to removing any non-value-added activities and ensuring that staff are as productive as possible. So far this has included a review of standing meetings and boards that officers attend, and a review of the council's performance management and reporting framework.
- 2.5 It is proposed that the next series of reviews will cover the following areas:

Council Tax
Benefits
Customer Services
Accommodation
Contracts

- 2.5 Reviews carried out so far have identified that some posts are redundant, and it is anticipated that further redundancies will be identified as the programme of reviews continues. Where possible, compulsory redundancies will be avoided through redeployment, and Gosport BC staff have also been given the opportunity to apply for Portsmouth CC roles. Where reviews do result in potential redundancies, the Council is adhering strictly to its policies and ensuring compliance with relevant employment law. In particular, this includes consulting with affected staff and unions and ensuring that selection/de-selection procedures are fair and transparent.
- 2.6 In order to facilitate reviews, approval is sought from members for the Chief Executive and/or Deputy Chief Executive to agree redundancies, subject to financial approval from the council's Section 151 Officer.
- 2.8 Members should note that the service reviews will look principally at service and structures. However, it is also important that the Council's organisational culture continues to evolve to ensure that it is able to operate into the future at lower cost. In particular, managers and staff will need a greater degree of empowerment and flexibility in carrying out their job roles, and the programme of reviews will reinforce this change.

3 Risk Assessment

- 3.1 The identification and management of risks covered within the body of this report

4 Conclusion

- 4.1 This report provides members with an update on the programme of service reviews following the shared management agreement between Gosport BC and Portsmouth CC.

Financial Services comments:	The management costs associated with carrying out service reviews are contained within the agreed sums for the shared management arrangements. The costs of redundancies will be met from the Revenue Financing Reserve.
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	Financial implications from Housing Review are contained in Appendix B to the report
Legal Services comments:	All legal implications are addressed within the main body of the report
Service Improvement Plan implications:	
Corporate Plan:	
Risk Assessment:	
Background papers:	None
Appendices/Enclosures:	
Appendix 'A'	Service Review Programme
Appendix 'B'	Housing Service Review Summary
Report author/ Lead Officer:	Borough Solicitor and Deputy Chief Executive

Appendix A

Programme of Reviews

Service Reviews

Service	No. of staff	Priority	Progress
Housing	90	1	Nearing completion
Legal/Democratic	6	1	Nearing completion
Pay & Central Services	16	1	Started
Planning	19	1	Started
Economic Prosperity, Culture & Tourism	7	1	Started
Council Tax	13	2	Started
Benefits	29	2	Started
Customer Services	16	2	Not started
Accountancy	8	3	Not started
Audit	4	3	Not started
IT	12	3	Not started
Human Resources	3	3	Not started
Emergency Planning and Elections	2	3	Not started
Policy & Community Safety	8	3	Not started
Building Control (with Fareham)	8	3	Not started
Streetscene	22	3	Not started
Environmental Health (with Fareham)	0	3	Not started
Civic	5	3	Not started

Cross-Cutting Reviews

Review	Priority	Progress
Working Smarter	1	Started
Printing & Reprographics	1	Started
Performance Indicators	1	Started
Payments	1	Started
Accommodation	2	Not started
Contracts	2	Not started
Terms & Conditions	3	Not started

Appendix B

Summary of GBC Housing Review

The proposals are designed to **achieve three key outcomes**:

1. The creation of the shared management arrangement between GBC and PCC
2. A revised structure for the Housing Services following the suspension of the Housing Services Review 2015, and
3. Shared services

The **core housing services remain based in Gosport** whilst exploiting the sensible options to share specialist services and provide strong strategic and operational leadership. These proposals **can achieve** a stronger, resilient and flexible structure, with no reduction in services to customers, and at a reduced cost.

Although the proposals include a shared management structure it is proposed that a Head of Housing will in practical terms be full time and based in Gosport.

A key feature of the new structure is the movement towards greater generic working to support improved customer contact.

Impact on current staffing structure

	Current Establishment (FTE)	Proposed (FTE)	FTE difference
Senior Management	4	1.35	-2.65
Housing Options	29.67	26.0	-3.67
Property Services	27.94	12.0	-15.94
Operational Services (inc Business Support)	28.83	38.53	9.7
Overall totals	90.44	77.88	-12.56

Proposed Savings

	2017/18 ESTABLISHMENT	2017/18	
		HRA	GF
TOTAL PROPOSED STAFFING COST	2,437,200	2,011,902	425,298
TOTAL STAFF SAVINGS	386,647	218,053	168,594
TOTAL REVIEW SAVINGS NET OF PURCHASED SERVICES	280,225	175,993	104,232
ENERGY SERVICES SAVINGS			
General Energy Management: Cost	11,330	9,007	2,323
General Energy Management: Saving	110,485	87,836	22,649
TOTAL ENERGY SERVICES SAVINGS	99,155	78,829	20,326
TOTAL GBC SAVINGS		254,822	124,558

Proposed Shared Services

As part of the review process it is currently proposed to share the following services with Portsmouth City Council, subject to appropriate approvals:

- Mobile Home Management
- Structural Services
- Commercial Property Portfolio & Concessions Management
- Development
- Enabling

Energy Services – this area has been agreed to be shared and work is underway to realise the benefits of a range of energy services provided by Portsmouth City Council for residents in the Borough.

The review is currently at cooling off period with the final structure planned to be announced on the week commencing the 23rd January 2017 and this will be followed by the selection and implementation process over Feb-Apr period.