

# FAREHAM

BOROUGH COUNCIL

## AGENDA FOR THE EXECUTIVE

**Date:** Monday, 1 July 2019

**Time:** 6.00 pm

**Venue:** Collingwood Room - Civic Offices

***Executive Members:***

Councillor S D T Woodward, Policy and Resources (Executive Leader)

Councillor T M Cartwright, MBE, Health and Public Protection (Deputy Executive Leader)

Councillor F Birkett, Housing

Councillor Miss S M Bell, Leisure and Community

Councillor K D Evans, Planning and Development

Councillor S D Martin, Streetscene

**1. Apologies for Absence**

**2. Minutes (Pages 5 - 8)**

To confirm as a correct record the minutes of the meeting of Executive held on 03 June 2019.

**3. Executive Leader's Announcements**

**4. Declarations of Interest**

To receive any declarations of interest from members in accordance with Standing Orders and the Council's Code of Conduct.

**5. Petitions**

**6. Deputations**

To receive any deputations, of which notice has been lodged.

**7. References from Other Committees**

To receive any references from the committees or panels held.

**Matters for Decision in Public**

*Note: Where an urgent item of business is raised in accordance with Part 3 of the Constitution, it will be considered with the relevant service decisions as appropriate.*

**8. Planning and Development**

**Non-Key Decision**

**(1) Warsash Neighbourhood Plan: Applications for Warsash Neighbourhood Forum and Warsash Neighbourhood Area (Pages 9 - 70)**

A report by the Director of Planning and Regeneration.

**9. Policy and Resources**

**Non-Key Decision**

**(1) General Fund & Housing Revenue Account Outturn 2018-19 (Pages 71 - 86)**

A report by the Deputy Chief Executive Officer.

**(2) Capital and Treasury Management Outturn 2018-19 (Pages 87 - 104)**

A report by the Deputy Chief Executive Officer.



P GRIMWOOD  
Chief Executive Officer  
[www.fareham.gov.uk](http://www.fareham.gov.uk)  
18 June 2019

**For further information please contact:**  
**Democratic Services, Civic Offices, Fareham, PO16 7AZ**  
**Tel: 01329 236100**  
**[democraticservices@fareham.gov.uk](mailto:democraticservices@fareham.gov.uk)**



# FAREHAM

## BOROUGH COUNCIL

### Minutes of the Executive

**(to be confirmed at the next meeting)**

**Date:** Monday, 3 June 2019

**Venue:** Collingwood Room - Civic Offices

**Present:**

S D T Woodward, Policy and Resources (Executive Leader)  
T M Cartwright, MBE, Health and Public Protection (Deputy  
Executive Leader)  
F Birkett, Housing  
Miss S M Bell, Leisure and Community  
K D Evans, Planning and Development  
S D Martin, Streetscene

**Also in attendance:**

Mrs K K Trott, for Item 8(1)



**1. APOLOGIES FOR ABSENCE**

There were no apologies given for this meeting.

**2. MINUTES**

RESOLVED that the minutes of the meeting of the Executive held on 13 May 2019 be confirmed and signed as a correct record.

**3. EXECUTIVE LEADER'S ANNOUNCEMENTS**

The Executive Leader announced that a special CAT meeting will be held at Ferneham Hall on Wednesday 12 June 2019 at 6pm to provide an opportunity for residents and local businesses to raise their concerns about the issues caused by crime and drug related anti-social behaviour in the town centre and to discuss what the Council, Police and other agencies are doing to keep it a safe place to visit.

The Executive Leader also announced that Y-Services have won the Queen's Award for Voluntary Service. This is the highest award given to volunteer groups across the UK and it is the second time that it has been awarded to a community group in the Borough.

**4. DECLARATIONS OF INTEREST**

There were no declarations of interest made at this meeting.

**5. PETITIONS**

There were no petitions submitted at this meeting.

**6. DEPUTATIONS**

The Executive received a deputation from Mr Nick Girdler, Chairman of the Titchfield Village Trust, in relation to item 9(1) – Titchfield Neighbourhood Plan: Examiner's Report and Referendum.

**7. REFERENCES FROM OTHER COMMITTEES**

There were no references from other Committees presented at this meeting.

**8. HOUSING**

(1) Draft Affordable Housing Strategy

At the invitation of the Executive Leader, Councillor Mrs K K Trott addressed the Executive on this item.

RESOLVED that:

- (a) the Executive agrees that the draft Affordable Housing Strategy (as provided in Appendix A of the report) be published for a minimum six-week period of public consultation; and
- (b) the Deputy Chief Executive Officer be authorised to make any necessary minor amendments to the Draft Affordable Housing Strategy, prior to publication, provided these do not change the overall direction or emphasis and following consultation with the Executive Member for Housing.

## **9. PLANNING AND DEVELOPMENT**

### **(1) Titchfield Neighbourhood Plan: Examiner's Report and Referendum**

The Executive received a deputation in respect of this item from Mr Nick Girdler, Chairman of the Titchfield Village Trust.

RESOLVED that the Executive:

- (a) notes the Examiner's Report;
- (b) agrees the recommended modifications to make the Titchfield Neighbourhood Plan compliant with the basic conditions, as outlined in Appendix A to the report;
- (c) agrees that the modified Titchfield Neighbourhood Plan, as shown in Appendix B to the report, proceeds to referendum, noting that the costs of holding the referendum will be met by the Council; and
- (d) agrees that, should the Referendum be passed, authority be delegated to the Director of Planning and Regeneration, following consultation with the Executive Member for Planning and Development, to make the plan.

(The meeting started at 6.00 pm  
and ended at 6.44 pm).





# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 01 July 2019

<b>Portfolio:</b>	Planning and Development
<b>Subject:</b>	Warsash Neighbourhood Plan: Applications for Warsash Neighbourhood Forum and Warsash Neighbourhood Area
<b>Report of:</b>	Director of Planning and Regeneration
<b>Corporate Priorities:</b>	Providing Housing Choices Protect and Enhance the Environment Strong, Safe, Inclusive and Healthy Communities Maintain and Extend Prosperity

**Purpose:**

To provide the Executive with the opportunity to consider both applications to designate a neighbourhood forum and neighbourhood area for Warsash in light of the requirements of the relevant legislation.

**Executive Summary:**

On 22<sup>nd</sup> March 2019, the Council (Local Planning Authority) received an application to establish a neighbourhood forum and neighbourhood area for Warsash. Put simply, if both designated, Warsash Neighbourhood Forum can then go on to produce a Neighbourhood Plan for the Warsash Neighbourhood Area.

This report briefly explains the key requirements within legislation and regulations the local authority has to consider when determining any neighbourhood forum and neighbourhood area applications. Then the publicity the Council, as the local planning authority, must undertake, along with an explanation of the timescales within which the decision needs to be taken and a summary of the outcome of the Council's publicity on these applications.

**Recommendations:**

It is recommended that the Executive approves the application to designate the Warsash Neighbourhood Forum and the application to designate the Warsash Neighbourhood Area, as they meet the requirements of the relevant legislation and regulations.

**Reason:**

Given that both these applications meet the relevant legislation and regulations, it is recommended that both applications should be approved.

**Cost of proposals:**

The costs involved to date supporting and publicising the prospective neighbourhood forum in submitting applications for neighbourhood forum and neighbourhood area designation have been met within existing operational budgets.

**Appendices:**

**A:** Warsash Neighbourhood Forum Application

**B:** Constitution submitted by prospective neighbourhood forum

**C:** Warsash Neighbourhood Area Application

**D:** Map of the proposed neighbourhood area submitted by prospective neighbourhood forum

**E:** Comments received during the publicity period on Warsash's Neighbourhood Forum Application

**F:** Comments received during the publicity period on Warsash's Neighbourhood Area Application

**Background papers:** None

**Reference papers:** None

# FAREHAM

## BOROUGH COUNCIL

### Executive Briefing Paper

<b>Date:</b>	01 July 2019
<b>Subject:</b>	Warsash Neighbourhood Plan: Applications for Warsash Neighbourhood Forum and Warsash Neighbourhood Area
<b>Briefing by:</b>	Director of Planning and Regeneration
<b>Portfolio:</b>	Planning and Development

#### INTRODUCTION TO NEIGHBOURHOOD PLANNING

1. Neighbourhood planning was largely introduced into the existing planning system through the Localism Act (2011). The Act introduced a new right for local communities to draw up a neighbourhood plan. Further detail has largely come through relevant aspects of the National Planning Policy Framework, Planning Practice Guidance, legislation and regulations.

#### Neighbourhood Forum Application

2. On 22<sup>nd</sup> March 2019, the Council (Local Planning Authority) received an application (Appendix A) to establish a neighbourhood forum for Warsash, which included a copy of the prospective neighbourhood forum's constitution (Appendix B).
3. Regulation 8 of the Neighbourhood Planning (General) Regulations 2012 (as amended) stipulates that where an organisation or body submits a neighbourhood forum application to the local planning authority it must include:
  - (a) the name of the proposed neighbourhood forum;
  - (b) a copy of the written constitution of the proposed neighbourhood forum;
  - (c) the name of the neighbourhood area to which the application relates and a map which identifies the area;
  - (d) the contact details of at least one member of the proposed neighbourhood forum to be made public under regulations 9 and 10; and
  - (e) a statement which explains how the proposed neighbourhood forum meets the conditions contained in section 61F(5) of the 1990 Act.
4. An Officer of the Council met with the prospective forum on 4th March 2019 to discuss the forthcoming application.

5. The application received includes the name of the proposed neighbourhood forum, the name of the neighbourhood area to which the application relates and a map which identifies the area. Contact details of at least one member of the proposed neighbourhood forum have been made public and a statement which explains how the proposed neighbourhood forum meets the conditions contained in section 61F(5) of the 1990 Act, including provision of a written constitution for the prospective forum.
6. In order to be designated a neighbourhood forum there must have a membership that includes a minimum of 21 individuals who either live in the neighbourhood area, work there; and/or are elected members for a local authority that includes all or part of the neighbourhood area. A prospective neighbourhood forum is not required to have a member from each membership category in order to be designated. A neighbourhood forum must have an open membership policy, but it cannot force people to be a part of something they may not wish to be a part of.
7. The Council was supplied with a membership list of 21 individuals who either live in the neighbourhood area, work there; and/or are elected members for a local authority that includes all or part of the neighbourhood area.

### **Neighbourhood Area Application**

8. On 22nd March 2019, the Council (Local Planning Authority) received an application (Appendix C) to establish a neighbourhood area for Warsash.
9. Regulation 5 of the Neighbourhood Planning (General) Regulations 2012 (as amended) stipulates that where a prospective neighbourhood forum submits an area application to the local planning authority it must include:
  - (a) a map which identifies the area to which the area application relates;
  - (b) a statement explaining why this area is considered appropriate to be designated as a neighbourhood area; and
  - (c) a statement that the organisation or body making the area application is a relevant body for the purposes of section 61G of the 1990 Act.
10. An Officer of the Council met with the prospective forum on 4th March 2019 to discuss the forthcoming application.
11. The application received included a map (Appendix D) and within the application there is a statement explaining why this area is considered appropriate to be designated as a neighbourhood area. The last consideration is whether the application has been submitted by an organisation or body which is, or is capable of being, designated as a neighbourhood forum.

### **Neighbourhood Forum Application Publicity Requirements**

12. Regulation 9 of The Neighbourhood Planning (General) Regulations 2012 stipulate as soon as possible after receiving a neighbourhood forum application, a local planning authority must publish the following on their website and in such other manner as they consider is likely to bring the application to the attention of people who live, work or carry on business in the area to which the application relates:
  - (a) a copy of the application;

(b) a statement that if a designation is made no other organisation or body may be designated for that neighbourhood area until that designation expires or is withdrawn;

(c) details of how to make representations; and

(d) the date by which those representations must be received, being not less than 6 weeks from the date on which the application is first publicised.

### **Neighbourhood Area Application Publicity Requirements**

13. Regulation 6 of The Neighbourhood Planning (General) Regulations 2012 stipulate as soon as possible after receiving an area application from a prospective neighbourhood forum, a local planning authority must publicise the following on their website and in such other manner as they consider is likely to bring the area application to the attention of people who live, work or carry on business in the area to which the area application relates:

(a) a copy of the area application;

(b) details of how to make representations; and

(c) the date by which those representations must be received, being not less than 6 weeks from the date on which the area application is first publicised

14. It is important to highlight that a local planning authority can consult on applications to designate a neighbourhood area and a neighbourhood forum at the same time.

### **Fareham Borough Council's Publicity of the Applications**

15. On 9<sup>th</sup> April 2019, the Council launched a dedicated web page providing the required publicity information for both applications as detailed above, as well as supporting information about the process of Neighbourhood Planning.
16. This publicity period ran from 9<sup>th</sup> April through to 21<sup>st</sup> May 2019, a 6-week publicity period required by relevant legislation and regulations.
17. The neighbourhood area and neighbourhood forum application were promoted on the front page of the Council website, as required by relevant legislation and regulations.
18. In addition to the required publicity, a press release was sent out at the start of publicity (9<sup>th</sup> April 2019), as well as Promoted on the Council's Facebook page Twitter account during the publicity period.
19. Furthermore, details of both applications along with response forms and boxes to post them were placed in Victory Hall in Warsash for the entirety of the consultation period.

### **Time Limits for the Determination of a Neighbourhood Area Application and a Neighbourhood Forum Application by a Local Planning Authority**

20. An application for a neighbourhood area must be determined by the local planning authority within 13 weeks of first being publicised. If these time limits are not met, the local planning authority must designate all the area applied for.
21. Similarly, a local planning authority must take a decision on an application to designate a neighbourhood forum within 13 weeks, provided there is no other neighbourhood forum application already under consideration for all or part of the area.

22. For clarity, there are no such other neighbourhood forum applications under consideration.
23. These time periods are prescribed in the Neighbourhood Plan (General) Regulations 2012.

### **Local Planning Authority Recommendation**

24. There were just over 150 responses to the consultation undertaken by the Council. A clear majority of these responses were positive and supportive in nature.
25. In respect to the neighbourhood area (c.77 individual responses), whilst the responses were overwhelmingly supportive in nature, one response questioned whether the neighbourhood area should be 'restricted to actual Warsash and not the surrounding area', whereas another stated 'it should go all the way to the M27'. There is also another detailed submission, which identifies that Government provides guidance (Planning Practice Guidance) that explains 'What considerations, other than administrative boundaries, may be relevant when deciding the boundaries of a neighbourhood area'. Whilst it is acknowledged that the criteria in the guidance could form a variety of other configurations of a proposed neighbourhood area, on balance, in respect to the relevant legislation and regulations, coupled with the positive consultation responses received during the publicity period, it is recommended that the neighbourhood area is designated as submitted.
26. In relation to the neighbourhood forum (c. 80 individual responses), whilst the responses were overwhelmingly supportive in nature, there is one comment that states 'I am in favour of having a forum provided they consult residents.' It is important to explain that, put simply, if a neighbourhood forum is designated and prepare a neighbourhood plan, they undertake 6-week consultation on the 'pre-submission version' of the draft plan. If a forum goes onto submit the plan ('submission version') to the Council, the local planning authority will publicise the plan, undertaking a 6-week consultation. The next potential stage is an independent examination, where all written representations of those wishing to make their views or evidence known to the independent examiner made during the submission version consultation would be considered. If the plan is then able to proceed to referendum, residents within the neighbourhood area would be able to vote on the neighbourhood plan.
27. Officers in dialogue with the neighbourhood forum established that the prospective neighbourhood forum have a dedicated page Facebook to attract members. They have also used other means for promoting membership, such as using other social media accounts, articles in a Parish Magazine and meetings of the Warsash Residents Association to attract members. Whilst there could be other means for attracting membership, on balance, in respect to the relevant legislation and regulations, coupled with the positive consultation responses received during the publicity period, it is recommended that the neighbourhood forum is designated.
28. Appendices E & F provide details of the comments received following the publicity.

### **CONCLUSION**

29. The applications received both meet the requirements of the relevant legislation and regulations. This report recommends that the Executive approves both applications to designate a neighbourhood forum and neighbourhood area for Warsash.

30. For clarity, the Council's Executive can take decisions on neighbourhood planning in a local planning authority where the authority operates executive arrangements.

**Enquiries:**

For further information on this report please contact Claire Burnett Head of Planning Strategy and Regeneration (Ext 4330).





## APPENDIX A

# Application to designate a Neighbourhood Forum

Town and Country Planning Act 1990 Neighbourhood Planning (General) Regulations 2012 (as amended)

### 1. Primary contact details

<b>Title</b>	Mr
<b>First name</b>	Matthew
<b>Last name</b>	Hall
<b>Address</b>	[REDACTED] [REDACTED]
<b>Postcode</b>	
<b>Email address</b>	ChairmanWarsashForum [REDACTED] [REDACTED]
<b>Telephone number</b>	[REDACTED]

### 2. Secondary contact details (if applicable)

<b>Title</b>	Mr
<b>First name</b>	Graham
<b>Last name</b>	Westcott MBE
<b>Address</b>	9 Greenaway Lane Warsash Southampton Hants
<b>Postcode</b>	SO31 9HT
<b>Email address</b>	Grahamrwestcott@sky.com
<b>Telephone number</b>	

### 3. Name of Neighbourhood Forum

Please give a name by which your Neighbourhood Forum will be formally known:

Warsash Forum
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### 4. Name of Neighbourhood Area

Please give the name of the relevant Neighbourhood Area and attach a map identifying the extent of the area.

Warsash (see attached map)
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## 5. Members of the Neighbourhood Forum:

Please list below the details of the members of the proposed Neighbourhood Forum.

A minimum of 21 members are required, each of who must either live or work in the Neighbourhood Area or be an elected member of the Council (whose area falls within the Neighbourhood Area).

Name	Interest in Neighbourhood Area (tick all which apply as appropriate)		
	Resident	Worker	Councillor
	See attached membership list.		

Please continue on a separate sheet if necessary

## 6. Statement

Please explain how the proposed Neighbourhood Forum meets the following conditions contained in section 61F(5), Schedule 9 of the Town and Country Planning Act 1990:

a). it is well established for the for the express purpose of promoting or improving the social, economic and environmental well-being of an area that consists of or includes the Neighbourhood Area concerned (whether or not it is also established for the express purpose of promoting the carrying on of trades, professions or other businesses in such an area).

**The aim of the Warsash Forum is to promote and/or improve the social, economic and environmental wellbeing of the Warsash Area.**

b). its membership is open to:

- Individuals who live in the Neighbourhood Area concerned,
- Individuals who work there (whether for business carried on there or otherwise), and
- Individuals who are elected members of Fareham Borough Council or Hampshire County Council, any of whose area falls within the Neighbourhood Area concerned.

**Membership is open to those who live and work within the Warsash Area regardless of age, religious belief, political persuasion, sex, nationality, ethnic background or ability.**

## 7. Written Constitution

Please insert the text of the proposed Neighbourhood Forum's written constitution or attach a copy to this form.

**See attached copy of the constitution.**

## 8. Declaration

I/We hereby apply to designate a Neighbourhood Forum as described on this form and the supporting information.

<b>Name(s):</b>	<input type="text" value="Matthew Hall"/>	<b>Date (dd/mm/yyyy)</b>	<input type="text" value="20 Mar 19"/>
<b>Name(s):</b>	<input type="text" value="Graham Westcott"/>	<b>Date (dd/mm/yyyy)</b>	<input type="text" value="20 Mar 19"/>

Please submit this completed form by email to [planningpolicy@fareham.gov.uk](mailto:planningpolicy@fareham.gov.uk) or by post at Planning Strategy and Regeneration, Fareham Borough Council, Civic Offices, Civic Way, Fareham, PO16 7AZ.

For further information please contact the Planning Strategy and Regeneration Team using the above details or phone 01329 824601.

### Privacy Notice:

The Council is collecting your personal information in respect of your application to designate a Neighbourhood Forum under the Neighbourhood Planning (General) Regulations 2012 (as amended).

This form, together with supporting documents will be published on the Council's website. By submitting this form you understand that we will publish the names and addresses of the primary and secondary contacts. All other personal information supplied will be redacted.

Your personal information will not be shared outside of the Council but will be shared internally within planning teams, to enable us to process this application.

As it is a legal requirement to inform Neighbourhood Planning Groups of any planning applications which have been submitted in their neighbourhood area, we will use the personal contact details provided to carry out this function.

The Council will retain your personal data for five years. Further information about the Council's privacy policy and how it processes personal data and your rights can be located at [www.fareham.gov.uk/privacy.aspx](http://www.fareham.gov.uk/privacy.aspx)



# **Warsash Forum Constitution**

Charitable Incorporated Organisation with voting members other than its charity trustees

(‘Association’ Model Constitution)

Date of constitution (last amended): 19 October 2018

## **1. Name**

The name of the Charitable Incorporated Organisation (“the CIO”) shall be the Warsash Forum (‘the Forum’)

## **2. National location of principal office**

Care of: Warsash Hampshire, England

## **3. Neighbourhood Area (see Appendix 1)**

The area covered by the Forum shall be the area shown on the attached map, known as the Warsash Neighbourhood Area (‘the Area’)

## **4. Objectives**

- (a) Aim:
  - (i) To promote and or improve the social, economic and environmental well-being of the Warsash Area.
- (b) Objectives:
  - (i) To agree a vision for the Warsash Area;
  - (ii) To prepare development policies to achieve this vision, which conform with local and national planning policies;
  - (iii) To prepare a Neighbourhood Plan for the Warsash Area which embodies these policies;
  - (iv) Any other appropriate purpose agreed by the Forum.
- (c) Values:
  - (i) To conduct its affairs ethically and observe the ‘Nolan Principles’, the seven principles of public life, namely Selflessness, Integrity Objectivity, Accountability, Openness, Honesty and Leadership;
  - (ii) To pursue equality of opportunity in terms of its membership, its conduct and its proposed Plan.

## **5. Powers & working arrangements**

The Forum has power to do anything which is calculated to further its objectives or is conducive or incidental to doing so. In particular, the Forum’s powers include power to:

- (1) Working Arrangements. The Forum shall:
  - (a) Organise at least three meetings per year; including an Annual General Meeting (AGM), to which all the Forum members will be invited.
  - (b) Enter into an agreement with Fareham Borough Council for the delivery of the Neighbourhood Plan, and shall observe the terms of that Agreement, including designation, preparation, pre-submission consultation, conformity publicity, review, examination and referendum of the Plan.
  - (c) Prepare the Neighbourhood Plan, on behalf of and in extensive consultation with the local community, in accordance with a Project Plan agreed by the Forum.

- (d) Institute a Public Engagement Programme, in order to:
    - (i) Disseminate information about the development of the Plan,
    - (ii) Enable all residents and others with an interest in the Neighbourhood to contribute to the development of the Plan, and
    - (iii) Inform the development of the Plan
  - (e) Invite and receive contributions and raise funds where appropriate including via applicable grants, to finance the work of the Forum, and to open a bank account to manage such funds;
  - (f) Publicise and promote the work of the Forum and organise meetings, training courses, events or seminars etc;
  - (g) Work with groups of a similar structure and exchange information, advice and knowledge to them, including cooperation with other voluntary bodies, charities, statutory and non-statutory organisations.
- (2) borrow money and to charge the whole or any part of its property as security for the repayment of the money borrowed. The Forum must comply as appropriate with sections 124 and 125 of the Charities Act 2011 if it wishes to mortgage land;
- (3) buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
- (4) sell, lease or otherwise dispose of all or any part of the property belonging to the Forum. In exercising this power, the Forum must comply as appropriate with sections 117 and 119-123 of the Charities Act 2011;
- (5) employ and remunerate such staff as are necessary for carrying out the work of the Forum. The Forum may employ or remunerate a charity trustee only to the extent that it is permitted to do so by clause 6 (Benefits and payments to charity trustees and connected persons) and provided it complies with the conditions of those clauses;
- (6) deposit or invest funds, employ a professional fund-manager, and arrange for the investments or other property of the Forum to be held in the name of a nominee, in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

## **(7) Forum Structure**

- (a) The Forum will appoint a Committee to act on behalf of the Forum in the preparation of the Neighbourhood Plan.
- (b) The Committee shall comprise a minimum of five (5) members to a maximum of twenty-one (21) members of the Forum, who shall include the trustees and officers of the Forum, the majority of whom shall be residents of the Area.
- (c) The Committee may co-opt up to three (3) additional members.
- (d) Any Committee member will recognise that the smooth running of the Forum will be facilitated by regular attendance and contribution.
- (e) The Forum shall establish such subordinate groups as it deems necessary in order to achieve its objectives.
- (f) Any sub-groups established by the Forum shall abide by the same objectives as the Forum itself.

## **(8) The Committee**

- (a) The Committee shall be responsible for the day to day management of the Forum, including management of the Forum's finances.
- (b) Membership of the Committee will be open to all members of the Forum.
- (c) All members of the Committee will be elected at the Forum's AGM. Retiring members will be eligible for re-election.

- (d) At the AGM of the Forum, the members shall elect from the membership, such officers as the Forum in general meeting may determine (for example Chair, Vice Chair Secretary, Treasurer). An officer of the Forum may (subject to the agreement of a general meeting of the Forum) transfer his or her powers and duties to another member of the Committee on a temporary basis.
- (e) The Committee may co-opt members to the Committee to fill any vacancies that arise.
- (f) Such appointments must be ratified at the next Forum meeting.
- (g) The Committee shall meet as often as necessary for the effective transaction of the business of the Forum and the quorum for any meeting is set out in clause 12.
- (h) Notification of Committee meetings and the agenda will be sent out to all Committee members prior to the date of the meeting.

#### **(9) Rules at Meetings**

- (a) The Chair or nominated lead shall chair meetings of the Committee, which shall be held according to a programme agreed by the Committee.
- (b) The Secretary shall keep a record of meetings of the Committee in the form of Minutes, which shall record reports received, resolutions made and actions agreed.
- (c) Where possible. The Committee shall make decision by consensus; where this is not possible, decision shall be made by a simple majority vote in the event of a tied vote, the proposal will fail.
- (d) At each meeting of the Committee, members shall declare in advance any interest they have which may give rise to a conflict of interest with the work of the Forum.
- (e) Committee communications shall normally be conducted by email.

#### **(10) Finance**

- (a) Any monies acquired by the Forum shall be used only to help achieve the objectives of the Forum.
- (b) The Treasurer shall set up a bank account in the name of the Forum and shall keep a proper account of the finances.
- (c) The Treasurer shall if required set up finance handling arrangement with third parties. All transactions in any format shall be authorised by the Treasurer and one other officer of the Forum.
- (d) No Committee member shall receive any payment or benefit in kind for services rendered to the Forum provided that reasonable out of pocket expenses, properly incurred on behalf of the Forum may be reimbursed at the discretion of the Committee.
- (e) Committee members of the Forum shall be entitled to be indemnified out of the property of the Forum for any liability properly incurred by them severally or jointly on behalf of the Forum, provided that nothing in this clause shall entitle any member or members to any indemnity against liability arising through negligence or similar actions on their part.
- (f) The Treasurer shall keep proper accounts of the finances of the Forum.
- (g) The Accounts shall be audited or examined according to clause 26.

#### **(11) Complaints**

- (a) Complaints about the conduct of a member of the Forum shall be made in confidence in writing to the Chair, such complaints shall be investigated by the officers of the Forum, who shall decide on action as appropriate.
- (b) If the complaint concerns an officer of the Committee, or if a complaint is unresolved, then mediation may be sought from the Council if required.

#### **(12) Duration**

- (a) The duration of the Forum is at least 5 years from the date of designation.
- (b) The Forum may be dissolved by mutual consent at an earlier date, upon adoption of the Neighbourhood Plan.
- (c) The duration of the Forum may be extended, other to complete the preparation of the Neighbourhood Plan, or if agree by its members, in order to deliver the Neighbourhood Plan, with other relevant organisation as appropriate or to deliver other aspects of Localism.
- (d) Upon dissolution of the Forum, any assets held in the name of the Forum (after payments of all debt and liabilities) shall be disposed according to clause 30.

## **6. Application of income and property**

(1) The income and property of the Forum must be applied solely towards the promotion of the objectives.

- (a) A charity trustee is entitled to be reimbursed from the property of the Forum or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Forum.
- (b) A charity trustee may benefit from trustee indemnity insurance cover purchased at the Forum's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.

(2) None of the income or property of the Forum may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any member of the FORUM. This does not prevent a member who is not also a charity trustee receiving:

- (a) A benefit from the Forum as a beneficiary of the Forum;
- (b) A reasonable and proper remuneration for any goods or services supplied to the Forum.

(3) Nothing in this clause shall prevent a charity trustee or connected person receiving any benefit or payment which is authorised by Clause 7.

## **7. Benefits and payments to charity trustees and connected persons**

(1) General provisions. No charity trustee or connected person may:

- (a) Buy or receive any goods or services from the Forum on terms preferential to those applicable to members of the public;
- (b) Sell goods, services, or any interest in land to the Forum;
- (c) Be employed by, or receive any remuneration from, the Forum;
- (d) Receive any other financial benefit from the Forum; unless the payment or benefit is permitted by sub-clause (2) of this clause, or authorised by the court or the prior written consent of the Charity Commission ("the Commission") has been obtained. In this clause, a "financial benefit" means a benefit, direct or indirect, which is either money or has a monetary value.

(2) Scope and powers permitting trustees' or connected persons' benefits

- (a) A charity trustee or connected person may receive a benefit from the Forum as a beneficiary of the Forum provided that a majority of the trustees do not benefit in this way.
- (b) A charity trustee or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the Forum where that is permitted in accordance with, and subject to the conditions in, section 185 to 188 of the Charities Act 2011.
- (c) Subject to sub-clause (3) of this clause a charity trustee or connected person may provide the Forum with goods that are not supplied in connection with services provided to the Forum by the charity trustee or connected person.



- (d) A charity trustee or connected person may receive interest on money lent to the Forum at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).
- (e) A charity trustee or connected person may receive rent for premises let by the trustee or connected person to the Forum. The amount of the rent and the other terms of the lease must be reasonable and proper. The charity trustee concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (f) A charity trustee or connected person may take part in the normal trading and fundraising activities of the Forum on the same terms as members of the public.

**(3) Payment for supply of goods only – controls**

The Forum and its charity trustees may only rely upon the authority provided by sub-clause (2)(c) of this clause if each of the following conditions is satisfied:

- (a) The amount or maximum amount of the payment for the goods is set out in a written agreement between the Forum and the charity trustee or connected person supplying the goods (“the supplier”).
- (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.
- (c) The other charity trustees are satisfied that it is in the best interests of the Forum to contract with the supplier rather than with someone who is not a charity trustee or connected person. In reaching that decision the charity trustees must balance the advantage of contracting with a charity trustee or connected person against the disadvantages of doing so.
- (d) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the Forum.
- (e) The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of charity trustees is present at the meeting.
- (f) The reason for their decision is recorded by the charity trustees in the minute book.
- (g) A majority of the charity trustees then in office are not in receipt of remuneration or payments authorised by clause 6.

**(4) In sub-clauses (2) and (3) of this clause:**

- (a) “the Forum” includes any company in which the Forum:
  - (i) holds more than 50% of the shares; or
  - (ii) controls more than 50% of the voting rights attached to the shares; or
  - (iii) has the right to appoint one or more directors to the board of the company;
- (b) “connected person” includes any person within the definition set out in clause [30] (Interpretation);

**8. Conflicts of interest and conflicts of loyalty**

A charity trustee must:

- (1) Declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Forum or in any transaction or arrangement entered into by the Forum which has not previously been declared; #

- (2) And absent himself or herself from any discussions of the charity trustees in which it is possible that a conflict of interest will arise between his or her duty to act solely in the interests of the Forum and any personal interest (including but not limited to any financial interest).

Any charity trustee absenting himself or herself from any discussions in accordance with this clause must not vote or be counted as part of the quorum in any decision of the charity trustees on the matter.

#### **9. Liability of members to contribute to the assets of the Forum if it is wound up**

If the Forum is wound up, the members of the Forum have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

#### **10. Membership of the Forum**

- (1) The Forum will comprise at least 21 individuals.

- (a) Membership is open to individuals who live, are regular visitors or work in the Warsash Neighbourhood Area. It is also open to individuals who are elected members of Fareham Borough Council whose area falls within the Warsash Neighbourhood Area.
- (b) Membership shall be drawn from different parts of the Warsash Neighbourhood area and different sections of the community in the Area including representatives from local community associations (See Notes) within the Area.
- (c) The initial members of the Forum shall be those identified in the Application for designation.

##### **Notes:**

Individuals who represent people who live, are regular visitors or work in the Area are here defined as:

- (i) Individuals appointed by an organisation with an interest in the area, such as an educational, health or social body, to represent the interests of people who live, regularly visit or work there

Local community association is here defined as follows:

- (i) Local: its purpose is the benefit of a geographical locality (rather than, say, a Social section or a vocational interest);
- (ii) Community: membership is open to all members of the community within the locality;
- (iii) Association: members are associated by means of a written constitution

- (2) Admission of new members

- (a) Eligibility

Membership of the Forum is open to anyone who is interested in furthering its purposes, and who, by applying for membership, has indicated his, her or its agreement to become a member and acceptance of the duty of members set out in sub-clause (3) of this clause. A member may be an individual, a corporate body, or [an individual or corporate body representing] an organisation which is not incorporated.

- (b) Admission procedure

The charity trustees:

- (i) May require applications for membership to be made in any reasonable way that they decide;
- (ii) Shall, if they approve an application for membership, notify the applicant of their decision within [21 days];
- (iii) May refuse an application for membership if they believe that it is in the best interests of the FORUM for them to do so;

- (iv) Shall, if they decide to refuse an application for membership, give the applicant their reasons for doing so, within [21 days] of the decision being taken, and give the applicant the opportunity to appeal against the refusal; and
- (v) Shall consider any such appeal, and shall inform the applicant of their decision, but any decision to confirm refusal of the application for membership shall be final.

### (3) Transfer of membership

Membership of the Forum cannot be transferred to anyone else [except in the case of an individual or corporate body representing an organisation which is not incorporated, whose membership may be transferred by the unincorporated organisation to a new representative. Such transfer of membership does not take effect until the Forum has received written notification of the transfer].

### (4) Duty of members

It is the duty of each member of the Forum to exercise his or her powers as a member of the Forum in the way he or she decides in good faith would be most likely to further the purposes of the Forum.

### (5) Termination of membership

- (a) Membership of the Forum comes to an end if:
  - (i) The member dies, or, in the case of an organisation (or the representative of an organisation) that organisation ceases to exist; or
  - (ii) The member sends a notice of resignation to the charity trustees; or
  - (iii) Any sum of money owed by the member to the Forum is not paid in full within six months of its falling due; or
  - (iv) The charity trustees decide that it is in the best interests of the Forum that the member in question should be removed from membership, and pass a resolution to that effect.
- (b) Before the charity trustees take any decision to remove someone from membership of the Forum they must:
  - (i) Inform the member of the reasons why it is proposed to remove him, her or it from membership;
  - (ii) Give the member at least 21 clear days' notice in which to make representations to the charity trustees as to why he, she or it should not be removed from membership;
  - (iii) At a duly constituted meeting of the charity trustees, consider whether or not the member should be removed from membership;
  - (iv) Consider at that meeting any representations which the member makes as to why the member should not be removed; and
  - (v) Allow the member, or the member's representative, to make those representations in person at that meeting, if the member so chooses.

### (6) Membership fees

There is no fee to be a member of the Forum.

### (7) Informal or associate (non-voting) Membership

- (a) The charity trustees may create associate or other classes of non-voting membership, and may determine the rights and obligations of any such members (including payment of membership fees), and the conditions for admission to, and termination of membership of any such class of members.

- (b) Other references in this constitution to “members” and “membership” do not apply to non-voting members, and non-voting members do not qualify as members for any purpose under the Charities Acts, General Regulations or Dissolution Regulations.]

## **11. Members’ decisions**

### **(1) General provisions**

Except for those decisions that must be taken in a particular way as indicated in sub-clause (4) of this clause, decisions of the members of the Forum may be taken either by vote at a general meeting as provided in sub-clause (2) of this clause or by written resolution as provided in subclause (3) of this clause.

### **(2) Taking ordinary decisions by vote**

Subject to sub-clause (4) of this clause, any decision of the members of the Forum may be taken by means of a resolution at a general meeting. Such a resolution may be passed by a simple majority of votes cast at the meeting including votes cast by postal or email ballot, and proxy votes.

### **(3) Taking ordinary decisions by written resolution without a general meeting**

- (a) Subject to sub-clause (4) of this clause, a resolution in writing agreed by a simple majority of all the members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective, provided that:
- (b) A copy of the proposed resolution has been sent to all the members eligible to vote; and
- (c) A simple majority of members has signified its agreement to the resolution in a document or documents which are received at the principal office within the period of 28 days beginning with the circulation date. The document signifying a member’s agreement must be authenticated by their signature (or in the case of an organisation which is a member, by execution according to its usual procedure), by a statement of their identity accompanying the document, or in such other manner as the Forum has specified.
- (d) The resolution in writing may comprise several copies to which one or more members has signified their agreement.
- (e) Eligibility to vote on the resolution is limited to members who are members of the Forum on the date when the proposal is first circulated in accordance with paragraph (a) above.
- (f) Not less than 10% of the members of the Forum may request the charity trustees to make a proposal for decision by the members.
- (g) The charity trustees must within 21 days of receiving such a request comply with it if:
  - (i) The proposal is not frivolous or vexatious, and does not involve the publication of defamatory material;
  - (ii) The proposal is stated with sufficient clarity to enable effect to be given to it if it is agreed by the members; and
  - (iii) Effect can lawfully be given to the proposal if it is so agreed.
- (h) Sub-clauses (a) to (c) of this clause apply to a proposal made at the request of members.

### **(4) Decisions that must be taken in a particular way**

- (a) Any decision to remove a trustee must be taken in accordance with clause 16.
- (b) Any decision to amend this constitution must be taken in accordance with clause 28 of this constitution (Amendment of Constitution).
- (c) Any decision to wind up or dissolve the Forum must be taken in accordance with clause 29 of this constitution (Voluntary winding up or dissolution). Any decision to amalgamate or transfer the undertaking of the Forum to one or more other Forums must be taken in accordance with the provisions of the Charities Act 2011.

## 12. General meetings of members

### (1) Types of general meeting

There must be an annual general meeting (AGM) of the members of the Forum. The first AGM must be held within 18 months of the registration of the Forum, and subsequent AGMs must be held at intervals of not more than 15 months. The AGM must receive the annual statement of accounts (duly audited or examined where applicable) and the trustees' annual report, and must elect trustees as required under clause [13].

Other general meetings of the members of the Forum may be held at any time.

All general meetings must be held in accordance with the following provisions.

### (2) Calling general meetings

#### (a) The charity trustees:

(i) must call the annual general meeting of the members of the Forum in accordance with sub-clause (1) of this clause, and identify it as such in the notice of the meeting; and

(ii) may call any other general meeting of the members at any time.

#### (b) The charity trustees must, within 21 days, call a general meeting of the members of the Forum if:

(i) they receive a request to do so from at least 10% of the members of the Forum; and

(ii) the request states the general nature of the business to be dealt with at the meeting, and is authenticated by the member(s) making the request.

#### (c) If, at the time of any such request, there has not been any general meeting of the members of the Forum for more than 12 months, then sub-clause (b)(i) of this clause shall have effect as if 5% were substituted for 10%.

#### (d) Any such request may include particulars of a resolution that may properly be proposed, and is intended to be proposed, at the meeting.

#### (e) A resolution may only properly be proposed if it is lawful, and is not defamatory, frivolous or vexatious.

#### (f) Any general meeting called by the charity trustees at the request of the members of the Forum must be held within 28 days from the date on which it is called.

#### (g) If the charity trustees fail to comply with this obligation to call a general meeting at the request of its members, then the members who requested the meeting may themselves call a general meeting.

#### (h) A general meeting called in this way must be held not more than 3 months after the date when the members first requested the meeting.

#### (i) The Forum must reimburse any reasonable expenses incurred by the members calling a general meeting by reason of the failure of the charity trustees to duly call the meeting, but the Forum shall be entitled to be indemnified by the charity trustees who were responsible for such failure.

### (3) Notice of general meetings

#### (a) The charity trustees, or, as the case may be, the relevant members of the Forum, must give at least 14 clear days' notice of any general meeting to all of the members, and to any charity trustee of the Forum who is not a member.

#### (b) If it is agreed by not less than 90% of all members of the Forum, any resolution may be proposed and passed at the meeting even though the requirements of sub-clause (3) (a) of

this clause have not been met. This sub-clause does not apply where a specified period of notice is strictly required by another clause in this constitution, by the Charities Act 2011 or by the General Regulations.

(c) The notice of any general meeting must:

(i) state the time and date of the meeting:

(ii) give the address at which the meeting is to take place;

(iii) give particulars of any resolution which is to be moved at the meeting, and of the general nature of any other business to be dealt with at the meeting; and

(iv) if a proposal to alter the constitution of the Forum is to be considered at the meeting, include the text of the proposed alteration;

(v) include, with the notice for the AGM, the annual statement of accounts and trustees' annual report, details of persons standing for election or re-election as trustee, or where allowed under clause [22] (Use of electronic communication), details of where the information may be found on the Forum's website.

(d) Proof that an envelope containing a notice was properly addressed, prepaid and posted; or that an electronic form of notice was properly addressed and sent, shall be conclusive evidence that the notice was given. Notice shall be deemed to be given 48 hours after it was posted or sent.

(e) The proceedings of a meeting shall not be invalidated because a member who was entitled to receive notice of the meeting did not receive it because of accidental omission by the Forum.

#### (4) Chairing of general meetings

The person nominated as chair by the charity trustees under clause [19](2) (Chairing of meetings), shall, if present at the general meeting and willing to act, preside as chair of the meeting. Subject to that, the members of the Forum who are present at a general meeting shall elect a chair to preside at the meeting.

#### (5) Quorum at general meetings

(a) No business may be transacted at any general meeting of the members of the Forum unless a quorum is present when the meeting starts.

(b) Subject to the following provisions, the quorum for general meetings shall be the greater of 5% or three members. An organisation represented by a person present at the meeting in accordance with sub-clause (7) of this clause, is counted as being present in person.

(c) If the meeting has been called by or at the request of the members and a quorum is not present within 15 minutes of the starting time specified in the notice of the meeting, the meeting is closed.

(d) If the meeting has been called in any other way and a quorum is not present within 15 minutes of the starting time specified in the notice of the meeting, the chair must adjourn the meeting. The date, time and place at which the meeting will resume must either be announced by the chair or be notified to the Forum's members at least seven clear days before the date on which it will resume.

(e) If a quorum is not present within 15 minutes of the start time of the adjourned meeting, the member or members present at the meeting constitute a quorum.

(f) If at any time during the meeting a quorum ceases to be present, the meeting may discuss issues and make recommendations to the trustees but may not make any decisions. If

decisions are required which must be made by a meeting of the members, the meeting must be adjourned.

**(6) Voting at general meetings**

- (a) Any decision other than one falling within clause [11(4)] (Decisions that must be taken in a particular way) shall be taken by a simple majority of votes cast at the meeting (including proxy and postal votes). Every member has one vote [unless otherwise provided in the rights of a particular class of membership under this constitution].
- (b) A resolution put to the vote of a meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is duly demanded. A poll may be demanded by the chair or by at least 10% of the members present in person or by proxy at the meeting.
- (c) A poll demanded on the election of a person to chair the meeting or on a question of adjournment must be taken immediately. A poll on any other matter shall be taken, and the result of the poll shall be announced, in such manner as the chair of the meeting shall decide, provided that the poll must be taken, and the result of the poll announced, within 30 days of the demand for the poll.
- (d) A poll may be taken:
  - (i) at the meeting at which it was demanded; or
  - (ii) at some other time and place specified by the chair; or
  - (iii) through the use of postal or electronic communications.
- (e) In the event of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting shall have a second, or casting vote.
- (f) Any objection to the qualification of any voter must be raised at the meeting at which the vote is cast and the decision of the chair of the meeting shall be final.

**(7) Representation of organisations and corporate members**

An organisation or a corporate body that is a member of the Forum may, in accordance with its usual decision-making process, authorise a person to act as its representative at any general meeting of the Forum.

The representative is entitled to exercise the same powers on behalf of the organisation or corporate body as the organisation or corporate body could exercise as an individual member of the Forum.

**(8) Adjournment of meetings**

The chair may with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting to another time and/or place. No business may be transacted at an adjourned meeting except business which could properly have been transacted at the original meeting.

**13. Charity trustees**

**(1) Functions and duties of charity trustees**

The charity trustees shall manage the affairs of the Forum and may for that purpose exercise all the powers of the Forum. It is the duty of each charity trustee:

- (a) To exercise his or her powers and to perform his or her functions as a trustee of the Forum in the way he or she decides in good faith would be most likely to further the purposes of the Forum; and
- (b) To exercise, in the performance of those functions, such care and skill as is reasonable in the circumstances having regard in particular to:

- (i) Any special knowledge or experience that he or she has or holds himself or herself out as having; and
- (ii) If he or she acts as a charity trustee of the Forum in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.

(2) Eligibility for trusteeship

- (a) Every charity trustee must be a natural person.
- (b) No one may be appointed as a charity trustee:
  - if he or she is under the age of 16 years; or
  - if he or she would automatically cease to hold office under the provisions of clause 16(1)(f).
- (c) No one is entitled to act as a charity trustee whether on appointment or on any re-appointment until he or she has expressly acknowledged, in whatever way the charity trustees decide, his or her acceptance of the office of charity trustee.
- (d) At least one of the trustees of the Forum must be 18 years of age or over. If there is no trustee aged at least 18 years, the remaining trustee or trustees may act only to call a meeting of the charity trustees, or appoint a new charity trustee.

(3) Number of charity trustees

There must be a minimum of three (3) and no more than twelve (12) charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees, or appoint a new charity trustee.

(4) First charity trustees

The first charity trustees of the Forum are – XXXX

**14. Appointment of charity trustees**

- (1) At the first annual general meeting of the members of the Forum all the charity trustees shall retire from office;
- (2) At every subsequent annual general meeting of the members of the Forum, one-third of the charity trustees shall retire from office. If the number of charity trustees is not three or a multiple of three, then the number nearest to one-third shall retire from office, but if there is only one charity trustee, he or she shall retire;
- (3) The charity trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment. If any trustees were last appointed or reappointed on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot;
- (4) The vacancies so arising may be filled by the decision of the members at the annual general meeting; any vacancies not filled at the annual general meeting may be filled as provided in sub-clause (5) of this clause;
- (5) The members or the charity trustees may at any time decide to appoint a new charity trustee, whether in place of a charity trustee who has retired or been removed in accordance with clause 16 (Retirement and removal of charity trustees), or as an additional charity trustee, provided that the limit specified in clause [13(3)] on the number of charity trustees would not as a result be exceeded;
- (6) A person so appointed by the members of the Forum shall retire in accordance with the provisions of sub-clauses (2) and (3) of this clause. A person so appointed by the charity trustees shall retire at the conclusion of the next annual general meeting after the date of his or her



appointment, and shall not be counted for the purpose of determining which of the charity trustees is to retire by rotation at that meeting.

#### **15. Information for new charity trustees**

The charity will make available to each new charity trustee, on or before his or her first appointment:

- (a) A copy of this constitution and any amendments made to it; and
- (b) A copy of the Forum's latest trustees' annual report and statement of accounts.

#### **16. Retirement and removal of charity trustees**

- (1) A charity trustee ceases to hold office if he or she:
  - (a) Retires by notifying the Forum in writing (but only if enough charity trustees will remain in office when the notice of resignation takes effect to form a quorum for meetings);
  - (b) Is absent without the permission of the charity trustees from all their meetings held within a period of six months and the trustees resolve that his or her office be vacated;
  - (c) Dies;
  - (d) In the written opinion, given to the company, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a director and may remain so for more than three months;
  - (e) Is removed by the members of the Forum in accordance with sub-clause (2) of this clause; or
  - (f) Is disqualified from acting as a charity trustee by virtue of section 178-180 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision).
- (2) A charity trustee shall be removed from office if a resolution to remove that trustee is proposed at a general meeting of the members called for that purpose and properly convened in accordance with clause [11], and the resolution is passed by a [two-thirds] majority of votes cast at the meeting.
- (3) A resolution to remove a charity trustee in accordance with this clause shall not take effect unless the individual concerned has been given at least 14 clear days' notice in writing that the resolution is to be proposed, specifying the circumstances alleged to justify removal from office, and has been given a reasonable opportunity of making oral and/or written representations to the members of the Forum.

#### **17. Reappointment of charity trustees**

Any person who retires as a charity trustee by rotation or by giving notice to the FORUM is eligible for reappointment.

#### **18. Taking of decisions by charity trustees**

Any decision may be taken either:

- At a meeting of the charity trustees; or
- By resolution in writing [or electronic form] agreed by a majority of all of the charity trustees, which may comprise either a single document or several documents containing the text of the resolution in like form to which the majority of all of the charity trustees has signified their agreement.

#### **19. Delegation by charity trustees**

- (1) The charity trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they must determine the terms and conditions on which the delegation is made. The charity trustees may at any time alter those terms and conditions, or revoke the delegation.

- (2) This power is in addition to the power of delegation in the General Regulations and any other power of delegation available to the charity trustees, but is subject to the following requirements:
- (a) A committee may consist of two or more persons, but at least one member of each committee must be a charity trustee;
  - (b) The acts and proceedings of any committee must be brought to the attention of the charity trustees as a whole as soon as is reasonably practicable; and
  - (c) The charity trustees shall from time to time review the arrangements which they have made for the delegation of their powers.

## **20. Meetings and proceedings of charity trustees**

- (1) Calling meetings
- (a) Any charity trustee may call a meeting of the charity trustees.
  - (b) Subject to that, the charity trustees shall decide how their meetings are to be called, and what notice is required.
- (2) Chairing of meetings

The charity trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. If no-one has been so appointed, or if the person appointed is unwilling to preside or is not present within 10 minutes after the time of the meeting, the charity trustees present may appoint one of their number to chair that meeting.

- (3) Procedure at meetings
- (a) No decision shall be taken at a meeting unless a quorum is present at the time when the decision is taken. The quorum is two charity trustees, or the number nearest to one third of the total number of charity trustees, whichever is greater, or such larger number as the charity trustees may decide from time to time. A charity trustee shall not be counted in the quorum present when any decision is made about a matter upon which he or she is not entitled to vote.
  - (b) Questions arising at a meeting shall be decided by a majority of those eligible to vote.
  - (c) In the case of an equality of votes, the chair shall have a second or casting vote.
- (4) Participation in meetings by electronic means
- (a) A meeting may be held by suitable electronic means agreed by the charity trustees in which each participant may communicate with all the other participants.
  - (b) Any charity trustee participating at a meeting by suitable electronic means agreed by the charity trustees in which a participant or participants may communicate with all the other participants shall qualify as being present at the meeting.
  - (c) Meetings held by electronic means must comply with rules for meetings, including chairing and the taking of minutes.

## **21. Saving provisions**

- (1) Subject to sub-clause (2) of this clause, all decisions of the charity trustees, or of a committee of charity trustees, shall be valid notwithstanding the participation in any vote of a charity trustee:
- Who was disqualified from holding office;
  - Who had previously retired or who had been obliged by the constitution to vacate office;
  - Who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise; if, without the vote of that charity trustee and that charity trustee being counted in the quorum, the decision has been made by a majority of the charity trustees at a quorate meeting.

- (2) Sub-clause (1) of this clause does not permit a charity trustee to keep any benefit that may be conferred upon him or her by a resolution of the charity trustees or of a committee of charity trustees if, but for clause (1), the resolution would have been void, or if the charity trustee has not complied with clause 7 (Conflicts of interest).

## **22. Execution of documents**

- (1) The Forum shall execute documents either by signature or by affixing its seal (if it has one).  
(2) A document is validly executed by signature if it is signed by at least two of the charity trustees.  
(3) If the Forum has a seal:  
(a) It must comply with the provisions of the General Regulations; and  
(b) It must only be used by the authority of the charity trustees or of a committee of charity trustees duly authorised by the charity trustees. The charity trustees may determine who shall sign any document to which the seal is affixed and unless otherwise determined it shall be signed by two charity trustees.

## **23. Use of electronic communications**

The Forum will comply with the requirements of the Communications Provisions in the General Regulations and in particular:

- (a) The requirement to provide within 21 days to any member on request a hard copy of any document or information sent to the member otherwise than in hard copy form;  
(b) Any requirements to provide information to the Commission in a particular form or manner.

## **24. Keeping of Registers**

The Forum must comply with its obligations under the General Regulations in relation to the keeping of, and provision of access to, registers of its members and charity trustees.

## **25. Minutes**

The charity trustees must keep minutes of all:

- (1) Appointments of officers made by the charity trustees;  
(2) Proceedings at general meetings of the Forum;  
(3) Meetings of the charity trustees and committees of charity trustees including:  
(i) The names of the trustees present at the meeting;  
(ii) The decisions made at the meetings; and  
(iii) Where appropriate the reasons for the decisions;  
(4) Decisions made by the charity trustees otherwise than in meetings.

## **26. Accounting records, accounts, annual reports and returns, register maintenance**

- (1) The charity trustees must comply with the requirements of the Charities Act 2011 with regard to the keeping of accounting records, to the preparation and scrutiny of statements of accounts, and to the preparation of annual reports and returns. The statements of accounts, reports and returns must be sent to the Charity Commission, regardless of the income of the Forum, within 10 months of the financial year end.  
(2) The charity trustees must comply with their obligation to inform the Commission within 28 days of any change in the particulars of the Forum entered on the Central Register of Charities.

## **27. Rules**

The charity trustees may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the Forum, but such rules or bye laws must not be inconsistent with any provision of this constitution. Copies of any

such rules or bye laws currently in force must be made available to any member of the Forum on request.

## **28. Disputes**

If a dispute arises between members of the Forum about the validity or propriety of anything done by the members under this constitution, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

## **29. Amendment of constitution**

As provided by clauses 224-227 of the Charities Act 2011:

- (1) This constitution can only be amended:
  - (a) By resolution agreed in writing by all members of the Forum; or
  - (b) By a resolution passed by a 75% majority of votes cast at a general meeting of the members of the Forum.
- (2) Any alteration of clause 3 (Objectives), clause [30] (Voluntary winding up or dissolution), this clause, or of any provision where the alteration would provide authorisation for any benefit to be obtained by charity trustees or members of the Forum or persons connected with them, requires the prior written consent of the Charity Commission.
- (3) No amendment that is inconsistent with the provisions of the Charities Act 2011 or the General Regulations shall be valid.
- (4) A copy of any resolution altering the constitution, together with a copy of the Forum's constitution as amended, must be sent to the Commission within 15 days from the date on which the resolution is passed. The amendment does not take effect until it has been recorded in the Register of Charities.

## **30. Voluntary winding up or dissolution**

- (1) As provided by the Dissolution Regulations, the Forum may be dissolved by resolution of its members. Any decision by the members to wind up or dissolve the Forum can only be made:
  - (a) At a general meeting of the members of the Forum called in accordance with clause [11] (Meetings of Members), of which not less than 14 days' notice has been given to those eligible to attend and vote:
    - (i) By a resolution passed by a 75% majority of those voting, or
    - (ii) By a resolution passed by decision taken without a vote and without any expression of dissent in response to the question put to the general meeting; or
  - (b) By a resolution agreed in writing by all members of the Forum.
- (2) Subject to the payment of all the Forum's debts:
  - (a) Any resolution for the winding up of the Forum, or for the dissolution of the Forum without winding up, may contain a provision directing how any remaining assets of the Forum shall be applied.
  - (b) If the resolution does not contain such a provision, the charity trustees must decide how any remaining assets of the Forum shall be applied.
  - (c) In either case the remaining assets must be applied for charitable purposes the same as or similar to those of the Forum.
- (3) The Forum must observe the requirements of the Dissolution Regulations in applying to the Commission for the Forum to be removed from the Register of Charities, and in particular:
  - (a) The charity trustees must send with their application to the Commission:
    - (i) A copy of the resolution passed by the members of the Forum;
    - (ii) A declaration by the charity trustees that any debts and other liabilities of the Forum have been settled or otherwise provided for in full; and

- (iii) A statement by the charity trustees setting out the way in which any property of the Forum has been or is to be applied prior to its dissolution in accordance with this constitution;
- (b) The charity trustees must ensure that a copy of the application is sent within seven days to every member and employee of the Forum, and to any charity trustee of the Forum who was not privy to the application.
- (4) If the Forum is to be wound up or dissolved in any other circumstances, the provisions of the Dissolution Regulations must be followed.

**31. Interpretation** In this

constitution: “connected

person” means:

- (a) a child, parent, grandchild, grandparent, brother or sister of the charity trustee;
- (b) the spouse or civil partner of the charity trustee or of any person falling within sub-clause (a) above;
- (c) a person carrying on business in partnership with the charity trustee or with any person falling within subclause (a) or (b) above;
- (d) an institution which is controlled –
  - (i) by the charity trustee or any connected person falling within sub-clause (a), (b), or (c) above; or
  - (ii) by two or more persons falling within sub-clause (d)(i), when taken together
- (e) a body corporate in which –
  - (i) the charity trustee or any connected person falling within sub-clauses (a) to (c) has a substantial interest; or
  - (ii) two or more persons falling within sub-clause (e)(i) who, when taken together, have a substantial interest.

Section 118 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this constitution.

“General Regulations” means the Charitable Incorporated Organisations (General) Regulations 2012.

“Dissolution Regulations” means the Charitable Incorporated Organisations (Insolvency and Dissolution) Regulations 2012.

The “Communications Provisions” means the Communications Provisions in [Part 9, Chapter 4] of the General Regulations.

“charity trustee” means a charity trustee of the FORUM.

A “poll” means a counted vote or ballot, usually (but not necessarily) in writing.



## APPENDIX C

# Application to designate a Neighbourhood Area

Town and Country Planning Act 1990 Neighbourhood Planning (General) Regulations 2012 (as amended)

### 1. Neighbourhood Forum contact details

Title	Mr
First name	Matthew
Last name	Hall
Address	[REDACTED]
Postcode	[REDACTED]
Email address	CharmainWarsashForum@gmail.com
Telephone number	[REDACTED]

### 2. Secondary contact details (if applicable)

Title	Mr
First name	Graham
Last name	Westcott MBE
Address	9 Greenaway Lane Warsash SOUTHAMPTON
Postcode	SO31 9HT
Email address	Grahamrwestcott@sky.com
Telephone number	

### 3. Relevant body

Please confirm that you are the relevant body to undertake neighbourhood planning in your area in accordance with section 61G of the 1990 Act and section 5C of the 2012 Regulations.

Name of Neighbourhood Forum:

Warsash Forum
---------------

### 4. Name of Neighbourhood Area

Please give the name by which your Neighbourhood Area will be formally known:

Warsash Forum
---------------

## 5. Extent of the Neighbourhood Area:

Please indicate below and attach a map identifying the extent of the area to which the neighbourhood area application relates.

Whole ward area: ☒

Part of the ward: ☐

Other: ☐

## 6. Intention of the Neighbourhood Area:

Please indicate which of the following you intend to undertake within your Neighbourhood Area.

Neighbourhood Plan: ☒

Neighbourhood Order: ☐

Community Right to Build Order: ☐

## 7. Statement

Please explain below why this area is considered appropriate to be designated as a Neighbourhood Area.

The intention of the Warsash Forum is to produce a Neighbourhood Plan. The development of any such plan needs to be rooted in correct data as produced by the like of Fareham Borough Council (FBC) and the Office for National Statistics (ONS).

The FBC and ONS data is grouped into Ward areas and by designating Warsash Ward as the Forum Area the Forum is able to utilise formally approved and agreed data that it can then analyse and consider when developing its Neighbourhood Plan.

## 8. Declaration

I/We hereby apply to designate a Neighbourhood Forum as described on this form and the supporting information.

<b>Name(s):</b>	<input type="text" value="Matthew Hall"/>	<b>Date (dd/mm/yyyy)</b>	<input type="text" value="20 Mar 19"/>
<b>Name(s):</b>	<input type="text" value="Graham Wescott MBE"/>	<b>Date (dd/mm/yyyy)</b>	<input type="text" value="20 Mar 19"/>



Please submit the completed form by email to [planningpolicy@fareham.gov.uk](mailto:planningpolicy@fareham.gov.uk) or by post at Planning Strategy and Regeneration, Fareham Borough Council, Civic Offices, Civic Way, Fareham, PO16 7AZ.

For further information please contact the Planning Strategy and Regeneration Team using the above details or phone 01329 824601.

## **9. Privacy Notice**

The Council is collecting information on this form, which includes, personal information at 1 and 2 above, under the Neighbourhood Planning (general) Regulations 2012 (as amended) and enables the Council to have single points of contact in respect of this application. By submitting this form, you understand that the form, including these names and addresses, will be published on the Council's website.

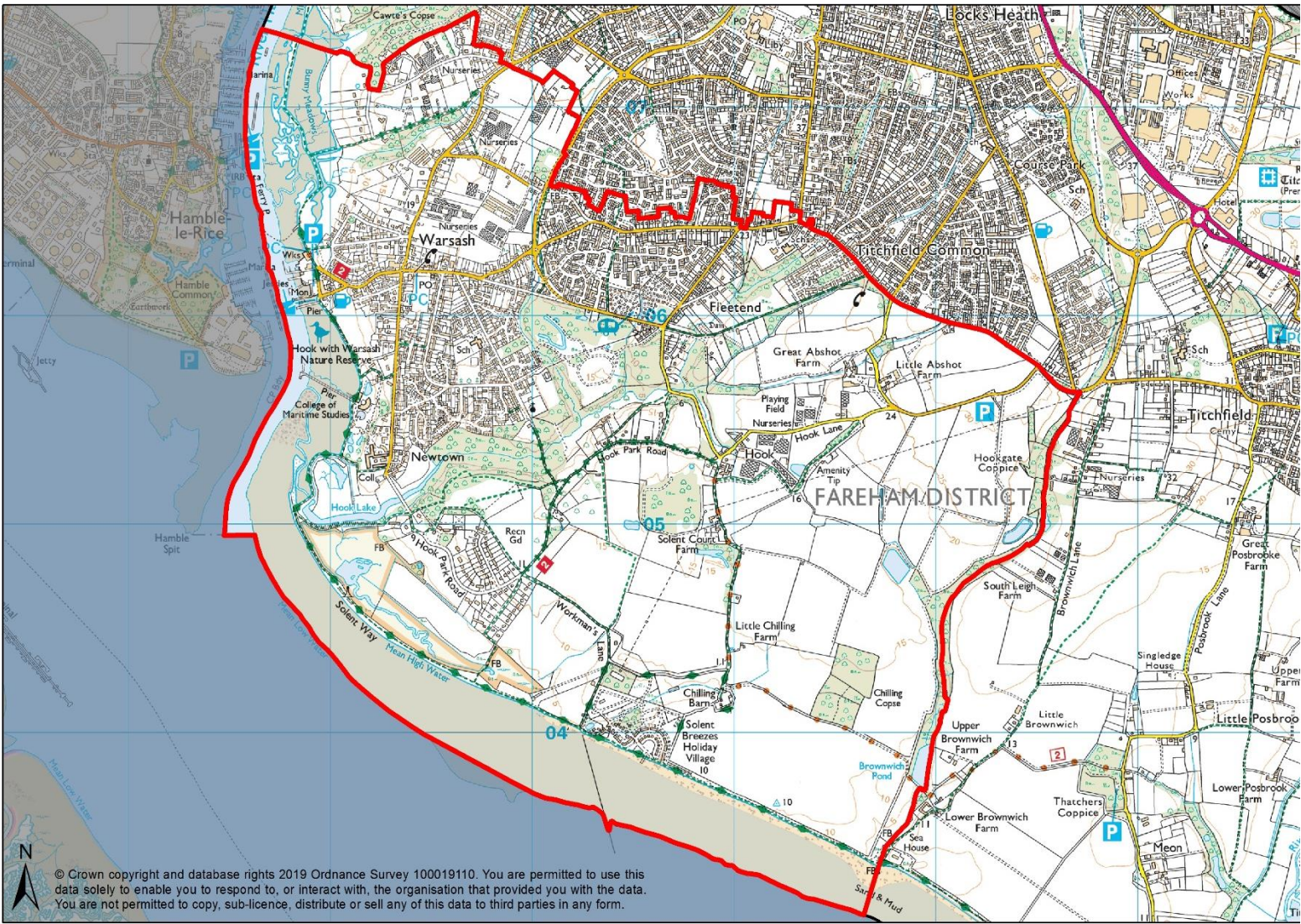
Your personal information is being collected in respect of this application. Your personal information will not be shared outside of the Council but will be shared internally to enable us to process this application.

The Council will retain this form for 5 years. Further information about the Council's privacy policy and how it processes personal data and your rights can be located at [www.fareham.gov.uk/privacy.aspx](http://www.fareham.gov.uk/privacy.aspx) .



APPENDIX D

PROPOSED WARSASH NEIGHBOURHOOD AREA





## APPENDIX E:

### Comments received during the publicity period on Warsash's Neighbourhood Forum Application

I think this provides an excellent opportunity for Warsash Residents to actively partake in the development of their community.

I passionately believe that there should be an apolitical Warsash Neighbourhood Forum formed to work alongside the elected Warsash Councillors, FBC and the Warsash Residents Association to factor the views of the circa 8000 residents of Warsash Ward into the future planning of this area for the next 15-20 years.

I fully support this much needed forum

I support the Warsash Neighbourhood Forum

Good idea.

Excellent for Warsash

Such a good idea strength in numbers

Yes, the forum is a great idea.

The setting up of a Neighbourhood Forum will ensure that residents will have a say and be more involved in the future development of our area. I fully support this application.

This seems like a good idea

Excellent idea, residents should have more information and more say about the area they live and work in. As travel becomes less socially acceptable being involved in where we live will become even more important.
I believe that the residents should be able to have input into the way Warsash as a community moves forward.
If the forum has the capacity to influence strategic planning then it would be positive. My questions would be in relation to constitution and the degree to which unelected representatives can influence local planning decisions.
Its a great idea and will give our area a better say in things and to help promote the area
As a resident of Warsash Ward I fully support the proposals
I support this application
I agree with proposal to create a Warsash Neighbourhood Forum
The constitution and members list could not be accessed. Depending on the constitution details I am all in favour of having a forum provided they consult with residents
I fully support the proposal to form a Warsash Neighbourhood Forum. It will hopefully give us a voice where other avenues haven't.
Seems a good idea but will anyone pay any heed to anything it comes up with?
as the village comes under ever increasing pressure from development and traffic etc, it's important that local people have a say in how best to preserve the character of the area and maintain it as a nice place to live and work
This is a fantastic idea to ensure the voice of the local people is heard

I think this is an excellent idea and vital to play an active role in managing the future of the village and surrounds
I think this is a great way for residents to be actively involved in their local community and to play their part in it's future development
Would like to see a forum so the community can help the area.
I agree with the proposal.
I believe it will benefit the residents of Warsash
Definitely. If it means we have a voice, we need this.
I think this is an excellent idea to form the basis of consultation for the village in the 21st-century. Ideas coming from people living in the village and working in the village would appear to be the way forward .
Extremely good idea, we live and sound have a voice
Very supportive
Good idea to have some focal point for local matters.
Fantastic idea...and with the current level of development being discussed/proposed/agreed it's about time we may actually be able to be heard..
I fully support the proposal understanding that this will help to ensure that the interests of Warsash residents are better represented than they have been in recent years.
Great idea.
I fully support this proposal
people who live in warsash will have input to the neighbourhood plan
I support the Neighborhood Forum as I would like to have a voice for the people who live in the area and who get impacted by any decisions that might be made in regards to the social, environmental or economic well-being of the area

I agree we should have a Warsash Neighbourhood forum
I fully support the application.
This is a brilliant initiative and will give the community of Warsash a real opportunity to share their views on the future of the village.
It feels like a good idea for residents to have a voice in the neighbourhood they know well
I fully support the warsash neighbourhood forum
A neighborhood forum for Warsash is essential to ensure that existing residents are able to make their opinions clear on issues of development in the area.
This is a really good idea and something that Warsash has been lacking - Warsash needs a voice and there are various ongoing issues that will benefit from this forum.
As a resident of Warsash and a small business owner operating from Warsash, I give my full backing to the proposed Neighbourhood forum being setup.
I agree, and it has my full backing
I think this would be a great idea as it would hopefully mean the residents of Warsash would have a say about how their village is going to be developed in the future. We are starting to lose our village identity and community because development is taking over.
I would like Warsash to have a neighbourhood forum to help protect its beauty and sustain healthy living in this area. The level of development proposed by councils is not acceptable regarding wildlife and the environment. Warsash needs its voice to be heard and have power against bureaucrats that don't listen to their constituents needs.
I think it is a good idea. so much infilling has overloaded schools, doctors, roads. we haven't been listened to in the past
I think its a good idea
I think that this is an excellent idea. Needed as local people need a say and to get listened to



Excellent idea, we need to stand up for our village to try and keep it a village!!
Excellent idea. A forum is a referee for policies presented by councils and they may listen to local residents more.
Good idea
Excellent idea. This will give the residents of Warsash a chance to have a say in its infrastructure
Looks like a good idea that should be supported.
This is a chance for ordinary people who live and work in this area to have a say. Comments may raise issues that powers to be may not have considered. This area has changed dramatically in the last fifty years as former strawberry fields have been sold off as owners retired and overseas imports flood the market. However there has not been much of an increase in services such as doctors, schools, banks not to mention police, fire and ambulance. I feel these should be a vital consideration when allowing more buildings. Our green spaces are eroding and air quality is poorer. A forum may help!
I fully support the application. An excellent way to ensure all ideas are heard and peoples opinions are collated.
I think this is an excellent idea.
I fully support the proposal for a Warsash Neighbourhood Forum. I sincerely hope it is approved and given the opportunity to work with the Local Planning Authority in the way it is designed to work and according to Kit Malthouse the Housing Minister as it does in some LPAs where planning works best. It will provide a forum which is different and more effective than Warsash Residents Association which is all we have now.
Fully support this move to improve the area when significant developments commence
The intention of the Warsash Forum is to produce a Neighbourhood Plan. The development of any such plan needs to be rooted in correct data as produced by the like of Fareham Borough Council (FBC) and the Office for National Statistics (ONS).
The intention of the Warsash Forum is to produce a Neighbourhood Plan. The development of any such plan needs to be rooted in correct data as produced by the like of Fareham Borough Council (FBC) and the Office for National Statistics (ONS).

I support the establishment of a Warsash Neighbourhood Forum. As chairman of the Warsash Residents' Association I realize that a conflict could arise, but Matthew Hall and I are keeping in touch regarding our various activities in order to minimize the risk of conflicts.
Very much in favour of a forum to be established to ensure the voice of all Warsash residents are heard as a collective.
Really good idea. There are many issues facing the Warsash community.
Excellent idea
Excellent idea
I consider this an excellent and progressive step to ensure that residents of the neighbourhood have a representative voice in all future aspects of residential and commercial development. I fully support the proposed named principals to establish this forum.
I support this application and can see the benefit it would provide in ensuring the neighbourhood develops in a way that supports the consultees.
I feel this to be in the best interest of the community
This is a great idea!
I would like to have such a forum, as it will give us a say in any changes and or improvements to our area.
It would be good to have local people keeping everyone up to date on all applications
This will be a great help in getting our points of view across. Hopefully it will give us a voice that will be heard.
Is a good idea I'd like to support
I support the idea to form a neighbourhood forum for Warsash
I think this is a good idea to help local people have a greater say in what is happening to the area we care about
I welcome this so the community has an input that hopefully will be taken into account when decisions are made that impact a large number of families in the Warsash area.

It's a great idea.
To be advised.



## APPENDIX F:

Comments received during the publicity period on Warsash's Neighbourhood Area Application	
It makes sense for the Area to follow the Fareham Borough Council Ward boundary as both FBC and Office of National Statistics data will be aligned to these borders. This will enable the forum to generate a Neighbourhood Plan rooted in agreed data.	
I support the proposed Neighbourhood Area that is the Ward boundary for Warsash that allows the prospective Forum and local authority to use ONS and other readily available statistical data to formulate plans for the future of Warsash and Hook.	
Fully support the area map	
I agree with the area boundaries	
Seems appropriate.	
The neighbourhood is correct and well represented	
Encompasses a good area	
The area seems right	
As residents of such a beautiful place to live and being caretakers for the generations to come we must take this opportunity to have a say in the future development of our area with regards to working with the council and other organisations on housing, education, transport, protecting our environment etc while keeping our identity.	
The area makes sense as it is the geographical area of Warsash	
I am happy with it as per the proposal.	

I think that this covers the Warsash area satisfactory. This appears appropriate.
Very much needed
As a resident of Warsash Ward I agree
I would consider the area drawn out to be correct
I agree with the proposed area.
It appears to cover Warsash
Fully support
Seems ok
looks right to me
The area is fine and covers what mostly impacts Warsash residents.
I agree with it
I agree with the proposed neighbourhood area
The area needs to be revamped and a plan would be a good course of action
I agree with the proposed area.
It's an appropriate area as it has the same boundary as the ward boundary
It should go all the way up to the m27
I have lived in the village 45 years and the proposed neighbourhood area shows just how important it is to keep the nature of the village and its surrounding area as peaceful as possible.
Agree

Warsash village simple.
This looks to accurately reflect the Warsash community
Always an interesting question of where to draw the line. Reminds me of when Warsash boundary was considered to be a particular bump in the road on Brook lane.
I agree with the proposed neighbourhood area
warsash, was a village, now just part of western ward
I support the area proposed
The proposed area seems right to me
I fully support the application.
The proposed area seems an appropriate area for the coverage of the Neighbourhood Plan.
Completely agree, we live just outside but can see a benefit for the whole community
the area is correct and covers the current and historical boundaries of the ward of warsash.
The proposed area that the Warsash neighbourhood Forum encompasses is appropriate.
The area makes complete sense and I have no objections.
I have looked at the proposed area map that will be covered by the neighbourhood forum and agree.
I agree, and it has my full backing
Looks good to me.
too much development is changing this area for the worse
Restricted to actual warsash and not surrounding areas
Warsash is on the western border of the large Borough of Fareham. The proposed Neighbourhood Area is often neglected with planning

considerations, public transport, and health and education provisions often to the benefit of property developers.
<p>Accurate</p> <p>This forum is needed. [REDACTED] [REDACTED] [REDACTED]</p>
<p>Agree</p> <p>Warsash is a small village with only two roads exiting it. The west and south are bounded by water so any additional building of any type must be carefully monitored to ensure overpopulation does not occur. It is also an area of outstanding beauty and must be protected.</p>
<p>Glad to see that it includes Hook &amp; Chilling</p>
<p>This covers the most affected area and encompasses the main proposals and as such is good but we need to consider outside this area too</p>
<p>I fully support these plans, an excellent idea and very welcome to all of the local people.</p>
<p>It looks good.</p>
<p>I feel that residents have not been consulted sufficiently or listened to regarding the huge amounts of over development proposed in the Western Wards. Warsash has suffered particularly badly. I hope the Neighbourhood Forum will provide a voice for the residents in the future. Unfortunately, this plan is too late to help fight the overdevelopment for Warsash.</p>



Warsash area - excellent
The FBC and ONS data is grouped into Ward areas and by designating Warsash Ward as the Forum Area the Forum is able to utilise formally approved and agreed data that it can then analyse and consider when developing its Neighbourhood Plan.
The FBC and ONS data is grouped into Ward areas and by designating Warsash Ward as the Forum Area the Forum is able to utilise formally approved and agreed data that it can then analyse and consider when developing its Neighbourhood Plan.
I agree that the Warsash ward is the appropriate coverage area for the forum.
It is vital to the integrity of village life and the well being of the community that a cohesive plan is respected and allowed to go forward
The proposed area covers a range of habitats from woods, fields, river frontage, beach, wet lands, allotments, parks, housing and commercial - making up Warsash
Excellent idea
<p>Area over populated now with way too much traffic. Wildlife and air quality has been affected and people are living like sardines</p> <p>I think that the demised area, as shown on the map, is representative of the affected residents and businesses.</p> <p>The area reflects the boundaries of the complete Warsash ward which I my view makes perfect sense.</p>
I feel this is reasonable

Great work
The area covered seems appropriate.
. Warsash needs to be represented by the local people for the local people
Seems fine
Seems logical to me.
The area seems to include economic environmental and residential areas which have been affected by poor decisions in the past
The area looks good to me.
The area covered makes sense.
To be advised.
<p>(Representation Page 1) The Warsash Neighbourhood Forum Consultation: I would like to comment upon the application to designate the Warsash Neighbourhood Forum (WNF) and it's proposed area. My representation is split into two sections.</p> <p>Section1 Part A) An assessment of the Warsash Neighbourhood Forums application with regard to the statutory requirements.  Part B) An assessment of the Warsash Neighbourhood Area application with regard to the statutory requirements.</p> <p>Section 2 In this section two elements of the factual and policy matrix are considered. Element 1:National Planning Practice Guidance (NPPG) paragraph 033 Reference ID: 41-033-20140306 Element 2:The character of the proposed Neighbourhood Area Conclusion &amp; Recommendation: Logical deductions are drawn and a recommendation to modify the proposed boundary is subsequently given.</p> <p>SECTION 1:The Warsash Neighbourhood Forum Consultation: ( Assessment of the Warsash Neighbourhood Forum application against statutory requirements )</p> <p>Part A:Neighbourhood forum requirements Neighbourhood Forum Requirements under the Neighbourhood Planning Regulations 2012 and Town and Country Planning Act 1990</p> <p>1) There is not already a designated neighbourhood forum for the area proposed and the area does not include the whole or part of the area of a parish council. Complied With: YES</p>

<p>2) Name of the proposed Neighbourhood Forum Complied With: YES</p> <p>3) The forum has a written constitution and a copy is provided. Complied With: YES</p> <p>4) The name of the neighbourhood area to which the application relates and a map which identifies the area. Complied With: YES</p> <p>5) The contact details of at least one member Complied With: YES</p> <p>6) A statement to show the proposed forum is established for the express purpose of promoting or improving the social, economic and environmental well-being of an area that consists of or includes the neighbourhood area concerned. Complied With: YES ( See Constitution )</p> <p>7) A statement to show its membership must be open to individuals who live or work in the neighbourhood area or who are elected members in the borough. Complied With: YES ( See Constitution )</p> <p>8) A statement to show its membership includes a minimum of 21 individuals. Complied With: YES</p> <p>REASON: A list of at least 21 names and associated statuses ( i.e. resident, worker, councillor ) was attached to the application but; "Due to data protection regulations, the Council cannot publish the list of members, but can confirm it has received a list which satisfies the requirement." Source: Fareham Borough Council Website: <a href="https://www.fareham.gov.uk/planning/warsashneighbourhoodplan.aspx">https://www.fareham.gov.uk/planning/warsashneighbourhoodplan.aspx</a> This statement by FBC confirms that data protection regulations legislation ( the GDPR ) does not allow the names and addresses ( in the form supplied ) to be released directly into the public domain. However it should be noted that the GDPR does not apply to anonymised datasets and as such, in order to both inform and to encourage transparency throughout the entire process some information concerning this list could and should have been placed within the public domain. Question 1) I would therefore ask the Councils opinion as to whether they would consider in all future Neighbourhood Forum and Neighbourhood Area designation applications to publish the total number of names and totals for each of the statuses (resident, worker, councillor ) together with an anonymised postcode map of the listed members, to help, aid and inform interested parties of the members general locations. In order to confirm this particular requirement I asked the Council to supply an anonymised dataset. After due deliberation and consultation with FBC's legal team the following anonymised information was released. SO31 7S - 1 forum member SO31 9J - 4 forum members PO14 4S - 2 forum members SO31 9G - 13 forum members SO31 9H - 6 forum members PO14 4L - 3 forum members SO31 9F - 1 forum member SO31 7B - 1 forum member SO31 7N - 1 forum member SO31 7D - 1 forum member SO31 9T - 1 forum member The information supplied to me in an anonymised form would appear to indicate 34 members on the list.</p> <p>9) Each of whom: Lives in the area concerned; or Works in the area; or Is an elected member of the borough Council Complied With: UNKNOWN ( probably satisfied ) REASON: This is clearly intrinsically entwined within the argument as laid out in 8) above and as such can not at this stage be confirmed with precision as the information regarding the statuses of the members on the supplied list is not within the public domain. Hence the status of this part of the requirement is at present UNKNOWN but probably has been satisfied.</p> <p>10) Whether it has secured or taken reasonable steps to attempt to secure that its membership includes at least one individual who lives, who works and is an elected member. Complied With: UNKNOWN ( tending towards non compliance. )</p> <p>REASON: I asked the Council the following question:- "Can you confirm that at least one of the Warsash ward members of FBC or the HCC</p>	
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Warsash member is also a member of the Warsash Neighbourhood Forum ( WNF ) ?" Reply: The Council is not in a position to release detailed information on forum members due to GDPR regulations which is why the list is not on the website. The Forum themselves may be willing to release the information to you if you were to contact them directly. However, we can confirm that it complies with the statutory requirements, which do not require political representation (although members of a neighbourhood forum can also be elected members for a local authority). Response: This answer perplexes me somewhat as I would have thought that my asking of a question in relation to the elected members of FBC and HCC ( who are public officials having their names, postal addresses together with their telephone numbers already within the public domain ) would be withheld under the pretext of the GDPR. And I point out that my question required only a simple YES or a quick sentence to say that NONE are at present members. Or that Councillors have been approached but have presently declined full membership but will be working as co-opted members / associate members and advisors during the neighbourhood planning stages of the process. Question 2) It would be appreciated if the Council could give a reason for reference to the GDPR when the answer to my question ( namely an anonymous number or a quick statement of intent ) clearly falls outside of the remit of those regulations. I agree that the wording of the legislation is such that it is not a requirement for a Forum to have political representation although Government guidance would appear to encourage them to do so. In relation to the specific requirement, namely for a Forum to show whether it has secured or "taken reasonable steps" to secure it's membership includes at least one member from each of the grouping mentioned above. No information regarding their "reasonable steps" taken nor the publication of the securement of such members has been placed in the public domain. Therefore at present this part of the requirement can only be regarded as UNKNOWN tending towards non compliance. (Continued on Page 2)

(Representation Page 2) 11) Whether its membership is drawn from different places in the neighbourhood area and from different sections of the community in that area. Complied With: NO REASON: Further questioning regarding the locations of the members on the list led to the following information:- Total number of members on the list as supplied at the time of the application = 34 And these were such that: -  
 1 ) There are 31 forum members that live within the built up area of Warsash as defined by the adopted map.  
 2) Three members live outside the built up area but within either Warsash or Park Gate ward. 3) None of the Forum members with home addresses provided (Forum members can work in the area as well) live south of the Warsash urban boundary. Of the 34 members on the list 31 live within the urban area of Warsash (1) , 3 live outside this area and of these at least one is in the Park Gate Ward and at least one is in the Warsash Ward (2) . We know Mr Westcott is in Greenaway Lane ( See Forum Application) & this is outside of the urban area of Warsash. Hence there can be at most one member on the list that is in the rural area south of the Warsash urban area boundary as defined on the adopted map and that this member is not resident there. (3) Hence the submitted list contains no members that are resident within the area south of the Warsash urban boundary on the adopted map. That is to say, there are NO residents from:- Hook Park, Cowes Lane or Solent Drive, The hamlet of Hook or the road network of Hook Park Rd, Workmans Lane, Chilling Lane or Hook Lane, Chilling or Solent Breezes Holiday Park or Abshot. However over 91% ( 31/34 ) of the members on the submitted list are resident within the Warsash urban area boundary as defined by the adopted map. And therefore I contend that the list is not representative of the whole of the proposed area for designation. In light of this I asked the Council the following:- "Have the Forum supplied details concerning their "attempts" to encourage membership from the rural area south of the Warsash urban area boundary, explaining exactly what they have done, for instance a local meeting in Hook or a leaflet drop to the

residencies in the rural area or maybe even God forbid having a prominent member of the Forum actually knock on doors to explain what the Warsash Neighbourhood Forum is all about ?" If they have why is this information not within the public domain as their "proactiveness" in showing compliance with the requirements of the act is an important factor in desirability is it not ?

Question 3) The Council declined twice to offer opinion on the above point and I cordially ask that the Council now give their opinion upon this. NOTE: If the Councils reply to the above is couched within the language of "intent", I point out that everyone may have an intent to do many things in their life, but the reality is that they never get round to doing them. And in this particular context because the constitution says that membership is "open to all" this does not mean that in reality this would occur. The onus is upon the Council within this part of the legislation to "have regard to the desirability" & satisfy themselves that "reasonable steps" were taken to obtain such membership from different locations and different demographic groupings from within the entire proposed area. In addition, the following question was also in my opinion left unanswered :- "It would be appreciated if you could describe the methodology you have used to "satisfy" yourselves that the condition specified in section 61F part 5 c) of the Town and Country Planning Act 1990 can be accurately verified." Reply: The Council has received a list with addresses and postcodes of at least 21 members of the Forum. Response: I was surprised by the non answer that I received, namely a restating of what the applicant supplied and not what I had asked; "What had the Council done to verify and satisfy itself that the supplied information is correct?" Once again I ask the following:-

Question 4) What has the Council done to verify and satisfy itself that the supplied information is correct ? It is unknown whether any information concerning the "demographic profiles" of the members on the submitted list was supplied at the time of the application or if further information was sort by FBC or whether this information has not been sort and therefore is unknown although the following statement from FBC ; "The information that the Forum have supplied in relation to their application is published as part of the application forms and their constitution." would appear to concede that the ONLY information supplied is that contained within either the application forms or the Forums attached constitution leading me to conclude that no demographic information has been supplied. I therefore contend that this part of the legislation requirements has NOT been seen to have been complied with and I ask; Question 5) With regards to 61 F 7a) TCPA 1990 has "desirability" been met ? (For comparison please see Titchfields exemplary application for designation, transparency of membership and explanation of why the boundary had been selected.) 12) Whether its purpose reflects (in general terms) the character of the neighbourhood area. Complied With: YES The stated aim of the Forum is; "To promote and or improve the social, economic and environmental well-being of the Warsash Area" This "catch all" statement would necessarily appear to apply to virtually all potential neighbourhood areas and therefore in "general terms" can be said to have complied with the requirements of the legislation. Part B: Neighbourhood area requirements: Neighbourhood Area Requirements under the Neighbourhood Planning Regulations 2012 and Town and Country Planning Act 1990 1) No overlap with another designated neighbourhood area and where a neighbourhood forum is the applicant, no overlap with the area of a parish council. Complied With: YES 2) A map which identifies the area to which the area application relates Complied With: YES 3) A statement explaining why the area is considered appropriate Complied With: NO REASON: The justification put forward by the WNF for the designation of the whole area in the application is not accepted as

being appropriate. ( See Detailed Analysis of this in Section 2 ) 4) A statement that states that the relevant body making the area application is a relevant body for the purposes of section 61G of the Town and Country Planning Act 1990 Complied With: UNKNOWN REASON: The "relevant body" presumably is the Warsash Neighbourhood Forum, however at present they have not been formally designated as "the relevant body" so once again this part of the regulations can only be described as UNKNOWN at present. (Continued on Page 3 )

(Representation Page 3) SECTION 2:The Warsash Neighbourhood Forum Consultation: I would strongly argue that for the rural areas of Hook, Chilling & Abshot it is far better to have ALL options open and viable rather than to leap into the dark with the WNF without knowing exactly what their policies may entail in the medium to long term. This I believe can be best achieved via a modification to the boundary of the proposed area for designation. One in which the rural area is separated from the urban area of Warsash. Thereby allowing the rural area the time it needs to properly consider it's preferred choice between remaining fully under the Local Planning Authority ( LPA ) with regards to it's non strategic policies in the emerging Fareham 2036 Plan and the emerging non strategic policies of the WNF neighbourhood plan. In order for this to occur I'd like to expand a line of argument regarding the Warsash Neighbourhood Forum ( WNF ) and it's proposed area for designation by noting that Fareham Borough Council as the LPA has discretion in determining the boundary of a neighbourhood area pursuant to section 61G of the Town and Country Planning Act 1990 as amended. Such discretion has been tested and confirmed by the Court of Appeal (see Daws Hill Neighbourhood Forum v Wycombe District Council 2014). <https://www.wycombe.gov.uk/uploads/public/documents/Planning/Neighbourhood-planning/Daws-Hill-v-Wycombe-DC-Final-Judgment.pdf> The judgments of the High Court and Court of Appeal in the Daws Hill litigation state that in determining an application under section 61G the LPA should have regard to a specific 'factual and policy matrix' that applies to that area and that; "The character of an area proposed for designation as a neighbourhood area is bound to be a relevant consideration when the local planning authority is deciding whether its designation as a neighbourhood area is appropriate." ( Para. 23 ) On this basis and set within the context of national legislation and guidance, the following part of my representation sets out two of the component elements that should be addressed in assessing this application and gives the rationale for including these elements. An assessment against the factual and policy matrix and a conclusion is then drawn and a new boundary is proposed for consideration. Factual and policy matrix elements and rationale for selection:- Factual and policy matrix Element 1: National Planning Practice Guidance (NPPG) paragraph 033 Reference ID: 41-033-20140306 <https://www.gov.uk/guidance/neighbourhood-planning--2#the-role-of-the-local-planning-authority-in-neighbourhood-planning> Rationale for selection: Part of the National Planning Practice Guidance provides specific guidance on what could be considerations when deciding the boundaries of a neighbourhood area Element 2: The character of the proposed Neighbourhood Area Rationale for selection: Character is considered to be a key element of the factual and policy matrix due to its inclusion in the following elements of guidance: a) NPPF ( Feb 2019 ) paragraphs 185 and 192 recognise the importance of new development making a positive contribution to local character. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/779764/NPPF\\_Feb\\_2019\\_web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779764/NPPF_Feb_2019_web.pdf) b) National Planning Practice Guidance paragraph 033 Reference ID: 41-033-20140306 sets out nine considerations for deciding the boundary of a neighbourhood area. Four of these relate to the physical character of an area. These are bullet points: 4. the physical appearance or characteristics of the neighbourhood, for example buildings may be of a consistent scale or style 5 whether the area forms all or part of a coherent estate either for businesses or residents 7 whether infrastructure or physical features define a natural boundary, for example a major

road or railway line or waterway 8.the natural setting or features in an area. NOTE: The statement within the application by the WNF to designate the proposed area does not specifically address any of the considerations outlined above but does meet the requirements under the legislation to include a statement explaining why this area is considered appropriate to be designated as a neighbourhood area. Their statement simply states that it's the Warsash Neighbourhood Forums intent to produce a neighbourhood plan "rooted in correct data" and they go on to say; "The FBC and ONS data is grouped into Ward areas and by designating Warsash Ward as the Forum Area the Forum is able to utilise formally approved and agreed data that it can then analyse and consider when developing its Neighbourhood Plan." SOURCE: WNF's application to designate a Neighbourhood Area ( Section 7 Statement ) <https://www.fareham.gov.uk/PDF/planning/AppAreaNeighbourhoodForum.pdf> However with regards to area boundaries it should be noted that the National Planning Practice Guidance ( paragraph 033 Reference ID: 41-033-20140306 ) <https://www.gov.uk/guidance/neighbourhood-planning--2#the-role-of-the-local-planning-authority-in-neighbourhood-planning> states that "Electoral ward boundaries can be a useful starting point for discussions on the appropriate size of a neighbourhood area". This does not imply that an LPA must automatically take the proposed designated area to be the exact equivalent to the electoral ward boundary. The proposed area for designation can infact be any shape and any size. ( Continued on Page 4 )

(Representation Page 4) Assessment against Factual and Policy Matrix Element 1:National Planning Practice Guidance (NPPG) The National Planning Practice Guidance (paragraph 033 Reference ID: 41-033-20140306 ) sets out nine considerations that may be relevant for deciding the boundary of a neighbourhood area. The proposed neighbourhood area has been assessed against these considerations. This assessment is set out below:NPPG considerations & assessment 1: Village or settlement boundaries, which could reflect areas of planned expansion Such a consideration is not directly relevant to a built-up urban area. However, the proposed area in addition to the urban area of Warsash also contains four discrete, characteristically differing and historically separate areas of settlement specifically:-

- a) The hamlet of Hook a conservation area
- b) The Hook Park Estate & Cowes Lane / Solent Drive an area of exclusive detached residential properties
- c) The Solent Breezes Holiday Park a mobile home and chalet park containing both owner occupiers and holiday visitors and is such that any new planning permission will now be subject to limited occupancy conditions
- d)The Abshot area containing mixed residential ( including Grade II listed buildings ) / Health Club & Farming activities The main businesses lying outside of the Warsash urban area are those of Abshot comprising the predominantly arable farming activities of Barfoots of Botley together with the sports & leisure enterprise of The Abshot Country Club together with The Hopscotch Day Nursery which are within the same site. The horticultural business of Lowaters Nursery situated in Hook Lane and the restaurant "The Nook Eating House" located within the conservation area of hamlet of Hook. Substantial portions of the land bounding each of these settlement areas is already subject to numerous international, national and local protections:- Brent Geese & Wader sites (DSP 14), SPA/SCA/RAMSAR sites (CS4, DSP13, DSP15) ,CCMA sites (DSP16 ) Development Within Solent Breezes Holiday Park ( DSP11 ), Historic Park and Garden (DSP 5) SSSI, LNR's and SINC's (CS4, DSP 13) (Note : The Development Sites & Policies ( DSP ) and Core Strategies (CS) in brackets taken from the current Interactive Policies Map ) <https://farehamcouncil.maps.arcgis.com/apps/View/index.html?appid=ae4164647c3942b6a542e9a857009875> According to the Local Plan Part 2 "Development Sites and Policies" ( Adopted June 2015 ) "4.3 The areas outside of the defined urban settlement boundaries (DUSBs), as

defined on the Policies Map, will be protected from inappropriate development. These areas include urban edge locations, settlements outside of the DUSBs and countryside areas..." <https://www.fareham.gov.uk/PDF/planning/LP2DSPAadopted.pdf> The approach as detailed in the adopted plan above concerning wider strategic proposals would appear to be consistent with the emerging Fareham 2036 plan [https://www.fareham.gov.uk/PDF/planning/local\\_plan/DraftLocalPlan2036\\_Consultationversion.pdf](https://www.fareham.gov.uk/PDF/planning/local_plan/DraftLocalPlan2036_Consultationversion.pdf) in which it is stated with regards to neighbourhood planning that; 1.30 "Any Neighbourhood Plans in Fareham Borough will need to conform with the policies of the Development Plan" ( pg 7 ) Within section 2.7 of the draft Fareham 2036 Plan two of it's stated key strategic policies are:- 9. Protect and enhance the Borough's landscape features, valued landscape, bio diversity and the local, national and international nature designations 10. Appropriately manage and protect the Borough's historical assets including Conservation Areas, Listed Buildings and Scheduled Ancient Monuments.(pg 12) when taken together with paragraphs 4.31-4.34 of the same document namely:- Countryside Development

4.31 The countryside (i.e. areas outside of the defined Urban Area) provides many positive aspects. On one hand it provides settlement distinction which has in some cases been protected more specifically through the identification of a Strategic Gap. Secondly, and separate to the gap issue, the open countryside often contains valued landscapes that can be sensitive to change or development. There are further considerations such as agricultural land value that may also need to be considered.

4.32 A key Strategic Priority of the Draft Plan is to focus development within the existing urban area and within specific site allocations that have been determined taking into account their sustainable merits (individually and cumulatively) and which accord with the Development Strategy and other evidence which supports the Local Plan.

4.33 To support this approach, development outside of the urban areas will be carefully controlled as it is the intention to maintain the open nature of the Borough's countryside, much of which has landscape merit or functions to prevent settlement coalescence, and resist encroachment of development into non-urban areas.

4.34 Development outside of urban areas will be strictly controlled and will focus on meeting needs that can only be met in those locations such as agriculture, farm diversification, rural business and enterprise, countryside recreation, leisure and tourism. Where such development is necessary, the Council's priority will be to protect and enhance the landscape character, the setting of settlements and bio diversity and paragraphs

4.41-4.44 namely:- Residential Development in the Countryside 4.41 The Local Plan focuses development in the existing urban areas and on specific allocated sites. In order to maintain the quality of the countryside and ensure a sustainable approach to development, residential development outside of the urban area will be treated as being within the countryside. Those areas in the countryside are defined on the Policies Map. 4.42 The countryside can face a variety of development pressures. Therefore, the Local Plan seeks to apply strict control over residential development in the countryside to contribute towards meeting the wider aims of sustainability and to protect the countryside from inappropriate development. 4.43 Defining the urban area boundaries provides clarity for the application of these policies by providing a clear differentiation between the urban and countryside (or non-urban) locations. Urban area boundaries protect the integrity of the countryside, providing a compact form to settlements, preventing sprawl, sporadic development and reducing the visual impact on the countryside. 4.44



Whilst the Council seeks to protect countryside from inappropriate development(Policy SP5) it is recognised that there may be a need for residential development in the countryside in exceptional circumstances, where it can be demonstrated that a countryside location is both necessary and justified. In this location, the Council will seek to provide a focus on efficient use of existing buildings to meet need and set out other exceptions to development in the countryside, such as controlled 'in filling'. would appear to offer only very limited and highly regulated opportunity for expansion of the existing rural residential and/or businesses within the proposed area lying outside of the Warsash urban area and would be suitable only for such uses that are regarded as being appropriate to these areas as at present or in the case of residential development in "exceptional circumstances". Summary: There is little scope for development expansion of the existing settlement areas outside of the Warsash urban area under either the current adopted strategic policies or within the strategic policies of the emerging Fareham 2036 Plan. Therefore there would be no justification for the proposed neighbourhood area to include non-built up areas beyond the existing Warsash urban area. ( Continued on Page 5 )

(Representation Page 5)

2 The catchment area for walking to local services such as shops, primary schools, doctors' surgery, parks or other facilities The proposed area contains a number of each of these, but they are distinct and separate in their locale, the shops, schools, pubs and other public facilities being concentrated within the urban centre of Warsash which has it's major "green space/ nature area" ( i.e. Warsash Common ) being situated directly on it's urban boundary. Whereas the rural areas of Hook, Chilling and Abshot contain only very minimal public services other than those associated with recreational pursuits ( walking, cycling & horse riding etc ). With regard to Solent Breezes Holiday Park it has been noted by FBC that; "The mobile home and chalets are not suitable for permanent occupation as the site is not sustainable due to its location away from local services"

[https://www.fareham.gov.uk/pdf/planning/DSPCoreDocuments/DLP09\\_Draft\\_Policy\\_and\\_Supporting\\_Text\\_for\\_Solent\\_Breezes.pdf](https://www.fareham.gov.uk/pdf/planning/DSPCoreDocuments/DLP09_Draft_Policy_and_Supporting_Text_for_Solent_Breezes.pdf) The distances involved to travel to any facilities by foot for the majority of the residents in the Hook Park Estate, hamlet of Hook, Abshot and especially Chilling ( Solent Breezes Holiday Park ), hereinafter known collectively as "the rural area", are such that they would be considered on the limits of reasonableness with regards walking to the facilities that are available in the urban Warsash area. Summary:

This is a distinct difference with respect to the proposed area and the catchment / availability of local services, with the majority of local services being in the built-up area in the Warsash sector of the proposed area. Whereas facilities that are open to the public situated within the rural sector of the proposed area, are those activities predominantly of a recreational nature, whilst serving a local function, these also importantly have a much broader catchment area ( as recognised in the supporting evidence document "Solent Recreation Mitigation Strategy" of the draft Fareham 2036 Plan, for example).

3 The area where formal or informal networks of community based groups operate There are a number of community based groups and residents associations within the Warsash area. The application material provides no detail as to the geographic extent of these, but by their nature (resident / community groups) it can be conjectured that the extent of their membership will be focused on the established residential areas. Summary: membership of formal or informal networks of community based groups in the area will be focused on residential areas but will have an interest in the wider area.

4 The physical appearance or characteristics of the neighbourhood, for example buildings may be of a consistent scale or style There are clear physical differences within the proposed neighbourhood area, namely a significant element of it, some three quarters is defined as countryside. ( See the Interactive Policies Map ) <https://farehamcouncil.maps.arcgis.com/apps/View/index.html?appid=ae4164647c3942b6a542e9a857009875> This is in stark contrast with the Warsash urban area within which, the scale and nature of development contains distinct differences namely in terms of residential / commercial buildings, and community facilities such as The Victory Hall . Whereas the only other defined urban area within the proposed area, namely that in and around the Hook Park Estate ( comprising the adopted section of Hook Park Road, Cowes Lane & Solent Drive ) are predominantly large detached residential dwellings. . Summary: The proposed area contains a clear separation into sectors of distinct characteristics- large continuous tracts of open countryside either being grazed or under arable farming usage or glasshouses used in horticulture together with four distinctly different small and highly constrained via strategic policies outside the remit of a neighbourhood plan ( i.e. conservation area, various heritage and protected nature sites together with the separate and distinct policies regarding the Solent Breezes Holiday Park etc ) These settlement areas are of differing nature, as previously described above and contrast with the main urban residential / business and institutional establishments associated with the Warsash urban area.

5 Whether the area forms all or part of a coherent estate either for businesses or residents The proposed area contains the coherent abate mixed usage Warsash urban area comprising the community developments of the Hook with Warsash Academy school and the Warsash Wasps Sports and Football Club, it's residential areas are mostly in discernable estates surrounding the old central core of the Warsash Clock Tower building with its associated shops, pubs and other businesses in Shore Road and Warsash Road together with the old waterfront pub "The Rising Sun" and the present Warsash Sailing Club building "Shore House" situated within The Warsash Conservation Area. The remainder of the proposed area, namely that outside of the Warsash urban area has been described previously. Summary: The urban sector of the proposed area contains residential estates with commercial / community facilities within these Warsash itself has it's old central core having at it's focus the Warsash Clock Tower and the older buildings of Shore Road and the waterfront forming part of the important historically significant Warsash Conservation Area. The Warsash urban area with regards to the remainder of the proposed area forms a coherent estate of mixed residential and commercial use. But clearly the whole of the proposed area does not form a coherent estate for obvious reasons that at least three quarters of the proposed area is defined as being an "area outside of defined urban settlement boundaries". ( Continued on Page 6 )

(Representation Page 6)

6 Whether the area is wholly or predominantly a business area The proposed area although containing businesses in both the urban Warsash area and the rural area can not be described as being wholly or predominantly a business area. Summary: The area proposed is predominantly rural with sparse residential and non residential areas which starkly contrast with the urban area of Warsash., thus demonstrating a clear difference between the two elements of the area but neither area could be described collectively or separately as being wholly or predominantly a business area.

7 Whether infrastructure or physical features define a natural boundary, for example a major road or railway line or waterway The proposed area is bisected by the Hook Valley which lies to the south of Warsash and Locks Heath and forms a tributary of the Hamble, it's valley form and heavily wooded and natural character covers the floor and sides upstream of where the road crosses the valley below the Warsash Maritime

Academy. The valley 'system', including the minor tributaries that feed into the main valley and the land in between define the characteristic of this area as a whole forming a physical natural boundary between the urban area of Warsash and the rural area. Source: Fareham Landscape Assessment ( EV40 Aug 2017 pg 68 ) [https://www.fareham.gov.uk/PDF/planning/local\\_plan/DraftLocalPlanEvidenceBase/EV40-FarehamLandscapeAssessment\\_FINAL.pdf](https://www.fareham.gov.uk/PDF/planning/local_plan/DraftLocalPlanEvidenceBase/EV40-FarehamLandscapeAssessment_FINAL.pdf) Summary: The Hook Valley and its tributaries form a physical feature that defines a natural boundary between the rural area and the urban area of Warsash.

8 The natural setting or features in an area Warsash historically grew from its origins near the mouth of the Hamble and slowly over the centuries expanded into the surrounding heathland as its economy prospered and population increased. However today sadly Warsash has lost its distinct and historical separateness, now forming part of one large urban sprawl of residential and non residential dwellings known collectively as "Western Wards". Whereas the four distinct settlements of the hamlet of Hook , the Hook Park Estate, Solent Breezes at Chilling and Abshot continue to enjoy, by being separated in the rural area by the important physical boundary of the Hook Valley, as already expressed previously, have been able to retain a sense of individuality in community difference in relation to each other and to that of the Western Wards. Summary: The natural setting of the proposed area is clearly divided into the two separate settings one being the urban area having the clock tower and the Warsash conservation area as its historical focus. The other being the open rural sector of the remainder of the proposed area having at its heart the conservation area of the hamlet of Hook.

9 Size of the population (living and working) in the area Based on the 2011 Census collated output areas for the proposed area of the Warsash ward ( See <http://www.ukcensusdata.com/warsash-e05004530> ) , there were approximately 2,857 residential properties in the area at that time. Since then sadly well over 800 new residential dwellings have either been built or have planning permissions. According to the 2011 Census data a total of 7183 residents were recorded. Based on an average household size of 2.40 for the Warsash ward, the additional residential addresses in the area that have been or will subsequently be built in the near future translates into an indicative population of 9,103 people. The number of people living and working within the Warsash urban area , by the time the neighbourhood plan reaches its referendum stage, is likely to approach near to double the 5,500 resident benchmark . Summary: As has been previously noted the proposed area is divided into two separate areas. The highly strategically important rural sector and the urban centre of Warsash itself. The populations are obviously vastly differing for these two areas. However specifically for the number of individuals living and working in the urban area of Warsash, although likely to approach double the benchmark it should be noted that within an urban context, populations covered by neighbourhood plans are often greater than the benchmark. (Continued on Page 7)

(Representation Page 7) Assessment against Factual and Policy Matrix Element 2: The character of the proposed Neighbourhood Area. The separate characters of each of the sectors within the proposed neighbourhood area are identified in a number of existing statutory development plan documents, conservation area designations and local plan 2036 evidence base documents. For instance; Hook Conservation Area Appraisal & Management Strategy ( Adopted Jan 2011 ) <https://www.fareham.gov.uk/pdf/planning/cacawars.pdf> : "2.1 The hamlet of Hook lies in the countryside, approximately 2 miles west of Titchfield and about a mile north of the coast. The small settlement is situated at the junction of Hook Lane, Chilling Lane and Hook Park Road near the head of a former tidal inlet known as 'The Fleet'. It was designated as a Conservation Area in 1974. The hamlet contains 7 listed buildings and 2 locally listed buildings. 2.2 The settlement is surrounded by open countryside which

provides its setting and contributes strongly to its character" (Para 2.2 ) "The hamlet retains a distinct rural character and all the roads into it retain a rural feel." (Para 4.1) It should be duly noted that the un adopted section of Hook Park Road lying outside of the present boundary to the conservation area contains a further 3 listed buildings. This part of the road network is one of a dwindling number of ancient graveled roads that remain within the Fareham Borough. It is clearly shown on the third Earl of Southampton Henry Wroithesley's map of the parish of Titchfield c1610, and can safely be stated that it was part of the road network into the old medieval settlement of Hook and as such both the road surface and the boundary banks and hedges and trees should be given enhanced protection. For further information concerning the landscape character of the Hook Valley and the Chilling / Brownwich Coastal Plain please refer to the following sections of the Fareham Landscape Assessment ( EV40 Aug 2017 ) Sections 2.3 & 2.4 ( assessment of sensitivity and development potential ) Sections 4.4 & 4.5 ( landscape character area boundaries ) [https://www.fareham.gov.uk/PDF/planning/local\\_plan/DraftLocalPlanEvidenceBase/EV40-FarehamLandscapeAssessment\\_FINAL.pdf](https://www.fareham.gov.uk/PDF/planning/local_plan/DraftLocalPlanEvidenceBase/EV40-FarehamLandscapeAssessment_FINAL.pdf) Similarly ; Warsash Conservation Area Appraisal & Management Strategy ( Adopted Jan 2012 ) <https://www.fareham.gov.uk/pdf/planning/camwars.pdf> " 2.1 Warsash Conservation Area comprises the small historic riverside settlement close to the mouth of the Hamble River. Included within its boundary is Shore Road, the waterfront and a group of buildings behind bounded on their north eastern side by Passage Lane, together with an area of open land known as the Strawberry Field. 2.2 The Hamble River and valley provide a setting for the Conservation Area. The activities, sounds and smells associated with the river and its boatyards provide a strong sense of place. The river is also an important habitat for wildfowl and has been given national and international protection. These aspects of the river contribute to the setting of the conservation area. There are important views of the river from locations throughout the conservation area." For further information concerning the landscape character of the Lower Hamble Valley ( which contains the Warsash foreshore ) please refer to the following sections of the Fareham Landscape Assessment ( EV40 Aug 2017 ) Section 2.2 (assessment of sensitivity and development potential) Section 4.3 ( landscape character area boundaries) [https://www.fareham.gov.uk/PDF/planning/local\\_plan/DraftLocalPlanEvidenceBase/EV40-FarehamLandscapeAssessment\\_FINAL.pdf](https://www.fareham.gov.uk/PDF/planning/local_plan/DraftLocalPlanEvidenceBase/EV40-FarehamLandscapeAssessment_FINAL.pdf)

**CONCLUSION** Based upon the above assessment against the NPPG, it can be concluded that whilst the Warsash ward that forms the basis of the proposed neighbourhood area does reflect the rationale taken by the applicant, it is clear that due consideration regarding the appropriateness of the proposed area for designation has not been carried out. Clearly the rural area is of a materially significant distinct character difference with respect to the urban area of Warsash. Specifically the rural area is; i) both historically and physically separated from the Warsash urban area. ii) of wide strategic importance, with regards to both international and nationally protected nature sites iii) has heritage assets lying within a landscape setting that is important for the whole of the Borough of Fareham with regards amenity value being able to offer both recreational and tranquillity space for residents of the Western Wards and further afield. iv) is such that within each of its four distinct sub areas namely; the Hook Park Estate, Solent Breezes (Chilling), Abshot & the conservation area of the hamlet of Hook there is extremely limited potential for urban expansion. It should be noted that as it is a legal requirement that any future neighbourhood planning proposal must be in general conformity with the strategic policies contained within the Council's adopted Development Plan, it could be misleading and frustrating to community expectations if areas that are clearly likely to be subject to wider strategic proposals, such as the rural areas of Hook, Chilling and

Abshot, which could not be influenced by the content of any future neighbourhood plan, were to be included within its designated area. The assessment above demonstrates two distinct character types within the proposed neighbourhood area- A) the large tracts of open and protected land within the rural part of the area, together with the four independent and significantly different settlements as previously described. B) the physically separated ( by the Hook Valley tributary ) predominantly urban residential area of Warsash itself with its distinctly differing and important yachting activities within its foreshore marinas. These are two quiet distinctive areas. Such variation in character within the proposed neighbourhood area applied for does not accord with NPPG paragraph 033 Reference ID: 41-033-20140306 bullet points 4, 5, 7 and 8. ( Continued on Page 8 )

(Representation Page 8)

**RECOMMENDATION** In considering the various components of the factual and policy matrix as set out above and the arguments expounded within Section 1 Part A 11) , it can only be reasoned that on balance the entirety of the proposed neighbourhood area as submitted is not appropriate to be designated. Therefore in order to allow the present application for a neighbourhood area to proceed another proposed neighbourhood area should be considered namely:- to divide the area in the present proposal into the two distinct areas based on the factual and policy matrix, to inform the recommendation and the designation of a new amended Warsash Neighbourhood Area. I propose that the following be taken into consideration for a new boundary namely:- Modify the presently proposed map to exclude all that area lying south of the midpoint of the Hook Valley from its mouth to the point at which it reaches the midpoint of the bridge at Fleet End Road. From there to exclude all that area to the east as the boundary continues in a northerly direction along the centre line of Fleet End Road until you reach the bridleway ( Fareham 27 ) at Fleet End Bottom and then to exclude all the area south as the boundary continues along this bridleway until it reaches the Warsash Road. The boundary then follows the Warsash ward boundary as per the present proposal. This divides the designation area into the more logical grouping of rural area and urban area. It has regard to the obvious differences in the physical appearance and characteristics of the two regions. The differences in population between the two topographically separate areas and helps protect both areas distinct historical identities. According to the WNF's constitution presently attached to this current application which states in section 10.1 a) "Membership is open to individuals who live, are regular visitors or work in the Warsash Neighbourhood Area. It is also open to individuals who are elected members of Fareham Borough Council whose area falls within the Warsash Neighbourhood Area." As the residents of the rural area lying outside of the Warsash urban area can clearly and accurately be described as "regular visitors" to the area designated under this new proposal, namely the urban area of Warsash as they would have friends, family, enjoy the facilities within and continue to use the shops and other businesses as they do at present then they would under the present constitution as supplied under this application be eligible to become members and committee members. And importantly at the time of a referendum the examiner would ( in my opinion ) be highly likely to except an expansion to the referendum area, thereby allowing the residents of the rural area the right to vote even though they were not part of the designated area. The benefits of this new proposal for the Warsash Neighbourhood Forum are that certain complex arguments concerning the nature of the rural area relating to protected sites and legislation requirements to environmental issues of any potential impacting by neighbourhood policies would be removed thus saving both financial contributions to consultants and importantly speed up the process by simplifying the workload that is required to be undertaken. This I believe to be the most suitable arrangement over the coming few years whilst both the LPA and the WNF's plans

emerge. It is unknown what central Government policy will be in the future but I my own personal hope is that the strategic policies which have protected the rural area of Hook, Chilling & Abshot will not only remain into the mid to long term but also will be strengthened and enhanced in order to further protect this ever increasingly important area of the borough of Fareham and that the WNF produces a most marvellous plan that is perfect for their requirements within the boundary of the urban area of Warsash. ( End of Representation )

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 01 July 2019

<b>Portfolio:</b>	Policy and Resources
<b>Subject:</b>	<b>General Fund &amp; Housing Revenue Account Outturn 2018-19</b>
<b>Report of:</b>	Deputy Chief Executive Officer
<b>Corporate Priorities:</b>	A dynamic, prudent and progressive Council

#### **Purpose:**

This report provides the Executive with details of the actual revenue expenditure for 2018/19 for the General Fund and Housing Revenue and Repairs Account and seeks approval for the completion, in 2019/20, of the 2018/19 expenditure programmes set out in the briefing paper contained in the report.

#### **Executive summary:**

The General Fund actual revenue expenditure for 2018/19 totals £8,961,887 which represents an overall overspend of £521,387 when compared to the revised budget.

However, additional funding income from business rates and grants linked to business rates of £870,501 leaves a position of making a contribution to reserves of £349,114.

Also, it has not been possible to complete a number of expenditure programmes in 2018/19 and approval is sought to complete these programmes totalling £171,700 during 2019/20. When the use of the contribution to reserves in 2018/19 to complete these programmes is taken into account the final contribution to reserves for the year is £177,414.

The final figures for the Housing Revenue and Repairs Account (HRA) in 2018/19 show that, overall, HRA Reserves have increased by £1.84 million. The HRA revenue reserve has reduced by £293,000 against a revised budget surplus of £17,000.

#### **Recommendation/Recommended Option:**

It is recommended that the Executive:

- (a) approves the carry forward of £171,700 to fund the completion of the General Fund expenditure programmes in 2019/20, as contained in this report;

- (b) approves the carry forward of £799,000 for the HRA Capital Programme to re-align budget and expenditure phasing and to support the forthcoming programme for 2019/20; and
- (c) notes the contents of the report.

**Reason:**

To enable the completion of the General Fund expenditure programme for 2018/19 and to ensure that the balances on the Housing Revenue and Repairs Accounts at 31 March 2019 will be available in future years and that 2019/20 budgets are sufficient to meet the level of work programmed.

**Cost of proposals:**

There are no additional costs relating to the recommendations.

**Appendices:**

**A:** Detailed General Fund Service Expenditure 2018/19

**B:** Detailed Housing Revenue and Repairs Account 2018/19

**Background papers:** None

**Reference papers:**

Report to the Executive 4 February 2019 Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2019-20.

Report to the Executive 4 February 2019 Housing Revenue Account Budgets and Capital Plans 2019-20.



# FAREHAM

## BOROUGH COUNCIL

### Executive Briefing Paper

<b>Date:</b>	01 July 2019
<b>Subject:</b>	General Fund & Housing Revenue Account Outturn 2018-19
<b>Briefing by:</b>	Deputy Chief Executive Officer
<b>Portfolio:</b>	Policy and Resources

#### INTRODUCTION

1. This report brings together the outturn position for the General Fund along with the Housing Revenue and Repairs Accounts for the financial year 2018/19. The report compares the actual spend against the revised budgets that were approved by the Executive in February 2018.

#### EMPLOYEE EXPENDITURE 2018/19

2. The total 'cost of employment' budgets set for the General Fund and Housing Revenue Account for 2018/19 was £16,432,700. The actual expenditure for 2018/19 was £16,711,543 giving an overspend for the year of £278,843 or 1.7% compared to the final budget.
3. There was an underspend from salaries and associated costs of £527,172 which has arisen from vacancies that have occurred during the year. These have been primarily offset by an increase in agency payments (£551,279), severance payments (£241,602) and recruitment costs (£13,134) that have been made during the year.

#### THE GENERAL FUND

4. The General Fund actual revenue expenditure for 2018/19 totals £8,961,887 and this represents an overall overspend of £521,387 when compared to the revised budget approved by the Executive in February. Funding changes which were over the budget by £870,501 will bring this overspend position to a position where there will be a transfer to reserves of £349,114.
5. Later paragraphs of this report also set out details of a number of expenditure programmes that were not completed in 2018/19 and approval is sought for these programmes to be completed in the current year. If these proposals are approved along with the financing adjustment, this will mean that the final position for the financial year will show a transfer to reserves of £115,414 which will be added to the general fund reserve.

6. The following table summarises the position:-

<b>ACTUAL REVENUE EXPENDITURE TO 31 MARCH 2019</b>			
	<b>Revised Budget 2018/19 £</b>	<b>Actual 2018/19 £</b>	<b>Variation £</b>
<b>Committees</b>			
Planning	597,800	889,764	291,964
Licensing & Regulatory Affairs	522,500	468,572	-53,928
<b>Executive - Portfolio</b>			
- Leisure and Community	799,300	602,596	-196,704
- Housing	151,600	3,367	-148,233
- Planning and Development	-175,600	-719,091	-543,491
- Policy and Resources	-931,300	-1,064,633	-133,333
- Health and Public Protection	2,132,500	2,081,124	-51,376
- Streetscene	4,745,700	5,156,236	410,536
<b>Total Service Budgets</b>	<b>7,842,500</b>	<b>7,417,935</b>	<b>-424,565</b>
Less Accounting Adjustments	3,330,400	11,545,009	8,214,609
Other Budgets	-2,732,400	-10,001,057	-7,268,657
<b>Net Budget</b>	<b>8,440,500</b>	<b>8,961,887</b>	<b>521,387</b>
Financing	-8,440,500	-9,311,001	-870,501
<b>Net Total</b>	<b>0</b>	<b>-349,114</b>	<b>-349,114</b>
Adjust for:			
Carry Forwards	0	0	171,700
<b>Final Position</b>			<b>-177,414</b>

7. The detailed position on each service is set out in Appendix A. The main reasons for the variations for key council services are set out in the following paragraphs of this report.

## THE KEY COUNCIL SERVICES

8. The Council has a number of services that would be considered as major or demand led services as they have a large impact on the council tax and any major variation in these budgets could lead to unacceptable rises in council tax. The details are shown in the following table:-

Service	Budget 2018/19 £	Actual 2018/19 £	Variation £	
<b>Income Budgets</b>				
Housing Benefit Payments	-114,100	-330,716	-216,616	☺
Trade Waste	-82,500	-136,740	-54,240	☺
Interest On Balances	-463,900	-481,480	-17,580	☺
Investment Properties	-3,038,200	-2,995,001	43,189	☹
Local Land Charges	-125,800	-62,844	62,956	☹
Parking Services	-893,000	-781,121	111,879	☹
Commercial Estates	-576,000	-459,266	116,734	☹
<b>Expenditure Budgets</b>				
Local Plan	1,431,300	794,946	-636,354	☺
Homelessness	285,000	133,057	-151,943	☺
Ferneham Hall	387,400	344,539	-42,861	☺
Local Tax Collection	831,600	810,547	-21,053	☺
Street Cleansing	930,900	941,812	10,912	☹
Planning Appeals	204,600	333,083	128,483	☹
Planning Applications	14,900	189,165	174,265	☹
Tree Maintenance	90,600	263,898	173,298	☹
Parks, Open Spaces and Grounds Maintenance	1,408,100	1,619,096	210,996	☹
Waste & Recycling Total	1,784,700	2,054,205	269,505	☹

9. The main variations in the key services are detailed as follows:-

- (a) **Housing benefits payments** were £217,000 under the budget for the year. The amount paid out in benefits was more than anticipated by £445,000 which was offset by reduced income from grant received with a small amount due for prior year adjustments giving extra income over budget of £518,000. There was also additional income from money owed due to overpaid benefits and there was a reduction in the bad debts provision for doubtful debts totalling £144,000.

- (b) **Trade Waste** achieved £54,000 higher income compared to budget for the year which is a result of taking on more customers during the year. There has also been a reduction in tipping charges against budget. There has also been a slight increase in spend on vehicle repairs and an increase in employee costs mainly in the use of agency staff.
- (c) **Interest on balances** is showing as just under £18,000 over the budget. Interest rates continue to remain low and this impacts on the size of returns the Council receives. During the year changes to the types of investment made have resulted in higher returns as well as keeping in line with the treasury strategy.
- (d) **Investment Property income** was £43,000 below budgeted income, mainly due to a lower overall rent received from the market quay development and rent reductions from rent free periods during the year from other properties. This has been partly offset by a reduction in the bad debt provision.
- (e) **Local Land Charges** is showing an overspend for the year of just under £63,000. Income was just under one third or £81,000 under the budget for the year which is due to changes in the way individuals access the service, many of which result in a lower or nil charge for the service they receive. The reduction in income has been slightly offset by a reduction in the legal charge the service pays.
- (f) **Parking Services** is showing a variation of just under £112,000 against the budget for the financial year. There was reduced income from users of the Council's car parks during the year of almost £51,000 against budget and a reduction against the previous financial year in a continuing trend of a reduction in usage of the car parks by paying users. Expenditure on car park maintenance has also increased particularly in respect of the Osborn Road Multi Storey car park.
- (g) **Commercial Estates** showed an overspend of £117,000 which is mainly due to a reduction in rents received due to vacant properties, increased maintenance costs and an increase in NNDR costs.
- (h) The **Local Plan** service has seen less use of consultants in respect of the formulation of the local plan for which the work will continue through into 2019/20 financial year to the publication of the plan during 2020.
- (i) The **Homelessness** service is showing an underspend of £152,000 mainly as a result of grant that has been received during the year to assist with a growing nationwide problem with homelessness. Not all of this grant was spent during the year and has been moved to a homelessness reserve so that the grant can be used during 2019/20 on projects associated with reducing homelessness and providing housing advice for those in housing need.
- (j) **Ferneham Hall** is showing an underspend for the year of £43,000. The main reason is an increase in income from promotions and shows that showed an increase of £131,000 over the budget. The pantomime took over a third of all income from shows during the year. The increased income was partially offset by increased spend on promoter costs which are largely linked to ticket sales.

- (k) **Local tax collection** is showing an underspend for the year of £21,000 which is mainly due to less demand on the hardship fund along with variations in employees costs due to vacancies.
- (l) **Street Cleansing** is showing a small overspend for the year of £11,000 which is mainly due to increased spend on the cost of repairing vehicles.
- (m) **Planning Appeals** during the year have shown an overspend of £128,000. Generally planning appeal costs are met by the individual parties involved but costs can be awarded against a party if they are judged to have acted unreasonably. There have been a number of high profile appeals during the year including Posbrook Lane (£136,000), Old Street (£82,000), Sopwith Way (£40,000) and Saw Mills Appeal (£28,000). The costs shown against these appeals do not include officer time.
- (n) **Planning Applications** is showing an increase against the budget mainly as a result of less fee income received during the year against the expected amount that would be received. Other areas have shown an overspend in the use of consultants who have been working on specialist areas on major applications such as the Welborne planning application.
- (o) **Tree Maintenance** over the whole of the council is showing an spend of £264,000 against a budget of £91,000 which is an overspend of £173,000. This is largely due to the volume of tree work that has been undertaken during the year. In total, planned work (which also includes inspection costs, replanting works and general tree maintenance) cost around £192,000 for the year with 'good neighbour' work costing a further £72,000. Good neighbour work is work that is emanating from a customer request such as pruning back overhang which is encroaching onto another's land or trees that are blocking light.
- (p) **Community Parks and Open Spaces** is showing an overspend of £211,000 mainly due to an increase in the number and cost of tree works that have been undertaken during the year which is a concern for all areas that have trees and is explained in the paragraph above. There has also been a large increase in the cost of repairing and maintaining the aging vehicle and plant fleet required to undertake the work.
- (q) The **Waste and Recycling Service** is showing an overspend for the year of £270,000 which is mainly as a result of increased use of agency staff within the service mainly covering vacancies and other absences. The services have also seen a large increase in the repair and maintenance of vehicles due to an aging fleet along with an increase in fuel costs as prices have risen during the year by around 5.7%.

## THE COUNCIL'S FUNDAMENTAL PARTNERSHIPS

10. The table below shows the end of financial year performance relating to the Council's element of each of the fundamental partnerships:-

<b>Service</b>	<b>Budget 2018/19 £</b>	<b>Actual 2018/19 £</b>	<b>Variation £</b>	
Building Control Partnership	201,900	177,230	-24,670	😊
Community Safety Partnership	175,200	172,341	-2,859	😊
Fareham & Gosport CCTV Partnership	146,600	128,903	-17,697	😊
Project Integra	15,000	11,913	-3,087	😊
Portchester Crematorium Joint Committee	-150,000	-150,000	0	😊
Environmental Health Partnership	1,523,100	1,465,168	-57,932	😊

11. There are no particular causes for concern within the Council's fundamental partnerships.

## OTHER BUDGETS

12. These budgets are used where spend or income cannot be shown against a specific service. Most are accounting entries that ensure that items such as depreciation or other capital charges do not have an impact on the council tax or where a service provided is funded from reserves.

## PROVISION FOR EXPENDITURE FUNDED FROM 2018/19 UNDERSPENDINGS

13. A proportion of work in the 2018/19 budgets has not been possible to complete during the financial year.
14. In order to minimise the financial burden of this work on the budget for the current year, it is proposed that an equivalent sum from the 2018/19 underspend is brought forward into 2019/20 to allow for their completion, as listed in the table below:

<b>Description of Goods/Service</b>	<b>Cost £</b>	<b>Justification</b>
Community Grants	90,700	Slippage of approved Community Grants that have not been paid over/other conditions to be met in 2019/20.
Local Plan (Regeneration)	50,000	One Public Estate Grant required for Regeneration in 2019/20
Planning Applications	5,000	Delay in transferring images from microfiche to computer imagery
Parks, Open Spaces and Grounds Maintenance	18,000	Parks Improvement Funding. Funds received from MHCLG March 2019 carried forward to be spent 19/20
Cemeteries	8,000	Cemeteries conservation work. Delay in work to rebuild tomb chest St Peters Churchyard.
	<b>£171,700</b>	

15. Taking into account the carry forward proposals above this will result in a final transfer to reserves for the year of £177,414.
16. The Council faces a number of financial challenges over the next few years, and given the scale of these, it is proposed that the any transfer to reserves in 2018/19 is added to the General Fund balance pending the overall update of the Council's Finance Strategy later in the year.

## HOUSING REVENUE AND REPAIRS ACCOUNT

### Revenue Account

17. On 4 February 2018, the Executive approved the revised budgets for the Housing Revenue and Repairs Account (HRA). At this time it was estimated that the HRA Revenue Reserve would be replenished by £17,000.
18. Due to factors that include pension adjustments and severance payments made in the financial year, a re-assessment of the methodology behind the interest due to the HRA, and higher than anticipated grounds maintenance charges this surplus has not been achieved, as shown in the table below and detailed in Appendix B. £292,627 has been drawn from the HRA Revenue Reserve, while other Reserves have increased by £2.13 million

	<b>Actual 2017/18 £'000</b>	<b>Revised Budget 2018/19 £'000</b>	<b>Actual 2018/19 £'000</b>
Income	-12,434	-12,410	-12,575
Management and Finance	4,538	4,501	4,891
Revenue Repairs	4,161	2,840	3,158
Capital Improvements	3,039	3,912	3,790
<b>Surplus(-)/Deficit</b>	<b>-696</b>	<b>-1,157</b>	<b>-736</b>
Transfer from Capital Development Fund	0	0	-129
Transfer to Debt Repayment Fund	1,140	1,140	1,140
Transfer to Leaseholder Reserve	103	0	18
<b>Transfer of Balance to(-)/from Revenue Reserve</b>	<b>546</b>	<b>-17</b>	<b>293</b>

### Capital Programme

19. The table below summarises the capital spend in the year against the revised budget which shows lower than anticipated HRA Capital Improvements. This area of spend will increase again over the coming year as the findings of the stock condition survey are evaluated and an informed programme of works is compiled. The underspent budget against Improvements and Modernisation and Other Works and Services are proposed to be carried forward as procurement of the new Asset Management System and stock condition survey finalisation will take place in 2019/20.

20. Expenditure classified as stock repurchase has been strong in this financial year and has included buying back eleven properties to replenish our housing stock. New build schemes at Bridge Road and Highlands Road are progressing, the underspent budget is proposed to be carried forward as preliminary work is completed and construction commences in 2019/20.

<b>CAPITAL PROGRAMME</b>	<b>Budget £'000</b>	<b>Actual £'000</b>	<b>Carry over to 2019/20 £'000</b>
HRA Improvements and Modernisations	2,994	1,888	1,106
Other Works and Services	195	54	141
New Builds	200	129	71
Stock Repurchase	1,052	1,571	(519)
<b>CAPITAL PROGRAMME - TOTAL</b>	<b>4,441</b>	<b>3,642</b>	<b>799</b>

This spend has been funded as follows:

	<b>£000</b>
Use of Major Repairs Reserve to fund capital expenditure on HRA assets	1,690
Capital spend not increasing the asset value funded by the HRA Reserve	252
Capital Development Fund	129
1:4:1 Capital Receipts	471
Revenue funding to meet acquisition costs	1,100
<b>Total funding</b>	<b>3,642</b>

## HRA Reserves

21. A summary of reserves held by the HRA at the end of the year is set out below. HRA reserves have increased overall by £1.84 million.

<b>Reserve</b>	<b>Purpose of Reserve</b>	<b>2017/18 Closing Balance £'000</b>	<b>2018/19 Transfers In £'000</b>	<b>2018/19 Transfers Out £'000</b>	<b>2018/19 Closing Balance £'000</b>
HRA Revenue Reserve	To fund unexpected operating costs	1,824	0	-293	1,531
Exceptional Expenditure Reserve	To fund any exceptional demands upon expenditure	1,500	3,170	-3,170	1,500
Major Repairs Reserve	To fund capital expenditure on HRA assets	984	2,544	-1,690	1,838
Capital Housing Development Fund	To fund new developments	3,520	0	-129	3,391
Debt Repayment Fund	To repay debt	1,140	1,140	0	2,280
Leaseholder Reserve	To fund major repairs on blocks containing leasehold properties	263		0	263
1:4:1 Receipts	To fund 30% of costs of new acquisitions	1,345	737	-471	1,613
<b>Total Reserves</b>		<b>10,576</b>	<b>7,593</b>	<b>-5,753</b>	<b>12,416</b>

<sup>1</sup>The transfer in of £2,544,000 is the in-year depreciation charge



## **RISK ASSESSMENT**

22. An assessment of the risks and opportunities associated with this decision has been carried out and it is considered that there are no significant risks associated with this report.

## **CONCLUSION**

23. This report outlines the financial position during 2018/19 for the General Fund and the Housing Revenue and Repairs Account.
24. The General Fund is showing a movement to reserves of £349,114 against the revised budget. Taking into account the proposed spending items to be funded from this underspend and the changes to financing the revenue budget, the contribution to the General Fund balance reduces to £177,414.
25. The combined balance on all Housing Revenue Account reserves is £12,416,000.
26. Members are asked to note the contents of the report and approve the carry forward balance and budgets in order that the agreed work can be completed in the current financial year.

### **Enquiries:**

For further information on this report please contact Neil Wood. (Ext 4506)

## APPENDIX A

### ACTUAL REVENUE EXPENDITURE TO 31 MARCH 2019

	<b>Budget 2018/19 £</b>	<b>Actual 2018/19 £</b>	<b>Variation 2018/19 £</b>
<b>Planning Committee</b>			
Processing Applications	14,900	189,165	174,265
Planning Advice	253,900	247,424	-6,476
Enforcement of Planning control	124,400	120,093	-4,307
Appeals	204,600	333,083	128,483
	597,800	889,764	291,964
Accounting Adjustments in service	0	83,421	83,421
	597,800	973,185	375,385
<b>Licensing &amp; Regulatory Affairs Committee</b>			
Hackney Carriage and Private Hire Vehicles	1,600	-31,112	-32,712
Licensing	-40,800	-51,053	-10,253
Health and Safety	144,700	142,010	-2,690
Election Services	417,000	408,727	-8,273
	522,500	468,572	-53,928
Accounting Adjustments in service	0	17,084	17,084
	522,500	485,656	-36,844
<b>Leisure and Community</b>			
Community Grants	405,300	267,158	-138,142
Community Development	157,300	194,059	36,759
Ferneham Hall	387,400	344,539	-42,861
Fareham Leisure Centre	-113,600	-163,907	-50,307
Holly Hill Leisure Centre	-248,500	-252,658	-4,158
Community Centres	146,900	145,829	-1,071
Westbury Manor Museum	64,500	67,576	3,076
	799,300	602,596	-196,704
Accounting Adjustments in service	1,059,500	1,494,044	434,544
	1,858,800	2,096,640	237,840

	<b>Budget 2018/19 £</b>	<b>Actual 2018/19 £</b>	<b>Variation 2018/19 £</b>
<b>Health and Housing</b>			
Housing Grants and Home Improvements	-894,500	-664,820	229,680
Housing Options	45,000	29,595	-15,405
Housing Benefit Payments	-114,100	-330,716	-216,616
Housing Benefit Administration	380,900	338,808	-42,092
Homelessness	285,000	133,057	-151,943
Housing Advice	372,800	339,105	-33,695
Housing Strategy	202,300	221,041	18,741
Registered Providers	0	141	141
Local Land Charges	-125,800	-62,844	62,956
	151,600	3,367	-148,233
Accounting Adjustments in service	1,099,700	1,037,759	-61,941
	1,251,300	1,041,126	-210,174
<b>Planning and Development</b>			
Parking Strategy	-1,962,100	-1,877,031	85,069
Flooding and Coastal Management	96,000	114,904	18,904
Public Transport	46,800	42,265	-4,535
Transportation Liaison	14,000	29,775	15,775
Tree Management	122,000	130,457	8,457
Conservation & Listed Building Policy	32,700	30,507	-2,193
Sustainability & Biodiversity	43,700	15,086	-28,614
Local Plan	1,431,300	794,946	-636,354
	-175,600	-719,091	-543,491
Accounting Adjustments in service	26,100	184,766	158,666
	-149,500	-534,325	-384,825

	<b>Budget 2018/19 £</b>	<b>Actual 2018/19 £</b>	<b>Variation 2018/19 £</b>
<b>Policy and Resources</b>			
Democratic Representation and Management	1,069,900	1,012,704	-57,196
Commercial Estates	-576,000	-459,266	116,734
Investment Properties	-3,038,200	-2,995,011	43,189
Solent Airport and Daedalus	-708,000	-480,938	227,062
Public Relations, Comms and Consultation	468,400	440,694	-27,706
Unapportionable Central Overheads	175,600	-45,058	-220,658
Corporate Management	734,000	556,779	-177,221
Economic Development	111,400	94,914	-16,486
Local Tax Collection	831,600	810,547	-21,053
	-931,300	-1,064,633	-133,333
Accounting Adjustments in service	54,000	6,836,207	6,782,207
	-877,300	5,771,574	6,648,874

#### **Public Protection**

Pest Control	38,400	36,632	-1,768
Dog Control	24,100	24,800	700
Food Safety	137,300	131,086	-6,214
Air Quality and Pollution	195,500	190,380	-5,120
Community Safety	317,200	283,681	-33,519
Emergency Planning	56,000	57,344	1,344
Clean Borough Enforcement	93,000	84,061	-8,939
On-Street Parking	-14,900	-74,235	-59,335
Off-Street Parking	1,084,000	1,170,145	86,145
Building Control	201,900	177,230	-24,670
	2,132,500	2,081,124	-51,376
Accounting Adjustments in service	180,600	720,853	540,253
	2,313,100	2,801,977	488,877

	<b>Budget 2018/19 £</b>	<b>Actual 2018/19 £</b>	<b>Variation 2018/19 £</b>
<b>Streetscene</b>			
Cemeteries & Closed Churchyards	-20,500	-78,158	-57,658
Parks, Open Spaces and Grounds Maintenance	1,408,100	1,619,096	210,996
Outdoor Sport and Recreation	198,900	200,750	1,850
Countryside Management	187,600	253,880	66,280
Allotments	17,700	24,485	6,785
Street Cleansing	930,900	941,812	10,912
Public Conveniences	215,400	218,846	3,446
Household Waste	859,700	1,019,709	160,009
Trade Refuse	-82,500	-136,740	-54,240
Recycling	595,500	673,957	78,457
Garden Waste Collection	329,500	360,539	31,039
Street Furniture	105,400	58,060	-47,340
	<u>4,745,700</u>	<u>5,156,236</u>	<u>257,198</u>
Accounting Adjustments in service	910,500	1,170,875	260,375
	<u>5,656,200</u>	<u>6,327,111</u>	<u>517,573</u>
<b>TOTAL - Before adjustments</b>	<b>7,842,500</b>	<b>7,417,935</b>	<b>-424,565</b>
<b>Total Adjustments</b>	<b>3,330,400</b>	<b>11,545,009</b>	<b>8,214,609</b>
<b>TOTAL - After adjustments</b>	<u><b>11,172,900</b></u>	<u><b>18,962,944</b></u>	<u><b>7,790,044</b></u>
<b>Other Budgets</b>	<b>-2,732,400</b>	<b>-10,001,057</b>	<b>-7,268,657</b>
<b>TOTAL including Other Budgets</b>	<u><b>8,440,500</b></u>	<u><b>8,961,887</b></u>	<u><b>521,387</b></u>

## APPENDIX B

### DETAILED HOUSING REVENUE AND REPAIRS ACCOUNT TO 31 MARCH 2019

	Actual 2017/18 £'000	Revised Budget 2018/19 £'000	Actual 2018/19 £'000
<b>Income</b>			
Rents - Dwellings	-10,989	-10,882	-11,021
Rents – Garages	-308	-315	-313
Rents – Other	-21	-26	-28
Service Charges (Wardens, Extra Assistance, Heating)	-591	-625	-633
Cleaning	-175	-189	-182
Grounds Maintenance	-95	-9	-102
Other Fees and Charges	-52	-52	-53
Leaseholder Service Charges and Insurance	-47	-51	-52
Service Charges Repairs	-156	-170	-171
Other income		-2	-20
	<b>-12,434</b>	<b>-12,4104</b>	<b>-12,575</b>
<b>Management and Finance</b>			
General Administrative Expenses	1,738	1,529	1,803
Sheltered Housing Service	457	501	474
Grounds Maintenance	240	205	238
Communal Cleaning	207	217	202
Communal Heating Services	88	88	109
Communal Lighting	42	25	28
Rents, Rates and Other Taxes	45	53	78
Corporate and Democratic Core	57	43	70
Corporate Management	65	73	57
Unapportioned Overhead	138	0	40
Bad Debts Provision	-13	13	95
Bad Debts Written off	-1	50	62
Debt Management Expenses	36	35	31
Interest Payable	1,795	1,795	1,795
Interest Earned on Internal Balances	-53	-126	-67
Pension Fund Adjustments	-303	0	-90
<b>Revenue Repairs</b>	<b>4,161</b>	<b>2,840</b>	<b>3,158</b>
<b>Capital Improvements</b>			
Depreciation	2,578	2,538	2,544
Revenue Contribution to Capital	461	1,374	1,246
<b>Surplus(-)/Deficit for Year</b>	<b>-696</b>	<b>-1,157</b>	<b>-736</b>

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 01 July 2019

<b>Portfolio:</b>	Policy and Resources
<b>Subject:</b>	<b>Capital and Treasury Management Outturn 2018-19</b>
<b>Report of:</b>	Deputy Chief Executive Officer
<b>Corporate Priorities:</b>	A dynamic, prudent and progressive Council

**Purpose:**

This report provides the Executive with details of the capital and treasury management outturn for 2018/19 to comply with the reporting requirements of the Code of Practice for Treasury Management. The report also seeks approval for the proposed methods of financing the General Fund capital programme.

**Executive summary:**

Actual capital expenditure on General Fund schemes in 2018/19 was £3,544,468 compared with the revised capital programme of £10,085,700. The overall variance was £6,541,232 and a detailed analysis of the variations is given in Appendix A to this report.

Total savings of £46,675 were achieved, additional expenditure of £342,178 was incurred and a total of £6,836,735 will be carried forward into 2019/20. Details of the various methods used to finance this expenditure are set out in this report.

Full details of Treasury Management investment and borrowing activity in 2018/19 are also set out in this report. Treasury activity in 2018/19 is summarised below:

	<b>31 March 2018 Actual £'000</b>	<b>2018/19 Movement £'000</b>	<b>31 March 2019 Actual £'000</b>
Total borrowing	52,017	(6,507)	45,510
Total investments	(12,000)	(1,100)	(13,100)
<b>Net borrowing</b>	<b>40,017</b>	<b>(7,607)</b>	<b>32,410</b>

Net interest received in 2018/19 was £481,480 and net interest paid was £1,728,219.

During 2018/19, the Council complied with its legislative and regulatory requirements of the Prudential Code.

**Recommendation:**

It is recommended that the Executive:

- (a) approves that the General Fund capital programme for 2018/19 be approved and financed as set out in this report;
- (b) agrees that the additional expenditure incurred, amounting to £342,178 be financed retrospectively from unallocated capital resources; and
- (c) notes the treasury management activity for 2018/19.

**Reason:**

To provide the Executive with details of the capital and treasury management outturn in 2018/19 and to comply with the reporting requirements of the Code of Practice for Treasury Management.

**Cost of proposals:**

The necessary resources are available to finance the General Fund capital programme for 2018/19 including the additional expenditure of £342,178.

**Appendices:**

**A:** Capital Expenditure and Financing 2018/19  
**B:** Economic Commentary by Treasury Advisors, Arlingclose  
**C:** Prudential and Treasury Indicators 2018/19

**Background papers:** None

**Reference papers:** Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2019/20, 4 February 2019

Treasury Management Strategy and Prudential Indicators 2018/19, Council, 23 February 2018

CIPFA Code of Practice for Treasury Management



# FAREHAM

## BOROUGH COUNCIL

### Executive Briefing Paper

<b>Date:</b>	01 July 2019
<b>Subject:</b>	Capital and Treasury Management Outturn 2018/19
<b>Briefing by:</b>	Deputy Chief Executive Officer
<b>Portfolio:</b>	Policy and Resources

#### INTRODUCTION

1. This report provides the Executive with details of the capital and treasury management outturn for 2018/19 to comply with the reporting requirements of the Code of Practice for Treasury Management.

#### CAPITAL OUTTURN REPORT 2018/19

2. The capital programme for 2018/19, approved in February this year for the General Fund was £10,085,700. The actual capital expenditure, detailed in Appendix A, was £3,544,468 giving an overall variation of £6,541,232. A summary, including savings and additional expenditure, is summarised in the table below.

	<b>Revised Budget £</b>	<b>Actual £</b>	<b>Savings £</b>	<b>Additional Expenditure £</b>	<b>Carry forward £</b>
Health & Public Protection	100,000	48,516	41,484	0	10,000
Streetscene	107,000	110,056	0	0	(3,056)
Planning & Development	63,300	71,966	0	27,580	18,914
Leisure & Community	348,000	315,356	114	15,942	48,472
Housing	1,097,600	854,646	0	6,934	249,888
Policy & Resources	8,369,800	2,143,928	5,077	291,722	6,512,517
<b>Total</b>	<b>10,085,700</b>	<b>3,544,468</b>	<b>46,675</b>	<b>342,178</b>	<b>6,836,735</b>

#### SAVINGS AND ADDITIONAL EXPENDITURE

3. Total savings of £46,675 were recognised. The main scheme saving was £41,484 for the Night Time Closure of Multi-Storey Car Parks as works to install shutters and barriers were lower than anticipated. It is proposed that a budget of £10,000 will be carried forward to fund works to deal with pigeon issues at Osborn Road Multi-Storey Car Park.
4. The main schemes where additional expenditure of £342,178 was incurred were:

- Hill Head Coastal Protection Phase 2 - increased spend of £27,580 for additional paving works funded by Community Infrastructure Levy contributions.
- Westbury Manor Museum Remodelling- £7,351 additional costs for refurbishment of the toilet area.
- Town Centre Christmas Lights - £8,575 installation costs which were budgeted in revenue and funded by town centre contributions.
- Fareham Innovation Centre Phase 2 - additional fit out costs contributed to an overspend of £284,262 on this scheme.

5. In addition, £13,811 of expenditure was incurred ahead of budget and will be carried forward to reduce next year's capital budget.

### **CARRY FORWARDS TO 2019/20**

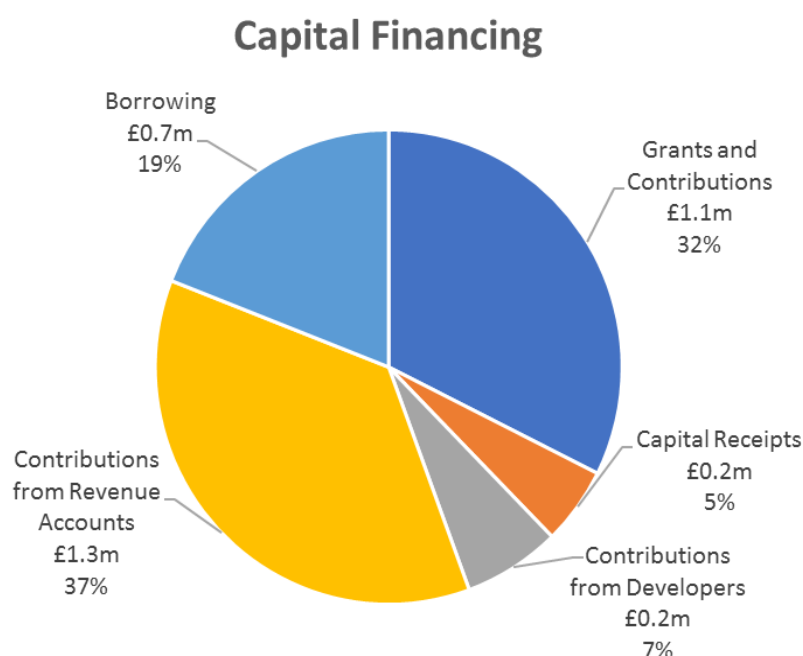
6. There are a number of schemes still in progress and a total budget of £6,826,735 will be carried forward to 2019/20.
7. The largest carry forward is for the Commercial Property Acquisition of £5,110,000 which was purchased in April 2019 along with £1,095,196 carry forwards for schemes at Solent Airport.

### **CAPITAL PROGRAMME 2019/20 TO 2023/24**

8. The General Fund capital programme will be reviewed by officers in light of the slippage and re-phasing of works and an updated programme for 2019/20 to 2023/24 will be presented to the Executive as part of the Finance Strategy for 2020/21.

### **CAPITAL FINANCING**

9. The various methods used to finance the capital expenditure in 2018/19 are set out in the chart below.



10. The capital programme was predominantly funded by external contributions (39%) and revenue backed capital reserves (37%). £665,000 of internal borrowing (using surplus cash rather than external borrowing) was incurred for schemes at Daedalus.

### **SIGNIFICANT SCHEMES**

11. Further progress has been made in 2018/19 at Daedalus with developments starting to reach break-even point. Achievements included:
- Opening of the £7 million extension to the Fareham Innovation Centre to provide move-on space for current Centre tenants together with more diverse facilities for new tenants.
  - A further £335,000 was spent to complete the £500,000 refurbishment of the Air Traffic control tower, bringing back parts of the building for public and business use, including an indoor café and outdoor and indoor viewing areas.
  - The six new business hangars opened and rent paying tenants started to take up occupancy.
12. A £500,000 five-year play area refurbishment programme was approved during 2018/19 on top of works to the value of £77,000 carried out across two major play areas in Fareham and Warsash and a further £75,000 spent on the Play Area Safety surface replacement programme.
13. The £300,000 extension to Holly Hill cemetery progressed at a cost of £24,000 in 2018/19. This will provide an extra 350 burial spaces.

### **TREASURY MANAGEMENT OUTTURN REPORT 2018/19**

14. The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (the CIPFA Code) requires the Council to approve a treasury management annual report after the end of each financial year. This report fulfils the Council's legal obligation to have regard to the CIPFA Code.
15. The Council's Treasury Management Strategy 2018/19 was approved by full Council on 23 February 2018. The Council has borrowed and invested large sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.
16. An economic commentary by the Council's Treasury Advisor, Arlingclose, can be found in Appendix B.

### **LOCAL CONTEXT**

17. On 31 March 2019, the Council had net borrowing of £39 million arising from its revenue and capital income and expenditure, a decrease on 2018 of £1 million. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors and the year-on-year change are summarised in the table below.

	31 March 2018 Actual £'000	2018/19 Movement £'000	31 March 2019 Actual £'000
General Fund CFR	39,415	(33)	39,382
HRA CFR	51,141	-	51,141
<b>Total CFR</b>	<b>90,556</b>	<b>(33)</b>	<b>90,523</b>
Less: Usable reserves	(33,924)	(8,039)	(41,963)
Less: Working capital	(16,615)	7,062	(9,553)
<b>Net Borrowing (Balance Sheet)</b>	<b>40,017</b>	<b>(1,010)</b>	<b>39,007</b>

18. Net borrowing has decreased due to a reduction in the CFR as new capital expenditure was lower than the financing applied including minimum revenue provision. Also there was an increase in usable reserves and a decrease in working capital due to the timing of receipts and payments.
19. The Council's strategy was to maintain borrowing and investments below their underlying levels, known as internal borrowing, in order to reduce risk and keep interest costs low.
20. The treasury management position as at 31<sup>st</sup> March 2019 and the year-on-year change is shown in the table below.

	31 March 2018 Actual £'000	2018/19 Movement £'000	31 March 2019 Actual £'000
Long-term borrowing	40,000	-	40,000
Short-term borrowing	12,017	(6,507)	5,510
<b>Total borrowing</b>	<b>52,017</b>	<b>(6,507)</b>	<b>45,510</b>
Long-term investments	(2,000)	-	(2,000)
Short-term investments	(7,000)	(2,000)	(9,000)
Cash and cash equivalents	(3,000)	900	(2,100)
<b>Total investments</b>	<b>(12,000)</b>	<b>(1,100)</b>	<b>(13,100)</b>
<b>Net borrowing</b>	<b>40,017</b>	<b>(7,607)</b>	<b>32,410</b>

Note: the figures in the table are from the Balance Sheet in the Council's statement of accounts, but are adjusted to exclude operational cash, accrued interest and other accounting adjustments.

21. The decrease in net borrowing is a result of a fall in short-term borrowing due to the Council's internal borrowing policy.

## BORROWING ACTIVITY

22. At 31 March 2019, the Council held £45.5 million of loans, a decrease of £6.5 million on the previous year. The year-end borrowing position is shown in the table below.

	Balance on 31 March 2018 £'000	Balance on 31 March 2019 £'000	Average Rate
Long-term borrowing	40,000	40,000	3.50%
Short-term borrowing	10,000	3,000	1.00%
Portchester Crematorium	2,017	2,510	0.25%
<b>Total Borrowing</b>	<b>52,017</b>	<b>45,510</b>	

23. The Council holds investments from Portchester Crematorium Joint Committee which are treated as temporary loans.
24. The Council's main objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required.

## **INVESTMENT ACTIVITY**

25. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2018/19 the Council's investment balances ranged between £14 million and £21 million due to timing differences between income and expenditure. The year-end position is shown in the table below.

	<b>Balance on 31 March 2018 £'000</b>	<b>Balance on 31 March 2019 £'000</b>	<b>Average Rate</b>
Banks and Building Societies	5,000	6,000	0.97%
Local Authorities	2,000	3,000	0.89%
Money Market Funds	3,000	2,100	0.75%
Pooled Funds	2,000	2,000	4.17%
<b>Total Investments</b>	<b>12,000</b>	<b>13,100</b>	

26. Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
27. In furtherance of these objectives and given the increasing risk and low returns from short-term unsecured bank investments, the Council has diversified into a more secure and higher yielding asset class. £2 million that is available for longer-term investment was moved from bank and building society deposits into a pooled Local Authority Property Fund.
28. Guidance on Local Government Investments in England gives priority to security and liquidity and the Council's aim is to achieve a yield commensurate with these principles.
29. Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy for 2018/19.

## **INTEREST RECEIVED AND PAID**

30. The net interest received in 2018/19 was £481,480 against a revised budget £463,900 million for the General Fund. Net interest paid for the Housing Revenue Account was £1,728,219 against a revised budget of £1,669,300.

## COMMERCIAL PROPERTY INVESTMENT ACQUISITIONS

31. The definition of investments in CIPFA's revised Treasury Management Code now covers all the Council's financial assets as well as other non-financial assets which the Council holds primarily for financial return.
32. Since the Executive approval of a Commercial Property Investment Acquisition Strategy in January 2013, the Council has purchased 8 commercial investment properties, as summarised below, averaging a return of 7.06%.

Property Type	Purchase Cost £'000	Value at 31 March 2019 £'000
Retail	23,705	22,040
Commercial	1,721	2,250
Other	1,890	2,050
<b>Total</b>	<b>27,316</b>	<b>26,340</b>

33. The Council's total investment property portfolio is shown below and includes Fareham Shopping Centre, Faretec and industrial estates at Palmerston Business Park and Newgate Lane.

Property Type	Value at 31 March 2018 £'000	Value at 31 March 2019 £'000	Movement £'000
Retail	39,741	37,352	(2,389)
Commercial	9,775	10,011	236
Other	3,666	4,373	707
Office	4,652	3,759	(893)
Leisure	1,138	1,167	29
<b>Total</b>	<b>58,972</b>	<b>56,662</b>	<b>(2,310)</b>

34. The overall investment property portfolio has decreased in value by £2.3 million mainly in the retail and office sector, offset by increases in the commercial and other sector.
35. Property valuations are undertaken annually, to ensure that the Council's balance sheet reflects the current opinion of the value of the Council's assets. Fluctuations in value do not represent actual gains or losses, but do indicate market sentiment, which is often linked to rental income levels and lease terms and conditions.

## PRUDENTIAL AND TREASURY INDICATORS

36. During 2018/19, all treasury management activities complied fully with the CIPFA Code and the Council's approved Treasury Management Strategy. Appendix D shows the actual prudential and treasury indicators for 2018/19.

## SUMMARY

37. This report gives details of General Fund capital and treasury management outturn in 2018/19 in accordance with the reporting requirements set out in the CIPFA Code of Practice for Treasury Management.

## **RISK ASSESSMENT**

38. There are no significant risk considerations in relation to this report.

### **Enquiries:**

For further information on this report please contact Caroline Hancock. (Ext 4589)

## APPENDIX A

### CAPITAL EXPENDITURE AND FINANCING 2018/19

	Budget £	Actual £	Savings £	Additional Expenditure £	Carry over to 2019/20 £
<b>PUBLIC PROTECTION</b>					
Night Time Closure of Multi-Storey Car Parks	100,000	48,516	41,484		10,000
<b>PUBLIC PROTECTION - TOTAL</b>	<b>100,000</b>	<b>48,516</b>	<b>41,484</b>	<b>0</b>	<b>10,000</b>
<b>STREETSCENE</b>					
Bus Shelter Improvements	12,000	11,547			453
Holly Hill Cemetery Extension	20,000	23,830			(3,830)
Play Area Safety Equipment and Surface Replacement	75,000	74,679			321
<b>STREETSCENE - TOTAL</b>	<b>107,000</b>	<b>110,056</b>	<b>0</b>	<b>0</b>	<b>(3,056)</b>
<b>PLANNING AND DEVELOPMENT</b>					
Car Park Surface Improvements	23,900	4,986			18,914
Hill Head Coastal Protection Phase 2	39,400	66,980		27,580	0
<b>PLANNING AND DEVELOPMENT - TOTAL</b>	<b>63,300</b>	<b>71,966</b>	<b>0</b>	<b>27,580</b>	<b>18,914</b>
<b>LEISURE AND COMMUNITY</b>					
<b>Buildings</b>					
Ferneham Hall Major Repairs Programme	27,000	21,805			5,195
Community Buildings Review	130,200	91,756			38,444
Westbury Manor Museum Remodelling	27,800	35,151		7,351	0
Burridge Village Hall Overflow Parking	12,000	11,985	15		0
	197,000	160,697	15	7,351	43,639
<b>Play and Parks Schemes</b>					
Funtley Recreation Ground Play Area	52,000	52,016		16	0
Warsash Recreation Ground Play Area	25,000	24,901	99		0
	77,000	76,917	99	16	0
<b>Other</b>					
Town Centre Christmas Lights	50,000	58,575		8,575	0
Footpath Improvements	24,000	19,167			4,833
	74,000	77,742	0	8,575	4,833
<b>LEISURE AND COMMUNITY - TOTAL</b>	<b>348,000</b>	<b>315,356</b>	<b>114</b>	<b>15,942</b>	<b>48,472</b>
<b>HOUSING</b>					
Disabled Facilities Grants	932,600	682,712			249,888
Home Improvement Loans	165,000	171,934		6,934	0
<b>HOUSING - TOTAL</b>	<b>1,097,600</b>	<b>854,646</b>	<b>0</b>	<b>6,934</b>	<b>249,888</b>
<b>POLICY AND RESOURCES</b>					
<b>Replacement Programmes</b>					
Vehicles and Plant Replacement Programme	1,025,300	898,918			126,382
ICT Development Programme	202,600	106,391	1,980		94,229
	1,227,900	1,005,309	1,980	0	220,611
<b>Operational Buildings</b>					
Depot Refurbishment Works	0	9,981			(9,981)
Civic Offices Improvement Programme	70,000	36,241			33,759
	70,000	46,222	0	0	23,778



	Budget £	Actual £	Savings £	Additional Expenditure £	Carry over to 2019/20 £
<b>Property Developments</b>					
Commercial Property Acquisition	5,110,000				5,110,000
Solent Airport Schemes	1,924,400	770,635	3,097	7,460	1,158,128
Fareham Innovation Centre Phase 2	37,500	321,762		284,262	0
	7,071,900	1,092,397	3,097	291,722	6,268,128
<b>POLICY AND RESOURCES - TOTAL</b>	<b>8,369,800</b>	<b>2,143,928</b>	<b>5,077</b>	<b>291,722</b>	<b>6,512,517</b>
<b>GENERAL FUND - TOTAL</b>	<b>10,085,700</b>	<b>3,544,468</b>	<b>46,675</b>	<b>342,178</b>	<b>6,836,735</b>

**ECONOMIC COMMENTARY BY TREASURY ADVISORS ARLINGCLOSE - APRIL 2019****Economic Background**

After spiking at over \$85/barrel in October 2018, oil prices fell back sharply by the end of the year, declining to just over \$50 in late December before steadily climbing toward \$70 in April 2019. UK Consumer Price Inflation (CPI) for February 2019 was up 1.9% year/year, just above the consensus forecast but broadly in line with the Bank of England's February Inflation Report. The most recent labour market data for the three months to January 2019 showed the unemployment rate fell to a new low 3.9% while the employment rate of 76.1% was the highest on record. The 3-month average annual growth rate for pay excluding bonuses was 3.4% as wages continue to rise steadily and provide some upward pressure on general inflation. Once adjusted for inflation, real wages were up 1.4%.

After rising to 0.6% in the third calendar quarter from 0.4% in the second, fourth quarter economic growth slowed to 0.2% as weaker expansion in production, construction and services dragged on overall activity. Annual GDP growth at 1.4% continues to remain below trend. Following the Bank of England's decision to increase Bank Rate to 0.75% in August, no changes to monetary policy have been made since.

The US Federal Reserve continued its tightening bias throughout 2018, pushing rates to the 2.25%-2.50% range in December. However, a recent softening in US data caused the Fed to signal a pause in hiking interest rates at the last Federal Open Market Committee (FOMC) meeting in March.

With the 29<sup>th</sup> March 2019, the original EU 'exit day' now been and gone, having failed to pass a number of meaningful votes in Parliament, including shooting down Theresa May's deal for the third time, MPs voted by a majority of one (313 to 312) to force the prime minister to ask for an extension to the Brexit process beyond 12<sup>th</sup> April in order to avoid a no-deal scenario. Recent talks between the Conservative and Labour parties to try to reach common ground on a deal which may pass a vote by MPs have yet to yield any positive results. The EU must grant any extension and its leaders have been clear that the terms of the deal are not up for further negotiation. The ongoing uncertainty continues to weigh on sterling and UK markets.

While the domestic focus has been on Brexit's potential impact on the UK economy, globally the first quarter of 2019 has been overshadowed by a gathering level of broader based economic uncertainty. The US continues to be set on a path of protectionist trade policies and tensions with China in particular, but with the potential for this to spill over into wider trade relationships, most notably with EU. The EU itself appeared to be show signs of a rapid slowdown in economic growth with the major engines of its economy, Germany and France, both suffering misfires from downturns in manufacturing alongside continued domestic/populist unrest in France. The International Monetary Fund downgraded its forecasts for global economic growth in 2019 and beyond as a consequence.

**Financial Markets**

December was a month to forget in terms of performance of riskier asset classes, most notably equities. The FTSE 100 (a good indicator of global corporate sentiment) returned - 8.8% assuming dividends were reinvested; in pure price terms it fell around 13%. However, since the beginning of 2019 markets have rallied, and the FTSE 100 and FTSE All share indices were both around 10% higher than at the end of 2018.

Gilt yields continued to display significant volatility over the period on the back of ongoing economic and political uncertainty in the UK and Europe. After rising in October, gilts regained their safe-haven status throughout December and into the new year - the 5-year benchmark gilt yield fell as low as 0.80% and there were similar falls in the 10-year and 20-year gilts over the same period dropping from 1.73% to 1.08% and from 1.90% to 1.55%. The increase in Bank Rate pushed up money markets rates over the year and 1-month, 3-month and 12-month LIBID (London Interbank Bid) rates averaged 0.53%, 0.67% and 0.94% respectively over the period.

Recent activity in the bond markets and PWLB interest rates highlight that weaker economic growth is not just a UK phenomenon but a global risk. During March the US yield curve inverted (10-year Treasury yields were lower than US 3 month money market rates) and German 10-year Bund yields turned negative. The drivers are a significant shift in global economic growth prospects and subsequent official interest rate expectations given its impact on inflation expectations. Further to this is world trade growth which collapsed at the end of 2018 falling by 1.8% year-on-year. A large proportion of this downturn in trade can be ascribed to the ongoing trade tensions between the US and China which despite some moderation in January does suggest that the International Monetary Fund's (IMF) and Organisation for Economic Co-Operation & Development's (OECD) forecasts for global growth in 2019 of 3.5% might need to be revised downwards.

### **Credit Background**

Credit Default Swap (CDS) spreads drifted up towards the end of 2018 on the back of Brexit uncertainty before declining again in 2019 and continuing to remain low in historical terms. After hitting around 129 basis points in December 2018, the spread on non-ringfenced bank NatWest Markets plc fell back to around 96bps at the end of March, while for the ringfenced entity, National Westminster Bank plc, the CDS spread held relatively steady around 40bps. The other main UK banks, as yet not separated into ringfenced and non-ringfenced from a CDS perspective, traded between 33 and 79bps at the end of the period.

The ringfencing of the big four UK banks (Barclays, Bank of Scotland/Lloyds, HSBC and RBS/Natwest Bank plc) transferred their business lines into retail (ringfenced) and investment banking (non-ringfenced) entities.

In February, Fitch put the UK AA sovereign long-term rating on Rating Watch Negative as a result of Brexit uncertainty, following this move with the same treatment for UK banks and a number of government-related entities.

There were minimal other credit rating changes during the period. Moody's revised the outlook on Santander UK to positive from stable to reflect the bank's expected issuance plans which will provide additional protection for the its senior unsecured debt and deposits.

## PRUDENTIAL, TREASURY AND COMMERCIAL INVESTMENT INDICATORS 2018/19

## PRUDENTIAL INDICATORS

## 1) Capital Expenditure

The Council's capital expenditure and financing is summarised as follows:

<b>Capital Expenditure and Financing</b>	<b>2018/19 Revised £'000</b>	<b>2018/19 Actual £'000</b>	<b>Difference £'000</b>
Health & Public Protection	100	49	51
Streetscene	107	110	(3)
Leisure & Community	348	315	33
Housing	1,098	855	243
Planning & Development	63	72	(9)
Policy & Resources	8,370	2,144	6,226
<b>Total General Fund</b>	<b>10,086</b>	<b>3,545</b>	<b>6,541</b>
<b>HRA</b>	<b>4,441</b>	<b>3,642</b>	<b>799</b>
<b>Total Expenditure</b>	<b>14,527</b>	<b>7,187</b>	<b>7,340</b>
Capital Receipts	1,294	629	665
Capital Grants	1,771	1,449	322
Capital Reserves	3,134	2,083	1,051
Revenue	2,626	2,363	263
Borrowing	5,702	665	5,037
<b>Total Financing</b>	<b>14,527</b>	<b>7,187</b>	<b>7,340</b>

## 2) Capital Financing Requirement

The Council's Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

<b>£'000</b>	<b>2017/18 Actual</b>	<b>2018/19 Revised</b>	<b>2018/19 Actual</b>	<b>2018/19 Difference</b>
<b>General Fund</b>	39,415	44,487	39,382	-5,105
<b>HRA</b>	51,141	51,141	51,141	0
<b>Total CFR</b>	<b>90,556</b>	<b>95,628</b>	<b>90,523</b>	<b>-5,105</b>

The CFR reduced by £33,000 year on year as capital expenditure financed by debt was lower than the in-year minimum revenue provision payment.

## 3) Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium-term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of

capital financing requirement. This is a key indicator of prudence.

£'000	2018/19 Revised	2018/19 Actual	Difference
Capital Financing Requirement	95,628	90,523	-5,105
Less: Gross Debt	58,017	45,510	-12,507
<b>Under/(Over) Borrowing</b>	<b>37,611</b>	<b>45,013</b>	<b>-7,402</b>

Total debt remained below the Capital Financing Requirement during the forecast period.

#### 4) Operational Boundary and Authorised Limit for External Debt

The **operational boundary** is based on the Council's estimate of the most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring.

The **authorised limit** is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

£'000	2018/19 Revised	2018/19 Actual	Complied
<b>Operational Boundary</b>			
<b>Borrowing</b>	62,000	45,510	✓
<b>Other long term liabilities</b>	4,000	2,711	✓
<b>Total</b>	<b>66,000</b>	<b>48,221</b>	✓
<b>Authorised Limit</b>			
<b>Borrowing</b>	102,000	45,510	✓
<b>Other long term liabilities</b>	6,000	2,711	✓
<b>Total</b>	<b>108,000</b>	<b>48,221</b>	✓

#### 5) Financing Costs as % of Net Revenue Stream

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

	2018/19 Revised	2018/19 Actual	Difference
<b>General Fund</b>	3%	2%	-1%
<b>HRA</b>	15%	14%	-1%
<b>Total</b>	<b>10%</b>	<b>9%</b>	<b>-1%</b>

## 6) Housing Revenue Account (HRA) Rations

As a result of the HRA Reforms in 2012, the Council moved from a subsidy system to self-financing and was required to take on £49.3 million of debt. The table below shows additional local indicators relating to the HRA in respect of this debt.

	2018/19 Revised	2018/19 Actual	Difference
<b>HRA debt £'000</b>	49,268	49,268	-
<b>HRA revenues £'000</b>	12,238	12,575	337
<b>Number of HRA dwellings</b>	2,401	2,394	-7
<b>Ratio of debt to revenues %</b>	4.03	3.92	-0.11
<b>Debt per dwelling £</b>	£20,518	£20,582	£64

## TREASURY MANAGEMENT INDICATORS

The Council measures and manages its exposures to treasury management risks using the following indicators.

### 1) Interest Rate Exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed was:

Upper limits on interest rate exposures	2018/19 Revised	2018/19 Actual	Complied
	%	%	
- Upper limit on variable interest rate exposures	25	11	✓
- Upper limit on fixed interest rate exposures	100	89	✓

### 2) Maturity Structure of Borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper limits on the maturity structure of fixed rate borrowing were:

Maturity structure of borrowing	Upper Limit	2018/19 Actual	Complied
	%	%	
- Loans maturing within 1 year	25	12	✓
- Loans maturing within 1 - 2 years	25	0	✓
- Loans maturing within 2 - 5 years	25	0	✓
- Loans maturing within 5 - 10 years	50	0	✓
- Loans maturing in over 10 years	100	88	✓

### 3) Principal Sums Invested for Periods Longer than 364 Days

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum insured to final maturities beyond the period end were:

£M	2018/19 Revised	2018/19 Actual	Complied
Principal sums invested > 364 days	10	2	✓

## COMMERCIAL INVESTMENT INDICATORS

The Council measures and manages its exposures to commercial investments using the following indicators.

### 1) Proportionality

The Council is dependent on profit generating investment activity to achieve a balanced revenue budget. The table below shows the proportion of expenditure funded by investment income.

£'000	2017/18 Actual	2018/19 Forecast	2018/19 Actual
Gross service expenditure	46,124	46,131	44,754
Investment income	3,807	4,246	3,988
Proportion	8.3%	9.2%	8.9%

### 2) Total Risk Exposure

This indicator shows the Council's total exposure to potential investment losses.

Total Investment Exposure	2017/18 Actual £'000	2018/19 Forecast £'000	2018/19 Actual £'000
Treasury Management Investments	12,000	14,000	13,100
Commercial Investments	58,972	64,082	56,662
Total	70,972	78,082	69,762

The variation in the forecast to actual for the commercial investments is partly due to the delay in the purchase of new commercial property acquisition in the capital programme.

### 3) How Investments are Funded

Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.

<b>Investments Funded by Borrowing</b>	<b>2017/18 Actual £'000</b>	<b>2018/19 Forecast £'000</b>	<b>2018/19 Actual £'000</b>
<b>Treasury Management Investments</b>	0	0	0
<b>Commercial Investments</b>	18,840	18,412	18,412
<b>Total</b>	<b>18,840</b>	<b>18,412</b>	<b>18,412</b>