



## **PORTFOLIO HOLDER DECISION NOTICE**

### **INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR FINANCE**

### **TOPIC – UTILISATION OF THE UNDERSPEND FROM THE 2017-18 FINANCIAL YEAR - MAJOR PROJECT SUPPORT**

### **PROCEDURAL INFORMATION**

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Legal Services Manager, the Chief Executive and the Strategic Director: Resources are consulted together with Chairman and Vice Chairman of The Overview and Scrutiny Committee and any other relevant overview and scrutiny committee. In addition, all Members are notified.

If five or more Members from those informed so request, the Leader may require the matter to be referred to Cabinet for determination.

### **Contact Officers:**

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### **SUMMARY**

The Council has some well articulated ambitions concerning major schemes that are in various stages of implementation; the largest three being Central Winchester Regeneration (CWR), the Sport & Leisure Park and Station Approach. All of these schemes will require various support resources in the coming years. Previously, the council has provided support from a mixture of in-house resource, temporary staff, or external consultants. Given the position these projects are in, and the known quantity of work involved in the next two years (alongside the recruitment of new programme lead posts), it is proposed that the Council seeks to appoint to fixed term posts to provide some consistent support to projects. This should enable greater skills transfer internally but also ensure that the existing support provided across the Council is not impeded as resources become diverted onto the Council's key projects.

The Council has benefitted from a number of one-off financial benefits during 2017/18 as reported in the quarterly performance monitoring reports, leading to a forecast underspend of £1m. In February 2018 Council approved additional one-off

project budgets of £0.915m over 2018/19 and 2019/20 (the £0.035m 2017/18 supplementary budget takes the total to £0.950m), to be funded by the forecast 2017/18 underspend (ref. CAB3011 General Fund Budget 2018/19).

The proposals are anticipated to provide additional capacity to the organisation in the coming year to deliver the Council's key strategic priorities.

### **PROPOSED DECISION**

The below summary highlights the areas where the additional one-off resources will be directed.

#### **Movement Strategy**

Allocation of £250,000 to support the outcomes of the Movement Strategy. The amount, and the type of further support will depend upon the outputs of the strategy.

#### **Environmental Enhancements**

A fund to be set aside to provide for environmental enhancements across the district seeking smaller scale and local improvements to public realm.

#### **Environmental Services Contract**

The Council has an important decision to make shortly regarding the contracts for environmental services including waste collection, grounds maintenance and street care (current arrangements expire at the end of September 2019). In order to finalise the options appraisal a one-off budget is required for consultancy support.

#### **Major Projects (e.g. Central Winchester Regeneration / Station Approach / New Leisure Centre)**

#### **Financial Analyst and Legal Project Support**

A two year fixed term financial analyst role is proposed to provide the analytical support needed to deliver the councils major projects, notably Station Approach, Central Winchester, and the Leisure Park. These projects require extensive support in order to ensure the financial models and appraisals are kept continuously up-to-date. In addition to this a two year fixed term legal project support post will provide specific legal support to those key projects as per the above. Both roles are proposed as fixed term posts rather than going to the interim market to reduce costs and to allow for greater knowledge transfer to the Council.

#### **Senior Communication Support**

The council is looking to better support the communications function around Major Projects by resourcing the Projects Office with dedicated senior communications

professionals. This includes a Senior Communications Manager and providing a further 1.6 FTE of support to key projects for the next two years.

### **Project Support**

As agreed at PMT some additional resources in the projects team are required in order to provide a dedicated Project manager and support officer to each of the three main projects and to ensure that other committed project work and requirements are met. This bid will enable that structure to be put in place for the next two years.  
Urban Design & Sustainability Support.

Over the next two years there is a need for support in relation to many aspects of urban design and sustainability work to back up the major project work for CWR, Station Approach and the Leisure Park as well as other projects such as our new homes delivery programme.

### **Transport Planner**

Over the next two years there is a need for support in relation to many aspects of transport and parking work to back up the major project work for CWR, Station Approach and the Leisure Park as well as other projects such as our new homes delivery programme. A key aspect of this will be working with the County Council in terms of liaison and joint working to ensure that projects are developed and implemented alongside the Winchester Transport Strategy. Some examples of specific work areas are listed below:

- Transport policy development work including the new project to review parking and transportation issues
- Movement Strategy support work with HCC and post Strategy implementation (bidding for sources of funding etc)
- Review and development of a new Parking Strategy for the District including the market towns where there is a desire to look at how charging works rather than having the same tariffs for all car parks outside Winchester
- New coach park for Winchester
- Local Plan review
- Eastleigh Borough Council Local Plan
- Smart Motorways and junction improvements to J9 M3 and M27. Working alongside HCC/SDNPA
- Implementation of the Air Quality Action Plan.

### **Central Winchester Regeneration**

The draft SPD for the Central Winchester Regeneration (CWR) Project is in the final stages of Consultation, with a view to being adopted by the Council in early Summer 2018. As such, the Project is moving from a Planning to a Delivery phase. Additional budget will be needed for this next stage for fees to cover Legal, Commercial, Procurement and Delivery advice, including from a QC, to ensure a comprehensive

and robust approach is taken to the process of selecting a Development Partner(s), establishing a vehicle for achieving the development(s) and procuring construction services for delivering development, minimising any risk of challenge re procurement or implementation.

The approach to the process by which development is undertaken (i.e. whether elements are undertaken direct by the Council, or in Partnership with a developer or sold for a developer to undertake) is currently being considered, with the professional inputs for which the above request is being sought, supporting this work.

### **Landscape Officer**

In 2009 WCC researched and mapped 96 of the Registered Parks and Gardens (RPGs) within our district. The landscape team now wishes to complete this work for the remaining 67 sites. These sites are currently not picked up in the planning process, even though we have an obligation to consult Historic England and The Gardens Trust on applications affecting them. This risks harm to our historic landscapes, and also leaves us unable to allow appropriate development on these sites where it would not cause harm. It restricts business opportunities (such as outdoor concerts, festivals, conversion of buildings to offices/housing). It also reduces opportunities for public access to these sites. We urgently need this information in order to meet our regulatory duties and also to enable us to allocate sites for future development in the Local Plan Review. Increasing the hours of an existing member of staff, rather than appointing a private consultant, represents a cost saving of over 50%.

### **Digital Implementation Officer**

To lead, drive and deliver transformational business change to move the authority from where it is now to where it needs to be; challenging traditional working practices and where appropriate, moving towards more efficient digitally enabled methods, resulting in a digitally enabled workforce and embedding the digital first culture. This is to build capacity into our existing workforce and realise savings where possible.

### **REASON FOR THE DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

Provision of consistent support to the Council's major projects is critical. Utilizing fixed term contract support rather than external consultants should enable greater skill transfers internally. Also the existing support provided across the Council should not be impeded as resources become diverted onto the Council's key projects.

### **RESOURCE IMPLICATIONS:**

A one-off project support budget of £0.915m over 2018/19 and 2019/20 was approved at Council in February 2018. The above breakdown details how this is planned to be spent.

**CONSULTATION UNDERTAKEN ON THE PROPOSED DECISION**

N/A

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE**

Seven e-mail responses were received to the Portfolio Holder Decision (PHD) 795 which have been considered by the Portfolio Holder and responded to as below.

The next quarterly monitoring papers to Cabinet and the Overview and Scrutiny Committee made clear early in the year that the Council would underspend for the various reasons detailed in those papers. To ensure that the Council is able to utilise that underspend to support future projects, full Council approved on the 22<sup>nd</sup> February for the underspend to “additional one-off project budgets of £0.915m over 2018/19 and 2019/20, and a supplementary budget estimate of £0.035m in 2017/18, to be funded by the forecast 2017/18 general fund revenue underspend of £1m”. The report (CAB3014) was also clear that this would be done so with via a PHD (para 10.42) “A portfolio holder notice will be issued in due course giving a breakdown of this budget between individual projects”. There has been significant opportunity for the utilisation of the underspend to be debated and at the full Council meeting an amendment was tabled, debated and voted upon specifically addressing the use of the underspend. Therefore, the Portfolio Holder considers that this matter was debated openly, in public, with all members. Delaying this PHD would result in a further delay in resourcing to support the Council’s key projects. The proposal overall was approved by Council and supports the Council’s strategic objectives. Pausing recruitment to these one-off posts would result in a slower implementation of projects compared to current timescales

The detailed proposals for the underspend are there to support the Council’s key projects in line with the papers approved by full Council, and the resources set aside are there to help support these key projects, including effective engagement and communication with stakeholders as well as to ensure that these projects are delivered in line with the Council’s strategic objectives.

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED**

N/A

**DISPENSATION GRANTED BY THE STANDARDS COMMITTEE**

N/A

**Approved by: (signature)**

**Date of Decision 03.04.2018**

**Councillor Guy Ashton – Portfolio Holder for Finance**

**APPENDICES:**

Appendix 1 – Underspend 2017/18: Proposed Spending Plan

**Appendix 1 - Proposal for the 2017-18 underspend**

Item	Benefits expected	Funding requirement over a 2 year period (*1 year only) £k
Set aside funds to support the movement strategy outputs, (funded by CIL)	Unknown at present, but likelihood for support from the City Council to enable some of the proposed schemes.	250*
Environmental Enhancements	Smaller scale & local improvements to public realm	100
Environmental Services Contract	Consultancy support	15*
Fixed term resources to support the delivery of key projects (CWR, Station Approach, Sport & Leisure Park)	<ul style="list-style-type: none"> <li>• Builds internal capacity</li> <li>• Reduces costs with agency / external advisory</li> <li>• Allows for transfer of skills across the Council</li> </ul>	
<u>Fixed Term Posts</u> - Financial Analyst x 1 - Legal Project support x 1 - Comms Mgr x 2.6 - Project support x 2.6 - Transport Planner x 1 - Digital Imp. Officer x 1 - Landscape Officer x 0.3 <u>Specific Support</u> - Central Winchester Reg. - Urban Design support		100 114 213 162 89 98 18*
<b>Total</b>		<b>1,362</b>
Less	Existing Major Project budget	<u>(162)</u>
<b>Total bids</b>		<b>1,200</b>
<b>Funded by</b>	CIL for the movement strategy	<u>(250)</u>
	<b>Use of underspend</b>	<b>(950)</b>
	By Financial Year:	
	2017/18	35
	2018/19	530
	2019/20	385