

FAREHAM

BOROUGH COUNCIL

2021/22
Decision No.
2289

Record of Decision by Executive

Monday, 5 July 2021

Portfolio	Policy & Resources
Subject:	Variation to Construction of new units at Faraday Business Park, Daedalus
Report of:	Director of Planning and Regeneration
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

To update the Executive on progress with the development of speculative industrial units at Faraday Business Park at Daedalus and to present options with regard to the provision of office accommodation in Units 15 and 16.

At the 7 January 2019 Executive it was agreed to fund the construction of new industrial / business units at Faraday Business Park. The development consists of three buildings, with one of these divided into two to provide four units in total.

On 7 September 2020 the Executive considered a further report which assessed the impact of the Covid-19 pandemic on the prospects for the scheme, and it was agreed that the scheme should proceed.

Following the award of the construction contract, the build out is well underway with completion scheduled for Autumn 2021. Since that time updated marketing advice has been received and the construction sector has been impacted by the delay in steel production.

The above changes have triggered a review of the specification for the scheme and a recommendation that it be revised with all four units being provided with office accommodation to maximise the letting potential/income receipts from the development.

This report recommends a two-stage approach to the provision of office accommodation in Units 15 and 16 to mitigate the risk from potentially having void units.

Options Considered:

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) agrees to the two-stage process for providing office accommodation in Units 15 and 16 (set out in paragraphs 17 - 23 of the Executive Briefing Paper) and the required increase in the capital budget of up to £550,000;
- (b) approves a variation to the current construction contract, at an estimated cost of £165,000, to allow for the stage one office works to be undertaken;
- (c) grants delegated authority to the Director of Planning and Regeneration following consultation with the Deputy Chief Executive Officer and the Executive Member for Policy & Resources to award a contract(s) for the stage two office works, at an estimated cost of up to £385,000; and
- (d) additionally, note that an additional capital budget of £50,000 is required to cover minor variations to the scheme following the award of the construction contract.

Reason:

To maximise the letting and income potential from the speculative development at the Faraday Business Park at Daedalus and to minimise risk.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 5 July 2021

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BOROUGH COUNCIL

2021/22
Decision No.
2286

Record of Decision by Executive

Monday, 5 July 2021

Portfolio	Policy & Resources
Subject:	Complaints Policy and Unreasonable Complaint Behaviour Policy Updates
Report of:	Director of Leisure and Community
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

This report provides details of a proposed updating of the Complaints Policy and the Unreasonable Complaint Behaviour Policy.

The Council receives a large number of customer enquiries, with most being dealt with quickly and effectively with a positive outcome for the customer. Occasionally, a customer may be dissatisfied with our response or the outcome to their enquiry, at which point they can escalate their complaint using the Council's corporate complaints procedure.

The Council's complaints procedure explains how customer can make a complaint and the procedure that will be followed. At stage one of the complaint procedure, the Head of Service responsible for the department will investigate the complaint. If the customer is unhappy with the response, the complaint can be escalated to stage two of the process, where the Director of the department responsible for the service will review the complaint.

A redrafted Complaints Policy has been produced for approval which has been updated to increase the clarity around the role of the Director at stage two. The Director's role is to review the procedures and processes which were followed at stage one and confirm that they comply with the policy, not to carry out another complaint investigation as the Head of Service would have done at Stage one.

The redrafted Complaint's Policy also sets out the steps which need to be taken should an Elected Member receive a formal complaint.

If the customer remains unhappy with the stage two response, they can ask the Local Government and Social Care Ombudsman (LGSCO) for an independent review.

Whilst the Council is committed to dealing with all complaints fairly, on occasion, our

employees may have to deal with unreasonable, persistent or vexatious behaviour from our customers.

The LGSCO provides guidance notes to help Local Authorities and other bodies within their jurisdiction to develop a proportionate approach when responding to unreasonable complaint behaviour, based on their view of good practice in dealing with these customers.

As well as taking up a lot of officer time, on occasion, the behaviour of the customer may be rude, derogatory, sarcastic or threatening.

The Unreasonable Complaint Behaviour Policy was introduced approximately 2 years ago. The underlying aim of this policy was to ensure resources are used fairly, and to protect officers.

When the effectiveness of the current policy was reviewed, it was identified that it may not always be able to achieve its aims.

A re-drafted policy has been produced for approval. The main changes allow the Director of the service area to review existing limitations applied under this policy, if it is deemed that they are effectively minimising the impact on officer time and resources. It also introduces the ability to terminate contact and end the investigation if the customer fails to adhere to the limitations within it. Additionally, the proposed changes allow the Director to reduce the imposed limitations if they are subsequently believed to be too harsh. This flexibility will help protect the council, whilst also ensuring proportionate action is taken.

Options Considered:

At the invitation of the Executive leader, Councillor R H Price, JP addressed the Executive on this item.

During the discussion on this item it was noted at paragraph 20 of the report that, in addition to the Housing Ombudsman providing a free service, the Local Government & Social Care Ombudsman (LGSCO) also provides a free service.

It was agreed during the discussion of this item that:

- (i) at paragraph 10 of the Complaints Policy, as detailed at Appendix A to the report, the contact details for the Housing Ombudsman be added alongside the contact details for the Local Government and Social Care Ombudsman;
- (ii) bullet point 6 of paragraph 15 of the Unreasonable Complaints Policy, as detailed at Appendix B to the report, be amended to allow more than one witness to be present when personal contact takes place in dealing with unreasonable complaint behaviour;
- (iii) paragraph 3 of the Unreasonable Complaints Policy, as detailed at Appendix B to the report, be amended to reflect that in the event of a complaint being escalated to Stage 2, the Director of the department will review the complaint process, not the complaint; and
- (iv) a further report be brought for consideration regarding safeguarding for Members when they are subject to persistent, vexatious or abusive people.

As recommendation.

Decision:

RESOLVED that, subject to (i) to (iv) above, the Executive adopts:

- (a) the updated Complaints Policy as set out in Appendix A to this report; and
- (b) the updated Unreasonable Complaint Behaviour Policy, as set out in Appendix B to this report.

Reason:

The Council identified that the role of the Director was not clear in the existing Complaints Policy.

The Council identified that the existing Unreasonable Complaints Behaviour policy may not always prevent the impact of repeated complaints, even if the customer adhered to the imposed restrictions.

The adoption of these policies will help deal with complaints of this nature, protect the wellbeing of the Council's employees, ensure resources are directed where they are needed and reduce the risk of disproportionate restrictions being imposed upon customers.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 5 July 2021

FAREHAM

BOROUGH COUNCIL

2021/22
Decision No.
2288

Record of Decision by Executive

Monday, 5 July 2021

Portfolio	Policy & Resources
Subject:	General Fund & Housing Revenue Account Outturn 2020/21
Report of:	Deputy Chief Executive Officer
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

This report provides the Executive with details of the actual revenue expenditure for 2020/21 for the General Fund and Housing Revenue and Repairs Account and seeks approval for the completion, in 2021/22, of two of the 2020/21 expenditure programmes.

The General Fund actual net revenue expenditure on services for 2020/21 totals £12,182,435 which is **£2,575,935** more than was originally budgeted for the year. This is due to the extraordinary impacts of the Covid-19 pandemic on income streams and costs incurred year.

These were recognised early on in the year and the Council adopted a replacement emergency budget in September. This forecast the potential need to use £1.1 million of the Council's reserves to plug the funding gap for its services in 2020/21. At the same time the Council introduced a Financial Recovery Plan to mitigate the impacts arising where it could, which included a tightened control over expenditure.

Financial forecasts were updated as the government implemented further periods of lockdown and announced support packages for local authority services. The Council has benefitted from Government COVID grants totalling £3.8 million during the year; £0.8 million of these were not anticipated and therefore not incorporated into the emergency and revised budgets.

The final net budget outturn position is **£1,211,254** less than the final revised budget agreed by the Executive in February 2021. This has meant that the anticipated drawing from reserves has not materialised. This is partly due to some services, such as planning application income, starting to recover towards the end of the year, and also due to the corporate efforts in reducing spend where it was possible. There has also been additional council tax income of £35,739. However, the largest contributing factor has been the unplanned additional Government support.

It has not been possible to complete a number of expenditure programmes in 2020/21 and approval is sought to complete two programmes where expenditure had already been committed during 2020/21, at a cost of £51,900. This will reduce the underspend to **£1,195,093**.

This underspend will need to be transferred to reserves to help protect the council's financial position going forward. Some trends in increased expenditure and reduced income have continued into 2021/22 and income streams such as car parking may never recover, whilst the Government's financial support schemes may start to disappear. The Council's underlying financial position has therefore worsened. We will be reviewing this in more detail when the Medium-Term Finance Strategy is completed later in 2021 along with a plan to address the forecasted funding gaps.

The final figures for the Housing Revenue and Repairs Account (HRA) in 2020/21 show that the HRA revenue reserve has been reduced by £218,844 to fund the net expenditure for the year. Overall, total HRA Reserves have decreased by £746,834.

Options Considered:

The comments of the Policy and Resources Scrutiny Panel were taken into account in considering this item.

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) approves the carry forward of £51,900 to fund the completion of the committed General Fund expenditure programmes in 2021/22, as contained in this report;
- (b) approves the carry forward of £470,000 for the HRA Capital Programme to re-align budget and expenditure phasing and to support the forthcoming programme for 2021/22; and
- (c) notes the contents of the report.

Reason:

To enable the completion of the General Fund expenditure programme for 2020/21 and to ensure that the balances on the Housing Revenue and Repairs Accounts at 31 March 2021 will be available in future years and that 2021/22 budgets are sufficient to meet the level of work programmed.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 5 July 2021

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BOROUGH COUNCIL

2021/22
Decision No.
2287

Record of Decision by Executive

Monday, 5 July 2021

Portfolio	Policy & Resources
Subject:	Capital & Treasury Management Outturn 2020/21
Report of:	Deputy Chief Executive Officer
Corporate Priority:	Dynamic, prudent and progressive Council

Purpose:

This report provides the Executive with details of the capital and treasury management outturn for 2020/21 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.

In February 2020 the Executive approved a capital programme totalling £26,869,9000 for 2020/21. Due to the impact of the Covid-19 pandemic on the economy the programme was reviewed as part of the emergency budget set in September 2020 and reduced to £11,987,600. This was further reduced in February 2021 to £6,606,8000 as part of the Capital Strategy update for 2021/22 to reflect the continued delay of significant projects as the pandemic continued.

Actual capital expenditure on General Fund schemes in 2020/21 was £5,499,557 (£16.5 million in 2019/20) compared with the revised capital programme of £6,606,800. The overall variance was £1,107,243. A detailed analysis of the variations is given in Appendix A to this report.

Total savings from individual projects of £66,120 were achieved, additional expenditure of £90,086 was incurred and a total of £1,131,209 will be carried forward into 2021/22. 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 2020/21 are also set out in this report and is summarised below:

	31 March 2020 Actual £'000	2020/21 Movement £'000	31 March 2021 Actual £'000
Total borrowing	57,659	(1,692)	55,967
Total investments	(16,300)	(2,325)	(18,625)
Net borrowing	41,359	(4,017)	37,342

Net interest received in 2020/21 was £661,684 (£603,316 in 2019/20) and net interest paid was £1,684,440 (£1,676,656 in 2019/20).

During 2020/21, the Council complied with its legislative and regulatory requirements of the Prudential Code.

Options Considered:

The comments of the Policy and Resources Scrutiny Panel were taken into account in considering this item.

As recommendation.

Decision:

RESOLVED that the Executive:

- (a) approves the General Fund capital programme for 2020/21 to be financed as set out in this report;
- (b) agrees that the additional expenditure incurred, amounting to £90,086 be financed retrospectively from unallocated capital resources; and
- (c) notes the treasury management activity for 2020/21.

Reason:

To provide the Executive with details of the capital and treasury management outturn in 2020/21 and to comply with the reporting requirements of the Code of Practice for Treasury Management.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 5 July 2021