

# FAREHAM

BOROUGH COUNCIL

## AGENDA

### POLICY AND RESOURCES SCRUTINY PANEL

**Date:** Monday, 21 October 2024

**Time:** 6.00 pm

**Venue:** Collingwood Room - Civic Offices

**Members:**

Councillor Mrs L M Birkett (Chairman)

Councillor F L Burgess (Vice-Chairman)

Councillors S Dugan  
D J Hamilton  
Miss T Harper  
Mrs K Mandry  
P W Whittle

**Deputies:** R N Bird  
A West



**1. Apologies for Absence**

**2. Minutes** (Pages 5 - 10)

To confirm as a correct record the minutes of the meeting of the Policy and Resources Scrutiny Panel meeting held on 17 June 2024.

**3. Chairman's Announcements**

**4. Declarations of Interest and Disclosures of Advice or Direction**

To receive any declarations of interest from members in accordance with Standing Orders and the Council's Code of Conduct and disclosures of advice or directions received from Group Leaders or Political Groups, in accordance with the Council's Constitution.

**5. Deputations**

To receive any deputations of which notice has been lodged.

**6. Motion - Support for LGBTQ+ People** (Pages 11 - 16)

To consider a report by the Assistant Chief Executive Officer on the motion presented to Council on 25 July 2024 for support for LGBTQ+ People.

**7. Capital and Treasury Management Outturn 2023-24** (Pages 17 - 40)

To consider a report by the Assistant Chief Executive Officer on the Capital and Treasury Management Outturn for 2023-24.

**8. General Fund and Housing Revenue Outturn 2023-24** (Pages 41 - 60)

To consider a report by the Assistant Chief Executive Officer on the General Fund and Housing Revenue Outturn for 2023-24.

**9. Communication and Engagement Strategy** (Pages 61 - 76)

To consider a report by the Assistant Chief Executive Officer on the Communication and Engagement Strategy that will be considered by the Executive at its meeting on 4 November 2024.

**10. Executive Business** (Pages 77 - 78)

To consider any items of business dealt with by the Executive since the last meeting of the Panel, that falls under the remit of the Policy and Resources Portfolio. This will include any decisions taken by individual members during the same time period.

**(1) Capital and Treasury Management Outturn 2023-24** (Pages 79 - 80)

**(2) Fareham Town Centre Regeneration - North to South Route** (Pages 81 - 82)

- (3) **General Fund and Housing Revenue Account Outturn 2023-24** (Pages 83 - 84)
- (4) **Update to Regulation of Investigatory Powers Policy (RIPA)** (Pages 85 - 86)
- (5) **CONFIDENTIAL - Local Nutrient Mitigation Fund - Land Acquisition** (Pages 87 - 90)
- (6) **CONFIDENTIAL - Purchase of Strategic Land at Faraday Business Park (South) - Updated Position** (Pages 91 - 92)
- (7) **Proposals for Alterations to Security Arrangements at Faraday Business Park** (Pages 93 - 94)

**11. Scrutiny Priorities** (Pages 95 - 96)

To provide an opportunity for Members to consider the scrutiny priorities for the Policy and Resources Panel.



A WANNELL  
Chief Executive Officer  
Civic Offices  
[www.fareham.gov.uk](http://www.fareham.gov.uk)  
11 October 2024

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# FAREHAM

BOROUGH COUNCIL

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

**Date:** Monday, 17 June 2024

**Venue:** Collingwood Room - Civic Offices

**PRESENT:**

**Councillor** Mrs S M Bayford (Chairman)

**Councillor** F L Burgess (Vice-Chairman)

**Councillors:** S Dugan, D J Hamilton, Miss T Harper, P W Whittle and  
R N Bird (deputising for Mrs K Mandry)

**Also  
Present:**



**1. APOLOGIES FOR ABSENCE**

An apology of absence was received from Councillor Mrs K Mandry.

**2. MINUTES**

RESOLVED that the minutes of the Policy and Resources Scrutiny Panel held on 22 January 2024 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 DIRECTION**

There were no declarations of interest made at this meeting.

**5. DEPUTATIONS**

There were no deputations made at this meeting.

**6. INTRODUCTION TO POLICY AND RESOURCES PORTFOLIO**

The Panel considered a report by the Assistant Chief Executive Officer which outlined the Panel's Scrutiny responsibilities, the Policy and Resources portfolio remit and highlighted the relevant priorities from the Council's Corporate Strategy 2023-2037. The report also provided members with guidance and helpful tips on how to conduct effective scrutiny.

RESOLVED that the Panel note the content of the report.

**7. PRESENTATION ON THE COUNCIL'S APPROACH TO PROCUREMENT AND CONTRACT MANAGEMENT**

The Panel received a presentation from the Strategic Procurement Professional on the Council's approach to procurement and contract management. (A copy of this presentation has been appended to these minutes).

The presentation was broken down into four categories, with questions taken at the end of each category;

1. Approach to Procurement and Achieving Value for Money
2. Procurement Controls and Assurances
3. Procurement Lifecycle Improvements
4. Impact on Procurement Act 2023

Members asked a variety of questions of officers following presentation. It was noted that the workload for the procurement team is high and members asked how this is resourced especially during busier times due to the procurement team being a small team. The Strategic Procurement Professional advised that the team remain constantly aware of upcoming projects and ensure that they

engage with service areas early to ensure that the work is completed within the prescribed timescale. He also advised that service areas may need to reallocate staff at times to assist with procurement projects where they are complex and time intensive.

Members also enquired as to whether the opportunities plan work had any impact on procurement, and whether it was worth undertaking this review again. The Assistant Director (Finance and ICT) addressed the Panel on this item and advised that the original plan was only for two years and whilst it has had a positive impact it is not something that can be measured in terms of procurement. She did advise that there is a lot of value in undertaking this exercise again and this will be considered at a later date.

RESOLVED that the Panel noted the content of the report.

## **8. PRESENTATION ON THE COUNCIL'S POLICY FOR THE REGULATION OF INVESTIGATORY POWERS (RIPA)**

The Panel received a presentation from the Assistant Director (Finance and ICT) on the Council's policy for the Regulation of Investigatory Powers (RIPA). (A copy of this presentation has been appended to these minutes).

Members were keen to note positively that the use of these powers is very rare.

A question was raised in respect of the very low usage of surveillance to establish if someone was living at a property or not, and whether this means that we do not investigate many of these cases. The Assistant Director (Finance and ICT) addressed the Panel to confirm that there are various channels available to report suspicions of fraud. These are assessed and cases prioritised for full investigation. There is an array of investigation techniques used to establish the truth of the case and surveillance is just one of these used in higher value cases where there is a high likelihood of legal proceedings being taken.

RESOLVED that the Panel note the content of the report.

## **9. 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 January 2024.

### **(1) Citizen of Honour Nominations 2024**

There were no comments received.

### **(2) Daedalus Vision and Outline Strategy - 2024 Update - Progress and Next Steps**

Councillor Hamilton enquired as to when the airside activities would become sustainable. The Daedalus Programme Lead (Airside) addressed the Panel on this item and confirmed that due to binding restrictive covenants we are

obliged to operate an airfield which can be a benefit to the non-airside activities (such as land sales and leases). This means that the site should be viewed as a whole.

**(3) Electric Vehicle Charging Tariff for Osborn Road Car Park**

There were no comments received.

**(4) Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2024-25**

There were no comments received.

**(5) Housing Revenue Account 2024-25**

There were no comments received.

**(6) Irrecoverable Debts**

There were comments received.

**(7) Renewable Energy Scheme - Hook Recreation Ground Solar Photovoltaic (PV) Development Feasibility**

There were no comments received.

**(8) Solent Enterprise Zone - Retained Business Rates and Infrastructure Investment Plan**

There were no comments received.

**(9) Town Centre Regeneration Strategy and Action Plans - Options**

There were no comments received.

**(10) Treasury Management Strategy 2024-25**

There were no comments received.

**(11) Updated Complaints Policy**

There were no comments received.

**(12) CONFIDENTIAL - Local Nutrient Mitigation Fund - Land Acquisition**

There were no comments received.

**(13) CONFIDENTIAL - Sale of Land Parcel at Faraday Business Park, Daedalus**

There were no comments received.



**10. SCRUTINY PRIORITIES**

The Panel considered the Policy and Resources Scrutiny Panel priorities for 2024/25 and were given the opportunity to put forward any further items they would like to consider during this municipal year.

Councillor Whittle requested an item on the Daedalus Vision but was informed that this would be an item that would go to the Daedalus Scrutiny Panel as it falls under their remit.

He also requested that the unallocated item on the Town Centre Regeneration be added to a meeting date in this municipal year. Officers advised that they are unable to confirm a meeting date for this item at present as it is still unknown as to when this will be ready for pre-scrutiny. However, it was agreed that officers would speak to the service area concerned and make the request known.

(The meeting started at 6.00 pm  
and ended at 8.02 pm).

..... Chairman

..... Date



# FAREHAM

## BOROUGH COUNCIL

### Report to Policy and Resources Scrutiny Panel

**Date**                    **21 October 2024**

**Report of:**            **Assistant Chief Executive Officer**

**Subject:**              **MOTION – SUPPORT FOR LGBTQ+ PEOPLE**

#### **SUMMARY**

At the meeting of the Council on 25 July 2024 a motion was proposed by Councillor Furnivall that: “the Council show support for the LGBTQ+ community by flying the Pride flag during Pride Month from 2025 and to explore how to ensure anyone dealing with the Council may be offered the opportunity to be addressed using pronouns of their choice if they wish”.

Council agreed that this motion should be referred to the Policy and Resources Scrutiny Panel for consideration.

Members of the Policy and Resources Panel are asked to consider the motion before them and to make its recommendations. To aid Members, a number of options and considerations are presented within the report.

#### **RECOMMENDATION**

It is RECOMMENDED that the Panel:-

- a) reviews the content of the report, noting the duties of the Council;
- b) considers the motion as referred to the Policy and Resources Scrutiny Panel;
- c) makes any comments or recommendations for further consideration.

## **INTRODUCTION**

1. A motion was presented to Council on 25 July 2024 by Councillor Furnivall to show support for LGBTQ+ (Lesbian, Gay, Bisexual, Transgender, Questioning and Asexual) people and communities. This report highlights the Council's responsibilities with regards to equalities and outlines some of the work we already do.
2. To further aid the Panel's discussions, the report identifies some of the considerations associated with implementing the proposals alongside potential additional opportunities for supporting LGBTQ+ communities.

## **BACKGROUND**

3. The Motion proposed at the meeting of the Council on 25 July 2024 Councillor G Furnivall stated the following:

This Council notes that:

4. Fareham Borough is the proud home of a large, diverse and thriving LGBTQ+ community.
  - Results of the 2021 Census show that 8.14% of residents (16 and over) identify as LGB – ie. approximately 1 in 12. Furthermore, 0.27% of residents state that their gender is different to that assigned at birth – ie. approximately 1 in 370.
  - According to Home office statistics sexual orientation hate crime in Hampshire rose by 65% in 2022 from the year before. In fact, all hate crime rose by 64% making Hampshire the highest rise in the South East.
  - The Stonewall and YouGov 2018 'LGBT in Britain - health report' stated that 1 in 8 LGBT people (18-24) had tried to take their own life in the previous year and almost half of trans people surveyed said the same.

Council therefore notes:

- That harm has been done to LGBTQ+ people in the past and that discrimination exists.
- The Home Office has stated that increased discussion of "transgender issues" could be behind the rise in anti-LGBTQ+ hate crimes.
- That more could be done to support and enable equity in Fareham society

Fareham Borough Council resolves:

- That all LGBTQ+ people deserve to be treated with dignity and respect
- To show support for LGBTQ+ people by flying the Pride flag during Pride month from 2025
- To explore how to ensure anyone dealing with the Council may be offered the opportunity to be addressed using pronouns of their choice if they wish.

5. Having been duly seconded by Councillor C Bainbridge, the motion stood referred without discussion by Council to the Policy and Resources Scrutiny Panel. In accordance with the Council's Constitution, Part One Appendix 5, Equalities comes under the Policy and Resources portfolio, hence the motion being referred to this Scrutiny Panel.
6. To assist the Panel consider the motion, this report outlines the Council's duties with regards to equalities and also presents potential options for discussion.

### **Our duties as a Local Authority**

7. The Equality Act was introduced in 2010 to help make Britain a fairer society. The Act places particular duties on Councils to reflect the pivotal role we play in dismantling inequality and driving up positive outcomes. It incorporates nine protected characteristics:
  - Age
  - Disability
  - Gender reassignment
  - Marriage
  - Civil partnership
  - Pregnancy and maternity
  - Race
  - Religion or belief
  - Sex and sexual orientation
8. In addition, Councils are required to demonstrate due regard to the need to:
  - Eliminate unlawful discrimination, harassment and victimisation,
  - Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it; and
  - Foster good relations between persons who share a relevant protected characteristic and those who do not share it.
9. Councils are also required to have at least one published equality objective, which is to be reviewed every 4 years. Approved as part of the Annual Review of the Corporate Strategy at the meeting of the Executive on 7 November 2022, the Council's Equality Objectives up to 2026 are to:
  - Improve our understanding of Fareham's community, enabling the Council to meaningfully engage in decision making.

- Celebrate diversity and promote inclusion across our community, ensuring Fareham Borough Council services are accessible to all members of our community.
- Embed an inclusive mindset across Fareham Borough Council.

10. A range of actions have subsequently taken place in support of these objectives. These include monitoring staff diversity, equalities training for managers and the recording of protected characteristics during consultations on a regular basis.

11. Equalities Impact Assessments are also carried out to consider the potential impact of policy decisions and to identify possible reasonable mitigations. More broadly, equalities are an important consideration for many officers when delivering services on a day-to-day basis.

### **CONSIDERATIONS AND OPPORTUNITIES**

12. Fareham Borough Council has a good overall approach to equality issues. The following identifies some of the possible implications of the proposals in the Motion, particularly with regards to their effective delivery. It also presents potential additional options for consideration.

#### **Flying the Pride Flag during Pride month:**

13. Taking place during June each year, Pride Month is dedicated to the celebration of LGBTQ+ pride, commemorating the contributions of lesbian, gay, bisexual, transgender and queer culture and community. Pride Flags are visible symbols of community inclusion and are commonly flown during the month-long activities.

14. Out of the 13 Councils in the county, including Hampshire County Council, only Fareham, New Forest, Gosport and Rushmoor don't currently fly a Pride Flag at least once during the year.

15. The flagpole outside the Civic Offices is reserved for the Union Flag which is flown Monday to Friday in accordance with national guidelines. We also fly the Borough Flag on the day of a Council meeting. There are six further flag poles close to the performance podium in the pedestrianised area of West Street. These do not have the same guideline restrictions used to manage the Civic flagpole and are currently flying the 50<sup>th</sup> anniversary of Fareham Borough flags.

16. Whilst flying a pride flag is a positive statement of support, doing it on its own may carry the risk of accusations of 'Pink/Rainbow Washing,' being made against the Council. This is where an organisation is only superficially sympathetic to the community and not taking positive action to support it.

17. In addition to flying the Pride flag, there are opportunities for Members to consider which could provide more meaningful outcomes:

18. *Providing information and guidance:* There is currently no specific information or guidance on our website for the LGBTQ+ community. We could post information on our public noticeboards, website, as well as on the staff intranet pages, signposting to information and advice including links to local LGBTQ+ support groups. This

information could then be shared on our social media channels as part of Pride Month.

19. *Town Centre Regeneration for all:* One of the underlying principles of the emerging Town Centre Regeneration Strategy will be to ensure the town is welcoming and safe for all our communities including LGBTQ+ people. As part of recent engagement with town centre businesses, we are aware that some are keen to celebrate the LGBTQ+ community. Further work could take place to identify opportunities through events, activities and other initiatives that might emerge as part of the Strategy.

### **Addressing people using the pronouns of their choosing if they wish**

20. To implement this approach in a considered and effective way across the Council would require additional work focusing on:
  21. *Internal audit of approaches and customer contact points:* Council services engage with a diverse range of customers and there may already be multiple examples of good practice adopted. It is also important to map contact points, where pro-nouns are currently asked for. This includes the IT systems used to deliver services.
  22. A particular consideration is whether changes to IT systems would result in additional costs and if so, how much. If costs are prohibitive, it may be that a gradual transition to ensuring online services ask for pronouns in a consistent way is preferred.
  23. *Identifying good practice externally:* Researching how other Councils and organisations incorporate the asking of pronouns in their customer facing services and IT, such as customer portals, will help ensure any approach meets the needs of our customers.

### **RISK ASSESSMENT**

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

### **CONCLUSION**

25. This report presents a number of ideas and potential areas for further work to aid members in their consideration of the motion to the 25 July Council Meeting which asked the Council to show support for the LGBTQ+ community.

**Background Papers:** None

**Reference Papers:** Minutes of the meeting of the Council, 25 July 2024

### **Enquiries:**

For further information on this report please contact Roy Brown (Ext 4489)





# FAREHAM

## BOROUGH COUNCIL

### **Report to Policy and Resources Scrutiny Panel**

**Date**                    **21 October 2024**

**Report of:**            **Assistant Chief Executive Officer**

**Subject:**              **CAPITAL AND TREASURY MANAGEMENT OUTTURN 2023-24**

#### **SUMMARY**

The Policy and Resources Scrutiny Panel is asked to consider and review the Capital and Treasury Management Outturn report for 2023/24. The Assistant Chief Executive Officer will refer any proposals or comments of the Panel to the Executive meeting on 4 November 2024.

#### **RECOMMENDATION**

That any proposals or comments of the Panel be referred to the Executive at its meeting on 4 November 2024.

## **INTRODUCTION**

1. On 1 July 2024, the Executive reviewed the Council's Capital and Treasury Management Outturn for 2023/24. A copy of this report is attached as Appendix A for information.
2. Members were asked to consider the report and note the contents.

## **RISK ASSESSMENT**

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

## **CONCLUSION**

4. The Panel is asked to review the outturn and consider whether it wishes to submit comments for consideration by the Executive.

### **Background Papers:**

### **Reference Papers:**

**Appendices:** Appendix A – Capital and Treasury Management Outturn 2023/24  
Executive Report

### **Enquiries:**

For further information on this report please contact Caroline Hancock, 01329 824589.

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 01 July 2024

<b>Portfolio:</b>	Policy and Resources
<b>Subject:</b>	<b>Capital and Treasury Management Outturn 2023/24</b>
<b>Report of:</b>	Assistant Director (Finance and ICT)
<b>Corporate Priorities:</b>	A Responsive, Inclusive and Innovative Council

**Purpose:**

This report provides the Executive with details of the capital and treasury management outturn for 2023/24 to comply with the reporting requirements of the Code of Practice for Treasury Management. The report also seeks approval for the proposed methods of financing the General Fund capital programme.

**Executive summary:**

Actual capital expenditure on General Fund schemes in 2023/24 was £31,202,178 (£6.2 million in 2022/23) compared with the revised capital programme of £36,996,700. The overall variance was £5,794,522. A detailed analysis of the variations is given in Appendix A to this report.

Total savings from individual projects of £281,780 were achieved, additional expenditure of £58,989 on others was incurred and a total of £5,571,731 will be carried forward into 2024/25. Details of the various methods used to finance this expenditure are set out in this report.

In addition, a new capital scheme budget of £281,000 is requested for a new filtration system at Holly Hill Leisure Centre.

Full details of Treasury Management investment and borrowing activity in 2023/24 are also set out in this report and is summarised below:

	<b>31 March 2023 Actual £'000</b>	<b>2023/24 Movement £'000</b>	<b>31 March 2024 Actual £'000</b>
Total borrowing	61,336	3,253	64,589
Total investments	(24,832)	11,244	(13,588)
<b>Net borrowing</b>	<b>36,504</b>	<b>14,497</b>	<b>51,001</b>

Net interest received from investments in 2023/24 was £701,320 (£879,854 in 2022/23) and net interest paid on borrowing for the HRA was £1,906,955 (£1,670,992 in 2022/23).

The overall investment property portfolio decreased in value by £3.55 million and contracted income was approximately £4,500,000.

During 2023/24, the Council complied with its legislative and regulatory requirements of the Prudential Code.

**Recommendation:**

It is recommended that the Executive:

- (a) approves that the General Fund capital programme for 2023/24 be financed as set out in this report;
- (b) agrees that the additional expenditure incurred, amounting to £58,989 be financed retrospectively from unallocated capital resources;
- (c) agrees to add £281,000 to the capital programme for a new filtration system at Holly Hill Leisure Centre with the unfunded element of £64,325 to be funded from capital reserves; and
- (d) notes the treasury management activity for 2023/24.

**Reason:**

To provide the Executive with details of the capital and treasury management outturn in 2023/24 and to comply with the reporting requirements of the Code of Practice for Treasury Management.

**Cost of proposals:**

The necessary resources are available to finance the General Fund capital programme for 2023/24 including the additional expenditure of £58,989 and funding for a new filtration system at Holly Hill Leisure Centre.

**Appendices:**

**A:** Capital Expenditure 2023/24

**B:** Economic Commentary by Treasury Advisors, Arlingclose

**C:** Prudential and Treasury Indicators 2023/24

**Background papers:** None

**Reference papers:**

Capital Programme and Capital Strategy 2024/25, Executive Committee, 8 January 2024

Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2023/24, Executive Committee, 5 February 2024

Treasury Management Strategy and Prudential Indicators 2023/24, Council, 24 February 2023

CIPFA Code of Practice for Treasury Management

# FAREHAM

## BOROUGH COUNCIL

### Executive Briefing Paper

<b>Date:</b>	01 July 2024
<b>Subject:</b>	Capital and Treasury Management Outturn 2023/24
<b>Briefing by:</b>	Assistant Director (Finance and ICT)
<b>Portfolio:</b>	Policy and Resources

#### INTRODUCTION

1. This report provides the Executive with details of the capital and treasury management outturn for 2023/24 to comply with the reporting requirements of the Code of Practice for Treasury Management.

#### GENERAL FUND CAPITAL OUTTURN REPORT 2023/24

2. The capital programme for 2023/24, approved in February this year for the General Fund was £36,996,700. The actual capital expenditure, detailed in Appendix A, was £31,202,178 (£6.2 million in 2022/23) giving an overall variation of £5,794,522. A summary, including savings and additional expenditure, is summarised in the table below.

<b>Portfolio</b>	<b>Revised Budget £</b>	<b>Actual £</b>	<b>Savings £</b>	<b>Additional Expenditure £</b>	<b>Carry forward £</b>
Streetscene	95,500	71,671	0	0	23,829
Leisure & Community	11,678,900	8,704,332	(5)	0	2,974,563
Housing	1,711,700	1,591,768	(30,700)	0	89,232
Planning & Development	128,200	0	0	0	128,200
Policy & Resources	23,382,400	20,834,407	(251,075)	58,989	2,355,907
<b>Total</b>	<b>36,996,700</b>	<b>31,202,178</b>	<b>(281,780)</b>	<b>58,989</b>	<b>5,571,731</b>

#### SAVINGS AND ADDITIONAL EXPENDITURE

3. Total savings of £281,780 were recognised. The main savings were for the following schemes:
  - Taxiway Maintenance at Solent Airport - £157,658
  - 166 Southampton Road Repairs - £82,610 – some of the costs of this scheme are subject to a dilapidations claim with Argos
  - Gordon Road Repairs - £30,700
  - Managed Hangarage at Solent Airport - £6,529

4. Additional expenditure of £58,989 was incurred on the following schemes:
  - Fareham Shopping Centre - £52,986 to be funded from borrowing.
  - Grounds Maintenance Facility at Solent Airport - £6,003 to be funded from developer contributions.

### CARRY FORWARDS TO 2024/25

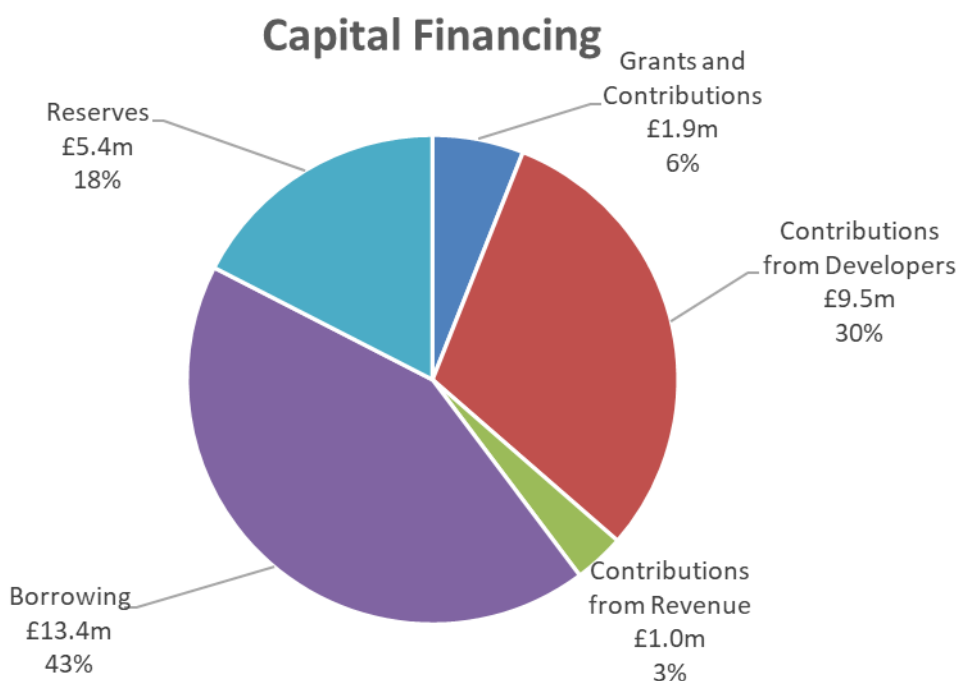
5. There are a number of schemes still in progress and a total net budget of £5,571,731 will be carried forward to 2024/25.
6. This includes £5,896,936 of budget carry forwards and £325,205 of expenditure incurred ahead of budget which will be carried forward to reduce next year's budget.
7. The largest budget carry forwards are for Fareham Live £2,556,624 and schemes at Solent Airport totalling £2,296,322.

### CAPITAL PROGRAMME 2024/25 TO 2028/29

8. The General Fund capital programme will be reviewed by officers in light of the slippage and re-phasing of works and an updated programme for 2024/25 to 2028/29 will be presented to the Executive as part of the Capital Strategy for 2025/26.

### CAPITAL FINANCING

9. The various methods used to finance the capital expenditure in 2023/24 are set out in the chart below.



10. The largest funding source for the capital programme was from borrowing (43%) for Fareham Shopping Centre, followed by developer contributions (30%) for Fareham Live, the Play Area Improvement Programme and Bus Shelters. Capital reserves funded a total of 18% of the programme, other grants and contributions 6% and contributions from revenue funded the remaining 3%.

## SIGNIFICANT SCHEMES

11. The purchase of **Fareham Shopping Centre** took place at the end of September, as part of a broader regeneration programme. Professional fees and services were higher than estimated resulting in an overspend of £52,986 on the £15.3 million scheme.
12. Despite some delays, the **Fareham Live** project is progressing well, and the building will be handed over to the Council towards the end of August 2024. In conjunction with the main build, Trafalgar Theatres has appointed Premier Interior Systems to carry out the bespoke fit out and work which will commence on 24 June and be complete by the end of August. Trafalgar Theatres are progressing well with the mobilization, with key staff either appointed or in the process of being appointed. Test events will be held in w/c 23 September with the first shows arranged for 1 October.
13. A contractor has been appointed to deliver the new surface car park (Fareham Live Car Park A) to replace the former **Osborn Road multi-story car park**. The multi-story car park has been demolished and works are underway to construct the new surface car park. All works are on programme prior to the opening to the public of Fareham Live in October 2024.
14. **Aeronautical Ground Lighting** works are progressing well despite difficult ground conditions and uncharted cables being discovered which has caused some delays. Civil engineering works should be completed shortly which will allow commencement of the electrical works i.e. pulling cables through the ducting and installation of the light fittings. Electrical works within the control tower to operate the system, together with the upgraded power supply should complete in July. Anticipated completion of main works and testing in August. There are some extra works required outside of the original scope that may delay full operational capacity.
15. Over the summer of 2023 a programme of **Solent Airport Taxiway Maintenance** works was completed. The works were £157,658 under budget.
16. The **Vehicles and Plant Replacement programme** incurred expenditure of £466,856. This included two second-hand refuse vehicles, two ride on mowers, two roller mowers with tipper attachments and a second-hand tractor. The majority of the vehicles purchased will be used for grounds maintenance and street cleansing.
17. A total of 175 **Disabled Facilities Grants** totalling £1,573,229 were awarded in the year. These were fully funded from government grants.

## NEW SCHEME

18. There is an ongoing issue with the swimming pool filtration system at Holly Hill Leisure Centre and the cost to upgrade it to a more energy efficient and reliable system.
19. The current plant at Holly Hill Leisure Centre is a standard 'sand' filtration system. It is undersized in all areas and continually fails when sand leaks into the pipework and clogs up the pumps and UV and then settles in the pool tanks.
20. Upgrading the current system to a microfiltration system would alleviate the need to dump water to backwash the system and the Leisure Centre would have a system that was fit for purpose and energy efficient.
21. Upgrading the current filtration system would see a 4% decrease in the Leisure Centre's total carbon footprint. This in turn would reduce the Council's Scope 3 footprint by 0.8%

and will contribute to the Council's carbon neutral target.

22. There would also be the following efficiency savings:
  - 90% water - this would be 90% of the water used to backwash the pools.
  - 50% Energy, this will be calculated based on the amount of backwashing the site team conduct per week, due to not having to backwash with the defender system, the energy consumption reduces.
  - 30% chemicals.
23. An application was made to the Sport England Swimming Pool Support Fund to upgrade the current plant filtration system and to install rooftop PV, but the bid was unsuccessful.
24. The cost to upgrade the system would be £281,000. There is £66,675 retention remaining from when Holly Hill Leisure Centre was built and it had previously been agreed that it should be reinvested back into the leisure centre, therefore leaving a shortfall of £214,325.
25. Everyone Active recognise that they will benefit financially in the short-term, whereas the Council will benefit in the longer-term because the life expectancy of the new system would be 20 years+ and there is only 11 years remaining on the contract.
26. Considering the financial benefit to Everyone Active, they are willing to allocate £150,000 towards the upgrade, leaving a shortfall of £64,325 to fund.
27. Officers have looked at other grant funding opportunities, however the upgrade of the filtration system is deemed 'specialised' and external funding is focusing on decarbonisation.
28. The cost to replace the current system with another sand filtration system and to undertake the necessary upgrades to the existing plant would be circa. £370,000.
29. Given that the filtration system is critical to the operation of the swimming pool it is recommended that the opportunity be taken to install a microfiltration system as a replacement for the current filtration system and the Council fund the shortfall.
30. It is recommended that the filtration system is added to the capital programme for 2024/25 and the shortfall in funding of £64,328 be funded from unallocated capital reserves.



## TREASURY MANAGEMENT OUTTURN REPORT 2023/24

31. The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (the CIPFA Code) requires the Council to approve a treasury management annual report after the end of each financial year. This report fulfils the Council's legal obligation to have regard to the CIPFA Code.
32. The Council's Treasury Management Strategy 2023/24 was approved by full Council on 24 February 2023. The Council has borrowed and invested large sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.
33. The Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's latest Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 23 February 2024.
34. An economic commentary by the Council's Treasury Advisor, Arlingclose, can be found in Appendix B.

### LOCAL CONTEXT

The treasury management position as at 31 March 2024 and the year-on-year change is shown in the table below.

	<b>31 March 2023 Actual £'000</b>	<b>2023/24 Movement £'000</b>	<b>31 March 2024 Actual £'000</b>
Long-term borrowing	48,000	4,333	52,333
Short-term borrowing	13,336	(1,080)	12,256
<b>Total borrowing</b>	<b>61,336</b>	<b>3,253</b>	<b>64,589</b>
Long-term investments	(10,632)	(156)	(10,788)
Short-term investments	(9,000)	9,000	0
Cash and cash equivalents	(5,200)	2,400	(2,800)
<b>Total investments</b>	<b>(24,832)</b>	<b>11,244</b>	<b>(13,588)</b>
<b>Net borrowing</b>	<b>36,504</b>	<b>14,497</b>	<b>51,001</b>

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

35. The Council pursued its strategy of keeping borrowing and investments below their underlying levels, known as internal borrowing, in order to reduce risk and keep interest costs low.

### BORROWING ACTIVITY

36. At 31 March 2024, the Council held £64.6 million of loans, an increase of £3.25 million on the previous year. The year-end borrowing position is shown in the table below.

	<b>Balance on 31 March 2023 £'000</b>	<b>Balance on 31 March 2024 £'000</b>	<b>Average Rate</b>
Long-term borrowing	48,000	52,333	3.69%
Short-term borrowing	10,000	10,000	5.68%
Portchester Crematorium	3,336	2,256	0.92%
<b>Total borrowing</b>	<b>61,336</b>	<b>64,589</b>	

37. The Council holds investments from Portchester Crematorium Joint Committee which are treated as temporary loans.
38. As outlined in the treasury strategy, the Council's main objective when borrowing has been to strike an appropriately low risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.
39. Interest rates have seen substantial rises over the last two years, although these rises have now begun to plateau. Gilt yields have remained volatile, seeing upward pressure from perceived stickier inflation at times and downward pressure from falling inflation and a struggling economy at other times.
40. A new Public Works Loan Board (PWLB) HRA rate which is 0.4% below the certainty rate was made available from 15th June 2023. This rate will be available to June 2025. The discounted rate is to support local authorities borrowing for the Housing Revenue Account and for refinancing existing HRA loans, providing a window of opportunity for HRA-related borrowing.
41. The Council took advantage of this low rate by taking out £5 million PWLB borrowing to fund the HRA capital programme in 2023/24 of £3.25 million, and the prior year of £1.75 million which was originally funded by internal borrowing.

## **INVESTMENT ACTIVITY**

42. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2023/24 the Council's investment balances ranged between £12 million and £27 million due to timing differences between income and expenditure. The year-end position is shown in the table below.

	<b>Balance on 31 March 2023 £'000</b>	<b>Balance on 31 March 2024 £'000</b>	<b>Average Rate</b>
Externally Managed Pooled Funds	10,632	10,788	4.86%
Money Market Funds	5,200	2,800	5.29%
Banks	2,000	-	-
Local Authorities	7,000	-	-
<b>Total Investments</b>	<b>24,832</b>	<b>13,588</b>	

43. Total investments decreased by £11.2 million, mainly due to the purchase of Fareham Shopping Centre.

## EXTERNALLY MANAGED POOLED FUNDS

44. £12 million of the Council's investments are invested in externally managed strategically pooled multi-asset and property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular income and long-term price stability. These funds generated an income return of £527,000.
45. 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 medium to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three-to five-year period total returns will exceed cash interest rates.
46. In April 2023 the Department for Levelling Up, Housing and Communities (DLUHC) published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended until 31st March 2025, but no other changes have been made; whether the override will be extended beyond this date is unknown but commentary to the consultation outcome suggests it will not.
47. If the statutory override is removed, fair value gains and losses will be recognised as a profit or loss and will impact the General Fund. The Council will discuss with Arlingclose the implications for the investment strategy and what action may need to be taken.

## INTEREST RECEIVED AND PAID

48. Bank Rate increased by 1% over the period, from 4.25% at the beginning of April 2023 to 5.25% by the end March 2024.
49. The net interest received in 2023/24 was £701,320 (£879,854 in 2022/23) against a revised budget £430,200 for the General Fund. Net interest paid for the Housing Revenue Account was £1,906,955 (£1,670,992 in 2022/23) against a revised budget of £1,650,400.

## COMMERCIAL PROPERTY INVESTMENTS

50. The definition of investments in CIPFA's Treasury Management Code covers all the Council's financial assets as well as other non-financial assets which the Council holds primarily for financial return.
51. Since the Executive approval of a Commercial Property Investment Acquisition Strategy in January 2013, the Council has purchased 10 commercial investment properties, as summarised below.

<b>Property Type</b>	<b>Purchase Cost £'000</b>	<b>Value at 31 March 2023 £'000</b>	<b>Value at 31 March 2024 £'000</b>
Retail	27,783	21,785	20,570
Commercial (Industrial)	10,100	11,740	11,160
Other (Childcare)	1,890	1,960	1,830
<b>Total</b>	<b>39,773</b>	<b>35,485</b>	<b>33,560</b>

52. Since March 2023 the value of this portfolio has decreased by 1.9 million. Contracted income during this financial year was £2,800,500 (compared to £2,393,000 in 2022/23)
53. The investment portfolio has reduced in value by 5.5%. Seven of the properties saw reductions in value, two properties saw moderate increases in value whilst one properties value remained the same. The increases and decreases were moderate and reflective of the cyclical nature of property and key lease events have had an effect on the value of the portfolio, but these are set against wider changes in the property market as commented on below. An example of a lease event is a rent review with Pure Gym which increased the rent the tenant pays with effect July 2023.
54. Throughout the past 12 months any debts arising from the investment portfolio have continued to be managed closely.
55. The Council's total property portfolio is shown in the table below. Rising interest rates, pressures of inflation, uncertainty in respect of future prices of utilities and the rising cost of living have all been features of the UK economy in the last year. Recently the price of utilities have reduced and the UK is now officially no longer in recession but the economic outlook remains unpredictable and uncertain.
56. Within this portfolio our retail exposure is limited on the High Street and focused on out-of-town locations, which generally are performing better. Our exposure to High Street retail has increased elsewhere given the acquisition of Fareham Shopping Centre which is not included in the portfolio as it has been purchased for regeneration.
57. The property type 'commercial' is predominantly made up of industrial premises and our industrial ground lease portfolio. Industrial remains the best performing commercial property sector, for example, occupational demand for our industrial properties remains good, however, the valuations undertaken this year show that increases in interest rates have affected the investment market, yields have therefore softened and freehold values have fallen. Overall, income flow has however increased which provides a significant contribution towards our revenue.

<b>Property Type</b>	<b>Value at 31 March 2023 £'000</b>	<b>Value at 31 March 2024 £'000</b>	<b>Movement £'000</b>
Retail	33,790	32,025	<b>(1,765)</b>
Commercial	25,245	23,756	<b>(1,489)</b>
Other	4,109	4,217	<b>108</b>
Office	5,370	4,925	<b>(445)</b>
Leisure	1,492	1,536	<b>44</b>
<b>Total</b>	<b>70,006</b>	<b>66,459</b>	<b>(3,547)</b>

58. The overall property portfolio (Investment and Commercial) has decreased in value by £3.55 million (increase of £1.67million in 2022/23). Contracted income was approximately £4,500,000 per annum (compared to £4,480,00 in 2022/23).
59. Property valuations are undertaken annually, to ensure that the Council's balance sheet reflects the current opinion of the value of the Council's assets. Fluctuations in value do not represent actual gains or losses, but do indicate market sentiment, which is often linked to rental income levels and lease terms and conditions.

## **PRUDENTIAL AND TREASURY INDICATORS**

60. During 2023/24, all treasury management activities complied fully with the CIPFA Code and the Council's approved Treasury Management Strategy. Appendix C shows the actual prudential and treasury indicators for 2023/24.

## **SUMMARY**

61. This report gives details of General Fund capital and treasury management outturn in 2023/24 in accordance with the reporting requirements set out in the CIPFA Code of Practice for Treasury Management.

## **RISK ASSESSMENT**

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

## **ENVIRONMENTAL CONSIDERATIONS/CARBON IMPACT ASSESSMENT**

63. The new filtration system at Holly Hill Leisure Centre would see a 4% decrease in the Leisure Centre's total carbon footprint. This in turn would reduce the Council's Scope 3 footprint by 0.8% and will contribute to the Council's carbon neutral target.

## **Enquiries:**

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

## APPENDIX A

### CAPITAL EXPENDITURE 2023/24

	Budget £	Actual £	Savings £	Additional Expenditure £	Carry over to 2024/25 £
<b>STREETSCENE</b>					
Bus Shelters	14,100	5,740			8,360
Play Area Safety Equipment and Surface Replacement	39,400	35,966			3,434
Streetscene Asset Management Plan	42,000	29,965			12,035
<b>STREETSCENE TOTAL</b>	<b>95,500</b>	<b>71,671</b>	<b>0</b>	<b>0</b>	<b>23,829</b>
<b>LEISURE AND COMMUNITY</b>					
<b>Buildings</b>					
Fareham Live	11,125,800	8,569,176			2,556,624
Leisure Centres Capital Investment	305,000	0			305,000
Community Buildings Review	105,000	0			105,000
	11,535,800	8,569,176	0	0	2,966,624
<b>Play and Parks Schemes</b>					
Play Area Improvement Programme	100,000	92,061			7,939
	100,000	92,061	0	0	7,939
<b>Other</b>					
Christmas Lights	43,100	43,095	(5)		0
	43,100	43,095	(5)	0	0
<b>LEISURE AND COMMUNITY TOTAL</b>	<b>11,678,900</b>	<b>8,704,332</b>	<b>(5)</b>	<b>0</b>	<b>2,974,563</b>
<b>HOUSING</b>					
<b>Home Improvements</b>					
Disabled Facilities Grants	1,628,800	1,573,229			55,571
	1,628,800	1,573,229	0	0	55,571
<b>Enabling</b>					
Gordon Road Repairs	30,700	0	(30,700)		0
Sea Lane, Stubbington - Self Builds	52,200	18,539			33,661
	82,900	18,539	(30,700)	0	33,661
<b>HOUSING TOTAL</b>	<b>1,711,700</b>	<b>1,591,768</b>	<b>(30,700)</b>	<b>0</b>	<b>89,232</b>
<b>PLANNING AND DEVELOPMENT</b>					
<b>Car Parks</b>					
Car Parks: Surfacing	128,200	0			128,200
	128,200	0	0	0	128,200
<b>PLANNING AND DEVELOPMENT TOTAL</b>	<b>128,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>128,200</b>
<b>POLICY AND RESOURCES</b>					
<b>Replacement Programmes</b>					
Vehicles and Plant Replacement Programme	649,900	466,856			183,044
ICT Development Programme	278,600	217,552	(4,278)		56,770
	928,500	684,408	(4,278)	0	239,814
<b>Operational Buildings</b>					
Civic Offices Improvement Programme	235,000	296,975			(61,975)
Depot Asset Management Works	46,000	29,479			16,521
	281,000	326,454	0	0	(45,454)
<b>Property Developments</b>					
Fareham Shopping Centre	15,302,000	15,354,986		52,986	0

Osborn Road Multi-Storey Car Park	500,000	664,775			(164,775)
166 Southampton Road Repairs	1,153,100	1,040,490	(82,610)		30,000
	16,955,100	17,060,251	(82,610)	52,986	(134,775)
<b>Solent Airport at Daedalus Schemes</b>					
Site Wide Investment	100,000	198,455			(98,455)
Aeronautical Ground Lighting	2,625,300	858,123			1,767,177
Performance Based Navigation	187,600	0			187,600
Taxiway Maintenance	1,679,900	1,522,242	(157,658)		0
Managed Hangarage	25,000	18,471	(6,529)		0
Airport Fuel Supply Assets	165,000	0			165,000
Visual Control Room Improvements	75,000	0			75,000
Grounds Maintenance Facility	160,000	166,003		6,003	0
Purchase of Strategic Land	200,000	0			200,000
	5,217,800	2,763,294	(164,187)	6,003	2,296,322
<b>POLICY AND RESOURCES TOTAL</b>	<b>23,382,400</b>	<b>20,834,407</b>	<b>(251,075)</b>	<b>58,989</b>	<b>2,355,907</b>
<b>GENERAL FUND TOTAL</b>	<b>36,996,700</b>	<b>31,202,178</b>	<b>(281,780)</b>	<b>58,989</b>	<b>5,571,731</b>

## ECONOMIC COMMENTARY BY TREASURY ADVISORS ARLINGCLOSE APRIL 2024

**Economic background:** UK inflation continued to decline from the 8.7% rate seen at the start of 2023/24. By the last quarter of the financial year headline consumer price inflation (CPI) had fallen to 3.4% in February, but was still above the Bank of England's 2% target at the end of the period. The core measure of CPI, i.e. excluding food and energy, also slowed in February to 4.5% from 5.1% in January, a rate that had stubbornly persisted for three consecutive months.

The UK economy entered a technical recession in the second half of 2023, as growth rates of -0.1% and -0.3% respectively were recorded for Q3 and Q4. Over the 2023 calendar year GDP growth only expanded by 0.1% compared to 2022. Of the recent monthly data, the Office for National Statistics reported a rebound in activity with economy expanding 0.2% in January 2024. While the economy may somewhat recover in Q1 2024, the data suggests that prior increases in interest rates and higher price levels are depressing growth, which will continue to bear down on inflation throughout 2024.

Labour market data provided a mixed message for policymakers. Employment and vacancies declined, and unemployment rose to 4.3% (3mth/year) in July 2023. The same month saw the highest annual growth rate of 8.5% for total pay (i.e. including bonuses) and 7.8% for regular pay growth (i.e. excluding bonuses). Thereafter, unemployment began to decline, falling to 3.9% (3mth/year) in January and pay growth also edged lower to 5.6% for total pay and 6.1% for regular pay, but remained above the Bank of England's forecast.

Having begun the financial year at 4.25%, the Bank of England's Monetary Policy Committee (MPC) increased Bank Rate to 5.25% in August 2023 with a 3-way split in the Committee's voting as the UK economy appeared resilient in the face of the dual headwinds of higher inflation and interest rates. Bank Rate was maintained at 5.25% through to March 2024. The vote at the March was 8-1 in favour of maintaining rates at this level, with the single dissenter preferring to cut rates immediately by 0.25%. Although financial markets shifted their interest rate expectations downwards with expectations of a cut in June, the MPC's focus remained on assessing how long interest rates would need to be restrictive in order to control inflation over the medium term.

In the Bank's quarterly Monetary Policy Report (MPR) released in August 2023 the near-term projection for services price inflation was revised upwards, goods price inflation widespread across products, indicating stronger domestic inflationary pressure with second-round effects in domestic prices and wages likely taking longer to unwind than they did to emerge. In the February 2024 MPR the Bank's expectations for the UK economy were positive for the first half of 2024, with a recovery from the mild recession in calendar H2 2023 being gradual. Headline CPI was forecast to dip below the 2% target quicker than previously thought due to declining energy prices, these effects would hold inflation slightly above target for much of the forecast horizon.

Following this MPC meeting, Arlingclose, the authority's treasury adviser, maintained its central view that 5.25% remains the peak in Bank Rate and that interest rates will most likely start to be cut later in H2 2024. The risks in the short-term are deemed to be to the downside as a rate cut may come sooner than expected, but then more broadly balanced over the medium term.



The US Federal Reserve also pushed up rates over the period, reaching a peak range of between 5.25-5.50% in August 2023, where it has stayed since. US policymakers have maintained the relatively dovish stance from the December FOMC meeting and at the meeting in March, economic projections pointed to interest rates being cut by a total of 0.75% in 2024.

Following a similarly sharp upward trajectory, the European Central Bank hiked rates to historically high levels over period, pushing its main refinancing rate to 4.5% in September 2023, where it has remained. Economic growth in the region remains weak, with a potential recession on the cards, but inflation remains sticky and above the ECB's target, putting pressure on policymakers on how to balance these factors.

**Financial markets:** Sentiment in financial markets remained uncertain and bond yields continued to be volatile over the year. During the first half of the year, yields rose as interest rates continued to be pushed up in response to rising inflation. From October they started declining again before falling sharply in December as falling inflation and dovish central bank attitudes caused financial markets to expect cuts in interest rates in 2024. When it emerged in January that inflation was stickier than expected and the BoE and the Federal Reserve were data dependent and not inclined to cut rates soon, yields rose once again, ending the period some 50+ bps higher than when it started.

Over the financial year, the 10-year UK benchmark gilt yield rose from 3.44% to peak at 4.75% in August, before then dropping to 3.44% in late December 2023 and rising again to 3.92% (28th March 2024). The Sterling Overnight Rate (SONIA) averaged 4.96% over the period to 31st March.

**Credit review:** In response to an improving outlook for credit markets, in January 2024 Arlingclose moved away from its previous temporary stance of a 35-day maximum duration and increased its advised recommended maximum unsecured duration limit on all banks on its counterparty list to 100 days.

Earlier in the period, S&P revised the UK sovereign outlook to stable and upgraded Barclays Bank to A+. Moody's also revised the UK outlook to stable, Handelsbanken's outlook to negative, downgraded five local authorities, and affirmed HSBC's outlook at stable while upgrading its Baseline Credit Assessment. Fitch revised UOB's and BMO's outlooks to stable.

In the final quarter of the financial year, Fitch revised the outlook on the UK sovereign rating to stable from negative based on their assessment that the risks to the UK's public finances had decreased since its previous review in October 2022, the time of the mini- budget.

Moody's, meanwhile, upgraded the long-term ratings of German lenders Helaba, Bayern LB and LBBW on better solvency and capital positions, despite challenges from a slowing German economy and exposure to the commercial real estate sector. Moody's also upgraded or placed on review for an upgrade, Australian banks including ANZ, CBA NAB and Westpac on the back of the introduction of a new bank resolution regime.

Credit default swap prices began the financial year at elevated levels following the fallout from Silicon Valley Bank and collapse/takeover of other lenders. From then the general trend was one of falling prices and UK lenders' CDS ended the period at similar levels to those seen in early 2023. Earlier in the year some Canadian lenders saw their CDS prices rise due to concerns over a slowing domestic economy and housing market, while some German

lenders were impacted by similar economic concerns and exposure to commercial real estate towards the end of the period, with LBBW remaining the most elevated.

Heightened market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

## PRUDENTIAL, TREASURY AND COMMERCIAL INVESTMENT INDICATORS 2023/24

## PRUDENTIAL INDICATORS

## 1) Capital Expenditure

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

Capital Expenditure and Financing	2023/24 Revised £'000	2023/24 Actual £'000	Difference £'000
Streetscene	96	72	24
Leisure & Community	11,679	8,704	2,975
Housing	1,712	1,592	120
Planning & Development	128	0	128
Policy & Resources	25,382	20,834	4,548
<b>Total General Fund</b>	<b>38,997</b>	<b>31,202</b>	<b>7,795</b>
<b>HRA</b>	<b>7,800</b>	<b>8,377</b>	<b>(576)</b>
<b>Total Expenditure</b>	<b>46,797</b>	<b>39,579</b>	<b>7,218</b>
Capital Receipts	8,108	5,588	2,520
Capital Grants/Contributions	15,236	12,969	2,267
Capital Reserves	4,428	3,611	817
Revenue	2,005	830	1,175
Borrowing	17,020	16,581	439
<b>Total Financing</b>	<b>46,797</b>	<b>39,579</b>	<b>7,218</b>

## 2) Capital Financing Requirement

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

£'000	2022/23 Actual	2023/24 Revised	2023/24 Actual	2023/24 Difference
General Fund	55,234	67,295	67,025	270
HRA	53,118	54,531	56,390	(1,859)
<b>Total CFR</b>	<b>108,352</b>	<b>121,826</b>	<b>123,415</b>	<b>(1,589)</b>

The CFR increased by £15,063 year on year as capital expenditure financed by debt was higher than the in-year minimum revenue provision payment (MRP) and transfers from capital receipts.

### 3) Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium-term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement. This is a key indicator of prudence.

£'000	2023/24 Revised	2023/24 Actual	Difference
Capital Financing Requirement	121,826	123,415	1,589
Less: Gross Debt	61,300	64,589	(3,289)
<b>Under/(Over) Borrowing</b>	<b>60,526</b>	<b>58,787</b>	<b>1,700</b>

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

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

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

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

£'000	2023/24 Revised	2023/24 Actual	Complied
Operational Boundary	164,000	64,589	✓
Authorised Limit	173,000	64,589	✓

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

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

	2023/24 Revised	2023/24 Actual	Difference
<b>General Fund</b>	3%	6%	3%
<b>HRA</b>	12%	13%	1%

## TREASURY MANAGEMENT INDICATORS

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

### 1) Principal Sums Invested for longer than a year

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

£M	2023/24 Revised	2023/24 Actual	Complied
Principal sums invested > 364 days	12	10	✓

### 2) Maturity Structure of Borrowing

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

Maturity structure of borrowing	Upper Limit	2023/24 Actual	Complied
	%	%	
- Loans maturing within 1 year	50	19	✓
- Loans maturing within 1 - 2 years	50	3	✓
- Loans maturing within 2 - 5 years	50	0	✓
- Loans maturing within 5 - 10 years	50	10	✓
- Loans maturing in over 10 years	100	68	✓

### 3) 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.

	2023/24 Revised	2023/24 Actual	Difference
HRA Debt £'000	49,268	49,268	-
HRA Revenues £'000	14,392	14,681	289
Number of HRA Dwellings	2,410	2,382	(28)
Ratio of Debt to Revenues	3.42:1	3.36:1	(0.06)
Debt per Dwelling £	£20,445	£20,686	£240
Debt Repayment Fund £'000	£6,840	£6,840	-

## COMMERCIAL INVESTMENT INDICATORS

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

### 1) Proportionality

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

<b>£'000</b>	<b>2022/23 Actual</b>	<b>2023/24 Revised</b>	<b>2023/24 Actual</b>
<b>Gross service expenditure</b>	51,245	51,190	47,815
<b>Investment income</b>	5,668	5,063	5,263
<b>Proportion</b>	<b>12.3%</b>	<b>9.9%</b>	<b>11.0%</b>

### 2) Total Risk Exposure

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

<b>Total Investment Exposure</b>	<b>2022/23 Actual £'000</b>	<b>2023/24 Revised £'000</b>	<b>2023/24 Actual £'000</b>
Treasury Management Investments	24,832	15,000	13,588
Commercial Investments	70,006	82,506	66,459
<b>Total</b>	<b>94,838</b>	<b>97,506</b>	<b>80,047</b>

The variation in the revised to actual is due to a higher level of investments held than anticipated at year end, partly due an increase in capital receipts.

### 3) How Investments are Funded

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

<b>Investments Funded by Borrowing</b>	<b>2022/23 Actual £'000</b>	<b>2023/24 Revised £'000</b>	<b>2023/24 Actual £'000</b>
Treasury Management Investments	0	0	0
Commercial Investments	29,479	41,965	28,663
<b>Total</b>	<b>29,479</b>	<b>41,965</b>	<b>28,663</b>

#### 4) 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.

<b>Investments Net Rate of Return</b>	<b>2022/23 Actual</b>	<b>2023/24 Revised</b>	<b>2023/24 Actual</b>
Treasury Management Investments	4.4%	7.3%	10.2%
Commercial Investments	5.1%	4.6%	5.6%
<b>Total</b>	<b>5.0%</b>	<b>5.1%</b>	<b>6.6%</b>

#### **Enquiries:**

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





# FAREHAM

## BOROUGH COUNCIL

### Report to Policy and Resources Scrutiny Panel

**Date**                    **21 October 2024**

**Report of:**            **Assistant Chief Executive Officer**

**Subject:**              **GENERAL FUND AND HOUSING REVENUE OUTTURN 2023-24**

#### **SUMMARY**

The Policy and Resources Scrutiny Panel is asked to consider and review the Revenue Outturn figures for 2023/24. The Assistant Chief Executive Officer will refer any proposals or comments of the Panel to the Executive meeting on 4 November 2024.

#### **RECOMMENDATION**

That any proposals or comments of the Panel be referred to the Executive at its meeting on 4 November 2024.

## **INTRODUCTION**

1. On 1 July 2024, the Executive will have reviewed the Council's General Fund and Housing Revenue Account Outturn for 2023/24. A copy of this report is attached as Appendix A for information.
2. Members were asked to consider the report and note the contents.

## **RISK ASSESSMENT**

3. The outturn figures are a key document in understanding the Council's financial position.
4. Whilst the outturn for both the General Fund and Housing Revenue accounts was positive the council should continue to explore opportunities to increase income sources for the Council as well as review efficiency plans in order that balanced budgets can be made in future years.

## **CONCLUSION**

5. The Panel is asked to review the outturn and consider whether it wishes to submit comments for consideration by the Executive.

### **Background Papers:**

### **Reference Papers:**

**Appendices:**                    **General Fund and Housing Revenue Account Outturn 2024/24  
Executive Report**

### **Enquiries:**

For further information on this report please contact Neil Wood (Telephone 01329 824506)

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision 01 July 2024

<b>Portfolio:</b>	Policy and Resources
<b>Subject:</b>	<b>General Fund and Housing Revenue Account Outturn 2023/24</b>
<b>Report of:</b>	Assistant Director (Finance & ICT)
<b>Corporate Priorities:</b>	Responsive, Inclusive and Innovative Council

#### **Purpose:**

This report provides the Executive with details of the actual revenue expenditure for 2023/24 for the General Fund and Housing Revenue and Repairs Account.

#### **Executive summary:**

The revised budget set by the Executive for the **General Fund** in February was predicting a small underspend of £58,800. Although budget monitoring had been indicating some pressure points during the year the outturn position is still an underspend, of £35,841, which will be added to the Council's reserves.

The main reasons for this was some unexpected income in some areas, such as leisure centre grant income, recycling credits and the garden waste service where the take up of the services continues to remain high. However, there have still been pressures on the budgets in the year, in particular for bed and breakfast expenses for the homelessness service and also vehicle costs for the waste collection and street cleansing services.

This small contribution to reserves will help protect the council's financial position going forward. Some trends in increased expenditure such as fuel prices and materials costs have continued during 2023/24 and the levels of Government's financial support remain uncertain with a further delay to the Fair Funding Review. There also remains uncertainty to income generated by council services as in 2023/24 we have seen reductions in planning income and the town centre parking income is still well below the pre-covid levels. The Council's underlying financial position remains a concern as was highlighted in the Medium-Term Finance Strategy, albeit actions taken in the year have delayed the problem by a year. The new Opportunities Plan will continue to attempt to identify areas where spending can be reduced or where additional income can be generated to help bridge the forecasted funding gap in 2026/27.

There are a number of pressures on the **Housing Revenue and Repairs Account (HRA)**. This is due to the responsive repairs costs remaining high as well as the planned maintenance and other capital costs. The account has also been impacted

by the government cap on rents. The Council has therefore made use of favourable loan rates to increase the borrowing for the HRA by £3.254 million and protect the HRA reserves position which have now increased by £0.096 million. Work is also underway to implement an Opportunities Plan specifically for the HRA.

**Recommendation/Recommended Option:**

It is recommended that the Executive notes the contents of the report.

**Reason:**

To understand the impact that the 2023/4 year has had on the Councils finances, to ensure that the balances on the Housing Revenue and Repairs Accounts as at 31 March 2024 will be available in future years and that 2024/25 budgets are sufficient to meet the level of work programmed.

**Cost of proposals:**

There are no additional costs relating to the recommendations.

**Appendices:**                    **A:** Actual General Fund Service Expenditure to 31 March 2024

**B:** Detailed Housing Revenue and Repairs Account to 31 March 2024

**Background papers:** None

**Reference papers:** Report to Executive 9 January 2023 Finance Strategy, Revenue Budget and Council Tax 2023/24 (included a revised revenue budget for 2022/23).

Report to the Executive 6 February 2023 Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2023/24 (included a revised revenue budget for 2022/23).

Report to the Executive 6 February 2023 Housing Revenue Account Budgets and Capital Plans 2023/24 (included a revised revenue budget for 2022/23)

Report to the Executive 9 October 2023 Facilitating the use of the Local Authority Housing Fund

Report to Executive 8 January 2024 Finance Strategy, Revenue Budget and Council Tax 2024/25 (included a revised revenue budget for 2023/24).

Report to the Executive 5 February 2024 Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2024/25 (included a revised revenue budget for 2023/24).

Report to the Executive 5 February 2024 Housing Revenue  
Account Budgets and Capital Plans 2024/25(included a  
revised revenue budget for 2023/24).

# FAREHAM

## BOROUGH COUNCIL

### Executive Briefing Paper

<b>Date:</b>	01 July 2024
<b>Subject:</b>	General Fund and Housing Revenue Account Outturn 2023/24
<b>Briefing by:</b>	Assistant Director (Finance & ICT)
<b>Portfolio:</b>	Policy and Resources

#### INTRODUCTION

1. This report brings together the outturn position for the General Fund along with the Housing Revenue and Repairs Accounts for the financial year 2023/24.
2. This has been a difficult year for the Council's finances due to local and national impacts, including the impacts of the cost-of-living crisis. Particular financial pressures have included:
  - A continued recovery in the amount of revenue income collected in some areas.
  - Additional costs incurred in delivering day to day services such as fuel and utilities.
  - An unstable economy that is changing demand for certain services.
  - Reduced Government one-off funding to offset the impact of national pressures, such as New Burdens Grants and discretionary housing grants.
  - A national prescribed rent cap for HRA properties, resulting in income levels at odds with inflationary cost increases for running the service.
3. This report details the resulting end of year position for both the General Fund and Housing Revenue and Repairs Accounts and compares the actual spend against the revised budgets.

#### EMPLOYEE EXPENDITURE 2023/24

4. The total 'cost of employment' budgets set for the General Fund and Housing Revenue Account for 2023/24 was £22,182,700. The actual expenditure for 2023/24 was £21,884,650 giving an underspend for the year of £298,050 or 1.30% when compared to the final budget.
5. There was an underspend from salaries and associated costs of £554,498 which has arisen from vacancies that have occurred during the year. These have been slightly offset

by an increase in agency payments, severance payments and other employee related expenses (training and medical related) that have been made during the year.

## THE GENERAL FUND OUTTURN POSITION 2023/24

6. The General Fund actual net revenue expenditure for 2023/24 totalled £11,894,775 which is £481,325 less than the budget approved by the Executive in February 2024. This reflects both an increase in the Council's service income as well as reduced expenditure in some service areas.
7. The overall position for the General Fund shows an underspend of £35,841 against the revised budget once the financing element is brought in. This sum will be added to the General Fund Reserves and is just under the anticipated transfer to reserves of £58,800 that was agreed by the executive in February 2024
8. The following table summarises the position:-

<b>ACTUAL REVENUE EXPENDITURE TO 31 MARCH 2024</b>			
	<b>Revised Budget 2023/24 £</b>	<b>Actual 2023/24 £</b>	<b>Variation £</b>
<b>Committees</b>			
Licensing & Regulatory Affairs	495,700	463,996	-31,704
Planning	580,400	534,602	-45,798
<b>Executive - Portfolio</b>			
- Health and Public Protection	352,600	295,120	-57,480
- Housing	3,394,800	3,378,182	-16,618
- Leisure and Community	-260,400	-436,788	-176,388
- Planning and Development	1,084,000	930,897	-153,103
- Policy and Resources	-368,700	-847,866	-479,166
- Streetscene	6,174,000	6,196,620	22,620
<b>Total Service Budgets</b>	<b>11,452,400</b>	<b>10,514,764</b>	<b>-937,636</b>
Accounting Adjustments	3,766,400	13,203,520	9,437,120
Other Budgets	-2,842,700	-11,823,508	-8,980,808
<b>Net Budget</b>	<b>12,376,100</b>	<b>11,894,775</b>	<b>-481,325</b>
Financing	-12,376,100	-11,930,616	445,484
<b>Net Total</b>	<b>0</b>	<b>-35,841</b>	<b>-35,841</b>
<b>Contribution to Reserves</b>			<b>-35,841</b>

9. The table above shows accounting adjustments totalling over £13million. This line will include adjustments for pension valuations, annual leave calculations, depreciation

charges, increases or decreases in asset valuations and adjustments for grants and income received in advance. The majority of these items do not impact on the final figure due to reversals in the other budgets line.

10. The other budgets line contains depreciation reversal, revenue contributions to capital spending, other capital adjustments, increase in bad debt provision, a contribution from Portchester Crematorium, government grants for New Homes Bonus and New Burdens Funding, interest receivable from council investments and contribution from reserves to fund spend in the services.
11. The financing line contains government grant funding for services, income from Fareham's share of business rate and Council tax.
12. The detailed position on each service is set out in Appendix A. The main reasons for the variations for key council services are set out in the later paragraphs of this report.

### OUTTURN POSITION FOR THE KEY COUNCIL SERVICES

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

<b>Service</b>	<b>Revised Budget 2023/24 £</b>	<b>Actual 2023/24 £</b>	<b>Variation £</b>	
Interest on Balances	-430,200	-701,320	-271,120	😊
Leisure Centres	-859,400	-1,091,704	-232,304	😊
Parks, Open Spaces and Grounds Maintenance	2,283,600	2,079,981	-203,619	😊
Planning Appeals	159,700	19,055	-140,645	😊
Local Plan	845,300	712,694	-132,606	😊
Investment Properties	-2,375,800	-2,500,701	-124,901	😊
Local Tax Collection	1,066,900	1,007,855	-59,045	😊
Local Land Charges	-23,200	-53,746	-30,546	😊
Solent Airport and Daedalus	-493,000	-521,814	-28,814	😊
Waste & Recycling Total	1,859,400	1,853,045	-6,355	😊
Homelessness	1,887,200	1,881,634	-5,566	😊
Housing Benefit Payments	45,500	43,109	-2,391	😊
Commercial Estates	-1,107,100	-1,099,935	7,165	😐
Parking Services	-720,700	-695,618	25,082	😐



Service	Revised Budget 2023/24 £	Actual 2023/24 £	Variation £	
Tree Management	466,400	507,590	41,190	☹️
Trade Waste	-112,100	-53,604	58,496	☹️
Planning Applications	104,900	226,670	121,770	☹️
Street Cleansing	1,103,100	1,266,325	163,225	☹️

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

- (a) **Interest on balances** is showing £271,120 more than the budget for the year. Interest rates during 2023/24 have been steadily increasing during the year to finish at a high of 5.25% which has meant that the Council has received more interest on its investments. There has also been a higher balance for the general fund which has resulted in a larger share of the interest available.
- (b) **Leisure Centres** is showing an underspend of £232,304. There was additional income received during the year where indexing was backdated and along with higher inflation figures meant that the amount due to the council was higher than expected. There was also a saving on utilities costs where FBC have responsibility to pay some of the contractor's cost.
- (c) **Parks, Open Spaces and Ground Maintenance** is showing an underspend of £204,000 mainly due to staff costs being below budget due to vacant posts and also less need for agency staff resulting in a saving against budget. There have also been savings under supplies and services as well as additional income to the service. These underspends have been offset by an increase in the cost of repairing and maintaining the aging vehicle and plant fleet required to undertake the work and increased fuel costs.
- (d) **Planning Appeals** during the year have shown an underspend of £141,000 against the revised budget. In the last year the number of appeals has greatly reduced resulting in lower spend during the year on consultants and legal fees. There has also been additional income where a planning appeal was withdrawn by the appellant resulting in costs of £80,000 being awarded to the council.
- (e) The **Local Plan** service has seen an underspend of £132,000. The plan was adopted on 5 April 2023 and the budgeted costs mainly for use of consultants weren't needed resulting in a saving of £88,000. The council also received some unbudgeted income of over £26,000 for the Biodiversity Net Gain project and for works undertaken on behalf of the Partnership for South Hampshire.
- (f) **Investment Properties** was £125,000 above budgeted income. The rents received from the properties was £146,000 over the budgeted income mainly due to backdated rent reviews. Spend on property repairs was £18,000 below the budget although this was offset by additional spend on consultant fees.
- (g) **Local tax collection** is showing an underspend for the year of just under £59,000

which is mainly due to variations in income received from summons costs and government grants that were £40,000 above the budget. There were savings in employees costs due to vacancies within the team.

- (h) **Local Land Charges** is showing a £31,000 underspend against the revised budget. Income for the year was £20,000 over the budget for the year, and legal costs associated with providing the service were £11,000 less than budgeted.
- (i) **Solent Airport and Daedalus** is showing additional net income of £29,000 for the financial year. There was an increase in income due to a new site becoming available during the year and also some additional income to pay for consultants for the road layout project. The spend on the consultants for this project along with the income was not budgeted for. There was also some saving on premises in respect of utilities costs and business rates costs.
- (j) The **Waste, Recycling and Garden Waste Service** is showing an underspend for the year of £6,000. There has been a mix of underspends and overspends for these services. The main reason for the overspends was around the vehicles used for the services that was showing an increase of £352,000 over the budget mainly due to repair and maintenance of vehicles due to an aging fleet along with additional fuel and hire costs. There was also an increase over budget of over £119,000 for employee expenses including agency staff and overtime. This has all been offset to some extent by increased income of £152,000 from the Garden Waste service. There was also additional recycling income of £174,000 that came in during the year but related to the 2022/23 financial year. Also the income from glass recycling was £150,000 over the budget as prices and volumes increased during the year.
- (k) The **Homelessness** service is showing an underspend of £6,000. The service continues to experience extremely high levels of demand and continues to rely on bed and breakfast emergency accommodation. This area was overspent by £139,000 against revised budget which had already been increased to reflect the level of emergency accommodation being provided in this way. The overspend has been offset by reduced spending on employees and fewer grants were given out during the year which has resulted in the small underspend in the service. There have been changes to the services during the latter part of the year that is seeing a reduction in the use of bed and breakfast accommodation. It is anticipated that this trend will continue into 2024/25 which will result in a reduction to the budget during the next financial year. Some of the grant income that has been received will be carried over to the current financial year as it has not been spent during 2023/24. This is mainly for the Homes for Ukraine programme.
- (l) **Housing benefits payments** were £2,000 under the budget for the year. The amount paid out in benefits was less than anticipated by £662,000 which was offset by reduced income from grant received with a small amount due for prior year adjustments giving reduced income against budget of £566,000. There was also additional income from money owed due to overpaid benefits and there was a reduction in the bad debts provision for doubtful debts totalling £98,000.
- (m) **Commercial Estates** showed an overspend of £7,000 which is mainly due to reduced income in the year but this has been offset by savings on repairs and maintenance of buildings along with savings on the use of consultants during the year.

- (n) **Parking Services** is showing as being £25,000 overspent compared to the budget for the year. The income budget has been adjusted to reflect the actual level of income received for coastal and town centre parking as the service continues to see increased income as more coastal car parks started to charge during the year. Overall the income from the service was £7,000 over the budget for the year with income figures reaching over £2.1m during the year. However, employee, Premises and Supplies & Services costs were all over budget for the year by a combined figure of £32,000.
- (o) **Tree Management** is showing an overspend for the year of just over £41,000. This is mainly due to the Ash Dieback tree programme that commenced in January 2022 with £26,000 being spent during the financial year. These works will continue to be an issue in future years as the majority of Ash trees in the borough will be affected. The Council has earmarked reserves for this expenditure should this cause a pressure on the budget, but this has not been needed this year. The rest of the tree works in the borough came in on budget. Several insurance claims were settled during the year at a cost of just under £3,000.
- (p) **Trade Waste** is showing a £59,000 increase in spend compared to budget for the year. The income budget was slightly under the budget by £19,000 but there has also been additional spend in relation to vehicles including repairs and fuel costs along with increased use of agency staff for the service.
- (q) **Planning Applications** net expenditure was an increase against the budget of just under £122,000. The income from planning applications was £89,000 under the budget as the number of applications decreased during the financial year but this was offset by an increase in the income from the Welborne application of over £67,000. The service has seen additional spend on employees' costs of £52,000. There was also additional spend on consultants, legal fees for advice on some larger applications and also on advertising totalling £48,000.
- (r) **Street Cleansing** is showing an overspend for the year of £163,000. The main reason for the overspend in this service area has been around the vehicles used to provide the service. Routine repairs and fuel have both seen an increase in spending during the year and this has been made worse by the requirement to hire vehicles to continue to provide the service when regular vehicles are not usable.

## THE COUNCIL'S FUNDAMENTAL PARTNERSHIPS

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

Service	Revised Budget 2023/24 £	Actual 2023/24 £	Variation £	
Building Control Partnership	1,696,400	1,633,574	-62,826	😊
Community Safety & CCTV Partnership	203,400	190,605	-12,795	😊
Coastal Partnership	66,600	66,560	-40	😊

Service	Revised Budget 2023/24 £	Actual 2023/24 £	Variation £	
Portchester Crematorium Joint Committee	-100,000	-100,000	0	😊
Environmental Health Partnership	1,657,500	1,593,621	-63,879	😊

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

## OTHER BUDGETS

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

## HOUSING REVENUE AND REPAIRS ACCOUNT

### Revenue Account

18. On 6 February 2023, the Executive approved the 2023/24 base budgets for the Housing Revenue and Repairs Account (HRA). The revised budget was subsequently approved by the Executive on 5 February 2024. These budgets reflected the national prescribed rent cap for HRA properties. Also, at this time the revenue budget for property repairs and maintenance and materials were increased, along with the Revenue Contribution to Capital programme to fund the higher value of revenue and capital improvement works and former council homes being acquired in 2023/24. The higher value of acquisitions was in order to achieve the Local Authority Housing Fund (LAHF) commitments to deliver four homes, three for use by Afghan refugees and one for temporary accommodation, approved by the Executive in October 2023. In order for the HRA budget to break even for the 2023/24 financial year the original set aside of reserves for the repayment of debt was removed.
19. During the 2023/24 financial year the property maintenance and capital improvement spend (covering responsive and planned maintenance) has continued to exceed the budget provision to the point where financing this expenditure from reserves would have meant a depletion of those reserves. This will require increased scrutiny and potential intervention moving forward. Although income levels have exceeded the expenses and charges made to the HRA, and a surplus of £74,586 has been achieved and added to the HRA Revenue Reserve this has been achieved through borrowing for some capital improvement spend the cost of which is reflected in the higher Management and Finance figure. Other Reserves have increased by £0.096 million. This is shown in the table below and detailed in Appendix B.
20. The end of year position is that actual rent income was higher than the revised budget figure, and the 2022/23 actual. The number of void properties has stabilised but remains at a high level with council tax charges being higher than budgeted. An internal review of the void process during 2023/24 is starting to show a positive downward shift to the average period of time that properties are void and thereby when Council Tax is payable.

Rent arrears have decreased as at 31 March 2024 which has meant that the bad debt figure has been slightly reduced rather than having to be increased. Budgets were also reduced to take account of lower utility costs within the HRA. However, overall Management and Finance expenditure was higher than the revised budget.

21. Revenue repairs expenditure has risen during the year and was higher than the revised budget figure. This is partly due to cost inflation borne by the Fareham Housing team and the network of contractors used, and partly due to increased need and demand for works.
22. Capital Improvements are higher than budgeted overall with actual spend of works to homes being higher than the proportion of this budget allocated to that purpose. This has meant that when financing these capital programme schemes this year the sources have been met from the specific allocated fund for this purpose, the Major Repairs Reserve, which has been reduced to a nil balance. The additional capital financing has been through increased borrowing to the HRA, rather than Revenue Contribution to Capital Outlay which in the table below, excludes the borrowed amount from the Revenue Surplus / Deficit.
23. The HRA has recorded a surplus for 2023/24 of £74,586 as shown in the table below and in more detail at Appendix B. The surplus of £74,586 has replenished the HRA Revenue Reserve, and other Reserves have also increased by £0.096 million. However, HRA borrowing has increased by £3.226 million.
24. In order to strengthen the sustainability of the HRA for future years, work is underway to put together a housing specific Opportunities Plan, recognising the links between General Fund housing and Housing Revenue Account duties, roles and responsibilities. There will be a focus on maximising income and prioritisation and management of expenditure to match the budget resources.

	<b>Actual 2022/23 £'000</b>	<b>Revised Budget 2023/24 £'000</b>	<b>Actual 2023/24 £'000</b>
Income	-13,819	-14,393	-14,681
Management and Finance	5,826	6,391	6,515
Revenue Repairs	3,553	3,637	4,837
Capital Improvements	3,582	4,365	3,243
<b>Surplus(-)/Deficit</b>	<b>-858</b>	<b>0</b>	<b>-86</b>
Transfer from Capital Development Fund	-545	0	0
Transfer to Debt Repayment Fund	1,140	0	0
Transfer to Leaseholder and Capital Receipts Reserves	136	0	11

<b>Transfer of Balance to(-) /from(+) Revenue Reserve</b>	<b>-127</b>	<b>0</b>	<b>75</b>
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## HRA Capital Programme

25. The table below summarises the capital spend in the year against the revised budget which shows a higher spend than anticipated on HRA Capital Improvements. This area of spend will be reviewed again over the coming year as the next detailed programme of works is compiled. The underspend budgets against Improvements and Modernisation and New Builds are proposed to be carried forward.
26. Expenditure classified as Acquisitions was for four former council homes acquired from private ownership this financial year to deliver the LAHF programme commitments.
27. The new build schemes at Queens Road and Sir Randal Cremer House were fully completed during the year. Construction work commenced at Ophelia Court and at land adjacent to 51 Bellfield. Works to enable the approved re-development scheme at Assheton Court have also progressed during the year with demolition taking place and a tender process being undertaken for the design and build of the scheme.
28. 130 to 136 West Street (Birks furniture shop, the Bridal Suite Snuffles Dog grooming, etc.) was acquired, providing an excellent opportunity to positively contribute to the regeneration of this part of the town centre, whilst providing much needed housing solutions, which in turn could help reduce medium/long term spend by the Council on Bed and Breakfast and other emergency accommodation.

<b>CAPITAL PROGRAMME</b>	<b>Budget 2023/24 £'000</b>	<b>Actual 2023/24 £'000</b>	<b>Carry over to 2024/25 £'000</b>
HRA Improvements and Modernisations	4,000	5,105	1,105
New Builds	2,270	2,040	-230
Acquisitions	1,400	1,232	-168
Vehicles	130	0	-130
<b>CAPITAL PROGRAMME - TOTAL</b>	<b>7,800</b>	<b>8,377</b>	<b>577</b>

This spend has been funded as follows:

	<b>£'000</b>
Use of Major Repairs Reserve to fund capital expenditure on HRA assets	3,254
Capital spend not increasing the asset value funded by the HRA Revenue Reserve	146
Homes England Grant funding to meet development costs	908
S106 Developer Contributions	694
1:4:1 Capital Receipts to meet development costs	108
Other Housing Capital Receipts	41
Borrowing	3,226
<b>Total funding</b>	<b>8,377</b>

## HRA Reserves

29. A summary of reserves held by the HRA at the end of the year is set out below. HRA reserves have increased overall by £0.096 million.

Reserve	Purpose of Reserve	2022/23 Closing Balance £'000	2023/24 Transfers In £'000	2023/24 Transfers Out £'000	2023/24 Closing Balance £'000
HRA Revenue Reserve	To fund unexpected operating costs	1,337	75	0	1,412
Exceptional Expenditure Reserve	To fund any exceptional demands upon expenditure	1,500	4,837	-4,837	1,500
Major Repairs Reserve	To fund capital expenditure on HRA assets	157	3,097	-3,254	0
Debt Repayment Fund	To repay debt	6,840	0	0	6,840
Leaseholder Reserve	To fund major repairs on blocks containing leasehold properties	621	192	-257	556
1:4:1 Receipts	To fund 40% of costs of new acquisitions and new build Sir Randal Cremer House scheme	1,703	351	-108	1,946
<b>Total Reserves</b>		<b>12,158</b>	<b>8,552</b>	<b>-8,456</b>	<b>12,254</b>

<sup>1</sup>The transfer in of £3,096,570 is the in-year depreciation charge

30. The combined balance on all Housing Revenue Account reserves is £12,254 million.

## RISK ASSESSMENT

31. An assessment of the risks and opportunities associated with this decision has been carried out and it is considered that there are no significant risks. However, the report does highlight there remain areas of concern within the Council's financial position in future years.

## ENVIRONMENTAL CONSIDERATIONS/CARBON IMPACT ASSESSMENT

32. The subject matter of this report is not anticipated to have an impact on the Council's carbon footprint, nor is it expected to have a detrimental or beneficial impact to the wider environment.

## CONCLUSION

33. This report outlines the financial position during 2023/24 for the General Fund and the Housing Revenue and Repairs Account including effects of the cost-of-living crisis and how this could continue to influence spending in future financial years.

34. The General Fund is showing that there is a contribution to reserves of £35,841 against the revised budget contribution of just over £58,800. However, it is important not to underestimate the effect that the cost-of-living crisis and spending pressures will continue to have on services during the 2024/25 financial year as well as future years.
35. With this in mind the reserves balance after the 2023/24 increase will continue to be closely monitored and the effect of this will be reviewed in the Medium-Term Finance Strategy later in 2024.
36. The combined balance on all Housing Revenue Account reserves is £12.154 million which is an increase of £0.096m.
37. Members are asked to note the contents of the report in the context of the funding gap highlighted in the last Medium term Finance Strategy.

**Enquiries:**

For further information on this report please contact Neil Wood. (Tel 01329 824506)



APPENDIX A

ACTUAL REVENUE EXPENDITURE TO 31 MARCH 2024

	Budget 2023/24 £	Actual 2023/24 £	Variation 2023/24 £
<b>Licensing &amp; Regulatory Affairs Committee</b>			
Hackney Carriage & Private Hire Vehicles	0	3,472	3,472
Licensing	3,500	-1,552	-5,052
Health and Safety	154,700	135,800	-18,900
Election Services	337,500	326,276	-11,224
	495,700	463,996	-31,704
Accounting Adjustments in service	0	4,389	4,389
	<b>495,700</b>	<b>468,385</b>	<b>-27,316</b>
<b>Planning Committee</b>			
Processing Applications	104,900	226,670	121,770
Planning Advice	191,600	135,513	-56,087
Enforcement of Planning control	124,200	153,364	29,164
Appeals	159,700	19,055	-140,645
	580,400	534,602	-45,798
Accounting Adjustments in service	0	20,988	20,988
	<b>580,400</b>	<b>555,591</b>	<b>-24,809</b>
<b>Health and Public Protection</b>			
Pest Control	66,900	65,271	-1,629
Food Safety	148,100	142,451	-5,649
Air Quality and Pollution	177,800	71,714	-106,086
Community Safety	203,400	202,236	-1,164
Emergency Planning	61,300	59,945	-1,355
Clean Borough Enforcement	302,900	296,184	-6,716
Off-Street Parking	-720,700	-695,618	25,082
Cemeteries	-68,300	-67,638	662
Building Control	181,200	220,574	39,374
	352,600	295,120	-57,480
Accounting Adjustments in service	93,400	377,361	283,961
	<b>446,000</b>	<b>672,480</b>	<b>226,480</b>

	<b>Budget 2023/24 £</b>	<b>Actual 2023/24 £</b>	<b>Variation 2023/24 £</b>
<b>Housing</b>			
Housing Grants and Home Improvements	2,800	-26,617	-29,417
Housing Options	45,100	33,731	-11,369
Housing Benefit Payments	45,500	43,109	-2,391
Housing Benefit Administration	436,300	486,322	50,022
Homelessness	1,887,200	1,881,634	-5,566
Housing Advice	830,400	834,702	4,302
Housing Strategy	170,700	179,047	8,347
Local Land Charges	-23,200	-53,746	-30,546
	<b>3,394,800</b>	<b>3,378,182</b>	<b>-16,618</b>
Accounting Adjustments in service	45,500	545,340	499,840
	<b>3,440,300</b>	<b>3,923,523</b>	<b>483,223</b>
<b>Leisure and Community</b>			
Community Grants	253,100	193,153	-59,947
Community Development	164,900	284,054	119,154
Fareham Live	46,400	36,186	-10,214
Leisure Centres	-859,400	-1,091,704	-232,304
Community Centres	134,600	141,523	6,923
	<b>-260,400</b>	<b>-436,788</b>	<b>-176,388</b>
Accounting Adjustments in service	2,060,100	2,064,575	4,475
	<b>1,799,700</b>	<b>1,627,787</b>	<b>-171,913</b>
<b>Planning and Development</b>			
Flooding and Coastal Management	95,500	104,743	9,243
Public Transport	33,500	33,493	-7
Conservation & Listed Building Policy	65,800	65,804	4
Sustainability & Biodiversity	43,900	14,163	-29,737
Local Plan	845,300	712,694	-132,606
	<b>1,084,000</b>	<b>930,897</b>	<b>-153,103</b>
Accounting Adjustments in service	213,300	103,995	-109,305
	<b>1,297,300</b>	<b>1,034,892</b>	<b>-262,408</b>

	<b>Budget 2023/24 £</b>	<b>Actual 2023/24 £</b>	<b>Variation 2023/24 £</b>
<b>Policy and Resources</b>			
Democratic Representation and Management	1,179,100	1,215,182	36,082
Commercial Estates	-1,107,100	-1,099,935	7,165
Investment Properties	-2,375,800	-2,500,701	-124,901
Solent Airport and Daedalus	-493,000	-521,158	-28,814
Fareham Shopping Centre	-539,500	-527,158	12,342
Public Relations, Comms and Consultation	675,600	630,715	-44,885
Corporate Management	922,500	747,344	-175,156
Economic Development	153,600	141,732	-11,868
Regeneration	149,000	58,913	-90,087
Local Tax Collection	1,066,900	1,007,855	-59,045
	<b>-368,700</b>	<b>-847,866</b>	<b>-479,166</b>
Accounting Adjustments in service	598,600	9,044,599	8,445,999
	<b>229,900</b>	<b>8,196,733</b>	<b>7,966,833</b>
<b>Streetscene</b>			
Parks, Open Spaces and Grounds Maintenance	2,283,600	2,079,981	-203,619
Countryside Management	208,900	149,985	-58,915
Street Cleansing	1,103,100	1,266,325	163,225
Public Conveniences	289,100	301,609	12,509
Household Waste	1,239,900	1,371,347	131,447
Trade Refuse	-112,100	-53,604	58,496
Recycling	1,142,100	923,480	-218,620
Garden Waste Collection	-522,600	-441,783	80,817
Tree Management	466,400	507,590	41,190
Street Furniture	75,600	91,689	16,089
	6,174,000	6,196,620	22,620
Accounting Adjustments in service	755,500	1,042,273	286,773
	<b>6,929,500</b>	<b>7,238,894</b>	<b>309,394</b>
TOTAL - Before adjustments	11,452,400	10,514,764	-937,636
Total Adjustments	3,766,400	13,203,520	9,437,120
TOTAL - After adjustments	15,218,800	23,718,283	8,499,483
Other Budgets	-2,842,700	-11,823,508	-8,980,808
TOTAL including Other Budgets	12,376,100	11,894,775	-481,325

## DETAILED HOUSING REVENUE AND REPAIRS ACCOUNT to 31 MARCH 2024

	Actual 2022/23 £'000	Revised Budget 2023/24 £'000	Actual 2023/24 £'000
<b>Income</b>			
Rents - Dwellings	-12,027	-12,430	-12,509
Rents – Garages	-375	-388	-390
Rents – Other	-6	-5	-6
Service Charges (Wardens, Extra Assistance, Heating)	-666	-815	-822
Cleaning	-175	-198	-200
Grounds Maintenance	-144	-137	-140
Other Fees and Charges	-38	-37	-30
Leaseholder Service Charges and Insurance	-67	-73	-76
Service Charges Repairs	-213	-300	-303
Other income	-108	-11	-205
	<b>-13,819</b>	<b>-14,393</b>	<b>-14,681</b>
<b>Management and Finance</b>			
General Administrative Expenses	2,864	2,601	2,654
Sheltered Housing Service	559	613	713
Grounds Maintenance	277	310	304
Communal Cleaning	201	269	220
Communal Heating Services	214	270	244
Communal Lighting	61	80	84
Rents, Rates and Other Taxes	252	254	293
Corporate and Democratic Core	79	90	74
Corporate Management	67	75	68
Unapportioned Overhead	12	10	-45
Bad Debts Provision	128	100	128
Bad Debts Written off	0	35	0
Debt Management Expenses	35	35	33
Interest Payable and Similar Charges	1,902	1,900	2,042
Interest Earned on Internal Balances	-205	-250	-135
Pension Fund Adjustments and Holiday Accrual	-620	0	-32
	<b>5,826</b>	<b>6,391</b>	<b>6,515</b>
<b>Revenue Repairs</b>	<b>3,553</b>	<b>3,637</b>	<b>4,837</b>
<b>Capital Improvements</b>			
Depreciation	2,919	3,130	3,097
Revenue Contribution to Capital	663	1,235	147
Transfer to Debt Repayment Fund	1,140	0	0
Transfer to Leaseholder Reserve	136	0	-65
Transfer to Capital Receipts Reserve	0	0	76
Contribution from Capital Development Fund	-545	0	0
<b>Surplus(-)/Deficit for Year</b>	<b>-127</b>	<b>0</b>	<b>-75</b>

# FAREHAM

## BOROUGH COUNCIL

### Report to Policy and Resources Scrutiny Panel

**Date**                    **21 October 2024**

**Report of:**            **Assistant Chief Executive Officer**

**Subject:**              **COMMUNICATION AND ENGAGEMENT STRATEGY**

#### **SUMMARY**

The report presents to the Panel the draft of the Council's new Communications and Engagement Strategy document, which will support the Council's Corporate Strategy 2023 – 2029. The Strategy sets out the draft vision, aims and priorities which are designed to improve communications and engagement with both our internal and external audiences. The report will be presented at the 4 November Executive where approval will be sought for a public consultation on the draft strategy.

#### **RECOMMENDATION**

The Policy and Resources Scrutiny Panel is invited to comment on the draft Communications and Engagement Strategy and Executive report.

# FAREHAM

## BOROUGH COUNCIL

### Report to the Executive for Decision

04 November 2024

<b>Portfolio:</b>	Policy and Resources
<b>Subject:</b>	<b>Communications and Engagement Strategy</b>
<b>Report of:</b>	Policy, Research and Engagement Manager
<b>Corporate Priorities:</b>	Responsive, inclusive and innovative Council

#### **Purpose:**

To seek approval to consult on the Draft Communications and Engagement Strategy, which sets out proposals for how the Council will communicate and engage with our diverse audiences.

#### **Executive summary:**

The creation and implementation of a new Communications and Engagement Strategy is a key project to be delivered under Priority Six of the Corporate Strategy 2023 – 2029 which aims to ensure we are ‘a responsive, inclusive and innovative Council.’

The Communications and Engagement landscape has changed during recent years, with many more people consuming news and engaging online. However, a core group of people prefer to engage using more traditional methods.

To ensure we continue to meet the needs of our diverse audiences a draft Communications and Engagement Strategy has been developed. This is based around a series of proposed aims, supporting priorities and projects with which to guide better communications and engagement with both external and internal customers of the Council.

Approval is sought to consult on the draft strategy.

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

It is recommended that the Executive approves a public consultation on the Draft Communications and Engagement Strategy.

**Reason:**

To ensure that the Council's approach to communications and engagement reflects the changing needs of our staff, residents, businesses and partners.

**Cost of proposals:** The cost of implementing the strategy will be funded using current budgets.

**Appendices: A: The Draft Communications and Engagement Strategy**

**Background papers: None**

**Reference papers: None**

# FAREHAM

## BOROUGH COUNCIL

### Executive Briefing Paper

<b>Date:</b>	04 November 2024
<b>Subject:</b>	Communications and Engagement Strategy
<b>Briefing by:</b>	Policy, Research and Engagement Manager
<b>Portfolio:</b>	Policy and Resources

#### INTRODUCTION

1. This report outlines the development of the draft Communications and Engagement Strategy, covers the main proposals in the document, and seeks approval for a public consultation.
- 2. Background**
3. The creation and implementation of a new Communications and Engagement Strategy is a key project to be delivered under Priority Six of the Corporate Strategy 2023 – 2029 which aims to ensure we are ‘a responsive, inclusive and innovative Council.’
4. The current Strategy has been in place since 2013. Since then, there have been significant changes in technology and culture. For example, an estimated 97.8% of the UK are internet users, with 82.8% accessing social media regularly. News, messages and sometimes misinformation can spread rapidly across online and social media platforms.
5. Whilst most of our residents and businesses are online, a core group still prefers to engage with us using more traditional methods such as in person or over the phone.
6. It is an appropriate time to review our Communications and Engagement Strategy, to help ensure we continue to meet the changing needs of our diverse audiences.
- 7. Developing the Draft Strategy**
8. The Draft Strategy was developed following workshops with all service areas across the Council so as to better understand their needs, and the known needs of their customers. We also conducted an all-staff communications survey in 2023.



9. From this work, it was clear that staff wanted to improve their awareness of work taking place elsewhere in the Council and to better understand how each job fits into our corporate priorities. It also became clear that we could do more to utilise the knowledge and experience of our staff across the Council to help shape decision making, as many are also residents who regularly use our services, visit the town centre, etc.
10. Surveys were also conducted online and via social media to better understand what the Council's external customers want from communications. We also engaged face-to-face at a number of high footfall events during Summer 2024. These included D-Day 80, 999 Day and the Fareham Community Showcase. At these, officers ensured they spoke with people who may not have online access to better understand their needs.
11. From our external engagement it became clear that most customers use online sources to stay up to date with local news or have their say on topics. However, a core group of residents prefer to use more traditional methods.
12. These findings matched the UK wide statistics with regards to online access and use. It was therefore clear that whilst the new Communications and Engagement should have a strong digital focus, it should also look to provide people not online with good opportunities to stay informed and have their say.

### **13. Overview of the Draft Strategy Proposals**

14. The Draft Strategy is based around a series of proposed aims, supporting priorities and projects with which to guide better communications and engagement with both external and internal customers of the Council. The following provides a top-level overview of these with greater detail found in Appendix A:
  - **Aim 1** - Ensure all staff are well informed about the work of the Council and how they and others contribute to it.
  - **Priority 1.1** - *Improve staff awareness of work across the Council:* Actions include improving access to the intranet for operatives at the Depot, as well as making content easier to find on SID and highlighting 'hidden heroes' across the Council in the staff newsletter, 'Our News'
  - **Priority 1.2** - *Raise awareness of our corporate priorities, alongside our internal values and behaviours and our staff's role in delivering them:* Actions include an annual in-person event for all staff, service open days, regular Teams 'lunches' hosted SLT, embedding corporate priorities in documents, and emails where appropriate.
  - **Aim 2** - Ensure we listen and respond to staff.
  - **Priority 2.1** – *Better utilise the skills and experience of staff across the Council.* Actions include internal workshops, surveys and consultations on internal and external topics, and a refresh of the Service Information Directory (SID) pages.

- **Aim 3** - Engaging external audiences.
  - **Priority 3.1** - *Maximise the effectiveness of outgoing communications.* Actions include social media guidance for both Councillors and Officers, better on-line communication, and improvements to the way we engage with harder to reach groups, such as young people and commercial tenants. We will also continue to embed and regularly review the Tenant Engagement Strategy.
  - **Priority 3.2** - *Maximise the potential of social media for consultation and engagement.* Actions include the development of a corporate social media strategy, incorporating guidance on LinkedIn for Council staff and Members and relaunching the Council's e-panel.
  - **Priority 3.3** - *Ensure those offline remain well informed and connected.* Actions focus on more effective in-person engagement at high footfall events, a review of noticeboards, and the development of volunteer champions to build relationships with offline groups.
  - **Aim 4** - Build Trust with more residents.
  - **Priority 4.1** - *Improve transparency in our consultations.* Actions include ensuring clarity on what can and cannot be influenced in a consultation, and an improvement on the quality of feedback from consultations.
  - **Aim 5** - Good value for money services.
  - **Priority 5.1** - *Explore ways to cover some of our service costs.* Actions include promotion of possible film locations across the Borough, and sponsorship options for wildflower areas.
15. Some actions in the Strategy such as the launch of the Let's Talk Fareham Facebook Page have already been completed. It is intended that the Strategy will be a living document and the aims, priorities and actions updated as required according to the changing needs of our audiences.
  16. If approved, a public consultation on the Draft Strategy would take place between 20 November and 8 January. In addition to the normal usual online engagement and Let's Talk Fareham Facebook page, officers would attend the Christmas Light Switch On to get feedback from visitors, with opportunities for people to have their say at locations such as libraries.
  17. Any amendments to the Strategy would then be made ahead of it being presented for final approval at the February Executive.

### **Conclusion**

18. The Draft Communications and Engagement Strategy aims to help ensure we continue to meet the changing needs of our diverse audiences.

### **Enquiries:**

For further information on this report please contact Roy Brown - Policy, Research and Engagement Manager, Tel: 01329 824489, Email: [RBrown@Fareham.Gov.UK](mailto:RBrown@Fareham.Gov.UK)

# Communications and Engagement Strategy



# Communications and Engagement Strategy

Fareham Borough Council's Corporate Strategy sets out how it will work over the next six years to ensure that Fareham remains a prosperous, safe and attractive place to live and work.

Our Strategy comprises three distinct yet interlinking elements:

## Our Vision for the Council sets out our overall goal for the Borough

We will provide high quality, customer-focused services that deliver value for money. Our work will help ensure Fareham remains a prosperous, attractive and safe place to be.

## Our Values describe the Council's approach to service delivery

Everything we do is guided by a set of values which are shared by all councillors and employees.



## Our priorities

Our Priorities show where we will focus our resources over the next six years, including a list of projects that enable our residents to keep track of our progress.

1. Provide Housing Choices
2. Respond to Climate Change and Protect the Environment
3. Strong, Safe and Healthy Communities
4. Promote Economic Development
5. Leisure Opportunities for Wellbeing and Fun
6. Responsive, Inclusive and Innovative Council

Our new communications and engagement strategy is one of seven key projects to be delivered under Priority Six: Responsive, Inclusive and Innovative Council.

# Communications and Engagement Strategy



## 1. What is a Communication and Engagement Strategy?

This strategy sets out how our communications and engagement services will be delivered over the next six years.

For the purpose of this strategy, communications and engagement broadly refer to the following:

- **Communications:** The activities the Council undertakes in order to deliver the Council's message 'out' to its customers and stakeholders, including our staff.
- **Engagement:** The activities the Council undertakes in order to bring the views, experiences and opinion of the Council's customer's and stakeholders, including our staff, 'in' to the organisation. This includes, but is not limited to, our formal consultation process.

## 2. Why is our Communication and Engagement Strategy important?

Successful communications and engagement are fundamental to everything the Council does. They enable us to understand our customers and deliver services to meet their needs, to inform and engage, and to build interest, trust and involvement.

The Communications and Engagement Strategy also plays a key role in promoting and supporting the Council's Corporate Strategy 2023–2029, enabling the Council to work with our staff, residents and local businesses to bring about positive change across the Borough.

## 3. What has changed since our last Communication and Engagement Strategy?

The shifting use of technology such as mobile phones and digital and social media channels has led to a seismic change across the communications landscape.

As of early 2024, 97.8% of the UK were internet users, with 82.8% accessing social media on a regular basis. The speed at which news is shared has increased significantly and social media can help quickly disseminate messages to thousands of people. However, it can also be utilised by some to spread misinformation.

Although most of our residents and businesses are now online, there is a core group of residents that prefer to engage with us using more traditional methods such as in person or by phone.

An important part of this strategy is to ensure that we continue to meet the changing needs of our different audiences.

## 4. Who do we communicate and engage with?

As a Council we have a number of key audiences:

- Residents.
- Fareham Housing Tenants.
- Specific groups of residents (for example those people living in a certain area, older people).
- Under-represented groups or those that do not normally participate.
- Our own staff.
- Members.
- Businesses.
- Community and voluntary sector organisations.
- Partner organisations eg other councils.
- The wider Local Government sector
- Local, regional and national decision-makers and influencers (for example MPs, government departments and the Local Government Association).
- Local, regional, national, trade and specialist media.





## 5. How do we communicate and engage with our various audiences?

The Council uses a wide range of channels and activities to communicate and engage with its various audiences:

**Website:** This is a key resource for customers to access and learn about our services as well as take part in consultations and online exhibitions.

**Press release:** An official statement from the Council to the public.

**Social Media:** Our audience on Facebook and X (formerly Twitter) has continually grown. The innovative Let's Talk Fareham Facebook consultation group and accounts on LinkedIn and Instagram are enabling us to target new audiences. YouTube remains important for sharing videos and hosting live online events.

**Print:** Posters, such as those in our bus stops or our 43 noticeboards, remain a great way to promote initiatives and events, particularly to those in our audiences who are not online.

**E-panel:** Over 2,000 residents have signed up to receive regular updates from the Council about upcoming consultations and other news.

**E-bulletins:** Thousands of our residents and businesses stay up to date through regular email updates on topics such as consultations, information for businesses and gardening.

**Engagement events:** We hold regular public engagement events as well as ad hoc meetings and exhibitions linked to a local hot topic, eg large planning applications. Our Leisure Team also holds a range of popular events throughout the year.

One of our most important audiences is the Council's employees and we have a number of ways we communicate with them corporately:

**Intranet:** A range of useful information and updates are hosted on our intranet. Staff can also post updates and questions.

**Our news:** Monthly updates from our Chief Executive are shared every month.

**Posters and signs:** These are used to support campaigns such as encouraging people to reduce their energy use at work eg switching off their computers when they leave.

**Surveys, workshops and focus groups:** These help ensure that we understand the needs of our employees and plan for service improvements. They also allow us to use their skills and knowledge to inform consultations.

## 6. Listening to our customers

Our Communications and Customer Service teams work together closely to ensure consistent messaging and swift responses to any emerging issues. Our Senior Leadership Team is updated about communications and engagement activities via a 'Big Picture' report.

## 7. Our Vision for Communications and Engagement

Our communications and engagement services will provide clear, factual, and relevant information, be accessible to everyone within the Fareham community, and enable our staff and customers to remain at the heart of everything we do.



## 8. Communications and Engagement Values and Behaviours

The Values and Behaviours set out in the Council's Corporate Strategy are reflected in the day-to-day delivery of communications and engagement activities:

### Integrity

We will explain to our customers what we are doing as a Council, and why, by signposting to relevant and supporting information.

We will promote our Borough and tell the 'Fareham story' through a series of agreed key messages to all audiences.

### Better Outcomes

We will aim to improve our customers' understanding about the services the Council provides, how they can access them, and provide informed feedback using straightforward, jargon-free language.

### Responsibility

We take responsibility for ensuring our communications and engagement are inclusive and accessible for all members of the community, including those that are sometimes under-represented.

### Kindness

We will treat others with kindness and consideration and take the time to understand their needs.

### Collaboration

We will engage with our key audiences to help ensure that our services are designed around their needs.

### Innovation

We will constantly strive to find new ways to communicate, ensuring all customers have access to the Council's communications and engagement opportunities.

## 9. Aims and Priorities

Taking into account our Vision and Values, the Communications and Engagement Teams will focus on the following Aims and Priorities both for our internal audiences and for our customers.



## Internal Audiences: Aims, Priorities and Actions

### AIM 1.0

#### Ensure all staff are well informed about the work of the Council and how they and others contribute to it

##### Priority 1.1

Improve staff awareness of work across the Council

- Provide access to the intranet (SID) in a quiet space at the Depot for staff to access SID pages.
- Refresh our SID pages to make content easier to find, ensure press releases are shared on SID, and 'Our News' regularly highlights the Hidden Heros from across service areas.

##### Priority 1.2

Raise awareness of our corporate priorities, alongside our internal values and behaviours and our staff's role in delivering them

- Run service open day sessions to highlight their work to staff from other services.
- Our Senior Leadership Team (SLT) to host an annual update to staff focusing on recent achievements and priorities for the next 12 months.
- Regular SLT hosted 'lunch with...' on Teams.

- Work with report and policy writers to ensure the relevant Corporate Priority or Project is included in policy and strategy documents.
- Computer lock-screens to show values, vision, behaviours to demonstrate 'Golden Thread' approach.
- Press releases to include the relevant corporate priorities.
- Email footers to include the Council's Corporate Values.

### AIM 2.0

#### Ensure we listen and respond to our staff

##### Priority 2.1

Better utilise the skills and experience of staff across the Council when making decisions

- Run internal workshops on 'hot' topics.
- Run more internal surveys and consultations on internal or external topics to encourage greater involvement from our staff.
- Thoroughly analyse the data collected from staff, and provide staff with better quality and more timely feedback from internal engagement.





## External Audiences: Aims, Priorities and Actions

### AIM 3.0

#### Engaging external audiences

##### Priority 3.1

#### Maximise the effectiveness of outgoing communications

- Overhaul the Council's website to improve navigation and accessibility.
- Ensure an annual calendar of planned engagement is kept refreshed.
- Develop focused e-newsletters and improve engagement with commercial tenants and customers.
- Cover common complaints in honest, transparent messaging campaigns to residents.
- Use links with social media groups to help share Council information as widely as possible.
- Refresh and rebrand the Council's e-panel to make it more appealing and encourage more sign-ups.

- Launch of the 'Let's Talk Fareham' Facebook Group for encouraging engagement and participation in surveys.
- Horizon-scan for new technologies and approaches to support improved communications and engagement.
- Exploration of other social media platforms, such as TikTok.
- Focus on engaging online content, particularly the use of video, to increase participation.
- Ensure regular auditing and assessing of outgoing communications to support co-ordinated, consistent messaging.
- Create a strategy for engaging with young people.
- Continue to embed and regularly review our Tenant Engagement Strategy.

##### Priority 3.2

#### Maximise the potential of social media for consultation and engagement

Social media is an important tool for consultation and engagement. We aim to ensure Members, Officers and the Council as a whole get the most out of the platforms available by:

- Developing the Council's corporate social media strategy to identify suitable platforms for engagement.
- A social media policy will be produced specifically for Councillors, and a guide to social media content creation will be developed for Council staff using LinkedIn.
- Staff will be encouraged to use LinkedIn to promote the Council amongst peers as a good place to work.

##### Priority 3.3

#### Ensure those offline remain well-informed and can have their say

Not all Fareham residents obtain their information online, and those who live their lives partly or wholly off-line need equally consistent opportunities to engage. With that in mind, there will be:

- A review of all noticeboards in the Borough to reflect boundaries.
- A fresh approach to in-person engagement, demonstrated via a move from the traditional Customer Action Team (CAT) meetings to more proactive methods of engaging, eg attending local events to provide opportunities for one-to-one conversations with residents.
- Development of a team of volunteer champions or gatekeepers to better involve communities, with a focus on building relationships with partners.



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## AIM 4.0

### Build trust with more residents

#### Priority 4.1

Improve transparency in our consultations

- Improve the consultation webpages on the Council's website, to include making it clear what can and can't be influenced in each consultation.
- Ensure timeliness and quality of feedback for each consultation.
- Ensure tenant groups have the ability to influence and scrutinise us in our role as social landlord.

## AIM 5.0

### Good value for money services

#### Priority 5.1

Explore ways to cover some of our service costs

- Pursue sponsorship of the wildflower areas in the Borough, in particular the wildflower areas on roundabouts. Assess the feasibility of using digital advertising at Council-controlled sites.
- Promote and charge for film locations within the Borough.



## Monitoring the Communications and Engagement Strategy

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**The Chief Executive's Senior Leadership Team will be briefed every six months on the progress of the Strategy as part of the regular 'Big Picture' update.**



# FAREHAM

## BOROUGH COUNCIL

### Report to Policy and Resources Scrutiny Panel

**Date**                    **21 October 2024**

**Report of:**            **Assistant Chief Executive Officer**

**Subject:**                **EXECUTIVE BUSINESS**

#### **SUMMARY**

One of the key functions of this Scrutiny panel is to hold the Executive Portfolio Holder and Senior Officers to account in the delivery of the Services and the Improvement Actions identified in the Council's Corporate Priorities and Corporate Vision.

Members are therefore invited to consider the items of business which fall under the remit of the Policy and Resources portfolio and have been dealt with by the Executive since the last meeting of the Panel. This includes any decisions taken by Individual Executive Members.

The relevant notices for decisions taken are attached for consideration.

#### **RECOMMENDATION**

It is recommended that Members consider the items of Business discharged by the Executive and make any comments or raise any questions for clarification.



# FAREHAM

## BOROUGH COUNCIL

**2024/25**  
**Decision No.**  
**2550**

### Record of Decision by Executive

**Monday, 1 July 2024**

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>Capital and Treasury Management Outturn 2023/24</b>
<b>Report of:</b>	Assistant Director (Finance & ICT) & Section 151 Officer
<b>Corporate Priority:</b>	Responsive, Inclusive and Innovative Council

**Purpose:**  
The report provides the Executive with details of the capital and treasury management outturn for 2023/24 to comply with the reporting requirements of the Code of Practice for Treasury Management. The report also seeks approval for the proposed methods of financing the General Fund capital programme.

Actual capital expenditure on General Fund schemes in 2023/24 was £31,202,178 (£6.2 million in 2022/23) compared with the revised capital programme of £36,996,700. The overall variance was £5,794,522. A detailed analysis of the variations is given in Appendix A to the report.

Total savings from individual projects of £281,780 were achieved, additional expenditure of £58,989 on others was incurred and a total of £5,571,731 will be carried forward into 2024/25. Details of the various methods used to finance this expenditure are set out in this report.

In addition, a new capital scheme budget of £281,000 is requested for a new filtration system at Holly Hill Leisure Centre.

Full details of Treasury Management investment and borrowing activity in 2023/24 are also set out in this report and is summarised below:

	31 March 2023 Actual £'000	2023/24 Movement £'000	31 March 2024 Actual £'000
Total borrowing	61,336	3,253	64,589
Total investments	(24,832)	11,244	(13,588)
Net borrowing	36,504	14,497	51,001

Net interest received from investments in 2023/24 was £701,320 (£879,854 in 2022/23) and net interest paid on borrowing for the HRA was £1,906,955 (£1,670,992 in 2022/23).

The overall investment property portfolio decreased in value by £3.55 million and contracted income was approximately £4,500,000.

During 2023/24, the Council complied with its legislative and regulatory requirements of the Prudential Code.

**Options Considered:**

As recommendation.

**Decision:**

RESOLVED that the Executive:

- (a) approves that the General Fund capital programme for 2023/24 be financed as set out in the report;
- (b) agrees that the additional expenditure incurred, amounting to £58,989 be financed retrospectively from unallocated capital resources;
- (c) agrees to add £281,000 to the capital programme for a new filtration system at Holly Hill Leisure Centre with the unfunded element of £64,325 to be funded from capital reserves; and
- (d) notes the treasury management activity for 2023/24.

**Reason:**

To provide the Executive with details of the capital and treasury management outturn in 2023/24 and to comply with the reporting requirements of the Code of Practice for Treasury Management.

**Confirmed as a true record:**

Councillor SD Martin (Executive Leader)

Monday, 1 July 2024



# FAREHAM

## BOROUGH COUNCIL

2024/25  
Decision No.  
2562

### Record of Decision by Executive

Monday, 15 July 2024

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>Fareham Town Centre Regeneration - North to South Route</b>
<b>Report of:</b>	Director of Planning and Regeneration
<b>Corporate Priority:</b>	Promote Economic Development

**Purpose:**

To seek approval for the creation of an evening route within Fareham town centre between Fareham Live, through Fareham Shopping Centre to West Street and Market Quay Car Park beyond. This route will include a range of interventions to provide a legible, animated, and engaging route alongside security provision within Fareham Shopping Centre (FSC). This will support the opening of Fareham Live and the wider Town Centre Regeneration programme.

The Council has a strong ambition to reverse the decline of Fareham Town Centre through regeneration, recognising the wider placemaking, economic regeneration and health benefits a more successful town centre would bring.

Work has already begun to deliver the Council's significant regeneration ambition with the construction of Fareham Live, the demolition and replacement of Osborn Road multi-storey car park and the purchase of FSC in September 2023.

The Council has appointed an asset manager to manage the Shopping Centre alongside regeneration consultants to develop a deliverable and realistic Regeneration Strategy and Action Plan. A final Regeneration Strategy and Action Plan will be presented to the Executive in Winter 2024.

In advance of the Regeneration Strategy and Action Plan, this report seeks agreement to bring forward the delivery of an evening route between Fareham Live, through Fareham Shopping Centre to West Street and Market Quay Car Park beyond.

The principal objectives of opening an evening route are to provide a direct, legible and secure connection from Fareham Live through FSC to West Street, to provide a high-quality visitor experience and to capture wider economic benefits for town centre businesses.

**Options Considered:**

As recommendation.

**Decision:**

RESOLVED that the Executive:

- (a) approves the principal of providing an evening route between Fareham Live, through FSC to West Street and Market Quay Car Park;
- (b) subject to the approval of recommendation (a) above, approves a budget of £10,000 to provide improvements, including wayfinding and lighting (subject to Hampshire County Council), to the existing identified routes and delegates authority to the Director of Planning and Regeneration, following consultation with the Executive Member for Policy and Resources, to agree the final scheme design and delivery timeline and to enter into contracts to secure this, within the agreed budget;
- (c) subject to the approval of recommendation (a) above, approves a maximum budget of £51,000 to provide security officers at FSC and delegates authority to the Director of Planning and Regeneration to enter into or vary contracts to secure the delivery of this, within agreed budgets;
- (d) subject to the approval of recommendation (a) above, approves a budget of £76,800 for the provision of interventions, public realm improvements and wayfinding, and delegates authority to the Director of Planning and Regeneration, following consultation with the Executive Member for Policy and Resources, to agree the final scheme design and delivery timeline and to enter into contracts to secure this, within the agreed budget; and
- (e) subject to the approval of recommendation (a) above, delegates authority to the Director of Planning and Regeneration to draw on the remaining regeneration budget, if necessary, to achieve the delivery of the above.

**Reason:**

To support the Council's investment in Fareham Live, ensure the delivery of a strategic town centre regeneration objective and to capture the wider economic benefits this would bring to the town centre.

**Confirmed as a true record:**

Councillor SD Martin (Executive Leader)

Monday, 15 July 2024

# FAREHAM

## BOROUGH COUNCIL

2024/25  
Decision No.  
2551

### Record of Decision by Executive

Monday, 1 July 2024

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>General Fund and Housing Revenue Account Outturn 2023/24</b>
<b>Report of:</b>	Assistant Director (Finance & ICT) & Section 151 Officer
<b>Corporate Priority:</b>	Responsive, Inclusive and Innovative Council

**Purpose:**

The report provides the Executive with details of the actual revenue expenditure for 2023/24 for the General Fund and Housing Revenue and Repairs Account.

The revised budget set by the Executive for the **General Fund** in February was predicting a small underspend of £58,800. Although budget monitoring had been indicating some pressure points during the year the outturn position is still an underspend, of £35,841, which will be added to the Council's reserves.

The main reasons for this was some unexpected income in some areas, such as leisure centre grant income, recycling credits and the garden waste service where the take up of the services continues to remain high. However, there have still been pressures on the budgets in the year, in particular for bed and breakfast expenses for the homelessness service and also vehicle costs for the waste collection and street cleansing services.

This small contribution to reserves will help protect the council's financial position going forward. Some trends in increased expenditure such as fuel prices and materials costs have continued during 2023/24 and the levels of Government's financial support remain uncertain with a further delay to the Fair Funding Review. There also remains uncertainty to income generated by council services as in 2023/24 we have seen reductions in planning income and the town centre parking income is still well below the pre-covid levels. The Council's underlying financial position remains a concern as was highlighted in the Medium-Term Finance Strategy, albeit actions taken in the year have delayed the problem by a year. The new Opportunities Plan will continue to attempt to identify areas where spending can be reduced or where additional income can be generated to help bridge the forecasted funding gap in 2026/27.

There are a number of pressures on the **Housing Revenue and Repairs Account (HRA)**. This is due to the responsive repairs costs remaining high as well as the

planned maintenance and other capital costs. The account has also been impacted by the government cap on rents. The Council has therefore made use of favourable loan rates to increase the borrowing for the HRA by £3.254 million and protect the HRA reserves position which have now increased by £0.096 million. Work is also underway to implement an Opportunities Plan specifically for the HRA.

**Options Considered:**

As recommendation.

**Decision:**

RESOLVED that the Executive notes the content of the report.

**Reason:**

To understand the impact that the 2023/4 year has had on the Councils finances, to ensure that the balances on the Housing Revenue and Repairs Accounts as at 31 March 2024 will be available in future years and that 2024/25 budgets are sufficient to meet the level of work programmed.

**Confirmed as a true record:**

Councillor SD Martin (Executive Leader)

Monday, 1 July 2024

# FAREHAM

## BOROUGH COUNCIL

**2024/25**  
**Decision No.**  
**2549**

**Record of Decision by Executive**  
**Monday, 1 July 2024**

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>Update to Regulation of Investigatory Powers Policy (RIPA)</b>
<b>Report of:</b>	Assistant Director (Finance & ICT) & Section 151 Officer
<b>Corporate Priority:</b>	Responsive, Inclusive and Innovative Council

**Purpose:**  
To seek approval for the adoption of a revised corporate policy for the use of the powers available under the Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016. The revisions consider the restructure of departments and senior officers at the Council and further clarification received from the National Anti-Fraud Network in relation to the processes for obtaining communications data.

Changes proposed in the revised policy include:

- a) The role of Senior Responsible Officer is assigned to the Assistant Director (Finance and ICT) and role of RIPA Co-Ordinator is assigned to the Audit Manager.
- b) The list of officers able to make applications and to be Authorising Officers has been updated. Officers from within the Enforcement, Environmental Health and Community Safety teams have now been removed from the policy to reflect current working practices.
- c) Additional guidance is provided in relation to the Use of Social Media in investigations in response to this focus by the Investigatory Practices Commissioner’s Officer (IPCO).
- d) The terminology in relation to Communications Data now reflects the latest guidance received from the National Anti-Fraud Network.

**Options Considered:**  
As recommendation.

**Decision:**

RESOLVED that the Executive agrees that the revised Regulation of Investigatory Powers Act 2000 (RIPA) – Corporate Policy and Procedures attached at Appendix A to the report be approved.

**Reason:**

To update the policy in accordance with the latest legislation, guidance and practice at the Council; and to reflect the current officer structure at the Council.

**Confirmed as a true record:**

Councillor SD Martin (Executive Leader)

Monday, 1 July 2024

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted





By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted



# FAREHAM

## BOROUGH COUNCIL

2024/25  
Decision No.  
2579

### Record of Decision by Executive

Monday, 7 October 2024

<b>Portfolio</b>	Policy & Resources
<b>Subject:</b>	<b>Proposals for alterations to security arrangements at Faraday Business Park</b>
<b>Report of:</b>	Director of Planning and Regeneration
<b>Corporate Priority:</b>	Promote Economic Development; Responsive, Inclusive and Innovative Council

**Purpose:**  
To seek Executive approval for a budget to alter the security arrangements at Faraday Business Park, Daedalus.

The proposed alterations comprise the installation of a new set of security gates which will have the ability to span Spitfire Way, the sole vehicular access into the northern zone of Faraday Business Park, together with an accompanying security hut. It is proposed that the gates are initially operated on an 'as and when' required basis, rather than full-time, although there will be an option for this change in future is required. The proposed works will require planning consent.

**Options Considered:**  
As recommendation.

**Decision:**  
RESOLVED that the Executive:

- (a) approves a budget of £35,000, together with the relevant budgets outlined in the confidential Appendix A to the report, for implementing alterations to security arrangements at Faraday Business Park; and
- (b) authorises the Director of Planning and Regeneration, following consultation with the Executive Member for Policy and Resources, to take any action necessary to resolve associated matters as outlined in the confidential Appendix A to the report.

**Reason:**

To improve security measures on the northern zone of Faraday Business Park, providing a visual, and when required, physical deterrent to unauthorised visitors to the Estate.

**Confirmed as a true record:**

Councillor SD Martin (Executive Leader)

Monday, 7 October 2024

# FAREHAM

## BOROUGH COUNCIL

### **Report to Policy and Resources Scrutiny Panel**

**Date:** 21 October 2024

**Subject:** Scrutiny Panel Priorities

#### **SUMMARY**

Members are asked to consider the Panels Scrutiny Priorities. The main purpose of these priorities is set out in the Council's Corporate Strategy and Portfolio Responsibilities. In addition to this the Panel is also responsible for scrutinising service performance.

Consideration may also be given to external organisations and items of Executive Business which may formulate a future topic for consideration.

#### **RECOMMENDATION**

It is recommended that Members consider the Policy and Resources Scrutiny Panel Priorities and make suggestions on future topics for consideration by the Panel.

