

FAREHAM

BOROUGH COUNCIL

COUNCIL MEETING SUMMONS

Members of Fareham Borough Council are hereby summoned to attend a meeting of the Council to be held in the Council Chamber, Civic Offices, Fareham, on
FRIDAY, 24 FEBRUARY 2023, commencing at **5.00 pm**.

The Mayor: Councillor Michael Ford, JP

The Deputy Mayor: Councillor Fred Birkett

Councillor Chrissie Bainbridge

Councillor Ian Bastable

Councillor Susan Bayford

Councillor Roger Bird

Councillor Pamela Bryant

Councillor Frair Burgess

Councillor Joanne Burton

Councillor Louise Clubley

Councillor Malcolm Daniells

Councillor Harry Davis

Councillor Steve Dugan

Councillor Tina Ellis

Councillor Jack Englefield

Councillor David Foot

Councillor Nick Gregory

Councillor David Hamilton

Councillor Tiffany Harper

Councillor Pal Hayre

Councillor Connie Hockley

Councillor Stephen Ingram

Councillor Kay Mandry

Councillor Simon Martin

Councillor Jacquie Needham

Councillor Paul Nother

Councillor Sarah Pankhurst

Councillor Katrina Trott

Councillor Nick Walker

Councillor Mrs Susan Walker

Councillor Seán Woodward



1. Prayers

The meeting will commence with a short service of prayers.

2. Apologies for Absence

3. Minutes (Pages 7 - 14)

To confirm as a correct record the minutes of the Council Meeting held on 15 December 2022.

4. Mayor's Announcements

5. Executive Leader's Announcements

6. Executive Members' Announcements

7. Declarations of Interest

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

8. Presentation of Petitions

To receive any petitions presented by a member of the Council.

Note: any petition so presented will be dealt with in accordance with the Council's petition scheme.

9. Deputations

To receive any deputations of which notice has been given.

10. Reports of the Executive

To receive, consider and answer questions on reports and recommendations of the Executive. Minutes of the meetings of the Executive and a schedule of individual Executive member decisions are appended.

(1) Minutes of meeting Monday, 9 January 2023 of Executive (Pages 15 - 18)

(2) Minutes of meeting Monday, 6 February 2023 of Executive (Pages 19 - 24)

(3) Schedule of Individual Executive Member and Officer Delegated Decisions (Pages 25 - 26)

11. Reports of Other Committees

To receive the minutes of the following Committees and to consider and answer questions on any reports and recommendations made.

(1) Minutes of meeting Wednesday, 14 December 2022 of Planning Committee (Pages 27 - 46)

- (2) Minutes of meeting Wednesday, 18 January 2023 of Planning Committee (Pages 47 - 56)
- (3) Minutes of meeting Wednesday, 25 January 2023 of Planning Committee (Pages 57 - 74)
- (4) Minutes of meeting Wednesday, 15 February 2023 of Planning Committee (Pages 75 - 76)
- (5) Minutes of meeting Tuesday, 31 January 2023 of Licensing and Regulatory Affairs Committee (Pages 77 - 82)

12. Reports of the Scrutiny Panels

To receive, consider and answer questions on reports and recommendations of the meetings of the Scrutiny Panels.

- (1) Minutes of meeting Tuesday, 17 January 2023 of Climate Change Scrutiny Panel (Pages 83 - 86)
- (2) Minutes of meeting Monday, 23 January 2023 of Policy and Resources Scrutiny Panel (Pages 87 - 92)
- (3) Minutes of meeting Thursday, 26 January 2023 of Streetscene Scrutiny Panel (Pages 93 - 96)
- (4) Minutes of meeting Thursday, 9 February 2023 of Housing Scrutiny Panel (Pages 97 - 100)

13. Questions under Standing Order 2.12

To answer questions pursuant to Standing Order 2.12 for this meeting.

14. Motions under Standing Order 2.6

Members will be informed, prior to the meeting, of any motion duly notified in accordance with Standing Order 2.6 but received after print and dispatch of the agenda.

15. Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2022/24

- (1) Suspension of Standing Order 2.15 and 2.16
To consider suspending the provision of Standing Order 2.15 to allow the Executive Leader of the Council to speak on the matters referred to in items 15(2) and 15(3) for longer than five minutes and the spokesman for the Opposition Group to speak for not more than ten minutes; and to consider suspending the provisions of Standing Order 2.16 to allow the Executive Leader of the Council to speak on the matters referred to in items 15(2) and 15(3) more than once to respond to points raised in debate.
- (2) Report to the Executive - 06 February 2023 (Pages 101 - 112)

The Minutes of the meeting of the Executive held on 06 February 2023, to be presented to Council at its meeting on 24 February 2023 at item 10(2), contain recommendations on the revenue budget and the level of Council Tax for 2023/24.

(Note a copy of the report to the Executive is included in this agenda pack)

If Members accept the Executive's recommendations, formal approval will be sought of the following matters:

- (a) the capital programme and financing of £37,768,800;
- (b) an overall revised revenue budget for 2022/23 of £10,987,300;
- (c) a revenue budget for 2023/24 of £11,897,100;
- (d) a council tax for Fareham Borough Council for 2023/24 of £180.46 per band D property, which represents a £5.24 per year increase when compared to the current year and is within referendum limits;
- (e) an unchanged Council Tax Support scheme for 2023/24; and
- (f) that the Council continues to disregard the whole of any incomes prescribed in the Housing Benefit (War Pensions Disregards) Regulations 2007 and the Council Tax Reduction Schemes (Prescribed Requirements ((England) Regulations 2012

In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, there will be a recorded vote on the budget decision.

- (3) Council Tax for 2023/24 for Fareham Borough Council, Hampshire County Council, Hampshire Police and Crime Commissioner and Hampshire & Isle of Wight Fire and Rescue Authority

Having made the necessary calculations in relation to its own budget, the Council must proceed to set the Council Tax for 2023/24 taking account of the amounts in precepts issued to the Council by Hampshire County Council, the Police and Crime Commissioner and the Hampshire & Isle of Wight Fire & Rescue Authority. These precepts will not be issued before the publication of this agenda and will therefore be reported at the meeting, with provisional figures being given for those that are not yet approved.

In order to enable Council Tax bills to be issued within the statutory timescale, it is recommended that the Council agrees to delegate authority to the Deputy Chief Executive Officer to amend the Council Tax 2023/24, in the event that any of the precepting authorities change their precept calculation from that expected and reported at the Council meeting.

In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 there will be a recorded vote on the budget decision.

(Note: a schedule will be table at the meeting for approval, showing the formal calculations the Council must make, incorporating any figures recommended by the Executive. Members will also be advised of the wording of the formal resolution they must adopt to set the Council Tax for 2023/24, taking account of the requisite calculations and the precepts of Hampshire County Council, the Police and Crime Commissioner and the Hampshire & Isle of Wight Fire & Rescue Authority.)

16. Housing Revenue Account Budget and Capital Plans 2023/24 (Pages 113 - 124)

The minutes of the meeting of the Executive held on 06 February 2023, to be presented to Council at its meeting on 24 February 2023 at item 10(2), contain recommendations on the Housing Revenue Account Spending Plans including the Capital Programme for the years 2022/23 to 2026/27. If Members accept the Executive's recommendations, formal approval will be sought of the following matters:

- (a) rents be approved for Council Dwellings, as set out in paragraph 21 of the report, with effect from 01 April 2023;
- (b) rents for Council garages be increased by 7% with effect from 01 April 2023;
- (c) the revised budget for 2022/23 be approved; and
- (d) the base budget for 2023/24 be approved.

(Note: a copy of the report to the Executive is included in this agenda pack.)

17. Treasury Management Strategy and Investment Strategy 2023/24 (Pages 125 - 148)

The minutes of the meeting of the Executive held on 06 February 2023, to be presented to Council at its meeting on 24 February 2023 at item 10(2) of this agenda, contain recommendations that the Treasury Management Strategy and Investment Strategy 2023/24 be submitted to Council for approval. If Members accept the Executive's recommendation, formal approval will be sought that the Council approves the Treasury Management Strategy and the Investment Strategy 2023/24.

(Note: a copy of the report to the Executive together with the Treasury Management Strategy and Investment Strategy 2023/24 are included in this agenda pack.)

18. Capital Programme and Capital Strategy 2023/24 (Pages 149 - 172)

The minutes of the meeting of the Executive held on 06 February 2023, to be presented to Council at its meeting on 24 February 2023 at item 10(2) of this agenda, contain recommendations on the Capital Programme and Capital Strategy 2023/24. If Members accept the Executive's recommendations, formal approval of the Capital Programme and Capital Strategy for 2023/24 will be sought.

(Note: a copy of the report to the Executive, together with the Capital Programme and Capital Strategy for 2023/24 is included in this agenda pack.)

19. Approval of Pay Policy Statement 2023/24 (Pages 173 - 180)

The minutes of the meeting of the Executive held on 09 January 2023, to be presented to Council at its meeting on 24 February 2023 at item 10 (1) of this agenda, contain a resolution by the Executive that the Medium-Term Finance Strategy be approved.

Attached to the Medium-Term Finance Strategy as Annex 2 is the updated Pay Policy Statement 2023/24 which Council is now asked to approve.

(Note: a copy of the updated Pay Policy Statement for 2023/24 is included in this agenda pack)

20. Creation of Council Sub-Committee for the appointment of a Chief Executive Officer (Pages 181 - 184)

A report by the Director of Support Services and Monitoring Officer.

21. Appointments of Committees and Allocation of Seats (Pages 185 - 192)

A report by the Head of Democratic Services.

At the end of the Council meeting, Members are invited to remain in the Council Chamber for a brief informal meeting concerning the selection of the Deputy Mayor for 2023/24



P GRIMWOOD
Chief Executive Officer

www.fareham.gov.uk

17 February 2023

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

FAREHAM

BOROUGH COUNCIL

Minutes of the Council

Date: Thursday, 15 December 2022

Venue: Council Chamber - Civic Offices

PRESENT:

M J Ford, JP
(Mayor)

F Birkett
(Deputy Mayor)

Councillors: Ms C Bainbridge, I Bastable, Mrs S M Bayford,
Mrs P M Bryant, Ms F Burgess, Miss J Burton,
Mrs L E Clubley, H P Davis, J M Englefield, D G Foot,
D J Hamilton, Miss T G Harper, Mrs P Hayre,
Mrs C L A Hockley, Mrs K Mandry, S D Martin,
Mrs J Needham, Ms S Pankhurst, Mrs K K Trott, N J Walker,
Mrs S M Walker and S D T Woodward



1. PRAYERS

The meeting commenced with a short service of prayer led by the Mayor's Chaplain, Reverend Mike Terry.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors R Bird, M R Daniells, S Dugan, Mrs T L Ellis, N R Gregory, S Ingram and P M Nother.

3. MINUTES

RESOLVED that the Mayor be authorised to sign, as a correct record, the minutes of the meetings of the Council held on 27 October 2022.

4. MAYOR'S ANNOUNCEMENTS

The Mayor announced that the Mayor's Charity Ball will be held on Saturday 22 April in the Ward Room at HMS Collingwood. Further details and tickets will be made available in due course.

The Mayor also announced that Tea Parties are held in the Parlour on the third Thursday of the month with tickets available before the events.

5. EXECUTIVE LEADER'S ANNOUNCEMENTS

The Executive Leader announced that earlier in the week, the Government published a policy paper related to Local Government Finance. There were a number of important elements in the announcement, but the headline was that the government will provide additional funding for District Councils. The statement also confirmed that District Councils could increase council tax by 3% without a referendum, and also confirmed that the "negative Revenue Support Grant" phenomenon of the funding formula would also be eliminated.

The Government has stated that Council's Core Spending Power will increase by at least 3% before any increases in council tax are taken into account. This is a positive recognition of the cost pressures faced by all Councils, not just those with social care responsibilities, however other changes in the funding formula mean that the net benefit for Fareham will amount to approximately £60,000. To put that into context, it equates to about 0.5% of the net cost of Council services, and it is equivalent to an increase in our council tax of less than 1%. This is at a time when inflation exceeds 10% and is bearing heavily on many supplies and services.

As in previous years, Councils will be able to increase the council tax by the greater of 3% or £5. This cap continues to artificially constrain funding through

Council tax for low tax Councils like Fareham, especially when compared to others which charge over double what residents of Fareham pay for a band D council tax (for example Ipswich Borough Council, which charges £384.21). Officers, together with the District Councils Network, have written to the Government to ask for this anomaly in the council tax threshold to be addressed, and we understand that this is still under consideration.

In the meantime, we will need to continue to act prudently as we consider how to address very sizeable budget pressures, amounting to an estimated £2.4m in the coming years. The Executive Leader stated that he would have more to advise Members on this topic when the Executive considers the Medium Term Finance Strategy and 2023/24 budget, at its meeting next month.

The Executive Leader also announced that the Chief Executive, Peter Grimwood, has given 6 months' notice of his intention to retire. Peter has spent the last 40 years working in Local Government and the last 27 years at Fareham Borough Council. He will remain in post until 30 June 2023. The Executive Leader put forward his thanks to Peter for his tremendous support over the years. The Mayor added his thanks on behalf of the Council for all that Peter has achieved over the years.

6. EXECUTIVE MEMBERS' ANNOUNCEMENTS

Planning and Development

Local Plan Main Modifications

The Executive Member for Planning and Development confirmed that the Council has received just 34 responses to the main modifications consultation (11 from residents, 23 from organisations). The responses were mixed including several 'no comment' responses including from National Highways and the Environment Agency, and support for the modifications from Natural England, The Woodlands Trust and the Fareham Society. A good number of the comments made were not directly related to the main modifications and so will not be considered by the Inspector. A small number of developers and house builders responded and in almost equal measures, they supported the modifications to allocation policies on their sites, with one or two trying to introduce further changes at this late stage, whilst commenting that our housing need was higher, and we should be making additional allocations or a firmer commitment to reviewing the plan early in light of the wider unmet need issue. Some detailed comments were submitted on sites that already have planning permission through the lapse of time. The Executive Member reported that, from the Council's perspective, this is a positive outcome with no significant issues to be addressed.

The next steps are for the Council to collate the responses and send them to the Inspector, along with our summary and commentary on the responses. The intention is for that to be done before Christmas. The Inspector has previously given us an indication of one to two months for her final report, which will conclude the examination process. So, in line with our earlier thinking on timescale, the examination process should conclude in the first quarter of the new year.

The Executive Member stated that members might be aware of lots of proposals for planning reform that have been announced by Michael Gove as Secretary of State recently. Many of these are positive - including putting greater emphasis on the voice of the community in decision making and holding developers to task if they are slow to deliver the homes that we have granted permission for. We also understand that the Government will abolish the need for a five-year housing land supply where a Council has an up to date Local Plan. Some of these proposals will need the new Levelling Up and Regeneration Bill to enact them, but others are likely to come through a new National Planning Policy Framework and we understand that a consultation on a new NPPF will launch shortly. We also understand that there will be a renewed commitment to a standard way of calculating housing need but a greater emphasis on the ability for local authorities to set their own Local Plan requirement where certain circumstances exist. Quite what those circumstances are will be made clearer in due course and are likely to take a number of months to bed into new practice. Therefore, we must press on with our Local Plan as these changes are very unlikely to have any bearing on us until the new NPPF is published and/or legislation is brought forward. We are very close to having a new Local Plan with all of the positives it brings us – a planned approach for housing supply and economic growth across our Borough, a commitment to town centre regeneration, and a series of new local landscape protections and other measures to safeguard the environment, including biodiversity net gain. There is too much uncertainty on these reforms, some of which may change as they move through the law-making processes or in response to consultations, to do anything other than press ahead with our Local Plan.

There are likely to be benefits to this Council in future Local Plan cycles from some of the proposals that we have read about and there will continue to be a role for PfSH to progress a Joint Strategy taking into account the many environmental qualities and constraints of this sub-region.

The Executive Member summarised that he hoped very soon to be able to report that the Local Plan has been found sound and is therefore ready to consider for adoption.

Leisure and Community

The Executive Member for Leisure and Community announced that the certificates for The Queen Elizabeth II and The Platinum Copse are going out to all those that have sponsored a tree this week, which should hopefully reach them in time for Christmas. They will also receive a letter letting them know about the next steps.

The Countryside team has begun planting the trees and are expected to have them all planted by early next year, weather dependant. Residents will be able to identify their tree by a mapping system that the Countryside Team is putting together as they plant the trees.

Once this has all been completed, we will look to have an Open Day in the Spring so people can come and visit their tree.

7. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

8. PRESENTATION OF PETITIONS

There were no petitions presented at this meeting.

9. DEPUTATIONS

There were no deputations given at this meeting.

10. REPORTS OF THE EXECUTIVE

(1) Minutes of meeting Monday, 7 November 2022 of Executive

The recommendation contained at item 10(4) of the minutes was noted and taken into account at item 17 on the agenda.

RESOLVED that the minutes of the meeting of the Executive held on Monday 07 November 2022 be received.

(2) Minutes of meeting Friday, 11 November 2022 of Executive

RESOLVED that the minutes of the meeting of the Executive held on Friday 11 November 2022 be received.

(3) Minutes of meeting Tuesday, 6 December 2022 of Executive

RESOLVED that the minutes of the meeting of the Executive held on Tuesday 06 December 2022 be received.

(4) Schedule of Individual Executive Member and Officer Delegated Decisions

RESOLVED that the Schedule of Executive Member and Officer Delegated Decisions be received.

11. REPORTS OF OTHER COMMITTEES

(1) Minutes of meeting Wednesday, 9 November 2022 of Planning Committee

RESOLVED that the minutes of the meeting of the Planning Committee held on Wednesday 09 November 2022 be received.

(2) Minutes of meeting Monday, 21 November 2022 of Audit and Governance Committee

RESOLVED that:

- (a) the Council endorses the updates to the Constitution as set out in the tabled item at Part Two of the Monitoring Officer report; and
- (b) the minutes of the meeting of the Audit and Governance Committee held on Monday 21 November 2022 be received.

12. REPORTS OF THE SCRUTINY PANELS

- (1) Minutes of meeting Tuesday, 18 October 2022 of Climate Change Scrutiny Panel

RESOLVED that the minutes of the meeting of the Climate Change Scrutiny Panel held on Tuesday 18 October 2022 be received.

- (2) Minutes of meeting Tuesday, 1 November 2022 of Health and Public Protection Scrutiny Panel

RESOLVED that the minutes of the meeting of the Health and Public Protection Scrutiny Panel held on Tuesday 01 November 2022 be received.

13. QUESTIONS UNDER STANDING ORDER 2.12

There were no questions submitted for this meeting.

14. MOTIONS UNDER STANDING ORDER 2.6

There were no motions submitted for this meeting.

15. MEMBERS' SAFETY

The Council received a report by the Head of Democratic Services which presented Guidance for Member's Safety. The Guidance advises Members on points to consider when undertaking their role as a Councillor.

RESOLVED that the Council agrees:

- (a) the Members' Safety Guidance as detailed at Appendix A to the report; and
- (b) that a mandatory all-Member training session is held.

16. SCHEDULE OF COMMITTEE MEETINGS 2023/24

The Council received a report by the Head of Democratic Services which invited the Council to determine the schedule of Council and Committee meeting dates for the next municipal year. Dates of Executive meetings have

been set by the Executive Leader in accordance with the Council's Constitution.

A draft schedule setting out proposed dates for all meetings from May 2023 was submitted for approval.

RESOLVED that Council:

- (a) approves the proposed schedule of Council, Committee and Panel meetings for the municipal year 2023/24, as set out at Appendix A to the report; and
- (b) notes that the dates for the Partnership for South Hampshire Joint Committee and Overview & Scrutiny Committee are provisional until approved by the Joint Committee at its meeting in February 2023.

17. ANNUAL REVIEW OF THE CORPORATE STRATEGY 2017-2023

The Council received a report by the Director of Leisure and Community which presented the updated Corporate Strategy 2017-2023 for adoption by the Council.

The recommendation of the Executive was taken into account in considering this item.

RESOLVED that the Council:

- (a) notes the results of the annual review of the Corporate Strategy; and
- (b) approves the updates to the Corporate Strategy.

18. APPOINTMENTS TO OUTSIDE BODIES

In considering the appointment of a representative to the Strategic Aviation Special Interest Group (SASIG) for the Local Government Association it was AGREED that Councillor S D T Woodward be appointed as the representative and Councillor S D Martin be appointed as the Deputy for the remainder of the 2022/23 municipal year.

19. APPOINTMENTS TO COMMITTEES

There were no changes to the appointments to Committees.

(The meeting started at 6.00 pm
and ended at 6.31 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Executive

(to be confirmed at the next meeting)

Date: Monday, 9 January 2023

Venue: Collingwood Room - Civic Offices

Present:

S D T Woodward, Policy and Resources (Executive Leader)
I Bastable, Streetscene
Miss J Burton, Health & Public Protection
Mrs C L A Hockley, Housing
S D Martin, Planning and Development
Mrs S M Walker, Leisure and Community

Also in attendance:



1. APOLOGIES FOR ABSENCE

There were no apologies for absence given for this meeting.

2. MINUTES

RESOLVED that the minutes of the meeting of the Executive held on 06 December 2022 be confirmed and signed as a correct record.

3. EXECUTIVE LEADER'S ANNOUNCEMENTS

The Executive Leader announced his intention to make an amendment to the Executive Portfolio areas of responsibility by moving Cemeteries and Crematorium from Streetscene to Health and Public Protection. This change will not affect the operational delivery of the cemetery service which will still be carried out by the Streetscene department but allows the strategic overview to sit under Health and Public Protection which is a more appropriate portfolio.

4. DECLARATIONS OF INTEREST

The Executive Member for Health and Public Protection, Councillor Miss J Burton, declared a Disclosable Pecuniary Interest for item 9(2) – Fees and Charges as she is a community user of the facility at Daedalus.

As this interest relates specifically to fees and charges for Daedalus and recommendation (c) asks the Executive only to note the charges, Councillor Burton remained present for the rest of the item but left the room when recommendation (c) was considered and took no part in the discussion or decision for recommendation 9(2)(c).

5. PETITIONS

There were no petitions submitted at this meeting.

6. DEPUTATIONS

Deputations were received from Mr Gareth Jones in respect of items 9(1) Finance Strategy, Revenue Budget & Council Tax 2023/24, 9(2) Fees & Charges 2023/24 and 11(1) Relocation of Corporate Cabin, Solent Airport.

7. REFERENCES FROM OTHER COMMITTEES

There were no references from other Committees.

8. HOUSING

- (1) Fareham Housing Development of Ophelia Court, Montefiore Drive, Park Gate

During the discussion on this item the Executive Member for Housing placed on record her thanks to the officers of Fareham Housing and the Finance teams who have delivered a mix of affordable and shared ownership homes

across the Borough and aims to provide up to 345 homes over the coming years. All members of the Executive conveyed their thanks and admiration.

RESOLVED that the Executive agrees:

- (a) the updated funding mechanisms, as outlined in the confidential Appendix A to the report, for the delivery of an affordable home ownership scheme at Ophelia Court; and
- (b) that the award of contract and the appointment of building contractor(s) for Ophelia Court be delegated to the Deputy Chief Executive Officer, following consultation with the Executive Member for Housing.

9. POLICY AND RESOURCES

(1) Finance Strategy, Revenue Budget & Council Tax 2023/24

A deputation on this item was received from Mr Gareth Jones.

RESOLVED that the Executive:

Financial Forecasts (MTFS)

- (a) approves the Medium-Term Finance Strategy for the period 2022/23 to 2026/27, as set out at Appendix C to the report;
- (b) agrees to submit the updated Pay Policy, annexed to the Medium-Term Finance Strategy in Appendix C at Annex 2, to Full Council for approval;

Revenue Budgets

- (c) approves the revised 2022/23 general fund revenue budget, amounting to £10,987,300, as set out in Appendix A and B to the report; and
- (d) approves the base 2023/24 general fund revenue budget amounting to £11,897,100, as set out in Appendices A and B to the report

(2) Fees & Charges 2023/24

Councillor Miss J Burton declared a Disclosable Pecuniary Interest for this item as she is a community user of the facility at Daedalus. Councillor Burton left the room, taking no part in the discussion and decision relating to recommendation (c) (see minute 4 above).

A deputation on this item was received from Mr Gareth Jones.

RESOLVED that the Executive

- (a) approves the fees and charges for 2023/24, as set out at Appendix A to the report;
- (b) notes the fees and charges that will be reviewed by the Licensing and Regulatory Affairs and the Planning Committees;

- (c) notes the Solent Airport Daedalus charges at Appendix B to the report;
- (d) approves the increase for the Trade Waste fees and charges as set out at the confidential Appendix C to the report;
- (e) gives delegated authority to the Head of Streetscene to agree concessions to the Trade Waste charges at Appendix C to win business that will be of benefit to the Council; and
- (f) notes the other fees and charges at Appendix C.

10. EXCLUSION OF PUBLIC AND PRESS

RESOLVED that in accordance with the Local Government Act 1974, the Public & Press be excluded from the remainder of the meeting, as the Executive considers that it is not in the public interest to consider the matters in public on the grounds that they will involve the disclosure of exempt information, as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act.

11. POLICY & RESOURCES

- (1) Relocation of Corporate Cabin, Solent Airport

A deputation was received on this item from Mr Gareth Jones.

RESOLVED that the Executive agrees the recommendations as set out in the confidential report.

(The meeting started at 6.00 pm
and ended at 6.27 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Executive

(to be confirmed at the next meeting)

Date: Monday, 6 February 2023

Venue: Collingwood Room - Civic Offices

Present:

S D T Woodward, Policy and Resources (Executive Leader)
I Bastable, Streetscene
Miss J Burton, Health & Public Protection
Mrs C L A Hockley, Housing
S D Martin, Planning and Development
Mrs S M Walker, Leisure and Community

Also in attendance:



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 09 January 2023 be confirmed and signed as a correct record.

3. EXECUTIVE LEADER'S ANNOUNCEMENTS**UK Shared Prosperity Fund (UKSPF)**

The Executive Leader was pleased to announce that the Council has been awarded £1m as part of the Government's Shared Prosperity Fund, which aims to address inequality and contribute towards the Levelling Up agenda.

Over the next two years, around £800,000 will be spent on planning for and delivering improved community facilities in two areas that experience comparatively high levels of deprivation.

The most significant project will bring forward proposals, developed in conjunction with the local community, for the Henry Cort Drive area in Fareham North West. Designated in our emerging Local Plan, this site could provide up to 55 much needed affordable homes alongside enhanced community buildings and sports provision.

The second community focused project is the provision of greatly enhanced recreational and play facilities at Crossfell Walk in Fareham South. Residents in both areas will help lead the designs ensuring that their needs are met.

In addition to our community projects, £200,000 has been committed to supporting local businesses and the economy. The Executive Leader recognised that the regeneration of the town centre is a key issue for many of our residents and businesses. Funding for specialist advice and evidence will help ensure that the Town Centre Masterplan being produced will provide an effective framework for regeneration and the Executive Leader was delighted to say that work on this project is already underway.

Funding has also been allocated for physical improvements to our district and local centres. Support will also be given to businesses to help them reduce their carbon footprint and support green economic growth.

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

A deputation was received from Mr Gareth Jones in respect of item 9 on the agenda.

7. REFERENCES FROM OTHER COMMITTEES

The following references from other committees were received for consideration by the Executive:

Policy and Resources Scrutiny Panel – 23 January 2023

Minute 6 - Capital Programme and Capital Strategy 2023/24

- The Panel considered a report by the Deputy Chief Executive Officer on the Capital Strategy 2023/24 and the overall capital programme for the period 2022/23 to 2026/27.

Members noted that it is difficult to predict the future spend for the Council with the current national financial crisis but found the report and Capital Strategy 2023/24 document extremely useful in understanding the financial pressures on the Council.

RESOLVED that the Panel recommends that the Executive endorse the Capital Strategy 2023/24 at its meeting on 6 February 2023.

This was considered at item 9(3) on the agenda.

Minute 8 - Finance Strategy, Capital Programme, Revenue Budget & Council Tax 2023/24

- The Panel considered a report by the Deputy Chief Executive Officer on the Finance Strategy, Revenue Budget and Council Tax 2023-24.

Members discussed the 5-year financial forecast and the predicted funding shortfall and were keen to ensure that there would be public engagement with looking at options to secure the budget going forward. The Deputy Chief Executive Officer addressed the Panel and confirmed that there would need to be a significant piece of work undertaken to look at where savings could be made, and part of this work would indeed involve public consultation.

RESOLVED that the Panel requests that the Executive notes the Panel's comments above when they consider this item at their meeting on 6th February 2023.

This was considered at item 9(1) on the agenda.

Minute 9 - Housing Revenue Account 2023/24

The Panel considered a report by the Deputy Chief Executive Officer on the Housing Revenue Account for 2023/24.

Councillor Walker enquired as to whether Council tenants are coping with the continuing increase in charges. The Finance Manager confirmed that

there has been a slight increase in rent arrears recently, and the Council has increased the bad debt provision to help assist manage this. The Deputy Chief Executive Officer confirmed that although there are early signs of an increase in arrears, nothing serious is being flagged at present.

The Chairman enquired as to what support the Council offers for tenants who are struggling. The Deputy Chief Executive Officer confirmed that the Neighbourhood Officers are giving support to the tenants in their area along with the help and support of the Fareham Housing Welfare Support Officer.

Members also enquired as to whether the number of evictions has increased over the past year. The Deputy Chief Executive Officer confirmed that there has not been any increase in evictions, and whilst some tenants are struggling financially the Neighbourhood Officers are working closely with these tenants to ensure that they do not get to the point of evictions.

RESOLVED that the Panel requests that the Executive notes the Panel's comments above when they consider this item at their meeting on 6th February 2023.

This was considered at item 9(2) on the agenda.

8. PLANNING AND DEVELOPMENT

(1) The Levelling Up and Regeneration Bill - Planning Policy Consultation

RESOLVED that the Executive:

- (a) considered the content of the report and approves the suggested approach to the Council's response; and
- (b) delegates authority for the final consultation response to the Director of Planning and regeneration, following consultation with the Executive Member for Planning and Development.

9. POLICY AND RESOURCES

(1) Finance Strategy, Capital Programme, Revenue Budget & Council Tax 2023/24

A deputation was received from Mr Gareth Jones in respect of this item.

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

RESOLVED that the Executive approves and recommends to the meeting of the Council to be held on 24 February 2023:

- (a) the capital programme and financing of £37,768,800;
- (b) an overall revised revenue budget for 2022/23 of £10,987,300;
- (c) a revenue budget for 2023/24 of £11,897,100;

- (d) a council tax for Fareham Borough Council for 2023/24 of £180.46 per band D property, which represents a £5.24 per year increase when compared to the current year and is within referendum limits;
- (e) an unchanged Council Tax Support scheme for 2023/24; and
- (f) that the Council continues to disregard the whole of any incomes prescribed in the Housing Benefit (War Pensions Disregards) Regulations 2007 and the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

(2) Housing Revenue Account 2023/24

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

RESOLVED that the Executive approves and recommends to the meeting of the Council to be held on 24 February 2023 that:

- (a) rents be approved for Council Dwellings as set out in paragraph 21 with effect from 01 April 2023;
- (b) rents for Council garages be increased by 7% with effect from 01 April 2023;
- (c) the revised budget for 2022/23 be approved; and
- (d) the base budget for 2023/24 be approved.

(3) Capital Programme & Capital Strategy 2023/24

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

RESOLVED that the Executive:

- (a) endorses the draft Capital Strategy for 2023/24, attached as Appendix A to the report;
- (b) approves the capital programme for the period 2022/23 to 2026/27, amounting to £62.9million as set out in Annex 1 of the Capital Strategy; and
- (c) agrees to submit the Capital Strategy for 2023/24 to Council for approval.

(4) Treasury Management Strategy 2023/24

RESOLVED that the Executive:

- (a) endorses the draft Treasury Management and Investment Strategy for 2023/24, attached as Appendix A to this report; and

(b) agrees to submit the report to Council for approval.

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



SCHEDULE OF EXECUTIVE MEMBER & OFFICER DELEGATED DECISIONS

The following decisions have been made by individual Executive Members since those reported at the meeting of Council on 15 December 2022:

Leisure and Community – 13 December 2022	Decision 2022/23 – 2398
Community Fund application – Warsash Tennis Club	
RESOLVED that the Community Fund Application be approved.	
Leisure and Community – 20 January 2023	Decision 2022/23 - 2403
Community Fund Application – Burr ridge Sports and Social Club	
RESOLVED that the Community Fund Application be approved.	
Executive Leader – 25 January 2023	Decision 2022/23 - 2404
Amendments to the areas of Executive Portfolio Responsibility	
RESOLVED that the Executive Leader approves the amendments to the Executive portfolios by removing Cemeteries and Crematorium from the Streetscene portfolio and	

adding them to the Health and Public Protection portfolio.	
Officer Delegated Decision – 01 February 2023	Decision 2022/23 - 2410
Asset of Community Value Nomination – Wheatsheaf Public House	
RESOLVED that the Wheatsheaf Public House is registered as an Asset of Community Value and added to the Fareham Borough Council register of Assets of Community Value.	
Health and Public Protection – 09 February 2023	Decision 2022/23 - 2411
Traffic Regulation Order at Council owned car parks - Consideration of Consultation Responses	
RESOLVED that the Executive agrees the adoption of the updated Off-Street Parking Places (Amendment 6) Order as attached at Appendix A to the report.	

FAREHAM

BOROUGH COUNCIL

Minutes of the Planning Committee

(to be confirmed at the next meeting)

Date: Wednesday, 14 December 2022

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor N J Walker (Chairman)

Councillor I Bastable (Vice-Chairman)

Councillors: Miss J Burton, D G Foot, M J Ford, JP, Mrs C L A Hockley, S Ingram, Mrs S M Walker and Mrs K K Trott (deputising for P Nother)

**Also
Present:**



1. APOLOGIES FOR ABSENCE

An apology of absence was received from Councillor P Nother.

2. MINUTES OF PREVIOUS MEETING

RESOLVED that the minutes of the Planning Committee meeting held on 9 November 2022 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement:

"I would like to announce that as from the January meeting, we will be making a slight change to the deputation scheme which will mean that any written deputations submitted will no longer be read out at the meeting but will be shared with Planning Committee Members ahead of the meeting. This will ensure that the decision makers have plenty of time to consider the content of written deputations.

To ensure continued transparency, I will confirm at the start of each item that Members have received and read the deputations and the content will be treated as background papers and will be appropriately saved by Democratic Services.

The relevant changes to the Constitution and Council's webpages will be made to enable this slight change in procedure."

4. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

The Committee received a deputation from the following in respect of the applications indicated and were thanked accordingly.

Name	Spokesperson representing the persons listed	Subject	Supporting or Opposing the Application	Minute No/ Application No/Page No	Dep Type
ZONE 1 – 1.00pm					
Mr John Boardman (Agent)		LAND OFF ROOKERY AVENUE – RESIDENTIAL DEVELOPMENT OF 32 DWELLINGS, PARKING AND A	Supporting	6(1) P/19/0870/FP Pg 20	In Person (3mins)

		MEANS OF ACCESS FROM ROOKERY AVENUE FOLLOWING DEMOLITION OF 2 DWELLINGS, GLASSHOUSES AND ASSOCIATED OUTBUILDINGS			
Mr Rob Megginson		LAND ADJACENT TO 125 GREENAWAY LANE, WARSASH, SOUTHAMPTON - RESERVED MATTERS APPLICATION PERTAINING TO LAYOUT, SCALE, APPEARANCE AND LANDSCAPING FOR THE CONSTRUCTION OF 80 DWELLINGS TOGETHER WITH ASSOCIATED PARKING, OPEN SPACE, LANDSCAPING AND OTHER INFRASTRUCTURE AND DEVELOPMENT WORKS, PURSUANT TO OUTLINE PLANNING PERMISSION P/19/0402/OA AND APPROVAL OF DETAILS REQUIRED BY CONDITIONS 7 AND 18 (BIODIVERSITY & ENHANCEMENT MITIGATION STRATEGY) AND 9(I) ARCHAEOLOGY OF P/19/0402/OA.	Opposing	6(2) P/21/1780/RM Pg 52	Written
Mr Richard Jarman		14 MARINERS WAY, WARSASH - RAISE RIDGE HEIGHT, EXTERNAL ALTERATIONS TO	Opposing	6(3) P/22/1312/FP Pg 75	In Person (3mins)

		INCLUDE FRONT EXTENSION, REAR BALCONY, FIRST FLOOR SIDE EXTENSION AND SECOND FLOOR LOFT CONVERSION WITH FRONT/REAR DORMERS, RENDER, CLADDING AND FENESTRATION INSTALL			
ZONE 2 – 2.00pm					
Mr Bob Marshall	The Fareham Society	WELBORNE LAND NORTH OF FAREHAM - RESERVED MATTERS FOR ACCESS, APPEARANCE, LANDSCAPE, LAYOUT AND SCALE FOR THE CREATION OF A NORTH TO SOUTH BRIDLEWAY CONNECTION ON THE WESTERN SIDE OF WELBORNE INCLUDING CONNECTIONS TO EXISTING PUBLIC RIGHTS OF WAY, THE PROVISION OF A CAR PARK TO SUPPORT THE USE OF DASHWOOD AS A SANG, PUBLIC RIGHT OF WAY PROVISION AT FAREHAM COMMON AND REQUISITE UTILITY CONNECTIONS TO SERVE THE FIRST PHASES OF DEVELOPMENT, INCLUDING ANY ASSOCIATED HARD AND SOFT	Opposing	6(5) P/22/0867/RM Pg 98	In Person (3mins)

		LANDSCAPING, DRAINAGE, CONSTRUCTION ACCESS, ENGINEERING OPERATIONS AND EARTHWORKS INCLUDING DETAILS PURSUANT TO CONDITIONS 45 (DASHWOOD CAR PARK PROVISION) AND 56 (WORK WITHIN 15M OF THE GAS MAIN).			
Mr Bob Marshall	The Fareham Society	WELBORNE, LAND NORTH OF FAREHAM – RESERVED MATTERS IN RELATION TO OUTLINE PLANNING PERMISSION P/17/0266/OA: FOR ACCESS, APPEARANCE, LANDSCAPE, LAYOUT AND SCALE FOR THE CONSTRUCTION OF HAUL ROADS AND INITIAL BASE COURSE ROAD CARRIAGEWAY RELATED TO THE DELIVERY OF INITIAL PHASES OF WELBORNE TO THE NORTH OF KNOWLE ROAD, INCLUDING ANY ASSOCIATED DRAINAGE, SOIL MOVEMENT, UTILITY CONNECTIONS, SUBSTATIONS, CONSTRUCTION ACCESS, ENGINEERING OPERATIONS AND EARTHWORKS INCLUDING	Opposing	6(6) P/22/1020/RM	In Person (3mins)

		<p>DETAILS PURSUANT TO CONDITIONS 13 (COMPLIANCE WITH THE SITE WIDE BIODIVERSITY ENHANCEMENT STRATEGY), 16 (SCALE, MATERIALS, DESIGN AND LANDSCAPING), 17 (LEVELS), 19 (CONTAMINATION), 22 (CEMP), 27 (SURFACE WATER DRAINAGE), 28 (ECOLOGY MITIGATION), 29 (TREES) AND 56 (CROSSING OF THE GAS PIPELINE)</p>			
ZONE 3 – 3.00pm					
Mr Paul Woodman	The Portchester Society	<p>ASSHETON COURT CASTLE STREET PORTCHESTER – DEMOLITION OF EXISTING BUILDING AND CONSTRUCTION OF 60 ONE AND TWO BEDROOM FLATS WITH ASSOCIATED EXTERNAL WORKS AND LANDSCAPING</p>	Supporting	<p>6(7) P/22/1012/FP Pg 133</p>	Written
Mrs Robyn Lyons (FBC)		-Ditto-	-Ditto-	-Ditto-	In Person (3 mins)
Mr Tom Betts (Agent)		<p>CAMS HILL SCHOOL SHEARWATER AVENUE FAREHAM – CONSTRUCTION OF 3G SPORTS PITCH WITH ASSOCIATED FEATURES INCLUDING 6NO. 12M HIGH LED FLOODLIGHTS, FENCING AND ALTERATIONS TO</p>	Supporting	<p>6(8) P/22/1253/FP Pg 164</p>	In Person (3mins)

		PEDESTRIAN AND VEHICULAR ACCESS WITHIN THE SCHOOL SITE			
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6. PLANNING APPLICATIONS AND MISCELLANEOUS MATTERS INCLUDING AN UPDATE ON PLANNING APPEALS

The committee noted a report by the Director of Planning and Regeneration on the development control matters, including information regarding new appeals and decisions.

(1) P/19/0870/FP - LAND OFF ROOKERY AVENUE WHITELEY

The Committee received the deputation referred to in Minute 5 above.

(Councillor M J Ford, JP was absent from the meeting during this item)

Upon being proposed and seconded, the officer recommendation to grant planning permission, subject to:

- i) The applicant/owner first entering into a planning obligation under Section 106 of the Town and Country Planning Act 1990 on terms drafted by the Solicitor to the Council to secure:
 - a. Financial contributions to provide for satisfactory mitigation of the 'in combination' effects that the increase in residential units on the site would cause through increased recreational disturbance on the Solent and Southampton Water and Portsmouth Harbour Special Protection Areas;
 - b. Hampshire County Council reptile translocation contribution;
 - c. Traffic Regulation Order (TRO) for parking restriction works to junction of site with Rookery Avenue and Shetland Rise;
 - d. The delivery of 40% of the permitted dwellings as a mixture of 12 on-site affordable houses and an off-site financial contribution equivalent to 0.8 of a unit; and
 - ii) The conditions in the report.
- Was voted on and CARRIED.
(Voting: 8 in favour; 0 against)

RESOLVED that, subject to: -

- i) The applicant/owner first entering into a planning obligation under Section 106 of the Town and Country Planning Act 1990 on terms drafted by the Solicitor to the Council to secure:
 - a. Financial contributions to provide for satisfactory mitigation of the 'in combination' effects that the increase in residential units on the site would cause through increased recreational disturbance

on the Solent and Southampton Water and Portsmouth Harbour Special Protection Areas;

- b. Hampshire County Council reptile translocation contribution;
 - c. Traffic Regulation Order (TRO) for parking restriction works to junction of site with Rookery Avenue and Shetland Rise;
 - d. The delivery of 40% of the permitted dwellings as a mixture of 12 on-site affordable houses and an off-site financial contribution equivalent to 0.8 of a unit; and
- ii) The conditions in the report.
PLANNING PERMISSION be granted.

(2) P/21/1780/RM - LAND ADJACENT TO 125 GREENAWAY LANE WARSASH SO31 9HT

The Committee received the deputation referred to in Minute 5 above.

(Councillor M J Ford, JP was absent from the meeting during this item)

The Committee's attention was drawn to the Update Report which contained the following information: -

1.1 additional representation received raising the following queries:

- a. Can the council confirm that a play area will be located on land to the south of Greenaway Lane and on which site?*
- b. Can the council clarify their position on the two junior football pitches as detailed in the draft local plan?*

Officer comment:

- a. The s106 secures a financial contribution towards a play area on land to the south of Greenaway Lane. The location of the play area has not yet been agreed but will be confirmed within the 'scheme of works' required by the s106.*
- b. Policy HA1 of Emerging Local Plan states that 2 junior football pitches will be required within the area allocated for development within policy HA1. Officers can confirm that policy requirements will be sought as part of any future applications relating to land allocated under HA1.*

2. Update to part A of the recommendation to confirm that the pedestrian and cycle routes will also be maintained by the management company:

- A) DELEGATE to the Head of Development Management in consultation with the Solicitor to the Council to complete a legal agreement to ensure:*
 - i) the creation of a management company (funded by a residents' service charge) to maintain and manage the open space,*

- sustainable urban drainage features, pedestrian/cycle routes and ecological corridors in perpetuity;*
- ii) *a mechanism for securing appropriate funding of the management company for the lifetime of the development;*
- iii) *a mechanism for ensuring collection and enforcement of the funding stream provided in ii) above to fund the monitoring and management of the communal areas of the development for the lifetime of the development;*
- iv) *the creation of and retention of an ecological corridor along part of the eastern boundary.*

Upon being proposed and seconded the officer recommendation to grant approval of the reserved matters application and approval of details pursuant to conditions 7, 9(I) and 18 of P/19/0402/OA, subject to: -

- a) DELEGATION be given to the Head of Development Management in consultation with the Solicitor to the Council to complete a legal agreement to ensure:
 - i) the creation of a management company (funded by a residents' service charge) to maintain and manage the open space, sustainable urban drainage features, pedestrian/cycle routes and ecological corridors in perpetuity;
 - ii) a mechanism for securing appropriate funding of the management company for the lifetime of the development;
 - iii) a mechanism for ensuring collection and enforcement of the funding stream provided in ii) above to fund the monitoring and management of the communal areas of the development for the lifetime of the development;
 - iv) the creation and retention of an ecological corridor along part of the eastern boundary; and
 - b) The conditions in the report.
- Was voted on and CARRIED.
(Voting: 8 in favour; 0 against)

RESOLVED that, subject to: -

- a) DELEGATION be given to the Head of Development Management in consultation with the Solicitor to the Council to complete a legal agreement to ensure:
 - i) the creation of a management company (funded by a residents' service charge) to maintain and manage the open space, sustainable urban drainage features, pedestrian/cycle routes and ecological corridors in perpetuity;
 - ii) a mechanism for securing appropriate funding of the management company for the lifetime of the development;

- iii) a mechanism for ensuring collection and enforcement of the funding stream provided in ii) above to fund the monitoring and management of the communal areas of the development for the lifetime of the development;
- iv) the creation and retention of an ecological corridor along part of the eastern boundary; and

b) The conditions in the report.

APPROVAL of RESERVED MATTERS and DETAILS PURSUANT to conditions 7, 9(l) and 18 of P/19/0402/OA be granted.

(3) P/22/1312/FP - 14 MARINERS WAY WARSASH SO31 9FN

The Committee received the deputation referred to in Minute 5 above.

(Councillor M J Ford, JP had joined the meeting at the start of this application and was able to take part in the debate and vote on the application)

The Committee's attention was drawn to the Update Report which contained the following information: -

One further letter of objection has been received in relation to the latest revision, raising the following concerns: -

- *More overbearing and overlooking to all neighbours, and will materially increase the light shadow over us*
- *Affect the harmony of the existing roof lines in this side of Mariners Way making it a visual eyesore for everyone on the street*

Upon being proposed and seconded the Officer recommendation to grant planning permission, subject to the conditions in the report, was voted on and CARRIED.

(Voting: 8 in favour; 1 against)

RESOLVED that, subject to the conditions in the report, PLANNING PERMISSION be granted.

(4) P/19/0437/FP - FAREHAM POINT WICKHAM ROAD PO16 7FN

The Committee's attention was drawn to the Update Report which contained the following information: -

The following conditions has been included as part of the recommendation for Approval:

7) The development hereby permitted shall not commence unless the Council has received the Notice of Purchase in accordance with the legal agreement between FBC, SDNPA and Andrew Sellick of Gawthorpe Estate dated 1 April 2021 in respect of the Credits Linked Land identified in the Nitrates Mitigation Proposals Pack.

REASON: To demonstrate that suitable mitigation has been secured in relation to the effect that nitrates from the development has on the Protected Sites around the Solent.

8) No development shall take place beyond damp proof course (dpc) level until details of how and where Electric Vehicle (EV) charging points will be provided at the following level:

At least one Electric Vehicle (EV) charging point per dwelling with allocated parking provision;

The development shall be carried out in accordance with the approved details with the charging point(s) provided prior to first occupation of dwelling to which it serves.

REASON: To promote sustainable modes of transport, to reduce impacts on air quality arising from the use of motorcars and in the interests of addressing climate change.

Upon being proposed and seconded the officer recommendation to grant planning permission subject to the conditions in the report, and the update report, was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that, subject to the conditions in the report and update report, PLANNING PERMISSION be granted.

(5) P/22/0867/RM - WELBORNE LAND NORTH OF FAREHAM

The Committee received the deputation referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

The following conditions are included as part of the recommendation for Approval:

- 1) *The works hereby approved shall be undertaken within three years from the date of this consent.*

REASON: To allow a reasonable time period for work to start, to comply with Section 91 of the Town and Country Planning Act 1990, and to enable the Council to review the position if a fresh application is made after that time.

- 2) *The development shall be carried out in accordance with the following approved documents:*

- *Drawing WEL-PBF-WM-XX-DR-CH-00010 Revision S4-P10 Reserved Matters Application Redline Boundary*
- *Drawing WEL-PBF-WM-XX-DR-CH-00018 Revision S4-P01 Reserved Matters Application Construction Access Visibility*
- *Drawing WEL-PBF-HB-XX-DR-CD-00101 Revision S4-P01 Septic Tank*
- *Drawing WEL-PBF-WM-XX-DR-CH-00015 Revision S4-P03 Reserved matters Application Construction Compound & Access*

- Drawing WEL-PBF-WM-XX-DR-CH-00001 Revision S4-P13 Engineering Layout Sheet 1 of 8
 - Drawing WEL-PBF-WM-XX-DR-CH-00002 Revision S4-P11 Engineering Layout Sheet 2 of 8
 - Drawing WEL-PBF-WM-XX-DR-CH-00003 Revision S4-P09 Engineering Layout Sheet 3 of 8
 - Drawing WEL-PBF-WM-XX-DR-CH-00004 Revision S4-P10 Engineering Layout Sheet 4 of 8
 - Drawing WEL-PBF-WM-XX-DR-CH-00005 Revision S4-P10 Engineering Layout Sheet 5 of 8
 - Drawing WEL-PBF-WM-XX-DR-CH-00013 Revision S4-P02 Engineering Layout Sheet 6 of 8
 - Drawing WEL-PBF-WM-XX-DR-CH-00014 Revision S4-P06 Engineering Layout Sheet 7 of 8
 - Drawing WEL-PBF-WM-XX-DR-CH-00017 Revision S4-P00 Engineering Sheet 8 of 8
 - Drawing DD557L5-3 Revision C INF2 Landscape Mitigation Area F
 - Drawing DD557L5-2 Revision D INF2 Landscape Mitigation Area C, D & E
 - Drawing DD557L5-1 Revision D INF2 Landscape Mitigation Area A & B
 - REASON: To avoid any doubt over what has been permitted.
- 3) The development shall be undertaken in accordance with the Outline Construction Environmental Management Plan, dated October 2022, prepared by Mayer Brown and its associated appendices.
REASON: To protect the occupiers of nearby residential properties and surrounding ecological features against noise and disturbance during the construction period.
- 4) Notwithstanding the detail within the Construction Environmental Management Plan (CEMP) no work on site relating to the construction of any of the development hereby permitted (including works of demolition or preparation prior to operations) shall take place before the hours of 0800 or after 1800 Monday to Friday, before the hours of 0800 or after 1300 Saturdays or at all on Sundays or recognised bank and public holidays, unless otherwise first agreed in writing with the Local Planning Authority.
REASON: To protect the occupiers of nearby residential properties against noise and disturbance during the construction period.
- 5) Should contamination be encountered during works that has not been investigated or considered in the agreed scheme of remedial measures all work in the affected area must stop immediately. A site investigation, risk assessment and a detailed remedial method statement shall be submitted to and agreed in writing by the Local Planning Authority for the affected area. The remediation shall be fully implemented in accordance with the approved method statement prior to work recommencing in the affected area.
REASON: To protect the on-site workers, future occupants of the site and nearby residential properties.

- 6) *No development shall take place within 50m of trees or hedgerows to be protected as identified in the Arboricultural Method Statement dated September 2022, reference JFA0173INF2 until the measures of tree and hedgerow protection as set out in Appendix JF3 of the same Arboricultural Method Statement have been implemented and these shall be retained throughout the development period until such time as all equipment, machinery and surplus materials have been removed from the site. There shall be no storage of materials, plant or equipment at any time within the areas of tree protection fencing.*

REASON: To ensure that the trees, shrubs and other natural features to be retained are adequately protected from damage to health and stability during the construction period. The details secured by this condition are considered essential to be agreed prior to the commencement of development on the site so that appropriate measures are in place to avoid the potential impacts described above.

- 7) *The new footpath for the diverted Right of Way 87, as shown on Drawing WEL-PBF-WM-XX-DR-CH-00014 Revision S4-P06 Engineering Layout Sheet 7 of 8, shall be constructed and laid out for public use within eight weeks from the commencement of development on any land north of Knowle Road and shall be retained thereafter with the exception of the connection directly adjacent to the A32. Until such time as the path connection directly adjacent to the A32 is provided and is open for public use a banksman shall be in place at the Heytesbury Farm/A32 access to manage any conflict between vehicles and the users of the path as set out in Paragraphs 513-5.15 of the Construction Traffic Management Plan, titled "Use of Traffic Marshalls".*

REASON: In the interest of the public safety during the construction period.

- 8) *The temporary haul roads hereby permitted shall be removed once they are no longer required for this purpose. Once removed the land shall be restored to its former state unless a subsequent permission / permissions have been granted on the land, or unless otherwise agreed in writing with the Local Planning Authority.*

REASON: In the interest of the visual amenities of the area.

Upon being proposed and seconded the officer recommendation to approve the reserved matters and details pursuant to conditions 45 and 56, subject to the conditions in the update report, was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that, subject to the conditions in the update report, APPROVAL for RESERVED MATTERS and DETAILS PURSUANT to conditions 45 and 56 is granted.

(6) P/22/1020/RM - WELBORNE LAND NORTH OF FAREHAM

The Committee received the deputation referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

Consultations:**Lead Local Flood Authority: No Objection**

- Infiltration rates have been provided and the calculations have been updated accordingly.
- Suitable storage is available for the proposals, and evidence has been provided to show that future phases can connect into this system subject to the proposed impermeable area.
- Any extra storage required for future development in addition to that proposed in this application is to be provided as phases are developed.

Recommendation:

The following conditions are included as part of the recommendation for Approval:

- 1) The works hereby approved shall be undertaken within three years from the date of this consent.
REASON: To allow a reasonable time period for work to start, to comply with Section 91 of the Town and Country Planning Act 1990, and to enable the Council to review the position if a fresh application is made after that time.
- 2) The development shall be carried out in accordance with the following approved documents:
 - a) Drawing WEL-PBF-00-XX-DR-CH-00120 Revision S4-P03
"Reserved Matters Application Redline Boundary"
 - b) Drawing WEL-PBF-DW-XX-DR-CH-00101 Revision S4-P04
"Engineering layout sheet 1 of 8"
 - c) Drawing WEL-PBF-DW-XX-DR-CH-00102 Revision S4-P04
"Engineering Layout Sheet 2 of 8"
 - d) Drawing WEL-PBF-DW-XX-DR-CH-00103 Revision S4-P04
"Engineering Layout Sheet 3 of 8"
 - e) Drawing WEL-PBF-CH-XX-DR-CH-00104 Revision S4-P03
"Engineering Layout Sheet 4 of 8"
 - f) Drawing WEL-PBF-CH-XX-DR-CH-00105 Revision S4-P03
"Engineering Layout Sheet 5 of 8"
 - g) Drawing WEL-PBF-CH-XX-DR-CH-00106 Revision S4-P03
"Engineering Layout Sheet 6 of 8"
 - h) Drawing WEL-PBF-HB-XX-DR-CH-00107 Revision S4-P04
"Engineering Layout Sheet 7 of 8"
 - i) Drawing WEL-PBF-HB-XX-DR-CH-00108 Revision S4-P04
"Engineering Layout Sheet 8 of 8"
 - j) Drawing WEL-PBF-00-XX-DR-CH-00130 Revision S4-P03
"Reserved Matters Application Site Compound, Spoil & Tracking"
 - k) Drawing WEL-BBF-00-XX-CD-CH-00151 Revision S4-P02
"Standard Details Highway Details"
 - l) Drawing WEL-PBF-00-CD-CH-00152 Revision S4-P03
"Standard Details Drainage Details"
 - m) Drawing WEL-PBF-00-XX-DR-CH-00131 Revision S4-P01
"Reserved Matters Application Site compounds & Access Visibility"
 - n) Drawing DD557L06 Revision C "INF4 Interim Landscape Proposals"
 - o) Drawing A-200 "Substation Plan and Elevation"

p) Drawing A-201 "Communications Building Plan and Elevation"

REASON: To avoid any doubt over what has been permitted.

- 3) The development shall be undertaken in accordance with the Outline Construction Environmental Management Plan, dated October 2022, prepared by Mayer Brown and its associated appendices.*

REASON: To protect the occupiers of nearby residential properties and surrounding ecological features against noise and disturbance during the construction period.

- 4) Notwithstanding the detail within the Construction Environmental Management Plan (CEMP) no work on site relating to the construction of any of the development hereby permitted (Including works of demolition or preparation prior to operations) shall take place before the hours of 0800 or after 1800 Monday to Friday, before the hours of 0800 or after 1300 Saturdays or at all on Sundays or recognised bank and public holidays, unless otherwise first agreed in writing with the Local Planning Authority.*

REASON: To protect the occupiers of nearby residential properties against noise and disturbance during the construction period.

- 5) No development shall take place in the locations identified in the Omnia Phase 1 Geo-Environmental Site Assessment (Ref: A11744/1.1) until the applicant has submitted to and had approved in writing by the Local Planning Authority an intrusive site investigation and an assessment of the risks posed to human health, and the wider environment including water resources for those specifically targeted areas within the application site. Where the site investigation and risk assessment reveals a risk to receptors, a strategy of remedial measures and detailed method statement to address identified risks shall be part of the submission to the Local Planning Authority. The details shall include the nomination of a competent person to oversee the implementation of the measures.*

REASON: To protect the on site workers, future occupants of the site and nearby residential properties.

- 6) Prior to commencement of the site operations (including works of the site set up and demolition works) in the targeted areas as identified as locations in the Omnia Phase 1 Geo-Environmental Site Assessment (Ref: A11744/1.1) the agreed scheme of remedial measures in condition 5 shall be fully implemented.*

Remedial measures shall first be validated in writing by an independent competent person as agreed with the approved remedial measures under condition 5. The validation shall include (where necessary) photographic evidence and as built drawings.

REASON: To protection the on site workers, future occupants of the site and nearby residential properties.

- 7) Should contamination be encountered during works that has not been investigated or considered in the agreed scheme of remedial measures all work in the affected area must stop immediately. A site investigation, risk assessment and a detailed remedial method statement shall be submitted to and agreed in writing by the Local Planning Authority for*

the affected area. The remediation shall be fully implemented in accordance with the approved method statement prior to work re-commencing in the affected area.

REASON: To protect the on site workers, future occupants of the site and nearby residential properties.

- 8) *No development shall take place within 50m of trees or hedgerows to be protected as identified in the Arboricultural Method Statement dated September 2022, reference JFA0173INF4 until the measures of tree and hedgerow protection as set out in Appendix JF3 of the same Arboricultural Method Statement have been implemented and these shall be retained throughout the development period until such time as all equipment, machinery and surplus materials have been removed from the site. There shall be no storage of materials, plant or equipment at any time within the areas of tree protection fencing.*

REASON: To ensure that the trees, shrubs and other natural features to be retained are protected from damage to health and stability during the construction period. The details secured by this condition are considered essential to be agreed prior to the commencement of development on the site so that appropriate measures are in place to avoid the potential impacts described above.

- 9) *The new footpath for the diverted Right of Way 87, as shown on Drawing WEL-PBF-WM-XX-DR-CH-00014 Revision S4-P06 Engineering Layout Sheet 7 Of 8, shall be constructed and laid out for public use within eight weeks from the commencement of development and shall be retained thereafter with the exception of the connection directly adjacent to the A32. Until such time as the path connection directly adjacent to the A32 is provided and is open for the public use a banksman shall be in place at the Heytesbury Farm/A32 access to manage any conflict between vehicles and the users of the path as set out within Paragraph 5.15 of the Construction Traffic Management Plan, titled "Use of Traffic Marshalls".*

REASON: In the interest of public safety during the construction period.

Upon being proposed and seconded, the officer recommendation to grant reserved matters and approval of details pursuant to conditions 13, 16, 17, 19, 22, 27, 28, 29 and 56, subject to the conditions in the Update Report, was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that, subject to the conditions in the update report, APPROVAL is granted for the RESERVED MATTERS and DETAILS PURSUANT to Conditions 13, 16, 17, 19, 22, 27, 28, 29 and 56.

**(7) P/22/1012/FP - ASSHETON COURT CASTLE STREET
PORTCHESTER PO16 9PT**

The Committee received the deputations referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

Two further comments have been received from members of the public, both of whom had previously commented, raising no new matters.

The applicant has provided a roof plan which has been added to the application file. The list of approved drawings and documents under Condition 2 is therefore proposed to be expanded to include "Proposed Roof Plan – 20-026-0007 P01".

Following discussion with the applicant, suggested Condition 3 a) & b) is proposed to be amended to read (additional wording underlined):

"a) Details of how provision is to be made on site or nearby for the parking and turning of operatives/contractors'/sub-contractors' vehicles and/or construction vehicles

b) The measures the developer will implement to ensure that operatives'/contractors/sub-contractors' vehicles and/or construction vehicles are parking within the planning application site or nearby as identified in the details provided pursuant to a) above."

Upon being proposed and seconded the officer recommendation to grant planning permission, subject to: -

- (i) DELEGATION be given to the Head of Development Management in consultation with the Solicitor to the Council to consider any comments received from Natural England relating to the consultation on the Appropriate Assessment and to make any minor modifications to the proposed conditions, addition of conditions or any other subsequent minor changes arising as a result of Natural England's comments regarding the Appropriate Assessment;
 - (ii) The Conditions in the report; and
 - (iii) The amended Conditions 2 and 3 as set out in the Update Report.
- Was voted on and CARRIED.
(Voting: 9 in favour; 0 against)

RESOLVED that, subject to: -

- (i) DELEGATION be given to the Head of Development Management in consultation with the Solicitor to the Council to consider any comments received from Natural England relating to the consultation on the Appropriate Assessment and to make any minor modifications to the proposed conditions, addition of conditions or any other subsequent minor changes arising as a result of Natural England's comments regarding the Appropriate Assessment;
 - (ii) The Conditions in the report; and
 - (iii) The amended Conditions 2 and 3 as set out in the Update Report.
- PLANNING PERMISSION be granted.

(8) P/22/1253/FP - CAMS HILL SCHOOL SHEARWATER AVENUE

The Committee received the deputation referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

Condition 2 has been amended to include two additional plans which were omitted in error. The condition would read as follows with the additional plan numbers in bold;

2.The development hereby permitted shall be carried out strictly in accordance with the following drawings/documents:

- i)Location Plan S22-049 / DWG / 0001*
 - ii)Proposed Site Plan S22-049 / DWG / 0003*
 - iii)Proposed Layout S22-049 / DWG / 0005*
 - iv)Proposed Layout S22-049/DWG/0006***
 - v)Proposed Drainage S22-049 / DWG / 0007*
 - vi)Proposed Structures S22-049/DWG/0009***
 - vii)Proposed Elevations S22-049 / DWG / 0010*
 - viii)Tree Survey Report and Arboricultural Impact Assessment (ref: JSL4460_770)*
 - ix)Ecological Assessment (RPS, July 2022)*
 - x)Flood Risk Assessment and Drainage Strategy (reference: R-FRA-24796-01-0)*
 - xi)Flood Lighting Calculations (October 2022)*
 - xii)Proposed Floodlights S22-049 /DWG / 0008 Rev 01*
- REASON: To avoid any doubt over what has been permitted.***

Upon being proposed and seconded, the officer recommendation to grant planning permission, subject to the conditions in the report and the amended condition 2 in the update report, was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that, subject to, the conditions in the report and amended condition 2 in the update report, PLANNING PERMISSION be granted.

(9) Planning Appeals

The Committee noted the information in the report.

(10) UPDATE REPORT

The Update Report was circulated prior to the meeting and considered along with the relevant agenda item.

7. LOCAL INFORMATION REQUIREMENTS

The Committee considered a report by the Director of Planning and Regeneration on Local Information Requirements.

RESOLVED that the Members agreed that the proposed changes to Fareham Borough Council's Local Information Requirements are put out for public consultation.

(The meeting started at 1.00 pm
and ended at 4.49 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Planning Committee

(to be confirmed at the next meeting)

Date: Wednesday, 18 January 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor N J Walker (Chairman)

Councillor I Bastable (Vice-Chairman)

Councillors: Miss J Burton, D G Foot, M J Ford, JP, Mrs C L A Hockley,
S Ingram, P Nother and Mrs S M Walker

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies of absence.

2. MINUTES OF PREVIOUS MEETING

RESOLVED that the minutes of the Planning Committee meeting held on 14 December 2022 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements made at this meeting.

4. DECLARATIONS OF INTEREST

In accordance with Standing Orders and the Council's Code of Conduct, Councillor N J Walker and Councillor Mrs S Walker both declared a disclosable pecuniary interest in item 6(6) – Turret House, Hospital Lane as they both own this property.

The left the room for this item and took no part in the debate or vote on the application.

5. DEPUTATIONS

The Committee received a deputation from the following in respect of the applications indicated and were thanked accordingly.

Name	Spokesperson representing the persons listed	Subject	Supporting or Opposing the Application	Item No/ Application No/Page No	Dep Type
ZONE 1					
ZONE 2 – 2.30pm					
Mr Peter Davies		94 HIGHLANDS ROAD FAREHAM PO15 6JE – CONSTRUCTION OF AN APARTMENT BLOCK CONTAINING 8 FLATS FOLLOWING THE DEMOLITION OF EXISTING DWELLING, WITH VEHICULAR ACCESS FROM	Opposing	6 (1) P/21/1157/FP Pg 23	Written

		FAREHAM PARK ROAD			
Mr Clive Addis		-DITTO-	-Ditto-	-Ditto-	Written
Mr Jamie Braha (Agent)		-DITTO-	Supporting	-Ditto-	In Person (3 mins)
Mr Bob Marshall	The Fareham Society	ADMIRAL HOUSE & NICHOLSON GATE HIGH STREET FAREHAM – DEMOLITION OF EXISTING BUILDINGS AND ERECTION OF A 75-BEDROOM CARE HOME IN C2 USE, WITH ASSOCIATED CAR PARKING, LANDSCAPING AND ACCESS	Opposing	6 (3) P/22/0709/FP Pg 52	In Person (3 mins)
Mr Richard Yorke		-DITTO-	-Ditto-	-Ditto-	Written
Mr Douglas Bond (Agent)		-DITTO-	Supporting	-Ditto-	In Person
ZONE 3 – 3.30pm					
Ms Cheryl Spencer		LAND AT THE DOWNSWAY REAR OF 79-85 WEST STREET PORTCHESTER – CONSTRUCTION OF 2 X THREE BEDROOM HOUSES	Opposing	6 (4) P/22/0268/FP Pg 82	Written
Mr Andrew Dunn		-DITTO-	-Ditto-	-Ditto-	In Person
Mr Robert Tutton (Agent)		-DITTO-	Supporting	-Ditto-	In Person
Mr Robert Tutton (Agent)		85 HILL HEAD ROAD FAREHAM PO14 3JP – REMODEL OF INTERNAL LAYOUT TO GROUND FLOOR INCLUDING NEW FACING MATERIALS, FIRST FLOOR EXTENSION TO THE NORTH AND BALCONY TO	Supporting	6 (5) P/22/1116/FP Pg 98	In Person

		THE SOUTH. EXISTING FIRST FLOOR ROOF TO BE RAISED WITH NEW FEATURE WINDOW TO THE EAST. NEW EXTERNAL WINDOWS AND DOORS THROUGHOUT. ASSOCIATED LANDSCAPING INCLUDING NEW ACCESS GATE, BOUNDARY WALL, ANCILLARY SINGLE STOREY STORE TO THE WEST AND SAUNA POD TO THE NORTH			
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6. PLANNING APPLICATIONS AND MISCELLANEOUS MATTERS INCLUDING AN UPDATE ON PLANNING APPEALS

The Committee noted a report by the Director of Planning and Regeneration on the development control matters, including information regarding new appeals and decisions.

(1) P/21/1157/FP - 94 HIGHLANDS ROAD FAREHAM PO156JE

The Committee received the deputations referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

After further consideration of the committee report Paragraph 8.29 has been superseded with the following:

The applicant has purchased 6.36kgTN/yr of nitrate mitigation 'credits' from Whitewool Farm. This has been secured through the operation of a legal agreement between Whitewool Farm, South Downs National Park Authority and Fareham Borough Council dated 3rd November 2021. The creation of a managed wetland at Whitewool Farm is removing nitrates from the River Meon and therefore providing a corresponding reduction in nitrogen entering the Solent marine environment. The purchase of credits has the effect of allocating a proportion of this reduction in nitrates to this development, meaning that the scheme can demonstrate nutrient neutrality.

Two additional conditions have also been included which is as follows:

15) No development shall take place until the Council has received evidence that the required nitrate mitigation capacity has been allocated to the development pursuant to the allocation agreement dated 5th May 2022 between (1) William Northcroft Butler and James Nicholas Butler (2) HN Butler Farms Limited and (3) Fitim Ferati.

REASON: To demonstrate that suitable mitigation has been secured in relation to the effect that nitrates from the development has on European protected sites.

16) The second floor rooflights proposed to be inserted into the eastern elevation of the approved development shall be:

a) Of a non-opening design and construction to a height of 1.7 metres above internal finished floor level;

and shall thereafter be retained in that condition at all times.

REASON: To prevent overlooking and to protect the privacy of the occupiers of the adjacent property.

Upon being proposed and seconded the officer recommendation to: -

(i) Delegate authority to the Head of Development Management to:

(a) Make any necessary modification, deletion or addition to the proposed conditions; and

(b) Make any necessary changes arising out of the detailed negotiations with the applicant which may necessitate the variation, addition, or deletion of the conditions and heads of terms as drafted to ensure consistency between the two sets of provisions;

(ii) Grant planning permission, subject to

(a) The conditions in the report; and

(b) The additional conditions in the Update Report.

(iii) The additional conditions in the Update Report

Was voted on and CARRIED.

(Voting: 8 in favour; 1 against)

RESOLVED that: -

(i) AUTHORITY BE DELEGATED to the Head of Development to:

(a) Make any necessary modification, deletion or addition to the proposed conditions; and

(b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition, or deletion of the conditions and heads of terms as drafted to ensure consistency between the two sets of provisions;

(ii) PLANNING PERMISSION be granted, subject to:-

- (a) The conditions in the report; and
- (b) The conditions in the Update Report.

(2) P/21/1398/FP - 58 ALEXANDER GROVE FAREHAM PO16 0TX

Upon being proposed and seconded the officer recommendation to: -

- (i) Delegate authority to the Head of Development Management to make any necessary modification, deletion or addition to the proposed conditions; and
 - (ii) Grant planning permission subject to the conditions in the report.
- Was voted on and CARRIED.
(Voting: 9 in favour; 0 against)

RESOLVED that: -

- (i) AUTHORITY be delegated to the Head of Development Management to make any necessary modification, deletion or addition to the proposed conditions; and
- (ii) PLANNING PERMISSION be granted, subject to the conditions in the report.

(3) P/22/0709/FP - ADMIRAL HOUSE & NICHOLSON GATE HIGH STREET PO16 7BQ

The Committee received the deputations referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

*Correction of typographic errors: Paragraph 8.8 should state 'mainstream' rather than mainsteam. Paragraph 8.12 should state, 'due to the age **of the building** and is of some architectural merit'.*

Correction of error regarding Habitat Regs in the Informative, which should read:

Bats and their roosts receive strict legal protection under the Wildlife and Countryside Act 1981 (as amended) and The Conservation of Habitats and Species Regulations 2017 (as amended). All work must stop immediately if bats, or evidence of bat presence (e.g. droppings, bat carcasses or insect remains), are encountered at any point during this development. Should this occur, further advice should be sought from Natural England and/or a professional licenced ecologist.

The Committee requested that an informative be added to the decision notice requesting that where possible materials from Admiral House be salvaged and be made available for use within the local area.

Upon being proposed and seconded the officer recommendation to: -

- (i) DELEGATE authority to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions; and
 - (b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition or deletion of the conditions as drafted to ensure consistency between the two sets of provisions;
- (ii) GRANT planning permission subject to the conditions in the report; and
- (iii) ADD an informative to the decision notice requesting that the applicant use all reasonable endeavours to ensure that all good roof tiles and bricks from the original part of Admiral House, are sympathetically salvaged and made available for re-use in building projects elsewhere.

Was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that: -

- (i) AUTHORITY be delegated to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions; and
 - (b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition or deletion of the conditions as drafted to ensure consistency between the two sets of provisions;
- (ii) PLANNING PERMISSION be granted subject to the conditions in the report; and
- (iii) An INFORMATIVE be added to the decision notice requesting that the applicant use all reasonable endeavours to ensure that all good roof tiles and bricks from the original part of Admiral House, are sympathetically salvaged and made available to re-use in building projects elsewhere.

(4) P/22/0268/FP - LAND AT THE DOWNSWAY REAR OF 79-85 WEST STREET PORTCHESTER

The Committee received the deputations referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

Following receipt of amended plans paragraph 8.12 has been superseded with the following:

8.12 Amended plans have been received which show a significantly smaller dormer with a pitched roof design. It is considered that the revised dormer has a more modest design and would meet the requirements for dormers set out in the adopted Design Guidance.

Condition 2 has been amended to reflect the changes to the amended plans:

2. The development shall be carried out in accordance with the following approved documents:

- a) Site and Location Plans May 20201 Drawing No: 01 12th January 2022*
- b) Proposed 2No. Three Bedroom Houses Drawing No: 02 12th January 2022*
- c) Transport Assessment – August 2021*

REASON: To avoid any doubt over what has been permitted.

A verbal update was provided at the meeting by the Planning Case Officer recommending that an additional condition be imposed requiring that the car parking shown on the proposed plans is laid out and made available before the houses are first occupied and thereafter retained and kept available for parking of vehicles at all times.

Upon being proposed and seconded the officer recommendation to: -

(i) DELEGATE authority to the Head of Development Management to:

- (a) Make any necessary modification, deletion or addition to the proposed conditions; and
- (b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition, or deletion of the conditions and heads of terms as drafted to ensure consistency between the two sets of provisions;

(ii) GRANT PLANNING PERMISSION, subject to:-

- (a) The conditions in the report;
- (b) The amended condition 2 in the Update Report; and
- (c) An additional condition requiring that the car parking shown on the proposed plans is laid out and made available before the houses are first occupied and thereafter retained and kept available for parking of vehicles at all times.

(iii) The amended condition 2 in the Update Report.

Was voted on and CARRIED.

(Voting: 8 in favour; 1 against)

RESOLVED that: -

- (i) AUTHORITY be delegated to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions; and
 - (b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition, or deletion of the conditions and heads of terms as drafted to ensure consistency between the two sets of provisions;
- (ii) PLANNING PERMISSION be granted, subject to:-
 - (a) The conditions in the report; and
 - (b) The amended condition 2 in the Update Report; and
 - (c) An additional condition requiring the car parking shown on the proposed plans is laid out and made available before the houses are first occupied and thereafter retained and kept available for parking of vehicles at all times.

(5) P/22/1116/FP - 85 HILL HEAD ROAD FAREHAM PO14 3JP

The Committee received the deputation referred to in Minute 5 above.

Upon being proposed and seconded the officer recommendation to grant planning permission, was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that, subject to the conditions in the report, PLANNING PERMISSION be granted.

(6) P/22/1702/FP - TURRET HOUSE HOSPITAL LANE PORTCHESTER PO16 9LT

The Chairman, Councillor N J Walker and Councillor Mrs S Walker both declared a disclosable pecuniary interest in this item as they are the owners of the property. They both left the room at the start of this item and took no part in the debate or vote on the application.

The Vice-Chairman, Councillor I Bastable chaired the meeting for this item in the absence of the Chairman.

Upon being proposed and seconded the officer recommendation to: -

- (i) DELEGATE authority to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions; and

- (b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition or deletion of the conditions as drafted to ensure consistency between the two sets of provisions; and

- (ii) GRANT PLANNING PERMISSION subject to the conditions in the report.

Was voted on and CARRIED.

(Voting: 7 in favour; 0 against)

RESOLVED that: -

- (i) AUTHORITY be delegated to the Head of Development Management to:

- (a) Make any necessary modification, deletion or addition to the proposed conditions; and

- (b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition or deletion of the conditions as drafted to ensure consistency between the two sets of provisions; and

- (ii) PLANNING PERMISSION be granted subject to the conditions in the report.

(7) Planning Appeals

The Committee noted the information in the report.

(8) UPDATE REPORT

The Update Report was circulated prior to the meeting and considered along with the relevant agenda item.

(The meeting started at 2.30 pm
and ended at 4.27 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Planning Committee

(to be confirmed at the next meeting)

Date: Wednesday, 25 January 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor N J Walker (Chairman)

Councillor I Bastable (Vice-Chairman)

Councillors: Miss J Burton, D G Foot, M J Ford, JP, Mrs C L A Hockley,
P Nother and Mrs S M Walker

**Also
Present:**



1. APOLOGIES FOR ABSENCE

Apologies of absence were received from Councillor S Ingram.

2. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements made at this meeting.

3. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

4. DEPUTATIONS

The Committee received a deputation from the following in respect of the applications indicated and were thanked accordingly.

Name	Spokesperson representing the persons listed	Subject	Supporting or Opposing the Application	Item No/ Application No/Page No	Dep Type
ZONE 1 – 2.30pm					
Ms Tamsin Dickinson		LAND NORTH OF GREENAWAY LANE – OUTLINE PLANNING APPLICATION WITH ALL MATERS RESERVED (EXCEPT FOR ACCESS) FOR RESIDENTIAL DEVELOPMENT OF UP TO 6 SELF-BUILD DWELLINGS, ASSOCIATED LANDSCAPING & ACCESS FROM GREENAWAY LANE	Opposing	6(1) P/20/0730/OA Pg 17	Written
Mr Rob Megginson		-DITTO-	-Ditto-	-Ditto-	In Person
Mr John Boardman (Agent)		-DITTO-	Supporting	-Ditto-	In Person
ZONE 3 – 4.00pm					

Mrs Iris Grist		CAMS BRIDGE – LAND TO THE NORTH OF THE THICKET – RESERVED MATTERS PLANNING APPLICATION FOR THE APPEARANCE, SCALE AND LAYOUT OF THE IMPROVEMENTS TO CAMS BRIDGE AND THE APPROACHES TO ENABLE USE BY PEDESTRIANS AND CYCLISTS, VEHICLE ACCESS FOR VEHICLES ASSOCIATED WITH RAILWAY MAINTENANCE, LIGHTING, RAISING THE BRIDGE PARAPETS, BOLLARDS, RE- SURFACING AND THE LANDSCAPING OF THE SITE, PURSUANT TO OUTLINE PLANNING PERMISSION P/18/0001/OA	Opposing	6(4) P/21/0741/RM Pg 84	Written
Mr Will Cobley (Agent)		-DITTO-	Supporting	-Ditto-	In Person
Mr Bob Marshall	The Fareham Society	LAND EAST OF DOWNEND ROAD – PHASE ONE: APPLICATION FOR THE APPROVAL OF ALL OUTSTANDING RESERVED MATTERS FOR THE ERECTION OF 180 RESIDENTIAL DWELLINGS WITH ASSOCIATED INTERNAL ACCESS ARRANGEMENTS, PARKING, LANDSCAPING, OPEN SPACE AND	Opposing	6(5) P/21/2048/RM Pg 93	In Person

		ANCILLARY INFRASTRUCTURE WORKS (PHASE ONE PURSUANT TO OUTLINE CONSENT P/20/0912/OA)			
Ms Hannah Anderson		-DITTO-	-Ditto-	-Ditto-	Written
Ms Anne Brierley (Possibly)		-DITTO-	-Ditto-	-Ditto-	In Person
Mr Will Cobley (Agent)		-DITTO-	Supporting	-Ditto-	In Person

5. FIVE YEAR HOUSING LAND SUPPLY POSITION

The Committee considered a report by the Director of Planning and Regeneration which provided an update on the Council's Five Year Housing Land Supply Position.

RESOLVED that the Committee noted: -

- (i) The content of the report including the current 5-Year Housing Land Supply Position; and
- (ii) That the 5-Year Housing Land Supply Position set out in the attached report (which will be updated regularly as appropriate) is a material consideration in the determination of planning applications for residential development.

6. PLANNING APPLICATIONS AND MISCELLANEOUS MATTERS INCLUDING AN UPDATE ON PLANNING APPEALS

The Committee noted a report by the Director of Planning and Regeneration on the development control matters, including information regarding new appeals and decisions.

(1) P/20/0730/OA - LAND NORTH OF GREENAWAY LANE WARSASH

The Committee received the deputations referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

An additional representation has been received from a member of the public. In addition to previous concerns raised regarding the access onto the Greenaway Lane which has been addressed in section (f) of the committee report, concerns have also been raised regarding the ownership of land to the north of the site which will provide an ecological buffer. Should permission be granted, a legal agreement will be secured between the landowners to secure the retention and management of this piece of land. The legal agreement will

detail that the land will be managed by either Fareham Borough Council in the event that the open space for the application to the north is also transferred. Alternatively, the area will be managed and maintained by a private management company funded by a resident's service fee.

Comments have been received from Natural England and they raise no objection to the proposal subject to appropriate mitigation being secured.

Additionally, Conditions 2 and 3 have been amended to the following:

2. Application for approval of reserved matters shall be made to the Local Planning Authority before the expiration of three years from the date of this permission.

REASON: To comply with the procedures set out in Section 91 of the Town and Country Planning Act 1990.

3. The development hereby permitted shall be begun before the expiration of three years from the date of this permission, or before the expiration of two years from the date of approval of the last of the reserved matters to be approved, whichever is the later.

REASON: To allow a reasonable time period for work to start, to comply with Section 91 of the Town and Country Planning Act 1990, and to enable the Council to review the position if a fresh application is made after that time.

Upon being proposed and seconded the officer recommendation, subject to: -

- (i) The applicant/owner first entering into a planning obligation pursuant to Section 106 of the Town and Country Planning Act 1990 on terms drafted by the Solicitor to the Council in respect of the following:
 - a) To secure the preparation and provision of the off-site ecology area;
 - b) To secure the provision of an Ecological Management and Enhancement Plan;
 - c) To secure the necessary commuted maintenance sums prior to adoption of the ecology off site area by the Council; or
 - d) In the event that the Council does not adopt the delivered off site ecology area, then the creation of a management company to maintain the area in perpetuity including details of how that management company would be funded to ensure the management and maintenance of the area in perpetuity;
 - e) Mechanism for securing appropriate funding of the management company for the lifetime of the development;
 - f) Mechanism for ensuring collection and enforcement of the funding stream provided in d) above to fund the management of the ecological area for the lifetime of the development;
 - g) A financial contribution to secure satisfactory mitigation of the 'in combination' effects that the increase in residential units on the site would cause through increased recreational disturbance on the Solent Coastal Special Protection Areas;
 - h) A financial contribution to secure satisfactory mitigation of the 'in combination' effects that the increase in residential units on the

- site would cause through increased recreational disturbance on the New Forest Special Protection Areas;
- i) Commuted sums towards management of any trees within the off site ecological area in the event that the public spaces are adopted by the Council; and
- (ii) DELEGATION of authority be given to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions of heads of terms for the section 106 legal agreement; and
 - (b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition or deletion of the conditions and heads of terms as drafted to ensure consistency between the two sets of provisions;
- (iii) GRANT outline planning permission, subject to: -
 - (a) The conditions in the report; and
 - (b) The amended conditions 2 and 3 as set out in the Update Report.

Was voted on and CARRIED.

(Voting: 7 in favour; 1 against)

RESOLVED that, subject to: -

- (i) The applicant/owner first entering into a planning obligation pursuant to Section 106 of the Town and Country Planning Act 1990 on terms drafted by the Solicitor to the Council in respect of the following:
 - (a) To secure the preparation and provision of the off-site ecology area;
 - (b) To secure the provision of an Ecological Management and Enhancement Plan;
 - (c) To secure the necessary commuted maintenance sums prior to adoption of the ecology off site area by the Council; or
 - (d) In the event that the Council does not adopt the delivered off site ecology area, then the creation of a management company to maintain the area in perpetuity including details of how that management company would be funded to ensure the management and maintenance of the area in perpetuity;
 - (e) Mechanism for securing appropriate funding of the management company for the lifetime of the development;
 - (f) Mechanism for ensuring collection and enforcement of the funding stream provided in d) above to fund the management of the ecological area for the lifetime of the development;
 - (g) A financial contribution to secure satisfactory mitigation of the 'in combination' effects that the increase in residential units on the site would cause through increased recreational disturbance on the Solent Coastal Special Protection Areas;

- (h) A financial contribution to secure satisfactory mitigation of the 'in combination' effects that the increase in residential units on the site would cause through increased recreational disturbance on the New Forest Special Protection Areas;
 - (i) Commuted sums towards management of any trees within the off site ecological area in the event that the public spaces are adopted by the Council; and
- (ii) DELEGATION of authority be given to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions of heads of terms for the section 106 legal agreement; and
 - (b) Make any necessary changes arising out of detailed negotiations with the applicant which may necessitate the variation, addition or deletion of the conditions and heads of terms as drafted to ensure consistency between the two sets of provisions;
- (iii) OUTLINE PLANNING PERMISSION be granted, subject to: -
 - (a) The conditions in the report; and
 - (b) The amended conditions 2 and 3 as set out in the Update Report.

(2) P/22/0630/FP - LAND TO REAR OF 248-250 BOTLEY ROAD BURRIDGE SO31 1BL

Upon being proposed and seconded the officer recommendation, subject to: -

- (i) Authority be DELEGATED being given to the Head of Development Management to make any necessary modification, deletion or addition to the proposed conditions; and
- (ii) GRANT planning permission, subject to:-
 - (a) The conditions in the report.

Was voted on and CARRIED.

(Voting: 6 in favour; 2 against)

RESOLVED that: -

- (i) Authority be DELEGATED to the Head of Development Management to make any necessary modification, deletion or addition to the proposed conditions; and
- (ii) PLANNING PERMISSION be granted, subject to:-
 - (a) The conditions in the report.

(3) P/22/1084/FP - 33 LODGE ROAD LOCKS HEATH SO31 6QY

Upon being proposed and seconded the officer recommendation to: -

- (i) DELEGATE authority to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions; and
 - (b) In consultation with the Solicitor to the Council, consider any comments received from Natural England relating to the consultation on the Appropriate Assessment and to make any minor modifications to the proposed conditions, addition of conditions, or any other subsequent minor changes arising;
- (ii) GRANT planning permission, subject to:-
 - (a) Receipt of the appropriate contributions to address the likely significant effect of the development on Habitat Sites (Solent & New Forest) in terms of recreational disturbance in accordance with the SRMS and the Councils Interim Mitigation Solution; and

- (b) The conditions in the report;

Was voted on and CARRIED.

(Voting: 8 in favour; 0 against)

RESOLVED that: -

- (i) DELEGATION of authority be given to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions; and
 - (b) In consultation with the Solicitor to the Council, consider any comments received from Natural England relating to the consultation on the Appropriate Assessment and to make any minor modifications to the proposed conditions, addition of conditions, or any other subsequent minor changes arising;
- (ii) PLANNING PERMISSION be granted, subject to:-
 - (a) Receipt of the appropriate contributions to address the likely significant effect of the development on Habitat Sites (Solent & New Forest) in terms of recreational disturbance in accordance with the SRMS and the Councils Interim Mitigation Solution; and

- (b) The conditions in the report;

PLANNING PERMISSION be granted.

(4) P/21/0741/RM - CAMS BRIDGE - LAND TO NORTH OF THE THICKET

The Committee received the deputations referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

Paragraph 9.2 of the Officer report to the Planning Committee recommends approval be granted subject to a) receipt of an acceptable amended Landscape Boundary Treatment Strategy plan and b) a list of planning conditions.

The applicant has submitted an amended Landscape Boundary Treatment Strategy plan which Officers consider to be acceptable. The plan shows infill shrub planting at two areas just south of the bridge on both sides. A shrub schedule has been provided with two evergreen species, wild privet and leylandii, to match the existing hedgerows. Three additional gaps of infill shrub planting are also proposed further south along the eastern boundary. These will be filled with species selected from the native hedgerow mix.

The submitted plan satisfies part a) of the Officer recommendation.

Suggested condition 1 should be amended to clarify that the approved Landscape Boundary Treatment Strategy is drawing number TOR-xx-xx-P-L-92-001 Revision D.

Upon being proposed and seconded the officer recommendation to: -

- (i) DELEGATE authority to the Head of Development Management to:
 - (a) Make any necessary modification, deletion or addition to the proposed conditions;
- (ii) Reserved matters and details pursuant to conditions 2 & 3 of the outline planning permission reference P/18/0001/OA be APPROVED, subject to:-
 - (a) The conditions in the report;
 - (b) Condition 1 being amended as per the Update Report;
 - (c) Subject to receipt of a satisfactory amended boundary treatment plan, showing the gap at the northern end of the party boundary between 2 The Pines and the application site being filled by an improved boundary treatment (such as a 1.8 metre high fence with evergreen planting on its east side to tie in with existing planting);
 - (d) An additional condition requiring the installation of the bollards within one month of the commencement of development, or as otherwise agreed in writing with the Local Planning Authority, and thereafter retained at all times; and

- (e) An informative be placed on the decision notice requesting that the developer investigate additional measures which can be installed on the pedestrian/ cycle access, to prevent its potential use by motorcycles and increase safety for pedestrians and cyclists.

Was voted on and carried.

(Voting: 8 in favour; 0 against)

RESOLVED that, subject to: -

- (i) DELEGATION of authority being given to the Head of Development Management to:

- (a) Make any necessary modification, deletion or addition to the proposed conditions;

- (ii) Reserved matters and details pursuant to conditions 2 & 3 of the outline planning permission reference P/18/0001/OA be APPROVED, subject to: -

- (a) The conditions in the report;

- (b) Condition 1 being amended as per the Update Report;

- (c) Subject to the receipt of a satisfactory amended boundary treatment plan, showing the gap at the northern end of the party boundary between 2 The Pines and the application site being filled by an improved boundary treatment (such as a 1.8 metre high fence with evergreen planting on its east side to tie in with existing planting);

- (d) An additional condition requiring the installation of the bollards within one month of the commencement of development, or as otherwise agreed in writing with the Local Planning Authority, and thereafter retained at all times; and

- (e) An informative be placed on the decision notice requesting that the developer investigated additional measures which can be installed on the pedestrian / cycle access, to prevent its potential use by motorcycles and increase safety for pedestrians and cyclists.

(5) P/21/2048/RM - LAND TO THE EAST OF DOWNEND ROAD PORTCHESTER PO16 8TS

The Committee received the deputations referred to in Minute 5 above.

The Committee's attention was drawn to the Update Report which contained the following information: -

Final comments have been received from Fareham Housing as follows:

“The applicant is proposing 180 units for phase 1, with 40% affordable housing – 72 units, split 65% rent (47 units) and 35% shared ownership (25 units). This all accords with the Unilateral undertaking.

Affordable rent

1 more 3 bed unit and 1 less 4 bed unit is proposed compared to the unilateral undertaking.

Shared Ownership

More 1 bed units and less 3 bed units are proposed compared to the unilateral undertaking (discrepancy in 2 bed figures due to rounding).

On the basis that the percentages in the unilateral undertaking will be met when combining phase 1 & phase 2 then the above is acceptable to Fareham Housing. I would reiterate that the applicant may want to discuss with an affordable housing registered provider.

The distribution of the affordable housing units has evolved following numerous discussions. I am satisfied that the changes made by the applicant have improved the distribution and integration of the affordable housing units on this site.”

The full list of approved drawings/documents to be included in condition 1 is as follows:

- 1. Arboricultural Impact Assessment and Method Statement (ref. MILL21118-03 RMA1 Rev B)*
- 2. Updated Ecology Report by Ecosupport (May 2022)*
- 3. Noise and Vibration Assessment by Dice Environmental (November 2022)*
- 4. Refuse vehicle tracking (ref. 091.5013.0216 Rev D)*
- 5. Fire tender tracking (ref. 091.5013.0216 Rev D)*
- 6. Junction and forward visibility splays (ref. 091.5013.0218 Rev D)*
- 7. Extent of adoption (ref. 091.5013.0219 Rev B)*
- 8. Temporary Access Road to Existing Garage Area North of Cams Bridge (ref. 091.0013.003 Rev A)*
- 9. Drainage Technical Note 091.5013/DTN/2 DTN*
- 10. Appendix A to Drainage Technical Note 091.5013/DTN/2*
- 11. Appendix B to Drainage Technical Note 091.5013/DTN/2*
- 12. Appendix C to Drainage Technical Note 091.5013/DTN/2*
- 13. Appendix D to Drainage Technical Note 091.5013/DTN/2*
- 14. Appendix E to Drainage Technical Note 091.5013/DTN/2*
- 15. Planning layout (ref. P1693.01 Rev ZG)*
- 16. Materials layout (ref. P1693.02 Rev P)*
- 17. Heights layout (ref. P1693.03 Rev P)*
- 18. Tenure layout (ref. P1693.04 Rev V)*
- 19. Parking layout (ref. P1693.05 Rev Q)*
- 20. Refuse layout (ref. P1693.06 Rev N)*
- 21. Enclosures layout (ref. P1693.07 Rev N)*
- 22. Location plan (ref. P1693.08 Rev D)*
- 23. Parcel plan (ref. P1693.09)*
- 24. Garden dimension layout (ref. P1693.10 Rev M)*
- 25. Amenity space layout (ref. P1693.11 Rev A)*

26. *Ownership & management plan (ref. P1693.12 Rev A)*
27. *Type 2 Plans & elevations – Style 2 Brick (ref. P1693.2.01 Rev B)*
28. *Type 2 Plans & elevations – Style 4 Brick (ref. P1693.2.02 Rev E)*
29. *Type 2 Plans & elevations – Style 2 Brick (ref. P1693.2.08)*
30. *Type 3 Plans & elevations – Style 2 Brick (ref. P1693.3.01 Rev B)*
31. *Type 3 Plans & elevations – Style 4 Brick (ref. P1693.3.02 Rev F)*
32. *Type 3 Plans & elevations – Style 4 Brick (ref. P1693.3.04 Rev A)*
33. *Type 3 Plans & elevations – Style 4 Brick (ref. P1693.3.05 Rev A)*
34. *Type 4 Floor roof plans – Style 4 (ref. P1693.4.01 Rev C)*
35. *Type 4 Elevations – Style 4 Brick (ref. P1693.4.02 Rev C)*
36. *Type AN Plans & elevations – Style 4 Brick (ref. P1693.AN.01)*
37. *Type AN Plans & elevations – Style 3 Brick (ref. P1693.AN.02 Rev A)*
38. *Type BR Floor & roof plans – Style 1 (ref. P1693.BR.01 Rev B)*
39. *Type BR Elevations – Style 1 Brick (ref. P1693.BR.02 Rev B)*
40. *Type BR Elevations – Style 1 Tile (ref. P1693.BR.03 Rev A)*
41. *Type BR Floor & roof plans – Style 4 (ref. P1693.BR.08 Rev A)*
42. *Type BR Elevations – Style 4 Painted Brick (ref. P1693.BR.09 Rev A)*
43. *Type CA Floor & roof plans – Style 3 (ref. P1693.CA.01 Rev F) Rev E*
44. *Type CA Elevations – Style 3 Brick (ref. P1693.CA.02 Rev F) Rev E*
45. *Type CA Elevations – Style 3 Board (ref. P1693.CA.03 Rev D) Rev C*
46. *Type CA1 Floor & roof plans – Style 1 (ref. P1693.CA1.01 Rev B)*
47. *Type CA1 Elevations – Style 1 Brick (ref. P1693.CA1.02 Rev B)*
48. *Type CA1 Elevations – Style 1 Tile (ref. P1693.CA1.03 Rev A)*
49. *Type CA1 Floor & roof plans – Style 2 (ref. P1693.CA1.04 Rev B)*
50. *Type CA1 Elevations – Style 2 Tile (ref. P1693.CA1.05 Rev B)*
51. *Type CA1 Floor & roof plans – Style 4 (ref. P1693.CA1.06 Rev C)*
52. *Type CA1 Elevations – Style 4 Brick (ref. P1693.CA1.07 Rev C)*
53. *Type CA1 Floor & roof plans – Style 4 (ref. P1693.CA1.08)*
54. *Type CA1 Elevations – Style 4 Painted (ref. P1693.CA1.09)*
55. *Type FA Floor & roof plans – Style 3 (ref. P1693.FA.01 Rev C)*
56. *Type FA Elevations – Style 3 Brick (ref. P1693.FA.02 Rev C)*
57. *Type FA Elevations – Style 3 Board (ref. P1693.FA.03 Rev B)*
58. *Type FA1 Floor & roof plans – Style 1 (ref. P1693.FA1.01 Rev B)*
59. *Type FA1 Elevations – Style 1 Brick (ref. P1693.FA1.02 Rev B)*
60. *Type FA1 Floor & roof plans – Style 4 (ref. P1693.FA1.05 Rev A)*
61. *Type FA1 Elevations – Style 4 Brick (ref. P1693.FA1.06 Rev A)*
62. *Type GD1 Floor & roof plans – Style 3 (ref. P1693.GD1.01 Rev B)*
63. *Type GD1 Elevations – Style 3 Brick (ref. P1693.GD1.02 Rev C)*
64. *Type GM Floor & roof plans – Style 1 (ref. P1693.GM.01 Rev A)*
65. *Type GM Elevations – Style 1 Brick (ref. P1693.GM.02 Rev A)*
66. *Type GM Floor & roof plans – Style 2 (ref. P1693.GM.03 Rev A)*
67. *Type GM Elevations – Style 2 Brick (ref. P1693.GM.04 Rev A)*
68. *Type HA Plans & elevations – Style 4 Brick (ref. P1693.HA.01 Rev G)*
69. *Type HA Plans & elevations – Style 2 Brick (ref. P1693.HA.02 Rev C)*
70. *Type HA Plans & elevations – Style 4 Brick (ref. P1693.HA.03 Rev E)*
71. *Type HM Floor & roof plans – Style 1 (ref. P1693.HM.01 Rev C)*
72. *Type HM Elevations – Style 1 Brick (ref. P1693.HM.02 Rev C)*
73. *Type HM Floor & roof plans – Style 4 (ref. P1693.HM.03 Rev A)*

74. Type HM Elevations – Style 4 Brick (ref. P1693.HM.04 Rev A)
75. Type HU Floor & roof plans – Style 1 (ref. P1693.HU.01 Rev A)
76. Type HU Elevations – Style 1 Brick (ref. P1693.HU.02 Rev A)
77. Type HU Floor & roof plans – Style 2 (ref. P1693.HU.03 Rev B)
78. Type HU Elevations – Style 2 Brick (ref. P1693.HU.04 Rev B)
79. Type HU Floor & roof plans – Style 3 (ref. P1693.HU.05 Rev B)
80. Type HU Elevations – Style 3 Brick (ref. P1693.HU.06 Rev B)
81. Type HU Floor & roof plans – Style 4 (ref. P1693.HU.07 Rev D)
82. Type HU Elevations – Style 4 Brick (ref. P1693.HU.08 Rev D)
83. Type HU1 Floor & roof plans – Style 3 (ref. P1693.HU1.01 Rev A)
84. Type HU1 Elevations – Style 3 Board (ref. P1693.HU1.02 Rev A)
85. Type HU1 Floor & roof plans – Style 4 (ref. P1693.HU1.03)
86. Type HU1 Elevations – Style 4 Brick (ref. P1693.HU1.04)
87. Type HU3 Floor & roof plans – Style 4 (ref. P1693.HU1.03 Rev C)
88. Type HU3 Elevations – Style 4 Painted (ref. P1693.HU3.02 Rev C)
89. Type PS Floor & roof plans – Style 2 (ref. P1693.PS.01 Rev C)
90. Type PS Elevations – Style 2 Brick (ref. P1693.PS.02 Rev C)
91. Type PS Floor & roof plans – Style 3 (ref. P1693.PS.03 Rev D)
92. Type PS Elevations – Style 3 Brick (ref. P1693.PS.04 Rev D)
93. Type PS Floor & roof plans – Style 4 (ref. P1693.PS.05 Rev D)
94. Type PS Elevations – Style 4 Brick (ref. P1693.PS.06 Rev D)
95. Type WA Floor & roof plans – Style 1 (ref. P1693.WA.01 Rev C)
96. Type WA Elevations – Style 1 Tile – P4 (ref. P1693.WA.02 Rev A)
97. Type WA Elevations – Style 1 Tile – P63 (ref. P1693.WA.03 Rev C)
98. Type WA Floor & roof plans – Style 2 (ref. P1693.WA.04 Rev A)
99. Type WA Elevations – Style 2 Tile (ref. P1693.WA.05 Rev A)
100. Type WA Floor & roof plans – Style 1 (ref. P1693.WA.06)
101. Type WN Floor & roof plans – Style 1 (ref. P1693.WN.01)
102. Type WN Elevations – Style 1 Brick (ref. P1693.WN.02)
103. Type WN Floor & Roof Plans – Style 2 (ref. P1693.WN.03 Rev B)
104. Type WN Elevations – Style 2 Brick (ref. P1693.WN.04 Rev B)
105. Block 1 Ground floor plan (ref. P1693.BLK1.01 Rev B)
106. Block 1 First floor plan (ref. P1693.BLK1.02 Rev B)
107. Block 1 Second floor plan (ref. P1693.BLK1.03 Rev B)
108. Block 1 Roof plan (ref. P1693.BLK1.04)
109. Block 1 Front elevation (ref. P1693.BLK1.05 Rev A)
110. Block 1 Side elevation (ref. P1693.BLK1.06 Rev A)
111. Block 1 Rear elevation (ref. P1693.BLK1.07 Rev A)
112. Block 1 Side elevation (ref. P1693.BLK1.08 Rev A)
113. Block 2 Ground floor plan (ref. P1693.BLK2.01 Rev D)
114. Block 2 First floor plan (ref. P1693.BLK1.02 Rev E)
115. Block 2 Second floor plan (ref. P1693.BLK2.03 Rev E)
116. Block 2 Roof plan (ref. P1693.BLK2.04 Rev D)
117. Block 2 Front elevation (ref. P1693.BLK2.05 Rev D)
118. Block 2 Side elevation (ref. P1693.BLK2.06 Rev E)
119. Block 2 Rear elevation (ref. P1693.BLK2.07 Rev E)
120. Block 2 Side elevation (ref. P1693.BLK2.08 Rev D)

121. Block 3 Ground floor plan (ref. P1693.BLK3.01 Rev D)
122. Block 3 First floor plan (ref. P1693.BLK3.02 Rev D)
123. Block 3 Second floor plan (ref. P1693.BLK3.03 Rev D)
124. Block 3 Roof plan (ref. P1693.BLK3.04 Rev C)
125. Block 3 Front elevation (ref. P1693.BLK3.05 Rev C)
126. Block 3 Side elevation (ref. P1693.BLK3.06 Rev D)
127. Block 3 Rear elevation (ref. P1693.BLK3.07 Rev D)
128. Block 3 Side elevation (ref. P1693.BLK3.08 Rev D)
129. Block 6 Ground & first floor plan (ref. P1693.BLK6.101 Rev A)
130. Block 6 Second floor & roof plan (ref. P1693.BLK6.102 Rev A)
131. Block 6 Front & side elevations (ref. P1693.BLK6.103 Rev A)
132. Block 6 Rear & side elevations (ref. P1693.BLK6.104 Rev A)
133. Block 7 Ground floor plan (ref. P1693.BLK7.101 Rev B)
134. Block 7 First floor plan (ref. P1693.BLK7.102 Rev A)
135. Block 7 Second floor plan (ref. P1693.BLK7.103 Rev A)
136. Block 7 Roof plan (ref. P1693.BLK7.104)
137. Block 7 Front & side elevations (ref. P1693.BLK7.105 Rev A)
138. Block 7 Rear & side elevations (ref. P1693.BLK7.106)
139. Block 8 Ground floor plan (ref. P1693.BLK8.101 Rev B)
140. Block 8 First floor plan (ref. P1693.BLK8.102 Rev A)
141. Block 8 Second floor plan (ref. P1693.BLK8.103 Rev A)
142. Block 8 Roof plan (ref. P1693.BLK8.104)
143. Block 8 Front & side elevations (ref. P1693.BLK8.105)
144. Block 8 Rear & side elevations (ref. P1693.BLK8.106 Rev A)
145. Landscape general arrangement (ref HED-1426-100 Rev P04)
146. Landscape strategy (ref HED-1426-101 Rev P03)
147. Planting typologies (ref HED-1426-102 Rev P03)
148. Landscape planting plan (ref HED-1426-103 Rev P03)
149. Hard landscape plan (ref HED-1426-104 Rev P03)
150. Hard landscape typologies (ref HED-1426-105 Rev P04)
151. Detail area 1 (ref HED-1426-106 Rev P02)
152. Detail area 2 (ref HED-1426-107 Rev P02)
153. Detail area 3 (ref HED-1426-108 Rev P02)
154. Detail area 4 (ref HED-1426-109 Rev P02)
155. Detail area 5 (ref HED-1426-110 Rev P00)
156. Landscape management plan (ref HED-1426-300 Rev P03) Rev
P01
157. Section A (ref HED-1426-SK-401 Rev P01)
158. Section AC (ref HED-1426-SK-402 Rev P01)
159. Section AI (ref HED-1426-SK-403 Rev P01)
160. Section AJ (ref HED-1426-SK-404 Rev P01)
161. Section AK (ref HED-1426-SK-405 Rev P01)
162. Section AL (ref HED-1426-SK-406 Rev P01)
163. Section AM (ref HED-1426-SK-407 Rev P01)
164. Section AN (ref HED-1426-SK-408 Rev P01)
165. Section AO (ref HED-1426-SK-409 Rev P01)
166. Section AP (ref HED-1426-SK-410 Rev P01)

167. Section AQ (ref HED-1426-SK-411 Rev P01)
168. Section AR (ref HED-1426-SK-412 Rev P01)
169. Section AT (ref HED-1426-SK-413 Rev P01)
170. Section AU (ref HED-1426-SK-414 Rev P01)
171. Section AV (ref HED-1426-SK-415 Rev P01)
172. Section AW (ref HED-1426-SK-416 Rev P01)
173. Section B (ref HED-1426-SK-417 Rev P01)
174. Section I (ref HED-1426-SK-418 Rev P01)
175. Section P (ref HED-1426-SK-419 Rev P01)
176. Section T (ref HED-1426-SK-420 Rev P01)
177. Section Y (ref HED-1426-SK-421 Rev P01)
178. Single Garage Plans & elevations – Style 1, 2 & 4 (ref. P1693.GAR.01)
179. Single Garage Plans & elevations – Style 3 (ref. P1693.GAR.02)
180. Double Garage Plans & elevations – Style 1, 2 & 4 (ref. P1693.GAR.03)
181. Double Pair Plans & elevations – Style 1, 2 & 4 (ref. P1693.GAR.04)
182. Garage with carport Plans & elevations – Style 1 (ref. P1693.GAR.05)
183. Garage Pair Plans & elevations – Style 1 (ref. P1693.GAR.06)
184. Cycle store (Block 2 & 3) Plans & elevations (ref. P1693.BC.01 Rev A)
185. Bin store (Block 3) Plans & elevations (ref. P1693.BC.02)
186. Cycle & bin stores (Block 1) Plans & elevations (ref. P1693.BC.03 Rev A)
187. Cycle & bin stores (Block 4) Plans & elevations (ref. P1693.BC.04 Rev A)
188. Substation Plans & elevations (ref. P1693.SUB.01)
189. Wastewater Pumping Station Plans & Elevations – 091.5013.550
190. Streetscenes sheet 1 of 5 (ref. P1693.SS.01 Rev D)
191. Streetscenes sheet 2 of 5 (ref. P1693.SS.02 Rev D)
192. Streetscenes sheet 3 of 5 (ref. P1693.SS.03 Rev E)
193. Streetscenes sheet 4 of 5 (ref. P1693.SS.04 Rev E)
194. Streetscenes sheet 5 of 5 (ref. P1693.SS.05 Rev F)
195. Site layout proposed levels sheet 1 of 7 (ref. 091.5013.0615 Rev C)
196. Site layout proposed levels sheet 2 of 7 (ref. 091.5013.0616 Rev C)
197. Site layout proposed levels sheet 3 of 7 (ref. 091.5013.0617 Rev E)
198. Site layout proposed levels sheet 4 of 7 (ref. 091.5013.0618 Rev I)
199. Site layout proposed levels sheet 5 of 7 (ref. 091.5013.0619 Rev D)
200. Site layout proposed levels sheet 6 of 7 (ref. 091.5013.0620 Rev J)

201. *Site layout proposed levels sheet 7 of 7 (ref. 091.5013.0621 Rev I)*

The windows to be referred to in condition 5 are as follows:

All upper floor windows in:

- 1) The west elevation of plot 5*
- 2) The east elevation of plot 7*
- 3) The east elevation of plot 8*
- 4) The south elevation of plot 30*
- 5) The east elevation of plot 33*
- 6) The west elevation of plot 34*
- 7) The west elevation of plot 37*
- 8) The south elevation of plot 39*
- 9) The east elevation of plot 45*
- 10) The east elevation of plot 52*
- 11) The east elevation of plot 85*
- 12) The north elevation of plot 88*
- 13) The south elevation of plot 89*
- 14) The east elevation of plot 92*
- 15) The north elevation of plot 98*
- 16) The north elevation of plot 114*
- 17) The north elevation of plot 120*
- 18) The south elevation of plot 122*
- 19) The north elevation of plot 132*
- 20) The north elevation of plot 139*
- 21) The south elevation of plot 141*

An additional planning condition (7) is recommended as follows:

7. no development hereby permitted shall proceed beyond damp proof course level until details of a mechanical ventilation with heat recovery (MHVR) system to be installed in units 149 – 157 (inclusive) and 172 – 180 (inclusive) have been submitted to and approved by the Local Planning Authority in writing. The development shall be carried out in accordance with the approved details.

REASON: to protect the living conditions of future residents and to enable the appropriate ventilation of those flats without adverse impacts from external noise sources.

The Planning Officer also provided members with a verbal update to confirm the following amendments to the Update Report (removal of text shown by strikethrough):

- 43. Type CA Floor & roof plans – Style 3 (ref. P1693.CA.01 Rev F) ~~Rev E~~*
- 44. Type CA Elevations – Style 3 Brick (ref. P1693.CA.02 Rev F) ~~Rev E~~*
- 45. Type CA Elevations – Style 3 Board (ref. P1693.CA.03 Rev D) ~~Rev C~~*
- 156. Landscape management plan (ref HED-1426-300 Rev P03) ~~Rev P01~~*

Upon being proposed and seconded the officer recommendation to: -

- (i) DELEGATE authority to the Head of Development Management to;

- (a) Make any necessary modification, deletion or addition to the proposed conditions; and
 - (b) In consultation with the Solicitor to the Council, consider any comments received from Natural England relating to the consultation on the Appropriate Assessment and to make any minor modifications to the proposed conditions, addition of conditions, or any other subsequent minor changes arising.
- (ii) Reserved matters and details pursuant to conditions 5 & 11 of the outline planning permission reference P/20/0912/OA be APPROVED, subject to: -
- (a) The amendments to conditions 1 and 5 as per the Update Report;
 - (b) The addition on 7 as set out in the Update Report;
 - (c) An additional condition removing the Permitted Development Rights for windows at upper floor level on the rear (eastern) elevation for Plot 8; and
 - (d) An additional condition requiring a disabled parking bay be required for Block 6.

Was voted on and CARRIED.

(Voting: 7 in favour; 1 against)

RESOLVED that, subject to: -

- (i) DELEGATION of authority be given the Head of Development Management to;
 - (a) Make any necessary modification, deletion or addition to the proposed conditions; and
 - (b) In consultation with the Solicitor to the Council, consider any comments received from Natural England relating to the consultation on the Appropriate Assessment and to make any minor modifications to the proposed conditions, addition of conditions, or any other subsequent minor changes arising.
- (ii) Reserved matters and details pursuant to conditions 5 & 11 of the outline planning permission reference P/20/0912/OA be APPROVED, subject to: -
 - (a) The amendments to conditions 1 and 5 as per the Update Report;
 - (b) The addition of Condition 7 as set out in the Update Report;

- (c) An additional condition removing the Permitted Development Rights for windows at upper floor level on the rear (eastern) elevation for Plot 8; and
- (d) An additional condition requiring a disabled parking bay be provided for Block 6.

(6) Planning Appeals

The Committee noted the information in the report.

(7) UPDATE REPORT

The Update Report was circulated prior to the meeting and considered along with the relevant agenda item.

(The meeting started at 2.30 pm
and ended at 5.50 pm).

Agenda Item 11(4)

The minutes of the meeting of the Planning Committee held on Wednesday, 15 February 2023 will be tabled at the meeting.

FAREHAM

BOROUGH COUNCIL

Minutes of the Licensing and Regulatory Affairs Committee

(to be confirmed at the next meeting)

Date: Tuesday, 31 January 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs P M Bryant (Chairman)

Councillor Ms F Burgess (Vice-Chairman)

Councillors: Mrs S M Bayford, S Dugan, J M Englefield, M J Ford, JP,
Mrs P Hayre, S Ingram, Ms S Pankhurst, Mrs K K Trott,
Mrs S M Walker and Mrs K Mandry (deputising for I Bastable)

**Also
Present:**



1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors I J Bastable and D J Hamilton.

2. MINUTES

(1) Minutes of the Licensing & Regulatory Affairs Committee

RESOLVED that the minutes of the meeting of the Licensing and Regulatory Affairs Committee held on 12 October 2022 be confirmed and signed as a correct record.

(2) Minutes of the Licensing Panel - 19 October 2022

RESOLVED that the minutes of the meeting of the Licensing Panel held on 19 October 2022 be confirmed and signed as a correct record.

(3) Minutes of the Licensing Panel - 13 December 2022

RESOLVED that the minutes of the meeting of the Licensing Panel held on 13 December 2022 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcements:

Local Government Boundary Commission – Proposals for a new pattern of wards in Fareham

The Boundary Commission's proposals were received on 06 September and a report was considered by this Committee on 11 October before the Council's final consultation response was submitted on 15 November. We now await the Commission's final report which is due to be published on Tuesday 07 February and this will confirm the new warding pattern for the Borough which will come into effect from the local elections in May 2024. Members will be sent a link to the final report by email for information.

Boundary Commission for England – Parliamentary Constituencies Review

The final consultation on the parliamentary boundary review closed on 05 December and the Commission is due to send its final report to Parliament by 01 July 2023. The report will be published at the same time and will confirm the constituency boundary pattern throughout the country. The new constituency pattern will come into effect from the next UK Parliamentary election occurring after 01 July 2023.

Both of these reviews will result in significant administrative changes which will need to be actioned by the Electoral Services team and Members will be updated on the impact of these changes as we move through the deadlines of this project of work.

4. DECLARATIONS OF INTEREST

Councillor Mrs P M Bryant declared a pecuniary interest at item 6 on the agenda as she receives a pension from the Hampshire pension fund.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. ARRANGEMENTS FOR DEALING WITH ADDITIONAL VOLUNTARY CONTRIBUTIONS IN THE LOCAL GOVERNMENT PENSION SCHEME

Councillor Mrs P M Bryant declared a pecuniary interest in respect of this item as she receives a pension through the Hampshire pension fund. She remained in the room for the duration of the item and took part in the debate.

A revised page 13 of the agenda pack was tabled at the meeting in respect of this item. The revised page clarifies that at recommendation (d) of the report, the new discretion in the Council's LGPS Discretionary Pension Policy Statement to allow staff to participate in the SCAVC scheme is as set out in paragraph 9 of the report and that at recommendation (d) the contract with AVC Wise to deliver a fully managed service covering SCAVCs is as set out in paragraph 12 of the report.

The Committee considered a report by the Deputy Chief Executive Officer which put forward proposals to implement a salary sacrifice Shared Cost Additional Voluntary Contribution (Shared Cost AVC) pension arrangement for Local Government Pension Scheme (LGPS) members.

Several members of the Committee felt that staff members considering setting up a shared cost AVC should be fully informed about all aspects of the scheme to ensure they understand any possible implications – particularly in respect of reduced national insurance contributions on state pension entitlement. Members were advised that one to one sessions with representatives from AVC Wise will be available to speak to anyone wishing to join the scheme. Information is also available from the Council's Finance Manager or representatives from the pensions department at Hampshire County Council.

RESOLVED that the Licensing and Regulatory Affairs Committee approves:

- (a) the implementation of a Shared Cost AVC pension scheme for LGPS members through a salary sacrifice arrangement;
- (b) that earnings related payments, such as overtime, pay increases, contractual allowances, occupational maternity pay, occupational sickness pay and redundancy are calculated on the notional salary before applying any salary sacrifice reduction as detailed in paragraph 8 of the report;

(c) the inclusion of a new discretion in our LGPS Discretionary Pension Policy Statement to allow staff to participate in the Shared Cost AVC scheme as set out in paragraph 9 of the report; and

(d) entering into a contract with AVC Wise to deliver a fully managed service covering Shared Cost AVCs as set out in paragraph 12 of the report.

7. ACTUAL REVENUE EXPENDITURE 2021/22

The Committee considered a report by the Deputy Chief Executive Officer which set out, for information, details of the actual revenue expenditure for 2021/22 in respect of the services for which the Committee is responsible.

RESOLVED that the Licensing and Regulatory Affairs Committee notes the content of the report.

8. SPENDING PLANS 2023/24

The Committee considered a report by the Deputy Chief Executive Officer which sets out the overall level of revenue spending on the Committee's services and seeks agreement for the revised revenue budget for 2022/23 and the base budget for 2023/24.

Members enquired what the cost of the Portchester East by-election in October 2022 had been to the Council. As this information was not to hand, the Finance Manager agreed to circulate the information outside of the meeting.

RESOLVED that the Licensing and Regulatory Affairs Committee:

(a) agrees the revised revenue budget for 2022/23;

(b) agrees the base budgets for 2023/24; and

(c) recommends the budget to Council for approval.

9. FEES AND CHARGES 2023/24

The Committee considered a report by the Deputy Chief Executive Officer which sets out the level of fees and charges for the Committee's services and seeks agreement for them before being recommended to Council for approval.

At the request of the Head of Environmental Health, the Committee considered and agreed that there should be an amendment to the fee to be charged for carrying out drug testing on new applicants and licensing taxi drivers. The cost of the oral swab to carry out an initial test is £14. If a non-negative result is achieved, the swab is sent to a laboratory where a further test is conducted to identify if any illegal substance is present. This incurs a further cost of £12. The Committee agreed that the fee should be set at £25 so that it covers those tests that need further investigation.

Some concern was raised at the suggested level of increase in fees and charges as there is evidence to suggest that the rate of inflation has now peaked and is starting to fall. It was noted however that all members have recently been made aware of the need to increase revenue if the Council wishes to continue to deliver the current level of services. It was also noted that a significant proportion of the income generated comes from fees under the Licensing Act which have not increased since the Act was implemented several years ago.

RESOLVED that, subject to an amendment to the fee for a random drug test as outlined above, the Licensing and Regulatory Affairs Committee;

(a) agrees the fees and charges for 2023/24, as set out at Appendix A to the report; and

(b) recommends the fees and charges to full Council for approval.

10. LICENSING AND REGULATORY AFFAIRS COMMITTEE WORK PROGRAMME

The Committee considered a report by the Head of Environmental Health which reviews the outcome of the Work Programme for the current municipal year and invites the Committee to consider the draft Work Programme for the 2023/24 municipal year.

The Head of Environmental Health advised the Committee that there is no local Police Licensing Officer in post at the moment and that it is unclear at present whether an appointment will be made going forward. It was therefore suggested and agreed that the updates on Police Licensing matters be removed from the 2022/23 Work Programme and the 2023/24 Draft Work Programme until further notice.

Members suggested that an item be brought forward on the draft Work Programme for 2023/24 to feed into next year's proposed fees and charges which looks at ways revenue can be generated by increasing fees in return for enhanced services.

RESOLVED that the Licensing and Regulatory Affairs Committee:

(a) notes the progress on actions arising from the meeting of the Committee held on 11 October 2022, attached as Appendix A to the report;

(b) agrees that, until further notice, the update on Local Police Matters be removed from the Work Programme 2022/23 as attached at Appendix B to the report;

(c) agrees that, until further notice, the update on Local Police Matters be removed from the draft Work Programme for 2023/24 as attached at Appendix C to the report; and

- (d) agrees that an item in respect of increased fees for enhanced services be added to the draft Work Programme for 2023/24 as attached as Appendix C to the report.

(The meeting started at 6.02 pm
and ended at 7.02 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Climate Change Scrutiny Panel (to be confirmed at the next meeting)

Date: Tuesday, 17 January 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs T L Ellis (Chairman)

Councillor N R Gregory (Vice-Chairman)

Councillors: M R Daniells, H P Davis, Ms C Bainbridge, Mrs L E Clubley and S Dugan

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies of absence received at this meeting.

2. MINUTES

It was AGREED that the Minutes of the Climate Change Scrutiny Panel held on the 18 October 2022 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement –

Firstly, I should like to welcome all present and especially Councillor Harry Davis as this is his first Climate Change Scrutiny Panel since becoming elected in October 2022.

I was pleased to see the Government launch its £18m 'It All Adds Up' energy saving campaign at the end of last year. The campaign features tips on simple, low or no-cost actions that households can take to immediately cut energy use and save money while ensuring people are able to stay safe and warm this winter. The Government's website also provides more detailed information on larger 'spend to save' improvements such as heat pumps or solar panels as well as grants available to eligible households.

Given the current weather, ironically at a time when arctic ice melt is being highlighted it is hoped that as energy costs hit people's pockets this will focus residents and business into taking very serious and prompt measures.

We look forward to hearing from the Head Building Control Partnership during this meeting on the potential impact new measures being brought in will have on future builds, through the planning and building control process, to hasten progress towards our net zero goals and hit the less than 2% (preferably nearer 1.5%) global warming target agreed in the Paris agreement by 2050.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

No declarations of interest were received at the meeting.

5. DEPUTATIONS

A deputation was received from Anne Stephenson from Fareham and Gosport Friends of the Earth.

6. BUILDING CONTROL PARTNERSHIP SERVICE UPDATE

The Panel received a presentation from the Head of Building Control Partnership. The presentation provided an overview of the building regulations that are being introduced by the government to reduce the carbon footprint of

new and existing buildings and the impact these new regulations will have on the Council's development projects.

Members asked for reassurance that existing properties across the Borough will be required to have the same energy standards as new builds and what will be done to achieve this. The Head of Building Control Partnership addressed the Panel to explain that the Building Regulations generally require similar standards to be applied to extensions and alterations to properties, but it is likely that incentives and grants will also be introduced by central Government to encourage homeowners to bring their properties in line with the targets set by Government. This will be a further challenge as some new low carbon technologies will rely on a package of thermal upgrades to the fabric of buildings to ensure they are effective, together with improved information for building users on how the systems operate.

RESOLVED that the Panel note the contents of the presentation.

7. HAMPSHIRE COUNTY COUNCIL SCOPING REPORT

The Panel received a scoping report from the Director of Planning and Regeneration asking them to consider the report as part of an invitation to request that officers from Hampshire County Council attend a future meeting of the Panel to explain the County's plans for carbon neutrality by 2050.

Members asked that in addition to the objectives set out in the scoping report attached at Appendix A to the report, Hampshire County Council are also asked to provide details on the collaborative work taking place with Fareham Borough Council and other local authorities across Hampshire, to help meet their target of net zero by 2050. In particular, with regards to cycle routes and infrastructure and public transport links.

RESOLVED that the Climate Change Scrutiny Panel considered the scoping report attached at Appendix A to the report.

8. CLIMATE CHANGE ACTION PLAN UPDATE

The Panel received a presentation from the Policy, Resource and Engagement Manager on prevailing climate change matters. The presentation provided an overview of the main areas of progress that have been made since the last update to the Panel in October 2022.

A question was asked by Members on the efficiency of solar panels as several the measures being proposed in carbon reduction by the Council have a dependency on this technology. The Policy, Resource and Engagement Manager advised that although the technology is still developing and improving all the time, the feedback that has been received from residents within the Borough that have recently had solar panels installed into their properties through the Governments Warmer Homes Scheme has been positive.

RESOLVED that the Climate Change Scrutiny Panel note the contents of the presentation.

9. EXECUTIVE BUSINESS

There were no items of Executive Business for the Panel to consider.

10. CLIMATE CHANGE SCRUTINY PANEL PRIORITIES

The Chairman asked that Members of the Panel consider the scrutiny priorities for the Climate Change Scrutiny Panel.

Members asked for officers to consider a future Panel agenda item relating to the operation of both the Fareham and Holly Hill Leisure Centres, through the Council's operator Everyone Active to provide an overview of the feasibility studies undertaken for reducing energy use in both Leisure Centres. The Director of Planning and Regeneration addressed the Panel to confirm that this would be added to the list of priorities for the next municipal year 2023/24.

RESOLVED that the Panel considered the Scrutiny Priorities for the Climate Change Scrutiny Panel.

(The meeting started at 6.00 pm
and ended at 8.14 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Policy and Resources Scrutiny Panel (to be confirmed at the next meeting)

Date: Monday, 23 January 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs S M Bayford (Chairman)

Councillor N J Walker (Vice-Chairman)

Councillors: F Birkett, M R Daniells, D J Hamilton, Miss T G Harper and Mrs K Mandry

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies of absence.

2. MINUTES

RESOLVED that the minutes of the Policy and Resources Scrutiny Panel held on 22 September 2022 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements made at this meeting.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTION

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. CAPITAL PROGRAMME AND CAPITAL STRATEGY 2023-24

The Panel considered a report by the Deputy Chief Executive Officer on the Capital Strategy 2023/24 and the overall capital programme for the period 2022/23 to 2026/27.

Members noted that it is difficult to predict the future spend for the Council with the current national financial crisis but found the report and Capital Strategy 2023/24 document extremely useful in understanding the financial pressures on the Council.

RESOLVED that the Panel recommends that the Executive endorse the Capital Strategy 2023/24 at its meeting on 6 February 2023.

7. FEES AND CHARGES 2023-24

The Panel considered a report by the Deputy Chief Executive Officer on the proposed Fees and Charges for 2023-24.

Councillor Hamilton enquired as to whether Fareham's fees and charges are comparable with those of other authorities. The Finance Manager explained to the Panel fees and charges vary from each authority and that it would be difficult to undertake a comparison of these figures as each authority deals with their fees and charges differently and at different times of the year.

The Chairman asked as to whether the Council keeps their fees and charges the same as Gosport where we have shared services. The Finance Manager confirmed that in respect of the Building Control Partnership these are the same, however for other areas such as the Environmental Health partnership,

its not possible to do this due to the different ways in which each authority works.

Councillor Birkett enquired as to whether raising certain charges higher than they are set at (such as Fly tipping) could be used as a deterrent from these issues occurring. The Finance Manager explained that there are certain statutory fines, such as fly tipping, that cannot be increased. He explained that the Council is able to try and recover costs of these cases through prosecutions.

RESOLVED that the Panel agree that they have no comments to pass onto the Executive in respect of this report, at its meeting on 6 February 2023.

8. FINANCE STRATEGY, REVENUE BUDGET AND COUNCIL TAX 2023-24

The Panel considered a report by the Deputy Chief Executive Officer on the Finance Strategy, Revenue Budget and Council 2023-24.

Members discussed the 5-year financial forecast and the predicted funding shortfall and were keen to ensure that there would be public engagement with looking at options to secure the budget going forward. The Deputy Chief Executive Officer addressed the Panel and confirmed that there would need to be a significant piece of work undertaken to look at where savings could be made, and part of this work would indeed involve public consultation.

RESOLVED that the Executive notes the Panels comments above when they consider this item at their meeting on 6th February 2023.

9. HOUSING REVENUE ACCOUNT 2023-24

The Panel considered a report by the Deputy Chief Executive Officer on the Housing Revenue Account for 2023/24.

Councillor Walker enquired as to whether Council tenants are coping with the continuing increase in charges. The Finance Manager confirmed that there has been a slight increase in rent arrears recently, and the Council has increased the bad debt provision to help assist manage this. The Deputy Chief Executive Officer confirmed that although there are early signs of an increase in arrears, nothing serious is being flagged at present.

The Chairman enquired as to what support the Council offers for tenants who are struggling. The Deputy Chief Executive Officer confirmed that the Neighbourhood Officers are giving support to the tenants in their area along with the help and support of the Fareham Housing Welfare Support Officer.

Members also enquired as to whether the number of evictions has increased over the past year. The Deputy Chief Executive Officer confirmed that there has not been any increase in evictions, and whilst some tenants are struggling financially the Neighbourhood Officers are working closely with these tenants to ensure that they do not get to the point of evictions.

RESOLVED that the Executive notes the Panels comments above when they consider this item at their meeting on 6th February 2023.

10. EXECUTIVE BUSINESS

The Panel considered the Executive items of business which falls under the remit of the Policy and Resources Portfolio, including Executive Member decisions and Officer delegated decisions, that have taken place since the last meeting of the Panel on 22 September 2022.

(1) Finance Monitoring 2022 - 23

There were no comments received.

(2) Treasury Management & Capital Monitoring 2022 - 23

There were no comments received.

(3) Updated Equalities Objectives 2022 - 26

There were no comments received.

(4) Annual Review of the Corporate Strategy 2017-2023 & Local Service Agreements 2021-22

There were no comments received.

(5) Relocation of Corporate Cabin, Solent Airport

There were no comments received.

(6) Fees and Charges

There were no comments received.

(7) Finance Strategy, Revenue Budget & Council Tax 2023-24

There were no comments received.

11. SCRUTINY PRIORITIES

The Deputy Chief Executive Officer addressed the Panel on this item and reminded members of upcoming items for future meetings.

Members were given the opportunity to put forward suggestions for any additional item of business that they would like to scrutinise. The Chairman requested that an item on the Town Centre Regeneration be brought to a meeting on the Panel in the next municipal year. The Deputy Chief Executive Officer confirmed that this will be brought to the Panel over the next 12 months.

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

FAREHAM

BOROUGH COUNCIL

Minutes of the Streetscene Scrutiny Panel (to be confirmed at the next meeting)

Date: Thursday, 26 January 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Miss T G Harper (Chairman)

Councillor Mrs P Hayre (Vice-Chairman)

Councillors: Ms C Bainbridge, Mrs L E Clubley, D G Foot, Mrs K Mandry and R Bird (deputising for N R Gregory)

Also Present: Councillor Mrs K K Trott (for item 8)



1. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor N Gregory.

2. MINUTES

RESOLVED that the minutes of the meeting of the Streetscene Scrutiny Panel held on 06 July 2022 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman announced that the Department for Environment, Food and Rural Affairs has published the consultation response for the Deposit Return Scheme (DRS) and highlighted the following points:

Materials in-scope of the DRS include plastic bottles (with lid the attached) and steel and aluminium drinks cans. For all materials, the size in scope is 50ml to 3 litres (no glass included).

The Deposit Management Organisation (DMO) will be responsible for managing the overall operation of the DRS as well as meeting the collection targets set out in regulations. The DMO will be independent, not for profit and a private organisation.

The collections targets will be phased in – 70% in year one, 80% in year two and 90% in year three.

The DMO will have responsibility for setting the deposit amount, abiding by parameters set out in the regulations, including a maximum amount still to be determined.

A network of return points will be established by requiring all retailers selling in-scope containers to host a return point. The retailer will be able to decide whether to take returns through reverse vending machines or a manual takeback service.

Local Authorities and/or waste operators can separate out in-scope drinks containers found in their waste stream and return them to redeem the deposit, providing they meet the required quality standards.

The proposed commencement date for the DRS is 01 October 2025.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

Councillor R Bird declared a personal interest in item 8 on the agenda as he is a member of the Fareham Society.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. EXECUTIVE BUSINESS

There were no items of Executive Business for the Panel to consider at this meeting.

7. THE COUNCIL'S HERBICIDE TREATMENT PROGRAMME

The Panel received a presentation by the Public Spaces Operations Manager which detailed how fungicides and pesticides are used in the Borough to control plant growth. A copy of the presentation is attached to these minutes as Appendix A.

The presentation gave an overview of what pesticides are, the Regulations that cover them, a summary of the type and purpose of pesticides that are used in the Borough, the safe way that pesticides are used and the alternative options available to use in the control of weeds.

The Panel recognised that in recent years, concerns have increased worldwide about the potential environmental and health effects associated with the herbicide Glyphosate. Councillor Bainbridge referenced a petition that is currently running which requests that Fareham Borough Council ban the use of glyphosate across the Borough. The petition has over 1,000 signatures so far.

The Public Spaces Operations Manager explained in detail, the measures that the Council takes to ensure that glyphosate is used safely and provided a comparison to illustrate its effectiveness against alternative methods of treatment. Members were reassured that the Council's use of glyphosate is minimal and well controlled but noted that a number of other Local Authorities have banned its use and adopted other methods to control plant growth. It was suggested that this could be investigated by officers to determine whether there are any viable solutions identified by other Authorities that could be implemented in Fareham.

Members were very supportive of the suggestion put forward in the presentation that a Policy be developed to regulate the Council's use of pesticides and to provide details of the measures being considered to reduce them.

RESOLVED that the Streetscene Scrutiny Panel notes the content of the presentation and recommends that a Pesticide Policy be developed and adopted by the Council.

8. COMMUNITY INVOLVEMENT IN MAINTAINING ADOPTED LAND

Councillor R Bird declared a personal interest in this item as he is a member of the Fareham Society.

At the invitation of the Chairman, Councillor Mrs K K Trott addressed the Panel on this item.

The Panel received a presentation by the Public Spaces Operations Manager which provided information regarding ways that local community volunteer

groups participate in maintaining Council land. A copy of the presentation is attached to these minutes as Appendix B.

Members noted that community involvement in maintaining open spaces can have a positive effect in helping to control plant growth without needing to use pesticides. Members further noted that the discussions at items 7 and 8 on the agenda for this meeting were particularly relevant to the Council's commitment to tackle the effects of climate change.

RESOLVED that the Streetscene Scrutiny Panel notes the content of the presentation.

9. STREETSCENE SCRUTINY PANEL PRIORITIES

Members considered the Scrutiny Priorities for the Panel and requested that an update on the garden waste Clip and Collect service be brought to a meeting of the Panel later in the year.

RESOLVED that, having discussed the Scrutiny priorities for the Panel, an update on the garden waste Clip and Collect service be added to the Scrutiny Priorities Plan.

(The meeting started at 6.00 pm
and ended at 7.35 pm).

FAREHAM

BOROUGH COUNCIL

Minutes of the Housing Scrutiny Panel (to be confirmed at the next meeting)

Date: Thursday, 9 February 2023

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs K Mandry (Chairman)

Councillor (Vice-Chairman)

Councillors: R Bird, F Birkett, H P Davis, D G Foot and Mrs K K Trott

Also Present: Councillor Mrs T L Ellis (for items 7 and 10)



1. APOLOGIES FOR ABSENCE

There were no apologies for absence made at this meeting.

2. MINUTES

RESOLVED that the minutes of the meeting of the Housing Scrutiny Panel held on 29 September 2022 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

There were no Chairman's announcements.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. EXECUTIVE BUSINESS

(1) Appendix B to the Fareham Housing Regeneration Strategy (Fort Fareham Housing Estate Regeneration)

There were no questions or comments for clarification in respect of this item.

(2) Fareham Borough Council Social and Affordable Housing Adaptation Policy

There were no questions or comments for clarification in respect of this item.

(3) Fareham Housing Development of Ophelia Court, Montefiore Drive, Park Gate

There were no questions or comments for clarification in respect of this item.

7. DRAFT EMPTY HOMES STRATEGY

At the invitation of the Chairman, Councillor Mrs T L Ellis addressed the Panel on this item.

The Panel considered a report by the Head of Housing Delivery which provided members with an overview of the Draft Empty Homes Strategy.

A correction at page 12 of the draft Strategy was noted in respect of Empty Dwelling Management Orders in that an Order can be applied for after 6 months of the property being empty not 2 years as stated in the draft Strategy.

A query was raised regarding the accuracy of the empty homes data provided at paragraph 7 of the report. The Head of Housing Delivery explained that this data has been taken directly from an external source and undertook to validate it.

Councillor Bird raised concern that the draft Strategy sets low expectations of outcomes and proposed that additions could be made to the Strategy to include a point based system to determine when action is needed, as undertaken by Rushmoor Borough Council. There was no seconder to this proposal and a vote was therefore not taken. Members did, however, request that officers investigate the possibility of incorporating something similar within the Strategy, in discussion with the Executive Member for Housing, to make it clearer how the characteristics of each empty property would be used to determine whether action is warranted.

The Panel discussed the Council's resource allocation for dealing with empty homes and noted that the Council does not have a dedicated resource for this purpose. It was suggested that there could be an opportunity to work collaboratively with other local authorities to maximise resourcing and expertise. The Deputy Chief Executive Officer agreed that this could be taken forward for further investigation.

RESOLVED that the Housing Scrutiny Panel notes the content of the report and has no changes to recommend to the Executive when the Draft Empty Homes Strategy is considered for adoption.

8. AFFORDABLE HOUSING UPDATE

The Panel received a presentation by the Head of Housing Delivery which informed Members of the progress with Fareham Housing Sites and other relevant strategic housing matters. A copy of the presentation is attached to these minutes as Appendix A.

RESOLVED that the Housing Scrutiny Panel notes the content of the presentation.

9. TENANT SATISFACTION MEASURES

The Panel received a presentation by the Head of Housing & Benefits which outlined the new way of measuring tenant satisfaction with services the Council provides. A copy of the presentation is attached to these minutes as Appendix B.

It was agreed that, going forward, the current report on Tenancy Management Services that is presented to the Panel twice a year be replaced with an annual report and presentation based on the results of the Council's Tenant Satisfaction Measures, along with any further local measures that members wish to consider.

RESOLVED that the Housing Scrutiny Panel:

- (a) notes the content of the presentation; and

- (b) agrees that, as outlined above, the Tenancy Management Services report be replaced with an annual report and presentation on the Tenant Satisfaction Measures.

10. GREENER MEASURES & INSTALLATIONS ON COUNCIL OWNED HOMES

At the invitation of the Chairman, Councillor Mrs T L Ellis addressed the Panel on this item.

The Panel considered a report by the Deputy Chief Executive Officer which provided members with an update on the greener measures undertaken on Council owned housing. This included work carried out as part of Government funding as well future initiatives.

Members were advised that the findings from the Capacity funding provided by South West Energy Hub will hopefully be more fully understood following further investigation on one of the Council's properties. It is anticipated that an update will be available later in the spring.

RESOLVED that the Housing Scrutiny Panel notes the content of the report.

11. HOUSING SCRUTINY PANEL PRIORITIES

RESOLVED that members considered the future scrutiny priorities for the Panel and agreed that there were no changes to be made at the present time.

(The meeting started at 6.00 pm
and ended at 7.34 pm).

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 06 February 2023

Portfolio:	Policy and Resources
Subject:	Finance Strategy, Capital Programme, Revenue Budget & Council Tax 2023/24
Report of:	Deputy Chief Executive Officer and Section 151 Officer
Corporate Priorities:	A dynamic, prudent and progressive Council

Purpose:

This report seeks final confirmation of the recommendations to be made to Council, on 24 February 2023, in respect of the revenue budget, capital programme and council tax for 2023/24.

Executive summary:

On 9 January 2023, the Executive reviewed the Council's overall finance strategy and considered proposals relating to the revenue budgets and the council tax for 2023/24. This report updates the Council's budgets to reflect the decisions taken and other known changes since 9 January 2023.

The capital programme for the years 2022/23 to 2026/27 will be £37,768,800.

The revenue budget for 2023/24 will be £11,897,100. With retained business rates and grants estimated to be £3,931,745 and no payment from the collection fund, the total amount due from the council taxpayers will be £7,965,355.

Taking these changes into consideration, the council tax for 2023/24 will be £180.46 per Band D property. This represents an increase of £5.24 per year from the council tax set for 2022/23 and is within the 2.99% referendum threshold set by the Government.

Recommendation/Recommended Option:

It is recommended that the Executive approves and recommends to the meeting of the Council to be held on 24th February 2023:

- (a) the capital programme and financing of £37,768,800;
- (b) an overall revised revenue budget for 2022/23 of £10,987,300;

- (c) a revenue budget for 2023/24 of £11,897,100;
- (d) a council tax for Fareham Borough Council for 2023/24 of £180.46 per band D property, which represents a £5.24 per year increase when compared to the current year and is within referendum limits;
- (e) an unchanged Council Tax Support scheme for 2023/24; and
- (f) that the Council continues to disregard the whole of any incomes prescribed in the Housing Benefit (War Pensions Disregards) Regulations 2007 and the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

Reason:

To allow the Council to approve the Council Tax for 2023/24.

Cost of proposals:

Not applicable

Appendices: **A:** Overall Total Budget for 2023/24

Background papers: None

Reference papers: None

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	06 February 2023
Subject:	Finance Strategy, Capital Programme, Revenue Budget & Council Tax 2023/24
Briefing by:	Deputy Chief Executive Officer and Section 151 Officer
Portfolio:	Policy and Resources

INTRODUCTION

- On 9 January 2023 the Executive reviewed the Council's overall finance strategy and considered proposals relating to:
 - The revised revenue budget for 2022/23;
 - Fees and charges for 2023/24;
 - The revenue budget for 2023/24; and
 - The council tax for 2023/24.
- The purpose of this report is to update the Council's spending plans to take account of the decisions taken by the Executive in relation to these various issues.

THE CAPITAL PROGRAMME 2022/23 TO 2026/27

- The capital programme for the General Fund for the period 2022/23 to 2026/27 is being reported elsewhere on this agenda as part of the Capital Strategy Report and totals £37,768,800.
- The updated programme is shown in the following table:

	£000s
Health and Public Protection	9
Streetscene	376
Leisure and Community	17,772
Housing	3,962
Planning and Development	446
Policy and Resources	15,204
TOTAL	37,769

5. It is anticipated that the programme will be financed from the following sources:

	£000s
Capital Receipts	5,705
Grants and Contributions	21,660
Capital Reserves	4,367
Revenue	3,325
Borrowing	2,712
TOTAL	37,769

6. The programme and projected resources indicate that, by 31 March 2026, there could be a small surplus of capital resources of £4.8 million, which represents a contingency of 13% on the overall capital programme.
7. Importantly, the surplus assumes an estimate of future capital receipts and grants as well as continued revenue contributions towards capital investment, totalling £18 million. In the event that these resources do not materialise, the programme will become partly unfunded.

REVISED BUDGET 2022/23

8. In January, the Executive considered in detail the revised budget for 2022/23, which totalled £10,987,300 and is £199,300 higher when compared to the base budget for the current year. However, to achieve this figure there is a contribution from general fund reserves of £1,239,500.

SERVICE BUDGETS 2023/24

9. The following table shows the service budgets resulting from the decisions of the Executive on 9 January 2023 where the Cemeteries service has moved from the Streetscene Portfolio to the Health and Public Protection Portfolio.

	Base Budget 2023/24 £
Committees	
Licensing and Regulatory Affairs	540,400
Planning	694,300
Executive - Portfolio Budgets	
- Leisure and Community	-41,200
- Housing	2,270,800
- Planning and Development	1,999,600
- Policy and Resources	222,500
- Health and Public Protection	765,800
- Streetscene	5,160,600
Depreciation Adjustments in Service Portfolios	4,101,900
SERVICE BUDGETS	15,714,700

OTHER BUDGETS 2023/24

10. As there were no changes made at the January Executive the “Other Budgets” total will be -£3,817,600.

THE OVERALL BUDGET POSITION FOR 2023/24

11. Taking account of the information referred to in the preceding paragraphs, the overall total budget for 2023/24, detailed in Appendix A, is confirmed as £11,897,100 which is £1,109,100 above the base budget for 2022/23. However, to achieve this figure there is a contribution from general fund reserves of £400,900.
12. Although the situation with the cost of living crisis remains unclear going into the new financial year it is anticipated that there will be no further support from central government to councils relating to this crisis.

THE LOCAL GOVERNMENT FINANCE SETTLEMENT 2023/24 AND GOVERNMENT SUPPORT

13. The Local Government Finance Settlement was announced on 19 December 2022 and confirmed that it would again be a one-year settlement for 2023/24 with some indications about funding for 2024/25.
14. The statement also announced there would be a 3% Funding Guarantee for Local Authorities. This grant along with the Services Grant is worth £340,000 to Fareham.
15. In the Local Government Finance Settlement 2023/24 the referendum limits for local authorities were set out and council tax increases that exceed 2.99% would trigger a referendum. However, the government has also allowed shire districts to raise their council tax by the higher of 2.99% or a maximum of £5 when compared to the previous level, before a referendum is triggered.
16. As this settlement was for one year only there remains the details of the Fair Funding Review which has been delayed further until at least 2025/26. With the outcome of this review unclear, it is important that the Council continues to identify and secure cash-releasing efficiencies each year in order to maintain the high level of service currently provided and continue to achieve its corporate priority to minimise council tax increases.

SPENDING RESERVE

17. The spending reserve exists to cover unforeseen changes in revenue expenditure.
18. The current balance on the reserve stands at £6,876,300 which is £3,111,300 over the minimum required balance of 7.5% of Gross Expenditure as set out in the approved Medium Term Finance Strategy.
19. It is important to note that due to the COVID-19 pandemic and subsequent cost of living crisis the revised budget for 2022/23 (£1,239,500) and base budget for 2023/24 (£400,900) will require some of the surplus to be used to offset the

additional cost to the council of the crisis.

20. As well as the requirement to use reserves to balance the budget for 2023/24, the Medium Term Finance Strategy covers the period through to 2026/27 and is showing a projected shortfall of £1.4m in 2024/25 and a further shortfall of £2.3m in the final 2 years of the strategy. This would mean by 2025/26 there will be no further general reserves available to balance the budgets through to 2026/27 and beyond.
21. There also remains the unknown financial implications of the outcome of the Fair Funding Review which is due in 2025/26 so any further use of all reserves must be carefully considered.

COUNCIL TAX AND NATIONAL NON-DOMETIC RATE BASE

22. The council tax base for 2023/24 is 44,139.40 Band D equivalent properties.
23. The net rates payable from National Non-Domestic Rates for 2023/24 (after Transitional arrangements and reliefs) is £41,475,055.

COUNCIL TAX FOR 2023/24

24. With a net budget for 2023/24 of £11,897,100 and government funding of £3,931,745 along with a zero contribution from the collection fund, this will leave an amount due from council tax payers of £7,965,355. This is shown in the following table:

	Base Budget 2022/23	Base Budget 2023/24	Variation
	£	£	£
Total Budget	10,788,000	11,897,100	1,109,100
Less:			
Government Funding and Retained Business Rates	-3,117,262	-3,931,745	-814,483
Collection Fund deficit	39,398	0	-39,398
Total due from Council Tax Payers	7,710,136	7,965,355	+255,219
Council Tax base	44,002.6	44,139.4	
Council Tax (Band D)	£175.22	£180.46	
Cash Increase (per year)	+ £5.00	+ £5.24	
Percentage Increase (per year)	+2.94%	+2.99%	

25. The proposed council tax increase is within government referendum limits.
26. The proposed council tax of £180.46 is for Band D properties only and the Fareham element of the council tax for all bands is shown in the table below:

	2022/23	2023/24	Increase	Number of Dwellings
Band A	£116.81	£120.31	£3.50	3,615
Band B	£136.28	£140.36	£4.08	7,278
Band C	£155.75	£160.41	£4.66	15,563
Band D	£175.22	£180.46	£5.24	10,733
Band E	£214.16	£220.56	£6.40	8,047
Band F	£253.10	£260.66	£7.56	3,616
Band G	£292.03	£300.77	£8.74	1,496
Band H	£350.44	£360.92	£10.48	124

27. The overall income from taxpayers of £7,965,355 represents approximately 16% of the gross revenue budget for the council for 2023/24 of £50.2million.

ASSURANCE STATEMENT BY THE CHIEF FINANCIAL OFFICER (CFO)

28. Section 25 of the Local Government Act 2003 states that when the Council sets a budget for the forthcoming financial year, the CFO must report to the authority on the robustness of the budgets and the adequacy of the financial reserves.
29. The CFO is able to confirm that the Council's co-ordinated finance strategy allows the availability of resources to finance both capital and revenue expenditure to be considered at the same time. It provides the necessary flexibility to allow resources to be allocated to both capital and revenue and this has enabled the delivery of balanced budgets for both capital and revenue.
30. The CFO can also confirm the robustness of the approved budgets and therefore major variations in expenditure and income are not anticipated. However, a risk assessment has been carried out to highlight the impact of possible variations in the level of expenditure and income and by maintaining the spending reserve at a minimum of 5% of gross expenditure, resources should be in place to meet any variations that cannot be met from within the Council's overall budget.

COUNCIL TAX SUPPORT 2023/24

31. Legislation requires that Local Council Tax Support schemes are considered by Full Council on an annual basis even if no major changes are to be made. In previous years and following public consultation, the Council has agreed and implemented a scheme based on the following principles:
- Every working-age claimant should pay something towards their council tax

- The amount of Council Tax Support to be capped to a Band C for those claimants living in larger properties
- All non-dependents (such as adult sons or daughters living in the claimant's property) should pay something towards the household's council tax bill
- Provide additional financial support to the most vulnerable claimants (such as those receiving a War Pension or who are severely disabled)

32. For 2023/24, it is proposed to retain these key principles and to administer an unchanged scheme.

33. There are currently 3,744 households in the borough receiving Council Tax Support. The caseload and expenditure for the current financial year can be seen below:

	Number of claimants	Cost of Council Tax Support
Pension-age caseload	1,762	£1,932,501
Working-age caseload (vulnerable group)	1,067	£1,225,653
Working-age caseload (employed)	149	£64,251
Working-age caseload (not employed)	766	£649,186
Total	3,744	£3,871,591

*In receipt of an out-of-work benefit such as Job Seekers Allowance, Income Support or Universal Credit

34. It is anticipated that an unchanged Council Tax Support scheme for 2023/24, which provides the same level of assistance and protection to claimants as the current scheme, will continue to be contained within available resources.

DISREGARDING OF PRESCRIBED WAR DISABLEMENT PENSIONS OR WAR WIDOW'S PENSIONS IN THE CALCULATION OF HOUSING BENEFIT AND COUNCIL TAX SUPPORT

35. In The Housing Benefit Regulations 2006 prescribe a standard weekly disregard of £10 from the incomes prescribed in the Housing Benefit (War Pensions Disregards) Regulations 2007. However, any residual balance from these incomes is included in the aggregated assessment of means in an applicant's entitlement, thereby affecting their total award.

36. The Social Security Administration Act 1992 (SSAA) entitles Local Authorities to locally design adjustments to the scheme to satisfy the needs of their community but with a percentage of the cost for such a scheme falling on the authorities' own finances.

37. The Council has operated a local scheme that disregards 100% of this income

since the introduction of the SSAA and has copied this scheme design to its Local Council Tax Support Scheme upon its introduction in 2013. This ensures financial support for low-income households who are in receipt of a disablement or widow's/widower's pension payable as a consequence of service as members of the armed forces.

38. Subsidy arrangements mean that where a local amendment to the scheme is in operation, the local authority will only be compensated with 75% of any expenditure incurred up to a maximum of 0.2% of the total subsidy claimed in the relevant year.
39. In 2021-22, the full cost to the Council was £1,777 as £5,331 of the total expenditure of £7,108 was met through subsidy.
40. In exercising the function of administering the Housing Benefit scheme, local authorities are subject to external reporting on the efficacy of their processes and procedures. The Housing Benefit Assurance Process (HBAP) specifies the requirement for the appointment of reporting accountants; theirs and the local authorities' responsibilities; and the potential consequences arising from the HBAP report.
41. Ernst & Young were appointed as the Council's reporting accountant in August 2022 and produced their first HBAP report on our Benefit Service in January 2023 in respect of our performance for the 2021-22 subsidy year.
42. The need to have a resolution in respect of a local scheme available was identified in this report as a matter for attention. Prior to this, the Benefits Service had relied upon the resolution made at the original lying down of legislation and had not reviewed or renewed the scheme formally in some considerable time.
43. However, the financial impact of the scheme is routinely taken into account when preparing financial estimates for the Benefits Service, as it is built into the Housing Benefit subsidy regime. It therefore forms part of the financial planning for the service and formulating the scheme now will not make any additional financial demand on the Council.
44. The latest estimate was produced in August 2022 and indicates that from a total spend of £7,680, £5,760 will be subsidised, with the total cost to the Council being £1,920.

RISK ASSESSMENT

45. While all spending plans can be met from within existing resources including use of reserves, growing financial pressures increase the risk that spending plans exceed desirable levels.
46. With the Fair Funding review being delayed until the 2025/26 financial year the future funding support for Fareham remains uncertain. Any changes as a result of the review and the Business Rate Reset are very likely to affect the Council's finances and it remains an important part of the overall Medium Term Finance Strategy to retain sufficient balances to cater for the unexpected in these uncertain times.
47. The council will continue to explore opportunities to increase income sources for the Council as well as review other opportunity plans in order that balanced

budgets can be made in future years.

CONCLUSION

48. In making a recommendation to Council on the council tax for 2023/24, the Executive has evaluated the Council's overall financial position in relation to existing commitments, the level of resources(including reserves) and the projected financial position in the future; not just the overall budget position for next year.

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

ACTUAL REVENUE BUDGET

	Budget 2022/23 £	Revised 2022/23 £	Budget 2023/24 £
Committees			
Licensing and Regulatory Affairs	574,400	639,200	540,400
Planning	439,500	729,400	694,300
Executive - Portfolio Budgets			
- Leisure and Community	-17,500	43,600	-41,200
- Housing	2,083,000	2,370,900	2,270,800
- Planning and Development	1,636,600	1,853,500	1,999,600
- Policy and Resources	44,400	286,000	222,500
- Health and Public Protection	615,700	803,400	765,800
- Streetscene	4,944,100	4,832,800	5,160,600
Accounting Adjustments in Service Portfolios	3,147,200	4,101,900	4,101,900
SERVICE BUDGETS	13,467,400	15,660,700	15,714,700
Capital Charges	-3,385,900	-4,320,000	-4,320,000
Direct Revenue Funding	1,475,000	1,475,000	1,125,000
Minimum Revenue Position	1,490,900	1,497,900	1,490,900
Bad Debt Provision	150,000	150,000	0
Interest on Balances	-678,800	-828,000	-612,000
Portchester Crematorium Contribution	-170,000	-170,000	-80,000
New Homes Bonus	-108,800	-108,800	-17,900
Contribution from Reserves	-1,451,800	-2,369,500	-1,403,600
OTHER BUDGETS	-2,679,400	-4,673,400	-3,817,600
NET BUDGET	10,788,000	10,987,300	11,897,100

	Budget 2022/23 £	Revised 2022/23 £	Budget 2023/24 £
NET BUDGET	10,788,000	10,987,300	11,897,100
EXTERNAL SUPPORT			
Services Grants	219,500	221,800	340,000
Business Rates	2,897,762	3,094,762	3,591,745
	3,117,262	3,316,562	3,931,745
COLLECTION FUND BALANCE	39,398	39,398	0
AMOUNT DUE FROM COUNCIL TAX PAYERS	7,710,136	7,710,136	7,965,355
COUNCIL TAX BASE	44,002.6		44,139.4
COUNCIL TAX PER BAND D PROPERTY	£175.22		£180.46
CASH INCREASE	£5.00		£5.24
PERCENTAGE INCREASE	3.22%		2.99%

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 06 February 2023

Portfolio:	Policy and Resources
Subject:	Housing Revenue Account 2023/24
Report of:	Deputy Chief Executive Officer
Corporate Priorities:	Providing Housing Choices

Purpose:

This report seeks Executive approval for the revised budget for the Housing Revenue Account for 2022/23, the base budgets and rent increases for 2023/24.

Executive summary:

The Executive recommended, and the Council approved, in February 2022, the base budget and rent increase for 2022/23, for Housing Revenue Account (HRA) services.

This report sets out some revisions to the Housing Revenue Account revised budget for 2022/23 and base budget for 2023/24 along with the capital programme and financing for the years 2022/23 to 2026/27. The report examines the issues affecting the Housing Revenue Account including rent changes with effect from 1 April 2023.

Council budgets are susceptible to change in the level of expenditure and income caused by factors inside and outside the Council's control. A risk assessment has been carried out to indicate the effect on housing balances of changes in the level of expenditure and income. This can be used to estimate the account balances needed to provide a prudent level of reserves and a working balance.

Recommendation/Recommended Option:

It is recommended that the Executive approves and recommends to the meeting of the Council to be held on 24 February 2023 that:

- (a) rents be approved for Council Dwellings as set out in paragraph 21 with effect from 1 April 2023;

- (b) rents for Council garages be increased by 7% with effect from 1 April 2023;
- (c) the revised budget for 2022/23 be approved; and
- (d) the base budget for 2023/24 be approved.

Reason:

To allow the Council to approve the Housing Revenue Account budgets for 2023/24.

Cost of proposals:

As detailed in the report.

Appendices:

- A: Capital Programme and Financing**
- B: Examples of Rent**
- C: Fees and Charges**
- D: Detailed Revenue Budgets**

Background papers:

Reference papers:

- (a) Executive 7 February 2022 – Housing Revenue Account 2022/23
- (b) Executive 5 September 2022 – General Fund and Housing Revenue Account Outturn 2021/22
- (c) Executive 9 January 2023 – Finance Strategy, Capital Programme, Revenue Budget and Council Tax – Appendix A Medium Term Finance Strategy
- (d) Executive 7 March 2022 -Assheton Court redevelopment
- (e) Executive 9 January 2023 – Fareham Housing Development of Ophelia Court, Montefiore Drive, Park Gate
- (f) [The Direction on the Rent Standard 2023](#)
- (g) [Policy Statement on rents for social housing](#)

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	06 February 2023
Subject:	Housing Revenue Account 2023/24
Briefing by:	Deputy Chief Executive Officer
Portfolio:	Policy and Resources

INTRODUCTION

1. This report brings together the revenue and capital spending plans for the Housing Revenue Account for 2022/23 and 2023/24 for the Executive to consider. On 9 January 2023, the Executive approved the Council's Finance Strategy for 2023/24 and later years. The budget guidelines contained within the Strategy have been used as a basis for the Housing Revenue Account (HRA) spending plans along with the Direction on the Rent Standard 2023 and the Policy Statement on rents for social housing from 1 April 2023.
2. Together these have informed revisions to the 2023/24 revenue and capital budgets and those for future financial years as part of Business Planning for the HRA

CAPITAL PROGRAMME

3. The five-year capital programme has been updated and is summarised in the following table. More details of the capital schemes and its financing can be found in Appendix A.

Year	£'000
2022/23	7,292
2023/24	5,706
2024/25	4,351
2025/26	3,990
2026/27	3,800
Total	25,139

4. The capital programme was included in the Capital Strategy to be presented for approval at the 6 February 2023 Executive.
5. During the current financial year, the major schemes of 2 new social rent houses at Queens Road, Fareham; 16 new sheltered housing flats at Station Road, Portchester; and for 11 houses for Shared Ownership at Stubbington Lane, Stubbington; are underway with completion due in Spring 2023.

6. A tender exercise has been completed for nine new affordable shared ownership flats on the former Coldeast Scout Hut site on Montefiore Drive, with work anticipated to start on site in Spring 2023. On 9 January the Executive approved a report updating the funding arrangements to deliver the scheme and the process toward the appointment of contractors.
7. Technical work is at an advanced stage for a new house at both Crossfell Walk and Bellfield, with tender exercises anticipated for both schemes in early 2023.
8. On 7 March 2022 a report was presented to the Executive on the funding arrangements for the redevelopment of Assheton Court in Portchester, including the demolition of the existing building and a new building comprising of up to 60No. sheltered housing apartments. Technical work has continued on this scheme, with a full planning application being submitted and approved on 14 December 2022. Detailed technical designs will now be produced by the Architect/Engineers. An Employers Agent will be appointed, detailed requirements for the build identified and, when appropriate, the full contractor tender process undertaken. Depending on the availability of potential contractors and the tender process outcomes, construction could start in Summer 2023.
9. There are currently two further development sites as set out in the table below. These have been reported to the Executive and approved in principle for further feasibility and preliminary actions to be undertaken before final schemes and the appropriate funding sources are presented for approval.

Site
Wynton Way (Fareham North West)
Menin House regeneration (Fareham North West)

10. The financing of the capital programme is from the Major Repairs Reserve, Housing Capital Receipts, Revenue Contributions to Capital Outlay, the Capital Housing Development Fund and 1-4-1 capital receipts from Right to Buy sales and borrowing. The most appropriate form of borrowing will be established by the Council's Finance Team in consultation with the Deputy Chief Executive Officer in order to fund the development schemes at Stubbington Lane, Station Road, the former Scout Hut site, Montefiore Drive, Park Gate and Assheton Court.
11. In addition to these internal resources, grant bids of £484,000 have been approved by Homes England in respect of the Stubbington Lane development (£44,000 per shared ownership property) and £172,000 (£86,000 per social rent property) in respect of the Queens Road development. A grant bid for the 9 flats for Shared Ownership flats at the former Coldeast Scout Hut site on Montefiore Drive is in the process of being prepared and will be submitted at the earliest opportunity.
12. Future developed design reports will detail estimated cost and funding arrangements along with the process toward the appointment of an appropriate contractor. New build Fareham Housing homes could be funded from a combination of the following: -
 - a) Capital Development Fund
 - b) Right to Buy initial receipts and Right to Buy 1-4-1 receipts;
 - c) Other Housing Capital receipts (not combined with Right to Buy 1-4-1 receipts)
 - d) Section 106 monies for the purpose of affordable housing provision; (not combined with Right to Buy 1-4-1 receipts)
 - e) Homes England grant funding (not combined with Right to Buy 1-4-1 receipts); and/or

f) Additional borrowing on the Housing Revenue Account.

13. Although the opportunity for borrowing to enable future development is positive there needs to be caution highlighted. Any additional debt will need to be serviced without undermining the financial stability of the Council's HRA. Careful consideration of the borrowing implications along with flexibility in how the various funding sources are used will be required.

REVENUE BUDGETS

14. The following table summarises the Housing Revenue Account base and revised budgets for 2022/23, and the base budget for 2023/24. A more detailed breakdown is provided in Appendix D.

	Base Budget 2022/23 £'000	Revised Budget 2022/23 £'000	Base Budget 2023/24 £'000
HOUSING REVENUE ACCOUNT			
Income	-12,983	-13,374	-14,228
Tenancy Management & Running Costs	3,825	4,472	4,730
Net Interest	1,697	1,630	1,679
Transfer to Debt Repayment Fund	1,140	1,025	1,025
	-6,321	-6,247	-6,794
Revenue Repairs Expenditure	2,818	3,296	3,444
Depreciation set aside into the Major Repairs Reserve	2,826	2,951	3,050
Revenue Contribution to Capital Programme	400	0	300
Transfer to(-)/from HRA Reserve	277	0	0

15. The income budget has been increased to reflect proposed increases in rent and service charges. Changes in circumstances and financial stability for some of our tenants continue to impact on rent being paid, and with the impact of the cost of living crisis arrears are increasing through the current financial year. The housing Rent Recovery Officer continues to work closely with customers and reports regularly from the housing management system which will inform an anticipated increase in the bad debt provision for the current financial year. Service Charge actuals have been completed for 2021/22.
16. Within Tenancy Management and Running Costs increases have been made for employee costs and for communal heating lighting and cleaning costs.
17. The property repairs and maintenance area has seen a further increase in cost and demand. A budget increase for this area is proposed to reflect the employment costs of our building maintenance team as well as higher costs that our suppliers face and that are inevitably passed on to us.
18. The Revenue Contribution to Capital programme budget has been reduced as we do not anticipate former council homes being bought back in the current financial year.
19. The proposed budgets also include a clear set aside of reserves to repay the £49 million housing debt taken on in 2012 when the government changed the national subsidy scheme to a self-financing scheme. These loans become repayable in 30 to 39 years.
20. A summary of all the reserves projected to the end of 2022/23 is set out below:

Reserve	Purpose of Reserve	2021/22 Closing Balance £'000	2022/23 Transfers In £'000	2022/23 Transfers Out £'000	2022/23 Closing Balance £'000
HRA Revenue Reserve	To fund unexpected operating costs	1,210	0	0	1,210
Exceptional Expenditure Reserve	To fund any exceptional demands upon expenditure	1,500	0	0	1,500
Debt Repayment Fund	To repay debt	5,700	1,025	0	6,725
Leaseholder Reserve	To fund major repairs on blocks containing leasehold properties	484	0	0	484
Total Revenue Reserves		8,894	1,025	0	9,919
Major Repairs Reserve	To fund capital expenditure on HRA assets	1,993	2,950	3,000	1,943
Housing Capital Development Fund	To fund new developments	545	0	519	26
1:4:1 Receipts	To fund 40% of costs of new acquisitions and Station Road development	1,879	450	612	1,717
Total Reserves		13,311	3,906	3,612	16,305

RENTS

21. In November 2022 as part of the Government Autumn Statement it was announced that social housing rent increases would be capped at 7% for 2023/24. A new Direction on the rent standard 2023 has been issued along with an updated Policy statement on rents for social housing from April 2023. This is currently a temporary cap applying from the 1 April 2023 to 31 March 2024. This followed a consultation exercise on limiting rent increases in 2023/24 as the previous Policy Statement on Rents for Social Housing from 1 April 2020 onwards allowed increases of up to CPI + 1 % (using the September rate) amounting to 11.1%. The lower 7% cap balances affordability for tenants with rapidly rising cost and capacity pressures being experienced in the social housing sector and our own service areas.
22. Rents for Council garages are not covered by the Government's Direction applying to dwellings, but a similar principle is applied. It is proposed that garage rents for 2023/24 increase by 95p per week in line with that of rent increases.
23. Examples of proposed rents, along with a comparison of what the levels would be at 11.1% (CPI+1) can be seen in Appendix B.

FEES AND CHARGES

24. The current fees and charges for the HRA and the charges for 2023/24, approved at the 9 January 2023 Executive, are set out in Appendix C.
25. The statutory charge is subject to the control and advice of Government. The current level of charge has been set at the maximum allowed.

RISK ASSESSMENT

26. The following list of potential risks indicates that it is essential to preserve the account

balance held for the Housing Revenue Account. Reserves are held so the Council can:

- Continue to manage and maintain homes
- Improve and redevelop estates
- Cover any unexpected expenditure
- Take advantage of new opportunities to meet housing needs
- Repay the debt
- Meet the challenges of any change in Government policy

27. Key risks include future changes to the rent policy, an increase in arrears, other increases in void properties and in the cost of repairs, and in utility costs. In particular, if the Government amend their current rent policy so that rents will reduce post 2023/24, this will put further pressure on the HRA finances.

Examples of Potential and Actual Changes	Effect on Expenditure in Year £'000	Effect on Income in Year £'000
Change in rent policy to decrease rents by 1% beyond 2023		125
Loss of income if void rate rises to 5% from 4%		125
Increase of 10% on employees, and supplies and service costs	464	
Increase of 10% in the depreciation charge	300	
Increase on rent arrears by 10%		80
Increase of 20% in cost of responsive repairs	700	

Enquiries:

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

CAPITAL PROGRAMME AND FINANCING

Housing Capital Programme	2022/23	2023/24	2024/25	2025/26	2026/27
Improvements to Existing Stock	£	£	£	£	£
Improvements	1,525,000	1,575,000	1,600,000	1,650,000	1,700,000
Voids	1,200,000	1,200,000	1,220,000	1,220,000	1,200,000
Modifications	275,000	275,000	280,000	280,000	300,000
 Civica – Asset Management	 15,000				
Vehicles	40,000	100,000	70,000	70,000	100,000
 Acquisitions and New Builds					
Acquisitions	283,000	500,000	500,000	500,000	500,000
New Build – Station Road	1,531,000	700,000			
New Build – Assheton Court	100,000				
New Build – Stubbington Lane	1,679,000	300,000			
New Build – Queens Road	569,000	75,000			
New Build – Crossfell Walk	5,000	250,000			
New Build - 51 Bellfield	20,000				
New Build – Coldeast Scout Hut	50,000	731,000	681,000	270,000	
 TOTAL CAPITAL EXPENDITURE	 7,292,000	5,706,000	4,351,000	3,990,000	3,800,000
 Funded by:					
Improvements to Existing Stock					
Major Repairs Reserve	-3,000,000	-3,050,000	-3,100,000	-3,150,000	-3,200,000
 Other Assets					
Civica Asset Management	-15,000				
Vehicles	-40,000				
 Acquisitions and New Builds					
RCCO	-100,000	-300,000	-300,000	-300,000	-300,000
1-4-1 Capital Receipts	-612,000	-480,000	-200,000	-200,000	-200,000
Capital Receipts	-248,000	-250,000			
Capital Development Fund	-519,000	0			
Homes England Grants	-239,000	-514,000	-37,000		
Other Grants and Contributions	-840,000	-32,000			
Borrowing	-1,679,000	-980,000	-644,000	-270,000	
 TOTAL FUNDING	 -7,292,000	-5,706,000	-4,351,000	-3,990,000	-3,800,000

HRA EXAMPLES OF RENT

	Property Type	2022/23 Actual Rent £	2023/24 Proposed Rent £	Change per week £	Change per week %
Rose Court	1 Bed Flat	88.33	94.51	6.18	7
Grebe Close	2 Bed Bungalow	114.73	122.76	8.03	7
Collingwood Court	1 Bed Flat	107.82	115.36	7.55	7
Foxbury Grove	2 Bed Flat	96.22	102.96	6.74	7
Garden Court	1 Bed Maisonette	86.19	82.23	6.03	7
Sicily House	2 Bed Maisonette	93.35	99.88	6.53	7
Fairfield Avenue	3 Bed House	111.81	119.64	7.83	7
Churchill Close	3 Bed House (shared owner)	97.47	104.29	6.82	7
Jubilee Court	4 Bed House	127.77	136.71	8.94	7
Average for total stock		97.58	104.41	6.83	7
Garages		13.70	14.65	0.95	7

	Property Type	2022/23 Actual Rent £	2023/24 Proposed Rent £	Change per week £	Change per week %
Rose Court	1 Bed Flat	88.33	98.13	9.80	11.1
Grebe Close	2 Bed Bungalow	114.73	127.46	12.73	11.1
Collingwood Court	1 Bed Flat	107.82	119.78	11.97	11.1
Foxbury Grove	2 Bed Flat	96.22	106.90	10.68	11.1
Garden Court	1 Bed Maisonette	86.19	95.76	9.57	11.1
Sicily House	2 Bed Maisonette	93.35	103.71	10.36	11.1
Fairfield Avenue	3 Bed House	111.81	124.23	12.41	11.1
Churchill Close	3 Bed House (shared owner)	97.47	108.29	10.82	11.1
Jubilee Court	4 Bed House	127.77	141.96	14.18	11.1
Average for total stock		97.58	108.41	10.83	11.1
Garages		13.70	15.22	1.52	11.1



HOUSING FEES & CHARGES

	Notes	Fee 2022/23 £	Fee 2023/24 £	% Increase
Sales of Council Houses				
Maximum legal and administration fees in connection with granting a service charge loan	Statutory Charge	100.00	100.00	NIL
Recharge of Officer time in agreeing any consent to freeholders	Fee per occurrence	100.00	110.00	10.0
Repairs to Council Houses				
Abortive visit by Officer, Surveyor or Tradesman	Charge per visit	50.00	55.00	10.0
Rechargeable works	These will be assessed individually at the time the work is carried out.			
Sheltered Accommodation for the Elderly – Guest Room Charges				
Single occupancy per night	Inclusive of VAT	10.40	15.00	44.2
Per couple per night	Inclusive of VAT	15.60	20.00	28.2
Collingwood Court per room	Inclusive of VAT	26.00	30.00	15.3
Sylvan Court per room	Inclusive of VAT	26.00	30.00	15.3
Sheltered Accommodation for the Elderly – Other Charges				
Keys – Key	Inclusive of VAT	5.40	5.90	9.3
Keys – Fob		8.70	9.50	9.2
Wash Cards (where applicable)	Inclusive of VAT			
Wash		0.70	0.80	14.2
Dry		0.60	0.70	16.6

DETAILED REVENUE BUDGET

	Base 2022/23 £'000s	Revised 2022/23 £'000s	Base 2023/24 £'000s
Income			
Rents - Dwellings	-11,332	-11,712	-12,475
Rents - Garages	-348	-362	-388
Rents - Other	-20	-20	-21
Service Charges (Wardens, extra assistance, heating)	-632	-650	-687
Cleaning	-185	-185	-198
Grounds Maintenance	-126	-128	-137
Other Fees and Charges	-61	-37	-37
Leaseholder Service Charges & Insurance	-279	-280	-285
	-12,983	-13,374	-14,228
Expenditure			
Tenancy Management and Running Costs			
General Administrative Expenses	2,047	2,492	2,581
Corporate & Democratic Core	76	82	90
Corporate Management	88	69	75
Unapportioned Overhead	20	0	0
Communal Heating Services	145	247	350
Communal Lighting	55	84	88
Rents, Rates & Other Taxes	186	186	200
Communal Cleaning	242	247	272
Grounds Maintenance	267	267	280
Sheltered Housing Service	564	583	604
Bad Debts Provision	50	150	125
Bad Debts Written off	50	35	35
Debt Management Expenses	35	30	30
Sub-total of management costs	3,825	4,472	4,730
Long Term Debt Management			
Interest Payable	1,817	1,830	1,879
Interest Earned on Internal Balances	-120	-200	-200
Transfer to Debt Repayment Fund	1,140	1,025	1,025
Property Repairs and Maintenance			
Revenue Repairs Expenditure	2,818	3,296	3,444
Depreciation	2,826	2,951	3,050
Revenue Contribution to Capital Programme	937	519	300
Contribution from Capital Development Fund	-537	-519	0
Surplus(-)/Deficit for Year	-277	0	0

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 06 February 2023

Portfolio:	Policy & Resources
Subject:	Treasury Management Strategy
Report of:	Deputy Chief Executive Officer
Corporate Priorities:	A dynamic, prudent and progressive Council

Purpose:

This report considers the draft Treasury Management Strategy and Investment Strategy for 2023/24, prior to its submission to the Council for approval.

Executive summary:

Regulations require the Council to prepare and formally approve both an annual Treasury Management Strategy and Investment Strategy. The document for 2023/24 is attached as Appendix A to this report for consideration by the Executive before being submitted to Council for approval.

A new prudential indicator, the **liability benchmark**, has been added to reflect the requirements of the revised Treasury Management Code of Practice and the Prudential Code issued in 2021. This new prudential indicator in paragraph 48, shows the lowest risk level of borrowing for the Council.

In the past 12 months, the Council's **investment** balance has ranged between £21 million and £38 million, lower levels are expected in the forthcoming year due to capital programme expenditure. The Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income

Borrowing levels are expected to be £52.2 million at the end of 2023/24 to fund the capital programme. The Council has previously raised all of its long-term borrowing from the Public Works Loan Board (PWLb) but will consider long-term loans from other sources. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield.

Recommendation:

It is recommended that the Executive:

- (a) endorses the draft Treasury Management Strategy and Investment Strategy for 2023/24, attached as Appendix A to this report; and
- (b) agrees to submit the report to Council for approval.

Reason:

In accordance with the Code of Practice for Treasury Management in the Public Services and guidance from the Ministry for Housing Communities and Local Government (MHCLG), the Treasury Management Strategy and Investment Strategy have to be approved by full Council.

Cost of proposals:

Not applicable

Appendices: **A:** Treasury Management Strategy and Investment Strategy 2023/24

Background papers: None

Reference papers:

Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in the Public Services 2021

CIPFA The Prudential Code 2021

Statutory Guidance on Local Government Investments issued under section 15(1)(a) of the Local Government Act 2003 from the Ministry of Housing, Communities and Local Government (MHCLG)

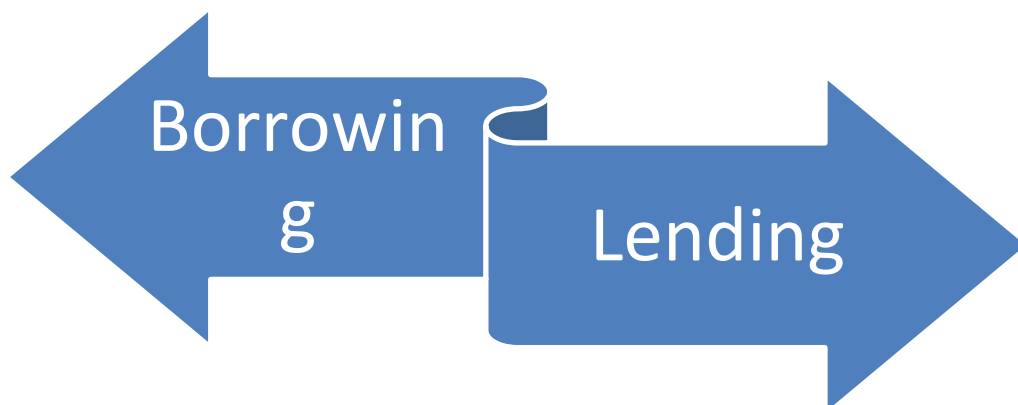
Template for Treasury Management Strategy and Investment Strategy 2023/24 provided by Arlingclose (the Council's Treasury Advisers)

Enquiries:

For further information on this report please contact Caroline Hancock (01329 824589)

B

TREASURY MANAGEMENT STRATEGY AND INVESTMENT STRATEGY 2023/24



INTRODUCTION

WHAT IS TREASURY MANAGEMENT?

1. Treasury Management is defined as:

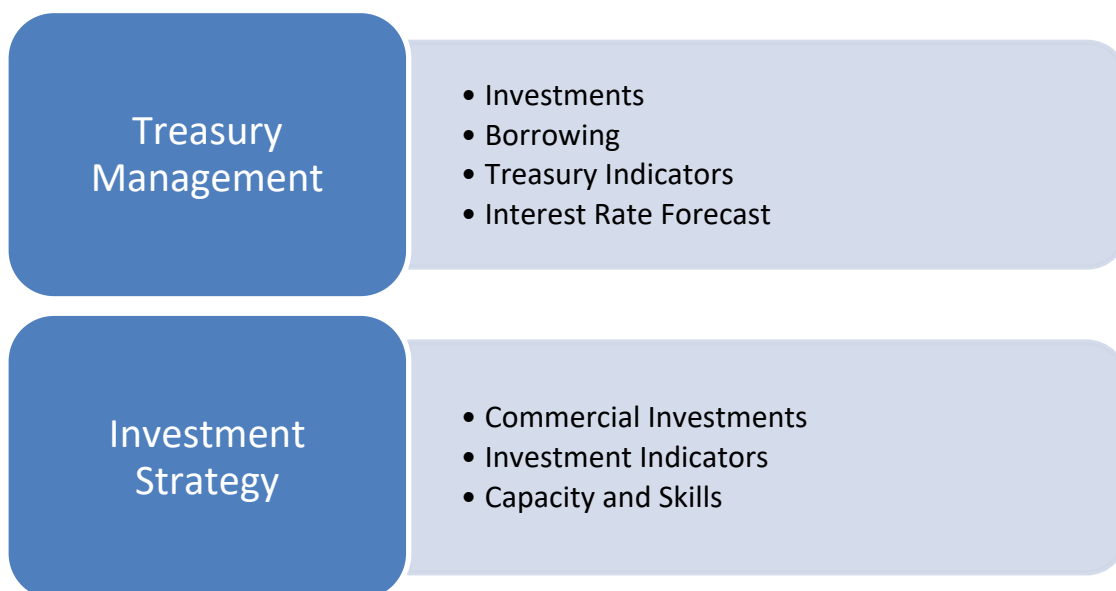
The management of the organisation's cash flows, its banking, money market and capital market transactions;

the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

2. The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. There are two aspects to the treasury management service:
 - a) To ensure the cash flow is adequately planned, with **cash being available when it is needed**. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
 - b) To ensure the cash flow meets the Council's **capital plans**. These capital plans provide a guide to the **borrowing need** of the Council. Essentially this is the longer term cash flow planning to ensure that the Council can meet its capital spending requirements. The management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

CONTENT OF THE TREASURY MANAGEMENT AND INVESTMENT STRATEGIES

3. These strategies set out the expected approach to treasury management and investment activities for 2023/24. It covers two main areas:



4. The content of the Strategies is designed to cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the CIPFA Treasury Management Code and the MHCLG Investment Guidance.

REPORTING REQUIREMENTS

5. The Council receives and approves three main reports each year in relation to Treasury Management, which incorporate a variety of policies, estimates and actuals. The three reports are:



6. The Executive Committee is responsible for the implementation and monitoring of these reports whilst the Audit and Governance Committee is responsible for the effective scrutiny of the treasury management strategy and policies.

TREASURY MANAGEMENT STRATEGY

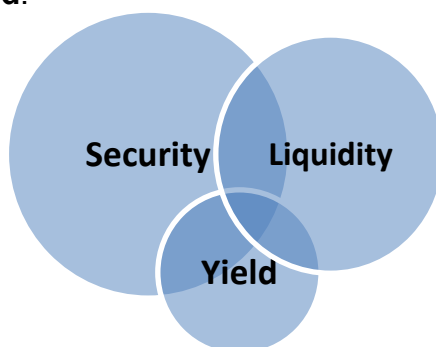
INVESTMENTS

Current Portfolio Position

7. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £21 million and £38 million, lower levels are expected in the forthcoming year due to capital programme expenditure.

Treasury Investment Strategy

8. The CIPFA Code requires 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**.



9. 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. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.
10. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.
11. The Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.
12. Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's **business model** for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Approved Counterparties

13. The Council may invest its surplus funds with any of the counterparty types in the

table below, subject to the limits shown.

Sector	Time Limit	Counterparty Limit	Sector Limit
UK Government	50 years	Unlimited	n/a
Local authorities and other government entities	25 years	£4m	Unlimited
Secured investments*	25 years	£4m	Unlimited
Banks (unsecured)*	13 months	£2m	Unlimited
Building Societies (unsecured)*	13 months	£2m	£4m
Money market funds*	n/a	£4m	Unlimited
Strategic pooled funds	n/a	£5m	£20m

14. Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published **long-term credit rating is no lower than A-**. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.
15. For entities without published credit ratings, investments may be either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £2 million per counterparty as part of a diversified pool.
16. Summary of counterparty types:
 - a) **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.
 - b) **Secured investments:** Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
 - c) **Banks and Building Societies (unsecured):** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

- d) **Money Market Funds:** Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
- e) **Strategic Pooled Funds:** Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
17. The Council may also invest its surplus funds in corporates (loans, bonds and commercial paper issued by companies other than banks), registered providers (loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations) and real estate investment trusts, subject to meeting the minimum credit rating criteria and time limits recommended by the Council's treasury advisers.

Operational Bank Accounts

18. The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £4 million per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

Risk Assessment and Credit Ratings

19. Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
20. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not

apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments

21. The Council understands that credit ratings are good, but not perfect predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations, in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press and analysis and advice from the Council treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above credit rating criteria.
22. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.
23. The following **internal measures** are also in place:
 - Investment and borrowing decisions formally recorded and endorsed using a Counterparty Decision Document.
 - Monthly officer reviews of the investment and borrowing portfolio and quarterly reviews with the Chief Executive Officer.

Investment Limits

24. The Council's revenue reserves available to cover investment losses are forecast to be £5 million on 31st March 2023. In order to minimise risk, in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be **£5 million**. A group of entities under the same ownership will be treated as a single organisation for limit purposes.
25. Limits are also placed on fund managers, investments in brokers' nominee accounts and foreign countries as in the table below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Cash limit	
Any group of pooled funds under the same management	£10m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£4m per country

Liquidity Management

26. The Council uses a purpose-built cash flow forecasting spreadsheet to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.
27. The Council will spread its liquid cash over at least **four providers** (e.g. bank accounts and money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

Environmental, Social and Governance Policy

28. Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level.
29. The Council will seek to move towards investments that improve the environment, bring wider social benefits, and are with organisations with good governance.
30. The Council will give weight to the environmental, social and governance elements of credit ratings in making investment decisions, provided that the overall risk profile of the investment portfolio (including liquidity risk) is not compromised, and that decisions remain consistent with responsible financial management and stewardship.

BORROWING

Current Portfolio Position

31. The Council's borrowing position at 31 March 2022, with forward projections are summarised below.

£'000	2022/23 Revised	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Debt at 1 April	53,200	50,200	52,200	51,200	50,200
Expected change in debt	(3,000)	2,000	(1,000)	(1,000)	(2,000)
Gross Debt at 31 March	50,200	52,200	51,200	50,200	48,200

32. Debt at 31 March 2023 is projected to be lower than originally estimated due to the use of internal borrowing rather than borrowing externally to fund the capital programme.

Borrowing Strategy

33. The Council's main objective when borrowing money is to strike an appropriately low risk balance between **securing low interest costs** and achieving **certainty of**

those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

34. Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.
35. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short term to either **use internal resources**, or to **borrow short-term** loans instead.
36. By doing so, the Council can reduce net borrowing costs (despite foregone investment income) and **reduce overall treasury risk**. The benefits of internal borrowing or short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly.
37. Our treasury advisers will assist the Council with this '**cost of carry**' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2023/24 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.
38. The Council has previously raised all of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code.
39. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield.
40. Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.
41. In addition, the Council may borrow further short-term loans to cover unexpected cash flow shortages.

Sources of Borrowing

42. The approved sources of long-term and short-term borrowing are:
 - HM Treasury's PWLB lending facility (formerly the Public Works Loan Board).
 - Any institution approved for investments.
 - Any other bank or building society authorised to operate in the UK.
 - Any other UK public sector body.
 - UK public and private sector pension funds (except the Hampshire County Council Pension Fund).
 - Capital market bond investors.

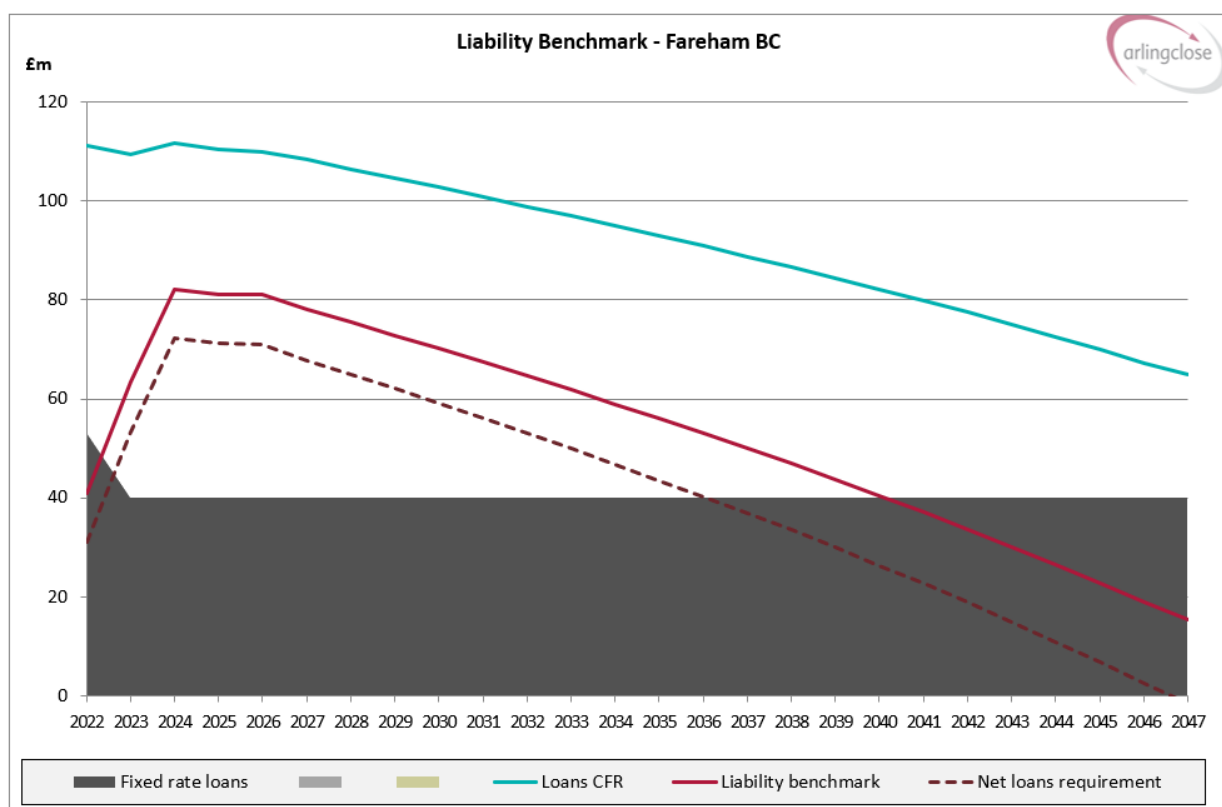
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues.
43. In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:
- Leasing
 - Hire purchase
 - Private Finance Initiative
 - Sale and leaseback
44. **Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.
45. **Short-Term and Variable Rate Loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.
46. **Debt Rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

TREASURY MANAGEMENT PRUDENTIAL INDICATORS

47. The Council measures and manages its exposures to treasury management risks using the following three treasury management indicators.
48. *Treasury Management Prudential Indicator 1 – Liability Benchmark:* To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk.
49. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

£'000	31/3/22 Actual	31/3/23 Estimate	31/3/24 Estimate	31/3/25 Estimate	31/3/26 Estimate
Capital Financing Requirement	111,300	109,400	111,600	110,500	110,100
Less: Balance sheet resources	(80,400)	(56,000)	(39,400)	(39,300)	(39,100)
Net loans requirement	30,900	53,400	72,200	71,200	71,000
Plus: Liquidity allowance	10,000	10,000	10,000	10,000	10,000
Liability benchmark	40,900	63,400	82,200	81,200	81,000

50. The long-term liability benchmark is shown in the chart below together with the maturity profile of the Council's existing borrowing:



51. If cash flows occur as forecast, the Council's level of existing borrowing remains below the liability benchmark for the next 17-18 years. This indicates a need for further external borrowing over this period, peaking at approximately an additional £40m by 2024 and then reducing over time.
52. *Treasury Management Prudential Indicator 2 – Long-term treasury management investments:* 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 prudential limits on the long-term treasury management investments will be:

£'000	2022/23 Revised	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Limit on principal invested beyond year end	14,000	15,000	16,000	17,000	18,000

53. *Treasury Management Prudential Indicator 3 - Maturity structure of borrowing*: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

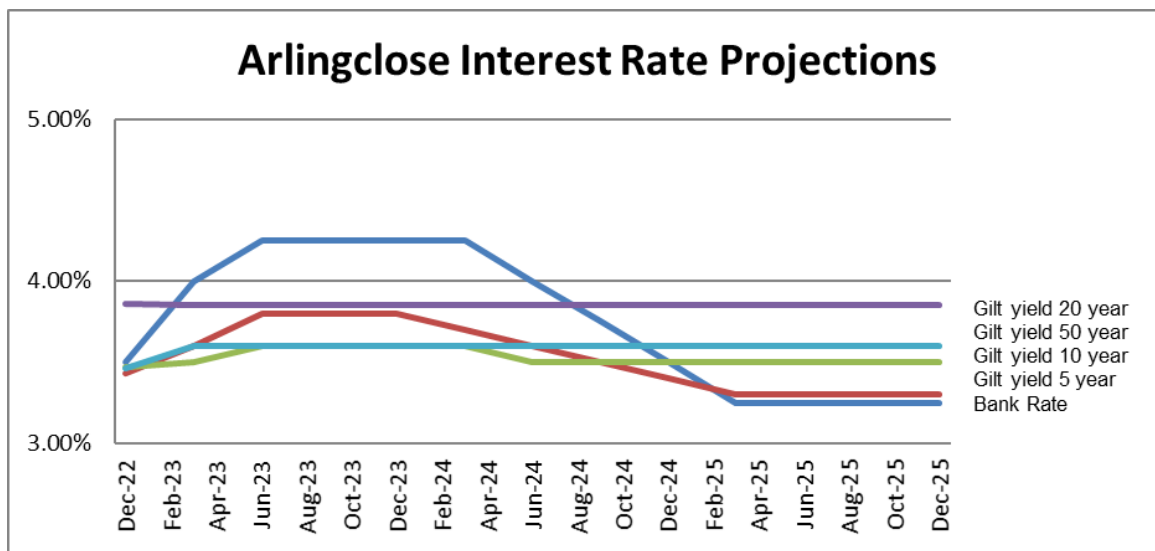
Maturity structure of borrowing	Upper Limit %	Lower Limit %
- Loans maturing within 1 year	50	0
- Loans maturing within 1 - 2 years	50	0
- Loans maturing within 2 - 5 years	50	0
- Loans maturing within 5 - 10 years	50	0
- Loans maturing in over 10 years	100	100

54. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.
55. *Treasury Management Prudential Indicator 4 - Housing Revenue Account (HRA) ratios*: 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.

	2022/23 Revised	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
HRA debt £'000	49,268	49,268	49,268	49,268	49,268
HRA revenues £'000	14,228	13,208	13,744	14,170	14,477
Number of HRA dwellings	2,419	2,419	2,411	2,403	2,395
Ratio of debt to revenues %	3.46:1	3.73:1	3.58:1	3.48:1	3.40:1
Debt per dwelling £	£20,369	£20,369	£20,437	£20,505	£20,573
Debt repayment fund £'000	£6,840	£7,980	£9,120	£10,260	£11,400

INTEREST RATE FORECAST

56. The Council's treasury management adviser, Arlingclose, assist the Council to formulate a view on interest rates. The latest detailed economic and interest rate forecast provided by Arlingclose is attached at Annex 1.
57. The following graph and commentary gives the Arlingclose's central view on interest rates.



58. Arlingclose forecasts that Bank Rate will continue to rise in 2022 and 2023 as the Bank of England attempts to subdue inflation which is significantly above its 2% target.
59. While interest rate expectations reduced during October and November 2022, multiple interest rate rises are still expected over the forecast horizon despite looming recession. Arlingclose expects Bank Rate to rise to 4.25% by June 2023 under its central case, with the risks in the near- and medium-term to the upside should inflation not evolve as the Bank forecasts and remains persistently higher.
60. Yields are expected to remain broadly at current levels over the medium-term, with 5-, 10- and 20-year gilt yields expected to average around 3.5%, 3.5%, and 3.85% respectively over the 3-year period to December 2025. The risks for short, medium and longer-term yields are judged to be broadly balanced over the forecast horizon. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty and events.

Other Items

61. The CIPFA Code requires the Council to include the following in its Treasury Management Strategy.
62. **Policy on Apportioning Interest to the HRA:** On 28 March 2012, the Council borrowed £40 million from the Public Works Loan Board (PWLB) to buy itself out of the HRA subsidy System. The monies were borrowed by the General Fund on behalf of the HRA. The interest on these loans is charged to the HRA on a half-yearly basis at the rate charged by PWLB. A further £9.268 million was lent by the General Fund to the HRA to complete the buyout. Interest on this element is charged at the average weighted rate of the PWLB loans.
63. The unfunded HRA capital financing requirement is also charged to the HRA at the average weighted rate of the PWLB loans.
64. The General Fund credits the HRA with interest earned on HRA credit balances calculated on the monthly movement in reserve balances and applied at year end. The rate used is the weighted interest rate on General Fund investments and cash balances.

65. **Markets in Financial Instruments Directive:** The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Chief Financial Officer believes this to be the most appropriate status.

Financial Implications

66. The budget for net interest received in 2023/24 for the General Fund is £612,000 and the budget for net interest paid in 2023/24 for the HRA is £1,679,000. If actual levels of investments and borrowing, and actual interest rates differ from that forecast, performance against budget will be correspondingly different.

Other Options Considered

67. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Financial Officer believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

INVESTMENT STRATEGY

68. The Council invests its money for three broad purposes:
- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
 - to support local public services by lending to or buying shares in other organisations (**service investments**), and
 - to earn investment income (known as **commercial investments** where this is the main purpose).
69. This investment strategy meets the requirements of statutory guidance issued by the Government in January 2018 and focuses on the third of these categories.
70. The Council does not currently have any service investments.

COMMERCIAL INVESTMENTS

71. The Council invests in local and some regional UK commercial property with the intention of making a profit that will be spent on local public services.
72. Since the Executive approval of a Commercial Property Investment Acquisition Strategy in January 2013, the Council has purchased commercial investment properties currently valued at **£35.7 million** and expected to generate rental income of £2.3 million during 2023/24.

Property Type	Current Value £'000
Retail	21,745
Commercial	11,730
Other	2,210
Total	35,685

73. The Council's total Commercial property portfolio, shown below, is valued at **£68.3 million** and includes Fareham Shopping Centre, Faretec and industrial estates at Palmerston Business Park and Newgate Lane.

Property Type	Current Value £'000
Retail	34,045
Commercial	23,682
Other	4,388
Office	4,740
Leisure	1,481
Total	68,336

74. A fair value assessment of the Council's more recent commercial property

purchases has been made within the past twelve months, and the underlying assets provide security for capital investment.

75. The Council assesses the risk of loss before entering into and whilst holding property investments. These risks are managed by ensuring:
- funds available for new purchases are disaggregated to limit the overall impact that any single investment would have on the Council's finances;
 - there is a mix of property types in the portfolio e.g. retail, industrial, etc.;
 - new purchases are only considered with existing tenants of "high quality" and sufficiently long tenancy term;
 - appropriate checks are carried out to ascertain the tenant's reliability;
 - other "due diligence" is undertaken to protect the Council's investment as far as possible such as checks on planning conditions, land contamination issues and planning policy issues.

Proportionality

76. The Council is dependent on profit generating investment activity to achieve a balanced revenue budget. The table below shows the extent to which the expenditure planned to meet the service delivery objectives is dependent on achieving the expected net profit from investments over the lifecycle of the Medium-Term Financial Strategy.

£'000	2021/22 Actual	2022/23 Revised	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Gross service expenditure	49,432	45,915	46,524	47,320	47,640	48,029
Investment income	4,476	4,463	4,222	4,758	4,758	4,758
Proportion	9.1%	9.7%	9.1%	10.1%	10.0%	9.9%

INVESTMENT INDICATORS

77. The Council has set the following three investment indicators to assess the Council's total risk exposure as a result of its investment decisions.
78. *Investment Indicator 1 - Total risk exposure:* The first indicator shows the Council's total exposure to potential investment losses.

£'000	2021/22 Actual	2022/23 Revised	2023/24 Estimate
Treasury Management Investments	22,189	15,000	15,000
Commercial Investments	68,336	68,336	68,336
Total	90,525	83,336	83,336

79. *Investment Indicator 2 - 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.

£'000	2021/22 Actual	2022/23 Revised	2023/24 Estimate
Treasury Management Investments	0	0	0
Commercial Investments	30,272	29,479	28,663
Total	30,272	29,479	28,663

80. *Investment Indicator 3 - Rate of return received:* This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested.

	2021/22 Actual	2022/23 Revised	2023/24 Estimate
Treasury Management Investments	3.2%	4.1%	3.1%
Commercial Investments	3.3%	3.5%	3.7%
Total	3.3%	3.7%	3.6%

CAPACITY AND SKILLS

Training

81. The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.
82. Treasury management officers regularly attend training courses, seminars and conferences provided by the Council's treasury management advisers and CIPFA.
83. Property services officers also regularly attend training courses, seminars and conferences provided RICS (Royal Institution of Chartered Surveyors) accredited/approved providers.

Use of Treasury Management Consultants

84. The Council has appointed Arlingclose as treasury management advisers and receives specific advice on investment, debt and capital finance issues.
85. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.
86. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

ARLINGCLOSE ECONOMIC AND INTEREST RATE FORECAST

Economic Background – January 2023

The ongoing impact on the UK from the war in Ukraine, together with higher inflation, higher interest rates, uncertain government policy, and a deteriorating economic outlook, will be major influences on the Authority's treasury management strategy for 2023/24.

The Bank of England (BoE) increased Bank Rate by 0.5% to 3.5% in December 2022. This followed a 0.75% rise in November which was the largest single rate hike since 1989 and the ninth successive rise since December 2021. The December decision was voted for by a 6-3 majority of the Monetary Policy Committee (MPC), with two dissenters voting for a no-change at 3% and one for a larger rise of 0.75%.

The November quarterly Monetary Policy Report (MPR) forecast a prolonged but shallow recession in the UK with CPI inflation remaining elevated at over 10% in the near-term. While the projected peak of inflation is lower than in the August report, due in part to the government's support package for household energy costs, inflation is expected remain higher for longer over the forecast horizon and the economic outlook remains weak, with unemployment projected to start rising.

The UK economy contracted by 0.3% between July and September 2022 according to the Office for National Statistics, and the BoE forecasts Gross Domestic Product (GDP) will decline 0.75% in the second half of the calendar year due to the squeeze on household income from higher energy costs and goods prices. Growth is then expected to continue to fall throughout 2023 and the first half of 2024.

CPI inflation is expected to have peaked at around 11% in the last calendar quarter of 2022 and then fall sharply to 1.4%, below the 2% target, in two years' time and to 0% in three years' time if Bank Rate follows the path implied by financial markets at the time of the November MPR (a peak of 5.25%). However, the BoE stated it considered this path to be too high, suggesting that the peak in interest rates will be lower, reducing the risk of inflation falling too far below target. Market rates have fallen since the time of the November MPR.

The labour market remains tight for now, with the most recent statistics showing the unemployment rate was 3.7%. Earnings were up strongly in nominal terms by 6.1% for both total pay and for regular pay but factoring in inflation means real pay for both measures was -2.7%. Looking forward, the November MPR shows the labour market weakening in response to the deteriorating outlook for growth, leading to the unemployment rate rising to around 6.5% in 2025.

Interest rates have also been rising sharply in the US, with the Federal Reserve increasing the range on its key interest rate by 0.5% in December 2022 to 4.25%-4.5%. This rise follows four successive 0.75% rises in a pace of tightening that has seen rates increase from 0.25%-0.50% in March 2022. Annual inflation has been slowing in the US but remains above 7%. GDP grew at an annualised rate of 3.2% (revised up from 2.9%) between July and September 2022, but with official interest rates expected to rise even

further in the coming months, a recession in the region is widely expected at some point during 2023.

Inflation rose consistently in the Euro Zone since the start of the year, hitting a peak annual rate of 10.6% in October 2022, before declining to 10.1% in November. Economic growth has been weakening with an upwardly revised expansion of 0.3% (from 0.2%) in the three months to September 2022. As with the UK and US, the European Central Bank has been on an interest rate tightening cycle, pushing up its three key interest rates by 0.50% in December, following two consecutive 0.75% rises, taking its main refinancing rate to 2.5% and deposit facility rate to 2.0%.

Credit outlook:

Credit default swap (CDS) prices have generally followed an upward trend throughout 2022, indicating higher credit risk. They have been boosted by the war in Ukraine, increasing economic and political uncertainty and a weaker global and UK outlook, but remain well below the levels seen at the beginning of the Covid-19 pandemic.

CDS price volatility was higher in 2022 compared to 2021 and the divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities has emerged once again.

The weakening economic picture during 2022 led the credit rating agencies to reflect this in their assessment of the outlook for the UK sovereign as well as several local authorities and financial institutions, revising them from negative to stable.

There are competing tensions in the banking sector which could impact bank balance sheet strength going forward. The weakening economic outlook and likely recessions in many regions increase the possibility of a deterioration in the quality of banks' assets, while higher interest rates provide a boost to net income and profitability.

However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

Underlying assumptions – December 2022

- The influence of the mini-budget on rates and yields continues to wane following the more responsible approach shown by the new incumbents of Downing Street.
- Volatility in global markets continues, however, as investors seek the extent to which central banks are willing to tighten policy, as evidence of recessionary conditions builds. Investors have been more willing to price in the downturn in growth, easing financial conditions, to the displeasure of policymakers. This raises the risk that central banks will incur a policy error by tightening too much.
- The UK economy is already experiencing recessionary conditions and recent GDP and PMI data suggests the economy entered a technical recession in Q3 2022. The resilience shown by the economy has been surprising, despite the downturn in business activity and household spending. Lower demand should

bear down on business pricing power – recent data suggests the UK has passed peak inflation.

- The lagged effect of the sharp tightening of monetary policy, and the lingering effects of the mini-budget on the housing market, widespread strike action, alongside high inflation, will continue to put pressure on household disposable income and wealth. The short- to medium-term outlook for the UK economy remains bleak.
- Demand for labour appears to be ebbing, but not quickly enough in the official data for most MPC policymakers. The labour market remains the bright spot in the economy and persisting employment strength may support activity, although there is a feeling of borrowed time. The MPC focus is on nominal wage growth, despite the huge real term pay cuts being experienced by the vast majority. Bank Rate will remain relatively high(er) until both inflation and wage growth declines.
- Global bond yields remain volatile as investors price in recessions even as central bankers push back on expectations for rate cuts in 2023. The US labour market remains tight, and the Fed wants to see persistently higher policy rates, but the lagged effects of past hikes will depress activity more significantly to test the Fed's resolve.
- While the BoE appears to be somewhat more dovish given the weak outlook for the UK economy, the ECB seems to harbour (worryingly) few doubts about the short-term direction of policy. Gilt yields will be broadly supported by both significant new bond supply and global rates expectations due to hawkish central bankers, offsetting the effects of declining inflation and growth.

Forecast – December 2022

- The MPC raised Bank Rate by 50bps to 3.5% in December as expected, with signs that some members believe that 3% is restrictive enough. However, a majority of members think further increases in Bank Rate might be required. Arlingclose continues to expect Bank Rate to peak at 4.25%, with further 25bps rises February, March and May 2023.
- The MPC will cut rates in the medium term to stimulate a stuttering UK economy but will be reluctant to do so until wage growth eases. We see rate cuts in the first half of 2024.
- Arlingclose expects gilt yields to remain broadly steady over the medium term, although with continued volatility across shorter time periods.
- Gilt yields face pressures to both sides from hawkish US/EZ central bank policy on one hand to the weak global economic outlook on the other. BoE bond sales and high government borrowing will provide further underlying support for yields.

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 06 February 2023

Portfolio:	Policy and Resources
Subject:	Capital Programme and Capital Strategy 2023/24
Report of:	Deputy Chief Executive Officer
Corporate Priorities:	A dynamic, prudent and progressive Council

Purpose:

This report considers the Capital Strategy for 2023/24, prior to its submission to the Council for approval.

Executive summary:

Regulations require the Council to prepare and formally approve a Capital Strategy. The document for 2023/24 is attached as Appendix A to this report for consideration by the Executive before being submitted to Council for approval.

The Capital Strategy gives a high-level overview of how capital expenditure, capital financing, asset management and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

The main highlights in the Capital Strategy are:

- i) The level of capital expenditure estimated for 2023/24 is £24.5 million. The current estimate is that £3.1 million of this will be met by new borrowing.
- ii) A new prudential indicator for net income from commercial investments to net revenue stream has been added.
- iii) A new section about the Daedalus Finance Strategy has been added.
- iv) A high-level review of future funding requirements has identified a capital funding requirement of £229 million.
- v) The Council's investment property portfolio has an estimated value of £68.3 million.

A separate report proposing the Treasury Management Strategy and Investment Strategy for 2023/24 will be presented at the February meeting of the Executive.

Recommendation:

It is recommended that the Executive:

- (a) endorses the draft Capital Strategy for 2023/24, attached as Appendix A to this report;
- (b) approves the capital programme for the period 2022/23 to 2026/27, amounting to £62.9 million as set out in Annex 1 of the Capital Strategy; and
- (c) agrees to submit the Capital Strategy for 2023/24 to Council for approval.

Reason:

To allow the Council to approve the Capital Strategy in accordance with the Prudential Code.

Cost of proposals:

As detailed in the report.

Appendices: **A:** Capital Strategy 2023/24 (including 5-year capital programme as Annex 1)

Background papers: None

Reference papers: CIPFA Prudential Code 2021
 Arlingclose Capital Strategy 2023-24 Template



CAPITAL STRATEGY 2023/24



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INTRODUCTION

WHAT IS THE CAPITAL STRATEGY?

1. The Capital Strategy has been developed to meet the requirements of the CIPFA Prudential Code.
2. It gives a high-level overview of how **capital expenditure, capital financing, asset management and treasury management** activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
3. Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future.
4. The Capital Strategy covers:

Capital Expenditure	<ul style="list-style-type: none">• Estimates of Capital Expenditure• Major Capital Schemes• Prioritisation
Capital Financing	<ul style="list-style-type: none">• External Sources• Own Resources• Debt and MRP
Asset Management	<ul style="list-style-type: none">• Asset Management• Asset Disposals
Treasury Management	<ul style="list-style-type: none">• Borrowing Strategy• Investment Strategy• Commercial Activities

5. The capital strategy complements other Council strategies, including those in the diagram below:



PRUDENTIAL INDICATORS

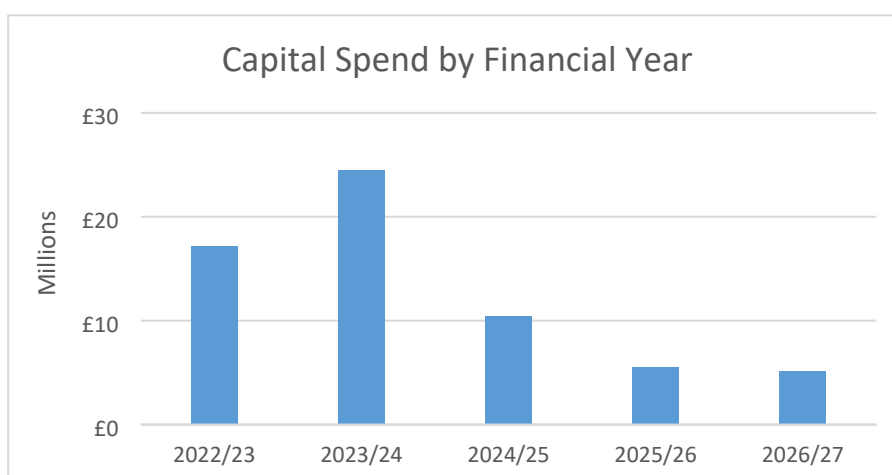
6. The objectives of the CIPFA Prudential Code aim to ensure that capital investment plans are **affordable, prudent and sustainable**, and that treasury decisions are taken in accordance with good professional practice.
7. To achieve these objectives, five prudential indicators are included in the capital strategy:
 - Prudential Indicator 1 - Estimates of capital expenditure and financing
 - Prudential Indicator 2 - The Council's borrowing need
 - Prudential Indicator 3 - Gross debt and the capital financing requirement
 - Prudential Indicator 4 - Limits to borrowing activity
 - Prudential Indicator 5 - Net income from commercial investments to net revenue stream
 - Prudential Indicator 6 - Proportion of financing costs to net revenue stream

CAPITAL EXPENDITURE

8. Capital expenditure is where the Council spends money on assets, such as property or vehicles, which will be used for more than one year. In local government this also includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

ESTIMATES OF CAPITAL EXPENDITURE

9. The Council agrees a rolling five-year capital programme each year consistent with the Medium-Term Finance Strategy and the resources available, along with any impact on the revenue budgets.
10. The capital programme for the period 2022/23 to 2026/27 has been updated to take account of re-phased schemes and newly approved schemes such as town centre property acquisitions for housing and the review of community buildings.
11. Total capital expenditure is one of the risk indicators required by the Prudential Code. The Council is planning capital expenditure of £62.9 million in the 5-year capital programme as summarised below (detailed schemes are in **Annex 1**):



Prudential Indicator 1 - Estimates of Capital Expenditure

Capital Expenditure	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	Total £'000
Health and Public Protection	9	0	0	0	0	9
Streetscene	37	50	50	50	189	376
Leisure and Community	5,473	9,953	1,817	329	200	17,772
Housing	1,889	500	500	500	573	3,962
Planning and Development	118	133	195	0	0	446
Policy and Resources	2,407	8,192	3,505	700	400	15,204
Total General Fund	9,933	18,828	6,067	1,579	1,362	37,769
HRA	7,292	5,706	4,351	3,990	3,800	25,139
Total Expenditure	17,225	24,534	10,418	5,569	5,162	62,908

MAJOR CAPITAL SCHEMES

12. The major General Fund capital schemes include Fareham Live, schemes at Solent Airport at Daedalus and Osborn Road Multi-Storey Car Park.
13. The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately and includes new housing developments with 16 new sheltered housing flats at Station Road and 11 houses for Shared Ownership properties at Stubbington Lane.
14. Major schemes over £1 million are summarised in the table below:

Major Schemes	£'000
Fareham Live	16,015
HRA Improvements to Existing Stock	15,515
HRA New Builds	6,961
Solent Airport at Daedalus	5,323
Civic Offices Improvements	3,681
Disabled Facilities Grants	3,650
Asset Replacement Programme (ICT, Vehicles etc.)	3,227
HRA Stock Acquisitions	2,283
Osborn Road Multi-Storey Car Park	1,912
166 Southampton Road Repairs	1,194

GOVERNANCE AND PRIORITIES

15. Capital programme expenditure is monitored through monthly officer monitoring reports and half-yearly and annual outturn reports to the Executive.
16. All new potential capital schemes will only be considered if they make a clear contribution to the Council's objectives and priority actions or support the Council's Asset Management Plan.
17. The following factors need to be considered before a decision is made to include a new scheme in the capital programme:
 - On-going operational costs associated with the scheme;
 - Whole life costing implications of the scheme;
 - Cost of servicing the debt if the scheme is financed by borrowing;
 - Loss of investment interest if internal resources are used.
18. Where new capital schemes are included in the capital programme there will be a need to ensure that the necessary resources are in place to meet the full capital costs and the on-going revenue costs.
19. Efforts will be made to secure external (non-borrowing) sources of funding capital schemes. Internal capital resources will only be released to fund schemes once external sources of funding (such as developers' contributions, lottery grants, etc.) have been explored and rejected.
20. Capital schemes will normally be financed by use of capital reserves or external contributions. Borrowing will only be considered where there is a sound economic business case (e.g. for spend to save schemes) whereby borrowing costs are wholly offset by long term net revenue income or savings.

21. Resources allocated to particular capital projects but subsequently not required are returned to meet future corporate priorities rather than be retained for use by that service.
22. To ensure the Council is able to meet the financial challenges ahead, priority is given to the following:
 - Corporate priorities;
 - Providing for future liabilities;
 - Maintaining and protecting public assets;
 - Investing in the future by ensuring assets are sustainable, encourage economic growth and regeneration, and meet the needs of the community.
23. This is achieved by:
 - Building up finances for the future, such as the allocation of windfall income to the Capital Fund Account;
 - Maximising external funding opportunities to reduce the reliance on internal resources;
 - Effective project planning and management to ensure schemes are completed on time and within budget.

SOLENT AIRPORT AND DAEDALUS

24. Solent Airport and the Daedalus site is a strategic asset for the Council, and as such will require significant capital investment over time. It also has the potential to generate revenue for the Council, create job opportunities for the borough and the aspiration is for the airport operations (airside and non-airside combined) to be financially self-sustaining.
25. The significance of Daedalus is such that it warrants its own financial operating framework, and the Daedalus Finance Strategy was presented to the Executive in March 2022. The strategy establishes a financial framework for the operation and investment at Solent Airport and the wider Daedalus site, including the approach to capital receipts and its use as a corporate capital resource.
26. Members have financial updates comparing figures against the strategy position at regular meetings of the Daedalus Scrutiny Panel. The Scrutiny Panel will also consider all activities and developments at the site.

ENVIRONMENTAL SUSTAINABILITY

27. At the June 2021 Executive, members adopted the Council's Climate Change Action Plan detailing the actions the Council is taking to reach carbon neutrality, under the categories, Eliminate, Reduce and Offset.

28. The annual review of the action plan, presented to the July 2022 Climate Change Scrutiny Panel, highlights areas that will require future capital funding for projects such as:
- Energy efficiency improvements to Council properties and housing stock
 - Electric vehicle charging points at the Depot
 - Replacement vans and smaller vehicles that have exceeded their working lifespan with electric versions
 - Replacement of petrol-powered tools e.g., lawnmowers that have exceeded their natural lifespans with electric versions
 - A potential energy generation site on Council land
29. External sources of funding will be sought where possible to contribute towards priority environmentally sustainable projects and will be an area of spending pressure in the future.

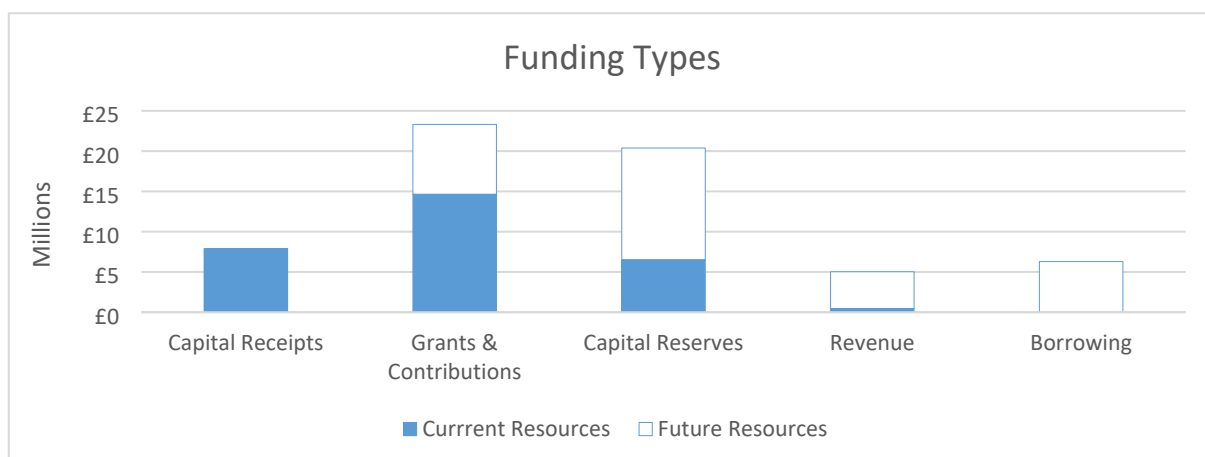
CAPITAL FINANCING

30. All capital expenditure must be financed, either from **external sources** (government grants and other contributions), the Council's **own resources** (revenue, reserves and capital receipts) or **debt** (borrowing and leases).
31. The planned financing of the above expenditure is as follows:

Prudential Indicator 1 - Estimates of Financing

Capital Financing	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	Total £'000
Capital Receipts	1,349	5,674	200	400	273	7,896
Grants & Contributions	8,543	10,770	2,240	879	889	23,321
Capital Reserves	4,024	3,890	6,122	3,150	3,200	20,386
Revenue	1,177	1,103	1,070	870	800	5,020
Borrowing	2,132	3,097	786	270	0	6,285
Total Financing	17,225	24,534	10,418	5,569	5,162	62,908

32. Total resources of **£67.7 million** are estimated to be available over the life of the capital programme and therefore there should be a surplus of approximately £4.8 million in 2026/27.
33. The chart below shows the different funding types split between current and future resources. Grants and contributions are the largest funding source financing 37% of the programme.



34. The forecast surplus of resources is limited and relies partly on resources that have not yet been secured (such as future capital receipts and grants as well as continued revenue contributions towards capital investment), totalling £33 million.
35. In the event that these resources do not materialise, other funding options will need to be investigated including borrowing, reliance on external funding or the programme scaled back.
36. It must also be borne in mind that the implications of some of the Council's priority actions, such as town centre regeneration, and emerging capital spending pressures have not yet been quantified. Costs associated with approved schemes also remain provisional until tenders have been received.
37. For example, since the Airport Investment Plan was approved by the Executive last March, consultants have been appointed to progress the Aeronautical Ground Lighting (AGL) installation, with the planning application about to be submitted, and RCA Ltd have been appointed to deliver the Performance Based Navigation system (PBN).
38. However, with changes to the AGL scheme required by the Civil Aviation Authority, the approved capital budget is unlikely to be sufficient. In addition, safety improvements are required to the airport control tower and two replacement vehicles are required. As such, the Airport Investment Plan is under review and revised proposals will be brought forward to the Executive in April.
39. Spending pressures including repair and refurbishment, or replacement works to Council assets (for example, community and leisure facilities, public conveniences, car parks) have also yet to be added to the capital programme.
40. The following asset management reviews are currently taking place and will be presented to the Executive in the coming months:

- Five-year asset management plan for Streetscene public buildings and infrastructure
- Civic Offices asset management plan
- Vehicle replacement programme

DEBT AND MRP

41. Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually by putting aside revenue resources to repay debt which is known as **Minimum Revenue Provision (MRP)**. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance.
42. Planned MRP and use of capital receipts are as follows:

	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Minimum Revenue Provision	1,498	1,538	1,618	1,700	1,745
Future Capital Receipts	3,587	0	1,919	0	0

43. Borrowing costs (MRP and interest charges) for schemes funded by debt will be covered by revenue generating assets.
44. The MRP budget provision reflects the capital costs relating to commercial property purchases, and construction works at Solent Airport at Daedalus including the Innovation Centre extension and new hangars.

MRP Policy Statement

45. The Council is required to set an annual policy on the way it calculates the prudent provision for the repayment of General Fund borrowing. The main policy adopted is that MRP will be determined by charging the expenditure over the **expected useful life** of the relevant assets on an **annuity basis** starting in the year after the asset becomes operational. This calculation will be reviewed on a case-by-case basis depending on the circumstances and with a view to minimising the impact on the council tax payer.
46. Where expenditure is on an asset which will be held on a short-term basis (up to 5 years), no MRP will be charged. However, the capital receipt generated by the sale of the asset will be used to repay the debt instead.
47. No MRP will be charged in respect of assets held within the HRA, in accordance with MHCLG Guidance. Capital expenditure incurred during 2023/24 will not be subject to an MRP charge until 2024/25.

48. The Council's full MRP statement is available in the Council's Treasury Management Strategy.

Capital Financing Requirement

49. The Council's cumulative outstanding amount of debt finance is referred to as the **Capital Financing Requirement (CFR)** and is another prudential indicator. The CFR increases with new debt-financed capital expenditure and reduces when MRP and capital receipts are used to replace debt.
50. The CFR indicator is a measure of the Council's underlying need to borrow for a capital purpose taken from the balance sheet. This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits.
51. The CFR is expected to increase by £1.7 million during 2023/24 mainly due to debt funded capital expenditure at Osborn Road Multi-Storey Car Park and housing developments at Station Road, Stubbington Lane and Coldeast Scout Hut, offset partly by MRP. The Council's estimated CFR is as follows:

Prudential Indicator 2 - The Council's borrowing need

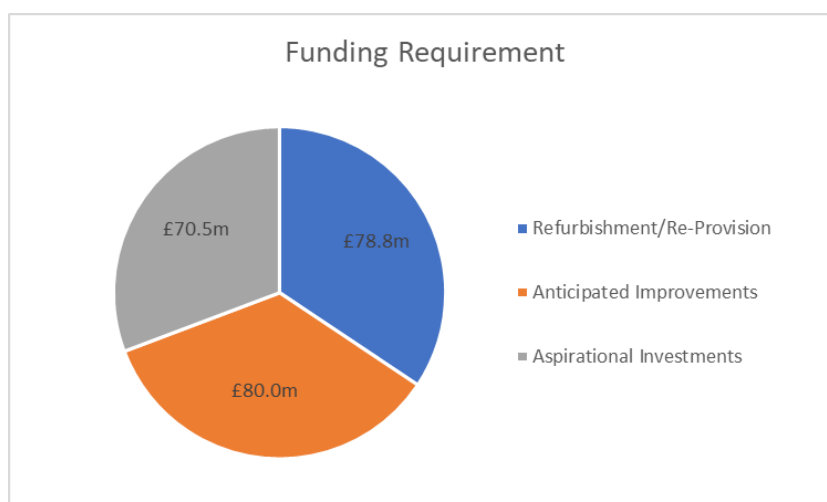
£'000	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
General Fund	55,513	56,192	54,716	53,016	51,271
HRA	52,733	53,713	54,357	54,627	54,627
Total CFR	108,246	109,905	109,073	107,643	105,898

ASSET MANAGEMENT

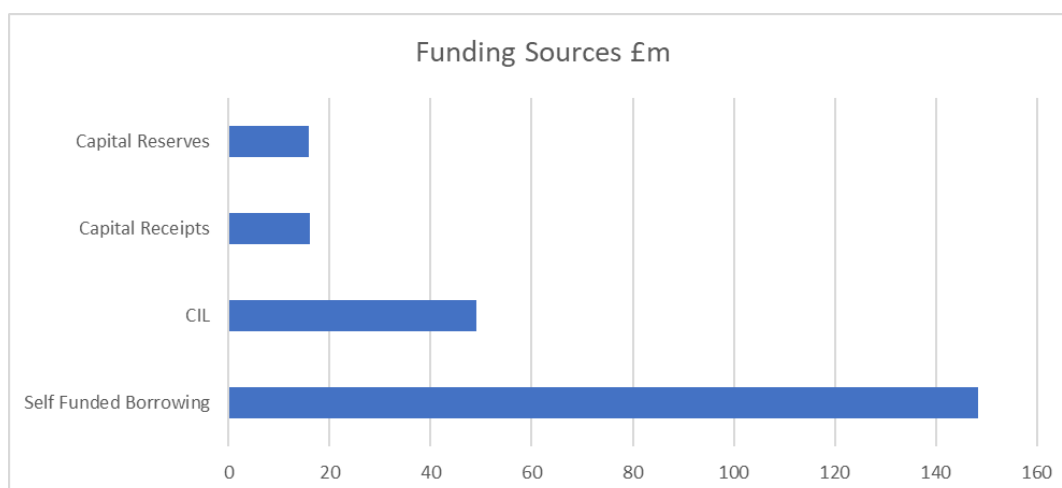
52. One of the Council's corporate priorities is 'a dynamic, prudent and progressive Council' and aims to 'undertake a major review of all Council owned land and buildings to ensure that we are making the best use of our assets'.

FUTURE FUNDING REQUIREMENTS

53. To ensure that capital assets continue to be of long-term use, the Council has undertaken a high-level review of the future funding requirements for its land and buildings, excluding Council dwellings. This review covers a 30-year time frame and has identified a capital funding requirement of **£229 million** for refurbishing/re-provisioning existing assets, improving existing assets and aspirational investments as shown in the chart below:



54. The main funding source is self-funded borrowing supported by capital receipts, capital reserves and the community infrastructure levy, as illustrated in the following graph:



55. The Council will put in place a Council-wide plan which will set out the overall direction and framework for the management of its assets to help deliver the Council's priority actions and service delivery needs, now and in the future.

ASSET DISPOSALS

56. When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt.
57. Repayments of capital grants, loans and investments also generate capital receipts. The Council plans to receive capital receipts as follows:

	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Right to Buy Houses	1,000	1,000	1,000	1,000	1,000
Other Housing Receipts	515	16	16	16	16
General Fund Property	10,365	0	0	0	1,919
Total	11,880	1,016	1,016	1,016	2,935

General Fund Property of £9.5m relates to property and land at Daedalus (2022/23) and Welborne Cottages (2026/27).

TREASURY MANAGEMENT

58. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account.
59. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
60. At 31 March 2022, the Council had £53.2 million borrowing and £22.2 million treasury investments.
61. The Treasury Management Strategy and Investment Strategy for 2023/24 will be presented separately at the February meeting of the Executive.

BORROWING STRATEGY

62. The Council's main objective when borrowing is to achieve a low but sufficiently certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans and long-term fixed rate loans where the future cost is known but higher.
63. Projected levels of the Council's total outstanding debt are shown below, compared with the capital financing requirement.

Prudential Indicator 3 - Gross debt and the capital financing requirement

	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Debt at 1 April	53,200	50,200	52,200	51,200	50,200
Capital Financing Requirement (CFR)	108,246	109,905	109,073	107,643	105,898

64. Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from the table above, the Council expects to comply with this in the medium term.

AFFORDABLE BORROWING LIMIT

65. The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and a lower “operational boundary” set as a warning level should debt approach the limit.
66. 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. This is the limit beyond which external borrowing is not normally expected to exceed.
67. The authorised limit represents the maximum amount of debt that the Council can legally owe. The limit provides headroom over and above the operational boundary for unusual cash movements.

Prudential Indicator 4 - Limits to Borrowing Activity

	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Operational Boundary	135,000	159,000	170,000	175,000	175,000
Authorised Limit	143,000	167,000	178,000	183,000	183,000

68. Further details on borrowing are in the Council's Treasury Management Strategy.

TREASURY INVESTMENT STRATEGY

69. The Council invests its money for three broad purposes:
- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),

- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

70. The Council does not currently have service investments.

Treasury Investment Policy

71. The Council's policy on treasury investments is to prioritise security and liquidity over yield, which is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss.
72. Money that will be held for longer terms is invested more widely, currently in property but could also include bonds and shares, to balance the risk of loss against the risk of receiving returns below inflation.
73. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which investments to buy, and the Council may request its money back at short notice.
74. Further details on treasury investments are set out in the Council's Treasury Management Strategy.

Treasury Investment Risk Management

75. The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses.

Treasury Investment Governance

76. Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Deputy Chief Executive Officer and staff, who must act in line with the treasury management strategy approved by Full Council.
77. Reports on treasury management activity are presented to the Executive. The Audit and Governance Committee is responsible for scrutinising treasury management decisions and therefore is presented with the annual Treasury Management Policy for comment, and reports on adherence to this Policy.

COMMERCIAL ACTIVITIES

Commercial Investments Policy

78. With central government financial support for local public services declining, the Council invests in commercial property to secure a financial gain. Total commercial investments that have been purchased in accordance with the Council's Commercial Property Investment Acquisition Strategy are summarised below and are currently valued at **£35.7 million** and expected to generate rental income of £2.3 million during 2023/24.

Property Type	Current Value £'000
Retail	21,745
Commercial (Industrial)	11,730
Other (Healthcare)	2,210
Total	35,685

79. The Council's total investment portfolio, shown below, is valued at **£68.3 million** and includes Fareham Shopping Centre, Faretec and industrial sites at Palmerston Business Park and Newgate Lane.

Property Type	Current Value £'000
Retail	34,045
Commercial	23,682
Other	4,388
Office	4,740
Leisure	1,481
Total	68,336

Commercial Investments Risk Management

80. With financial return being a key objective, the Council accepts higher risk on commercial investment than with treasury investments. Investing in property is not risk-free, so it is important that any acquisitions reflect the Council's risk appetite in terms of maintaining the capital value of the asset in the long term, and extent to which rental income is guaranteed.
81. The principal risk exposures include vacancies and the resultant loss of income, added costs of holding a vacant property and cost of marketing and re-letting the property.

82. These risks are managed by ensuring:

- funds available for new purchases are disaggregated to limit the overall impact that any single investment would have on the Council's finances;
- there is a mix of property types in the portfolio e.g. retail, industrial, etc.;
- new purchases are only considered with existing tenants of "high quality" and sufficiently long lease terms;
- appropriate checks are carried out to ascertain the tenant's reliability before the investment is made and periodically afterwards;
- other "due diligence" is undertaken to protect the Council's investment as far as possible such as checks on planning conditions, land contamination issues and planning policy issues.

83. The majority of investments will be held for a medium to long term in order to achieve the required return and to justify the cost of the acquisition. However, as part of the investment decision, consideration is also given to the potential ways in which the Council could "exit" from the investment, such as sale to another investor, sale for redevelopment, etc. An investment only proceeds where there is a clear exit strategy, should it be required.

Commercial Investments Governance

84. The Executive approved a Commercial Property Investment Acquisition Strategy on 7th January 2013.

85. The steps taken before a decision to purchase a property are clearly documented and tested via a challenge process involving the Head of Property Services, Deputy Chief Executive Officer and the Executive portfolio holder for Policy Strategy and Finance.

86. Decisions on commercial investments are made by the Executive in line with the criteria outlined in the Commercial Property Investment Acquisition Strategy.

87. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

Prudential Indicator 5 – Net income from commercial investments to net revenue stream

	2022/23 Revised	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Total net income from commercial investments £'000	1,940	2,328	2,731	2,731	2,731
General Fund Proportion of net revenue stream	18%	19%	22%	22%	22%

LIABILITIES

88. In addition to debt detailed above, the Council is committed to making future payments to cover its **pension fund deficit** (valued at £54.4 million as at 31 March 2022). It has also set aside provisions of £3.4 million mainly to cover **business rate appeals**.
89. Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Deputy Chief Executive Officer. The risk of liabilities crystallising and requiring payment is monitored by Finance and reported as necessary.
90. Further details on liabilities are given in the 2021/22 Statement of Accounts.

REVENUE BUDGET IMPLICATIONS

91. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable.
92. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e., the amount funded from Council Tax, business rates, general government grants and housing rents.

Prudential Indicator 6 - Proportion of financing costs to net revenue stream

	2022/23 Revised	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund Financing costs £'000	556	825	999	1,081	1,126
General Fund Proportion of net revenue stream	5%	7%	8%	9%	9%
HRA Financing costs £'000	1,696	1,763	1,801	1,825	1,836
HRA Proportion of net revenue stream	13%	12%	13%	13%	13%

93. Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 30 years into the future. The Deputy Chief Executive Officer is

satisfied that the proposed capital programme is prudent, affordable and sustainable.

KNOWLEDGE AND SKILLS

94. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council also supports junior staff to study towards relevant professional qualifications including CIPFA.
95. Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs **Arlingclose Limited** as treasury management advisers and a number of property consultants. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

CAPITAL PROGRAMME 2022/23 to 2026/27

	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
HEALTH AND PUBLIC PROTECTION						
CCTV Cameras	9,400					9,400
HEALTH AND PUBLIC PROTECTION TOTAL	9,400	0	0	0	0	9,400
STREETSCENE						
Bus Shelters	20,000				89,000	109,000
Play Area Safety Equipment and Surface Replacement	17,100	50,000	50,000	50,000	100,000	267,100
STREETSCENE TOTAL	37,100	50,000	50,000	50,000	189,000	376,100
LEISURE AND COMMUNITY						
Buildings						
Fareham Live	5,310,200	8,922,600	1,552,800	229,400		16,015,000
Leisure Centres Capital Investment		305,000	141,700			446,700
Community Buildings Review	80,000	319,600	22,400			422,000
Whiteley Community Centre Refurbishment		40,000				40,000
	5,390,200	9,587,200	1,716,900	229,400	0	16,923,700
Play Schemes						
Play Area Improvement Programme	82,300	100,000	100,000	100,000	200,000	582,300
Skate Park Upgrade - Wicor Recreation Ground		100,000				100,000
Skate Park Upgrade - Stubbington Recreation Ground		100,000				100,000
Fareham College Play Area		50,000				50,000
	82,300	350,000	100,000	100,000	200,000	832,300
Other Community Schemes						
Allotment Improvements		16,300				16,300
	0	16,300	0	0	0	16,300
LEISURE AND COMMUNITY TOTAL	5,472,500	9,953,500	1,816,900	329,400	200,000	17,772,300
HOUSING						
Home Improvements						
Disabled Facilities Grants	1,650,000	500,000	500,000	500,000	500,000	3,650,000
Empty Homes Strategy					72,600	72,600
	1,650,000	500,000	500,000	500,000	572,600	3,722,600
Enabling						
92 Gordon Road Improvements	163,400					163,400
Sea Lane, Stubbington - Self Builds	75,900					75,900
	239,300	0	0	0	0	239,300
HOUSING TOTAL	1,889,300	500,000	500,000	500,000	572,600	3,961,900

	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	Total £
PLANNING AND DEVELOPMENT						
Car Parks						
Car Parks - Surfacing	20,000	132,500	195,000			347,500
	20,000	132,500	195,000	0	0	347,500
Coastal Protection						
Salterns Recreation Ground Seawall Repairs	98,000					98,000
	98,000	0	0	0	0	98,000
PLANNING AND DEVELOPMENT TOTAL	118,000	132,500	195,000	0	0	445,500
POLICY AND RESOURCES						
Replacement Programmes						
Vehicles and Plant Replacement Programme	494,700	400,000	400,000	400,000	400,000	2,094,700
ICT Development Programme	399,700	171,000	105,000	100,000	0	775,700
	894,400	571,000	505,000	500,000	400,000	2,870,400
Operational Buildings						
Civic Offices Improvement Programme	200,000	480,500	3,000,000			3,680,500
Depot Asset Management Works	224,500					224,500
	424,500	480,500	3,000,000	0	0	3,905,000
Property Developments						
Osborn Road Multi-Storey Car Park	100,000	1,812,100				1,912,100
166 Southampton Road Repairs	100,000	1,093,500				1,193,500
	200,000	2,905,600	0	0	0	3,105,600
Solent Airport at Daedalus						
Daedalus Site Wide	279,900					279,900
Daedalus Faraday Business Park	352,700					352,700
Managed Hangarage	105,000					105,000
Taxiway Maintenance		2,700,000				2,700,000
Aircraft Parking		200,000		200,000		400,000
Aeronautical Ground Lighting and Precision Based Navigation System	150,000	1,150,000				1,300,000
Self-Fuelling Facility		25,000				25,000
Grounds Maintenance Facility		160,000				160,000
	887,600	4,235,000	0	200,000	0	5,322,600
POLICY AND RESOURCES TOTAL	2,406,500	8,192,100	3,505,000	700,000	400,000	15,203,600
GENERAL FUND TOTAL	9,932,800	18,828,100	6,066,900	1,579,400	1,361,600	37,768,800

HOUSING REVENUE ACCOUNT

Improvements to Existing Stock	3,015,000	3,050,000	3,100,000	3,150,000	3,200,000	15,515,000
Vehicles	40,000	100,000	70,000	70,000	100,000	380,000
Acquisitions	283,000	500,000	500,000	500,000	500,000	2,283,000
New Builds	3,953,500	2,056,000	681,000	270,000	0	6,960,500

**HOUSING REVENUE ACCOUNT
TOTAL**

7,291,500	5,706,000	4,351,000	3,990,000	3,800,000	25,138,500
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TOTAL CAPITAL PROGRAMME

17,224,300	24,534,100	10,417,900	5,569,400	5,161,600	62,907,300
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FAREHAM BOROUGH COUNCIL PAY POLICY STATEMENT

FINANCIAL YEAR 2023 - 24

1. Purpose

This Pay Policy Statement ("Pay Statement") is provided in accordance with the Localism Act 2011("Localism Act") and this will be updated in each subsequent financial year.

This Pay Statement sets out Fareham Borough Council's pay policies relating to its workforce for the financial year 2022-23, including the remuneration of its Chief Officers, lowest paid employees and the relationship between its Chief Officers and that of its employees who are not Chief Officers.

2. Definitions

For the purpose of this Pay Statement the following definitions apply:

Pay	includes base salary, charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements and termination payments.
Chief Officers	<p>refers to the following roles within the Council:</p> <p>Statutory Chief Officers:</p> <ul style="list-style-type: none"> • Chief Executive Officer, as Head of Paid Service • Director of Support Services, as Monitoring Officer • Deputy Chief Executive Officer, as Section 151 Officer <p>Non Statutory Chief Officers:</p> <ul style="list-style-type: none"> • Director of Planning and Regulation • Director of Leisure and Community
Deputy Chief Officers	Heads of Service who report directly to/or accountable to a statutory or non-statutory Chief Officer in respect of all or most of their duties.
Lowest paid employees	refers to those employees employed within Grade1 of the Council's mainstream pay structure. This definition has been adopted because Grade1 is the lowest grade on the Council's mainstream pay structure.
Employee who is not a Chief Officer	refers to all employees who are not covered under the "Chief Officer" group above. This includes the "lowest paid employees". i.e. employees on Grade1.

3. Pay Framework and Remuneration Levels

3.1 General approach

The pay structure and pay scales have been designed to enable the Council to recruit and retain suitably qualified employees at all levels who are dedicated to fulfilling its corporate objectives and delivering services to the public whilst operating within an acceptable financial framework.

With a diverse workforce the Council recognises that its Pay Policy needs to retain sufficient flexibility to cope with a variety of circumstances that may arise that might

necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. The decision to apply a market premium or similar mechanism will be approved by the Director of Support Services and endorsed by the Chief Executive Officer.

The Chief Executive Officer, as Head of Paid Service, has delegated power to update the pay policy in line with establishment changes.

3.2 Responsibility for decisions on pay structures

The outcome of reviews into the local pay and grading structures covering all jobs are submitted to a meeting of Full Council for approval.

The Council's locally determined pay structures are based on the outcome of a job evaluated process and were implemented for the Chief Officers, Heads of Service and all other employees in April 2008. This followed a national requirement for all Local Authorities to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer to comply with employment legislation.

The pay structure for the Chief Executive Officer was established in 2008 having regard to the need to be fully competitive in the market and to be confident of attracting and retaining the highest calibre of employee to reflect the high level of organisational and corporate performance which the Council requires its Chief Executive Officer to deliver. Relevant labour market and comparative remuneration data was considered. This was reviewed in 2013.

3.3 Pay scales and grading framework

The **mainstream pay structure** for all employees below the level of Heads of Service was determined through a local process based on the outcome of a job evaluation scheme. The pay structure from 1 April 2023 consists of a pay spine of 44 points, comprising 11 grades containing 5 spinal column points with the exception of grade 1. Grade 1 is the lowest grade and 11 the highest. Each employee will be on one of the 11 grades based on their job evaluated role.

The **Chief Executive's** pay grade reflects the same principles as for all of the Council's pay structures consisting of 5 spinal column points.

The pay structure for **Chief Officers and Heads of Service** was determined through a local process that took into account market alignment with District Councils in Hampshire and the outcome of a job evaluated process. It followed the same principles as applied for the mainstream pay structure and consists of one pay grade for Chief Officers and three pay grades for Heads of Service with all grades containing 5 points (with 4 additional point relating to responsibility for statutory posts).

The National Minimum Wage applies to those under 25 but Fareham's pay scales are not aged biased.

Details of the Council's pay structures are published on the Council's website and a copy as at 1st April 2022 is appended to this Statement (at [Annex A](#)).

3.4 Pay Awards and National Pay Awards

Pay awards are considered annually for all employees. The outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions in relation to the settlement of the annual pay award is normally applied. The pay award for April 2022 was settled in October 2022 with a cash sum of £1,925 applied to each scale point. This resulted in a pay award of between 3.45% and 10.50% on the mainstream grades. The pay award with effect from April 2023 is currently under negotiation between the employers and the Unions.

If there is an occasion where the Council believes that the National Pay Settlement would distort the local pay structures alternative proposals will be developed, discussed with the trade unions and brought to Elected Members for formal approval.

4. Remuneration – level and element

4.1 Salaries of Chief Officers and Deputy Chief Officers

“Chief Officers” are identified at 2 above and constitute the Council's Corporate Management Team. They are all paid within the Council's pay structures as follows:

- a) Chief Executive Officer, as Head of Paid Service will be paid a salary within the grade range £121,465 to £140,282.
- b) Statutory and Non-Statutory Chief Officers will be paid a salary within the grade range £86,746 to £99,346 (£102,879 to £114,253 for statutory posts).

“Deputy Chief Officers” who are Heads of Service are all paid within the Council's pay structures and will be paid a salary within grade ranges £58,099 to £86,745.

Typically Chief Officers and Heads of Service have received the same percentage pay award as for all other employees.

Details of Chief Officer and Heads of Service remuneration have been published since 2010 on the Council's website.

4.2 “Lowest paid employees”

Each lowest paid employee will be paid a salary within the pay scales for Grade 1 mindful of the need to meet the National Living Wage requirements.

A very detailed review of pay and grading was undertaken on this topic along with other parts of the grading structure and the review and recommendations were reported to Full Council in December 2014.

4.3 Bonuses and Performance related pay

There is no provision for bonus payments or performance related pay awards to any level of employee.

There is, however, an honorarium provision which may be awarded where an employee performs duties outside the scope of their post over an extended period or where the additional duties and responsibilities involved are exceptionally onerous. All such payments are subject to approval by a Chief Officer (Member of Chief Executive's Management Team).

4.4 Other pay elements – Statutory Officers

The pay structure for Chief Officers does not take account of the clearly defined additional responsibilities in respect of the Section 151 and Monitoring Officer roles. Officers undertaking these roles receive payment equivalent to two spinal column points based on the incremental pay progression from the penultimate to maximum point of the pay grade for Chief Officers.

Provision for the recognition of the role of acting Head of Paid Service exists within the Chief Officers pay structure for up to two spinal column points on the same payment principle as for the Section 151 and Monitoring Officers.

These pay arrangements allow for flexibility in the allocation of the additional roles to Chief Officers and for the responsibilities to be rotated.

4.5 Charges, fees or allowances

Allowances or other payments, for example shift working, standby, etc. may be made to employees, below the level of Chief Officer, in connection with their role or the pattern of hours they work in accordance with National or Local collective agreements.

Expenses: The Council recognises that some employees incur necessary expenditure in carrying out their responsibilities, for example travel costs. Reimbursement for reasonable expenses incurred on Council business are paid in accordance with the Council's collective agreement and subsequent amendments to it.

Elections: The Chief Executive Officer has been appointed as the Council's Returning Officer for elections and he has appointed the Deputy Chief Executive Officer, Director of Leisure and Community and Head of Democratic Services as his Deputy Returning Officers. For performing elections duties, the Returning Officer and Deputies receive a fee payable according to a scale of costs, charges and expenses set by the Hampshire and Isle of Wight Election Fees Working Party and allowed under the Local Government Act 1972.

Professional Subscriptions: The Chief Executive Officer and Chief Officers are entitled to receive payment for one subscription to a relevant professional body.

4.6 Benefits in kind

Benefits in kind are benefits which employees receive from their employer during their employment which are not included as part of their salary. Fareham has a technology scheme and car leasing scheme that employees have a choice to sign up for in lieu of salary. These benefits are reportable to HMRC and taxed accordingly.

4.7 Pension

All employees as a result of their employment are eligible to join the Local Government Pension Scheme (LGPS).

4.8 Severance payments

The Council already publishes its policy on discretionary payments on early termination of employment and flexible retirement as well as publishing its policy on increasing an employee's total pension. These policies are applied in support of efficient organisational change and transformation linked to the need for efficiencies and expenditure reduction.

Details of the Council's policies are published on the Council's website.

Redundancy payments are calculated using the statutory weekly pay calculator which gives the following entitlements:

0.5 week's pay for each full year worked when you are under 22

1.0 week's pay for each full year worked when you are between 22 and 41

1.5 week's pay for each full year worked when you are 41 or older

The council will apply weekly pay to the number of entitled weeks and has a local multiplier of 2.2 which is applied to the overall calculation.

No employee who has left the Council in receipt of a redundancy or severance package will be re-employed by the Council, in any capacity, unless there are exceptional business circumstances in which case approval is required from the Chief Executive Officer.

4.9 New starters joining the Council

Employees new to the Council will normally be appointed to the first point of the salary scale for their grade. Where the candidate's current employment package would make the first point of the salary scale unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a different starting salary point within the grade may be considered by the recruiting manager in consultation with HR Services. The candidate's level of skill and experience should be consistent with that of other employees in a similar position on the salary scale within the grade.

5. Relationship between remuneration of "Chief Officers" and "employees who are not Chief Officers".

This relates to the ratio of the Council's highest paid employee (falling within the definition of "Chief Officers") and the median earnings across the whole workforce as a pay multiple. By definition, the Council's highest paid employee is the Chief Executive Officer. The median average pay has been calculated on all taxable earnings for the financial year 2022-23, including base salary, allowances, etc.

Highest paid employee	£140,282
Median earnings for remainder of workforce	£27,344
Ratio	5.13

ANNEX A (to the Pay Policy Statement)**Fareham Borough Council - Pay Scales as at 01/04/2022**

Chief Executive Grades & Salary			Directors Grades & Salary	
Spinal Column Point	Annual Salary		Spinal Column Point	Annual Salary
1	£121,465		1	£86,746
2	£126,170		2	£89,469
3	£130,874		3	£92,645
4	£135,579		4	£95,934
5	£140,282		5	£99,346

Senior Management Grades & Salary scales								
Grade	Spinal Column Point	Annual Salary	Grade	Spinal Column Point	Annual Salary	Grade	Spinal Column Point	Annual Salary
	1	£76,626		1	£66,704		1	£58,099
	2	£79,241		2	£69,053		2	£60,137
1	3	£81,946	2	3	£71,488	3	3	£62,248
	4	£84,340		4	£74,011		4	£64,437
	5	£86,745		5	£76,626		5	£66,704

Local Pay Scales					
GRADE	SPINAL COLUMN POINT	ANNUAL SALARY (APRIL 2022)	GRADE	SPINAL COLUMN POINT	ANNUAL SALARY (APRIL 2022)
1	3	£20,258			
	4	£20,441			
	5	£20,812			
2	5	£20,812	7	26	£35,245
	6	£21,189		27	£36,247
	7	£21,575		28	£37,283
	8	£21,968		29	£38,347
	9	£22,369		30	£39,433
3	9	£22,369	8	30	£39,433
	10	£22,777		31	£40,562
	11	£23,194		32	£41,714
	12	£23,620		33	£42,912
	13	£24,054		34	£44,039
4	13	£24,054	9	34	£44,039
	14	£24,948		35	£45,202
	15	£25,878		36	£46,384
	16	£26,845		37	£47,609
	17	£27,344		38	£48,733
5	18	£28,371	10	38	£48,733
	19	£28,900		39	£49,921
	20	£29,768		40	£51,123
	21	£30,678		41	£52,347
	22	£31,536		42	£52,970
6	22	£31,536	11	42	£52,970
	23	£32,427		43	£54,126
	24	£33,341		44	£55,297
	25	£34,285		45	£56,496
	26	£35,245		46	£57,728

FAREHAM

BOROUGH COUNCIL

Report to Council

Friday 24 February 2023

Subject: Creation of Council Sub-Committee for the appointment of a Chief Executive Officer

Report of: **Director of Support Services and Monitoring Officer**

SUMMARY

In accordance with Section 4 of the Local Government and Housing Act 1989, Fareham Borough Council is required to appoint a Head of Paid Service. The Council's Constitution Part 1, Chapter 10 confirms the Chief Executive Officer is designated to carry out this role.

Following the resignation of the current Chief Executive Officer, it is necessary to proceed with a recruitment process to select and appoint a new Chief Executive Officer.

RECOMMENDATION

That the Council agrees:

- (a) to create a sub-committee to act as an Appointment Panel to consist of 3 Members, at least one of which must be an Executive Member; and
- (b) that the sub-committee meets at times and dates to suit the recruitment process, as advised by the Director of Support Services.

INTRODUCTION

1. In accordance with Section 4 of the Local Government and Housing Act 1989 ('LGH 1989') the Council must designate one of its officers to hold the statutory office of Head of Paid Service. The responsibilities of the Head of Paid Service are prescribed by the LGH1989 Act and the Local Government Act 2000 ('LGA2000 Act') and are described in the Council's Constitution.
2. Section 4 of the Local Government and Housing Act 1989, requires that the Council designate one of its officers as Head of the Paid Service (usually the Chief Executive) who is responsible for preparing reports on the way the local authority's staff are organised, on the authority's staffing needs and on the co-ordination of the way in which the authority's functions are discharged. Failure to appoint a Head of Paid Service, would put the Council in breach of its statutory obligation.
3. In addition, Section 35 of the Representation of the People Act 1983 requires the Council to appoint an officer of the Council to be the Returning Officer for the election of Councillors. In accordance with the decision of the Council the Chief Executive is also appointed as Returning Officer which is an independent statutory role. The Chief Executive is appointed as the Council's Electoral Registration Officer under Section 8 of the Representation of the People Act 1983.

BACKGROUND

4. The current Chief Executive, Peter Grimwood, has tendered his resignation after a highly successful 40-year career working in Local Government, with the last 27 years at Fareham Borough Council serving as the Chief Executive since April 2009.
5. Peter will depart the Council on 30 June 2023 and the Council must now put in place a selection process to appoint a new Chief Executive Officer.

APPOINTMENT PANEL

6. The Appointment Panel is a formal sub-committee of Council and will consist of three Members, at least one of which must be an Executive Member. In the interest of political balance one Member of the panel will be from the opposition group. A deputy for each political group may also be appointed.
7. The Appointment Panel will be asked to agree its Terms of Reference at its inaugural meeting and will be guided on this by the Director of Support Services who will also lead and advise on the recruitment and selection process.
8. The Panel is likely to meet three times, the first to agree the statement specifying duties of the post and qualifications/experience of the ideal applicant. The second meeting to agree the shortlist of applicants to be invited to attend the selection days and the third to meeting to form part of the interview and selection process.
9. Meetings of the Panel will be held in accordance with the Council's Standing Orders and will move into private session, as appropriate, to consider the applications and to conduct interviews.

FINANCIAL IMPLICATIONS

10. The cost of the recruitment process will be met within existing budgets and the salary

offered within the salary band as set out in the Council's Pay Policy Statement.

RISK ASSESSMENT

11. The post of Chief Executive Officer is crucial to ensure the Council's effective governance. Failure to appoint would be a breach of legislation.

CONCLUSION

12. That the Council agrees:
 - (a) to create a sub-committee to act as an Appointment Panel to consist of 3 Members, at least one of which must be an Executive Member; and
 - (b) that the sub-committee meets at times and dates to suit the recruitment process, as advised by the Director of Support Services.

Appendices:

Background Papers: HR files (Exempt from publication)

Reference Papers: Fareham Borough Council Constitution

Contact: For further information please contact Leigh Usher (01329 824553)

FAREHAM

BOROUGH COUNCIL

Report to Council

Date: **24 February 2023**

Report of: **Head of Democratic Services**

Subject: **APPOINTMENTS OF COMMITTEES AND ALLOCATION OF SEATS**

SUMMARY

This report provides details of the calculations for political balance relating to the allocation of seats on committees and panels, as required to be determined by the Council at soon as is practicable, following a change to the political group membership.

The report asks the Council to appoint the nominations of the political groups to committees and also to appoint the role of Chairman and Vice-Chairman for each committee.

RECOMMENDATION

It is recommended that the Council approves:

- (a) the committee functions and number of seats on each committee for the remainder of the municipal year ending in May 2023, as listed at paragraphs 5, 6 and 7 of the report;
- (b) the allocation of seats to political groups for the remainder of the municipal year ending in May 2023, as set out in Appendix A to this report;
- (c) the nominations of the political groups to seats on committees, deputies and spokesmen, for the remainder of the municipal year ending in May 2023, as set out in Appendix B to this report; and
- (d) the appointment of a Chairman and Vice-Chairman for each committee for the remainder of the municipal year ending in May 2023, as set out in Appendix B to this report.

INTRODUCTION

1. The Council is required by its Standing Orders to agree the functions and number of seats for its committees as well as the members to be appointed and the Chairman and Vice-Chairman for each committee.
2. Following the resignation of Councillor Nick Gregory from the Conservative Group with effect from 14 February 2023, the political balance of the Council has changed and the number of seat allocated to the political groups is affected.
3. Accordingly, the Council is now invited to agree the allocation of seats to its committees along with the nomination of deputies and the appointment of a Chairman and Vice-Chairman for each committee for the remainder of the municipal year ending in May 2023. Such appointments will take effect from 27 February 2023.

FUNCTIONS AND NUMBER OF SEATS

Overview and Scrutiny

4. The Council is required by Standing Order 1.6.1 to appoint such committee or committees to undertake the function of overview and scrutiny as provided for in the Council's Constitution. Standing Order 1.6.3 similarly requires the Council to determine the number of members and standing deputies to be appointed.
5. The Council is therefore invited to confirm that the Scrutiny Panels to be appointed for the remainder of the municipal year, ending in May 2023, will be as set out below and that the number of members to be appointed is also as shown:
 - Policy and Resources Scrutiny Panel: 7 members + deputies;
 - Leisure and Community Scrutiny Panel: 7 members + deputies;
 - Planning and Development Scrutiny Panel: 7 members + deputies;
 - Health and Public Protection Scrutiny Panel: 7 members + deputies;
 - Housing Scrutiny Panel: 7 members + deputies;
 - Streetscene Scrutiny Panel: 7 members + deputies.
 - Daedalus Scrutiny Panel: 7 members with 1 co-opted representative + deputies; and
 - Climate Change Scrutiny Panel: 7 members + deputies.

Appointment of Other Committees

6. The Council is reminded that it is required by the Licensing Act 2003 to appoint a committee to undertake certain licensing functions and that Standing Order 1.7.1 further requires the Council to appoint such committees as it considers necessary to carry out the non-executive functions of the Council. The Council is therefore invited to confirm the following committees to be appointed, the number of members and standing deputies and to allocate to those Committees such terms of reference and delegated powers as are contained in Part Two of the Council's Constitution:
 - Licensing and Regulatory Affairs Committee: 13 members;
 - Planning Committee: 9 members;

- Audit and Governance Committee: 7 members.
7. The Chairman of the Licensing and Regulatory Affairs Committee presides at the meetings of the Licensing Panel, with the Vice Chairman of the Committee deputising as occasion requires.
 8. Each political group shall appoint 2 deputy members to the Planning Committee and 1 deputy member to each of the remaining committees for which a seat has been allocated.
 9. Members are reminded that at its meeting on 26 April 2012, the Council agreed that the Audit and Governance Committee would be formed, from which a Standards Sub Committee could be called if necessary, to deal with any standards issues referred to it by the Monitoring Officer.

ALLOCATION OF SEATS

10. Section 5 of the Local Government and Housing Act 1989 provides the following principles which apply to the allocation of seats:
 - (a) that not all the seats on the body to which appointments are being made are allocated to the same political group;
 - (b) that the majority of seats on each Committee are allocated to a particular group if the number of persons belonging to that group is a majority of the authority's membership;
 - (c) that, subject to (a) and (b), when allocating seats to a political group, the total number of their seats across all the ordinary committees of the Council, must reflect their proportion of the authority's membership; and
 - (d) subject to (a) to (c), that the number of seats on each committee is as far as possible in proportion to the group's membership of the authority.
11. The Local Government and Housing Act 1989 requires that, once the Council has determined the allocation of Committee places between the political groups, the Council must then appoint the nominees of the political groups to the Committees.

POLITICAL PROPORTIONALITY

12. The political balance of the Council for the remainder of the municipal year, ending in May 2023, is attached as Appendix A to this report.
13. The allocation of seats between the political groups for each committee shall be in accordance with the figures in Appendix A.

ADJUSTMENTS FOLLOWING CALCULATIONS

14. Each of the political groups is entitled to a certain number of seats on committees. This is based upon their percentage representation on the Council as a whole, as detailed in Appendix A.
15. There is a total of 85 seats to be allocated and the strict entitlement to seats on committees for each political group is shown as detailed in Appendix A.

16. Each of the political groups is only entitled to their proportion of seats and once this entitlement has been reached, a manual adjustment may be necessary.
17. Appendix A shows a rounded allocation of seats to each political group. This is then required to be manually adjusted to ensure that the number of seats allocated to a particular political group matches, and does not exceed, the strict entitlement.
18. The manual adjustments required are confirmed in the notes as detailed in Appendix A.

To assist the Council in this matter and in exercise of powers delegated to the Chief Executive Officer, the Head of Democratic Services has consulted with the leaders of the political groups prior to the meeting, with a view to agreeing the allocation of seats for the remainder of the municipal year, ending in May 2023. Group Leaders have provided nominations to the places on committees to which their respective groups are entitled. The nominations of political groups to seats on committees is set out in Appendix B.

19. The Council is invited to confirm the allocation of seats with effect from 27 February 2023. However, if the Council is asked to consider alternative arrangements in appointing the committees and those arrangements do not comply with the provisions requiring political balance, members are reminded that such alternative arrangements would require the support of the Council with no member voting against.

CHAIRMEN AND VICE-CHAIRMEN

20. The Council is required by Standing Order 1.7.4 to appoint a Chairman and Vice-Chairman for each committee appointed.
21. The nominations are set out in Appendix B (indicated by the letters Ch and VC), to this report.

OPPOSITION SPOKESMEN

22. The minority group Leaders may nominate a spokesman for each Executive portfolio area on which a seat is held by that group. The nominations of political groups to seats on committees is set out in Appendix B (marked as Xs), to this report.

Appendices: Appendix A – Allocation of Seats to Committees
Appendix B – Committee Nomination Schedule

Background Papers: None

Reference Papers: Local Government (Committees and Political Groups) Regulations 1990
Local Government and Housing Act 1989

Enquiries: For further information on this report please contact Leigh Usher. (Ext 4553)

Appendix A: Political Balance Calculation

		Conservative 25 80.65%		Liberal Democrat 4 12.90%		Independent 2 6.45%	
Seats to be allocated		Strict Entitle-ment	Rounded	Strict Entitle-ment	Rounded	Strict Entitle-ment	Rounded
	85	68.55	69	10.97	11	5.48	5
Policy & Resources Scrutiny Panel	7	5.42	6	1.13	1	0.23	0
Leisure & Community Scrutiny Panel	7	5.42	6	1.13	1	0.23	0
Planning & Development Scrutiny Panel	7	5.42	6	1.13	1	0.23	0
Health & Public Protection Scrutiny Panel	7	5.42	6	1.13	1	0.23	0
Housing Scrutiny Panel	7	5.42	6	1.13	1	0.23	0
Streetscene Scrutiny Panel	7	5.42	6	1.13	1	0.23	0
Climate Change Scrutiny Panel	7	5.42	6	1.13	1	0.23	0
Daedalus Scrutiny Panel	7	5.42	6	1.13	1	0.23	0
Licensing & Regulatory Affairs	13	10.06	10	2.26	2	0.45	0
Planning Committee	9	6.97	7	1.45	1	0.29	0
Audit & Gov	7	5.42	6	1.13	1	0.23	0
Notional allocation			71		12		0
Adjustment Required			-2		-1		(+5)

Notes:

- (i) Following the calculation rules as set out in the Local Government and Housing Act 1989 (and listed at paragraph 18 of the report) the Licensing & Regulatory Affairs Committee has notionally been allocated 12 seats across the political groups. This is 1 short of its 13 seats and so a manual adjustment of +1 is required for this committee.
- (ii) Similarly, the Planning Committee has notionally been allocated 8 seats across the political groups. This is 1 short of its 9 seats and so a manual

adjustment of +1 is required for this committee.

- (iii) Under the calculation, the Conservative Group has notionally been allocated 71 seats on committees which is 2 more than the strict entitlement of 69 and therefore a manual adjustment of -2 is required.
- (iv) The Liberal Democrat Group has notionally been allocated 12 seats on committees which is 1 more than the strict entitlement of 11 and therefore a manual adjustment of -1 is required.
- (v) There are two independent councillors who do not represent any political group. There is no strict entitlement calculation applicable to an independent member however, following the calculations and allocation of seats to political groups, the Council must appoint the non-group member to any seats not otherwise allocated. In doing this, the Council may allocate seats from those committees requiring a balancing adjustment.

Appendix B - Committee Nomination Schedule

Conservative Group

	Executive portfolio	Policy & Resources Scrutiny Panel	Leisure & Comm Scrutiny Panel	Planning & Dev Scrutiny Panel	Health & Public Protection Scrutiny Panel	Housing Scrutiny Panel	Streetscene Scrutiny Panel	Climate Change Scrutiny Panel	Daedalus Scrutiny Panel	Licensing & Regulatory Affairs	Planning Committee	Audit & Governance
No of seats>		6	6	6	6	6	5	5	6	10	8	5
Bastable, IJ	S									X	VC	
Bayford, Mrs SM		CH	X						X	X		
Bird, RN			X			X	D					VC
Birkett, FW		X			CH	X			D		D	
Bryant, Mrs PM			D		X					CH		
Burgess, Mrs FL				X						VC		CH
Burton, Miss J	H&PP										X	
Clubley, Mrs LE			VC				X	X				
Daniells, MR		X		CH				X				D
Davis, HP						X		VC				X
Dugan, S		D						X	CH	X	D	
Ellis, Mrs TL				X	X			CH				X
Foot, DG			CH			X	X				X	
Ford, MJ			X						X	X	X	
Harper, Miss T		X	X		X		CH					
Hayre, Mrs PK				D			VC		X	X		
Hockley, Mrs CLA	H										X	
Ingram, SP					D	VC				X	X	
Mandry, Mrs K		X				CH	X		X	D		
Martin, SD	P & D											X
Needham, Mrs J				X	X			D	VC			
Pankhurst, Mrs S				VC	VC	D				X		
Walker, NJ		VC		X							CH	
Walker, Mrs SM	L & C									X	X	
Woodward, SDT	P & R											
Total												
Adjustment							-1	-1			+1	-1

Appendix B - Committee Nomination Schedule

Liberal Democrat Group

	<i>Executive portfolio</i>	<i>Policy & Resources Scrutiny Panel</i>	<i>Leisure & Comm Scrutiny Panel</i>	<i>Planning & Dev Scrutiny Panel</i>	<i>Health & Public Protection Scrutiny Panel</i>	<i>Housing Scrutiny Panel</i>	<i>Streetscene Scrutiny Panel</i>	<i>Climate Change Scrutiny Panel</i>	<i>Daedalus Scrutiny Panel</i>	<i>Licensing & Regulatory Affairs</i>	<i>Planning Committee</i>	<i>Audit & Governance</i>
No of seats>		1	1	1	1	1	1	1	0	2	1	1
Bainbridge, Ms C			D	D			Xs	X			D	D
Hamilton, DJ		Xs			D					X		X
Nother, PM				Xs			D			D	X	
Trott, Mrs KK		D	Xs		Xs	Xs				X	D	
Total												
Adjustment									-1			

Independent Members:

	<i>Executive portfolio</i>	<i>Policy & Resources Scrutiny Panel</i>	<i>Leisure & Comm Scrutiny Panel</i>	<i>Planning & Dev Scrutiny Panel</i>	<i>Health & Public Protection Scrutiny Panel</i>	<i>Housing Scrutiny Panel</i>	<i>Streetscene Scrutiny Panel</i>	<i>Climate Change Scrutiny Panel</i>	<i>Daedalus Scrutiny Panel</i>	<i>Licensing & Regulatory Affairs</i>	<i>Planning Committee</i>	<i>Audit & Governance</i>
No of seats>							1	1	1	1		1

Englefield, JM							X	X	X			
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Gregory, N R										X		X
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