

FAREHAM

BOROUGH COUNCIL

COUNCIL MEETING SUMMONS

Members of Fareham Borough Council are hereby summoned to attend a meeting of the Council to be held in the Council Chamber, Civic Offices, Fareham, on **FRIDAY, 14 FEBRUARY 2025**, commencing at **5.00 pm**.

The Mayor: Councillor Pal Hayre

The Deputy Mayor: Councillor Louise Clubley

Councillor Chrissie Bainbridge	Councillor Gemma Furnivall
Councillor Ian Bastable	Councillor David Hamilton
Councillor Susan Bayford	Councillor Tiffany Harper
Councillor Roger Bird	Councillor Connie Hockley
Councillor Fred Birkett	Councillor Stephen Ingram
Councillor Lisa Birkett	Councillor Kay Mandry
Councillor Pamela Bryant	Councillor Simon Martin
Councillor Frair Burgess	Councillor Andrew Murphy
Councillor Joanne Burton	Councillor Jacquie Needham
Councillor Malcolm Daniells	Councillor Paul Nother
Councillor Steve Dugan	Councillor Alison West
Councillor Tina Ellis	Councillor Lisa Whittle
Councillor Jack Englefield	Councillor Paul Whittle
Councillor David Foot	Councillor David Wiltshire
Councillor Michael Ford, JP	Councillor Kirsten Wiltshire



1. Prayers

The meeting will commence with a short service of prayers.

2. Apologies for Absence

3. Minutes (Pages 9 - 22)

To confirm as a correct record the minutes of the Council Meeting held on 12 December 2024.

4. Mayor's Announcements

5. Executive Leader's Announcements

6. Executive Members' Announcements

7. Declarations of Interest

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

8. Presentation of Petitions

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

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

9. Deputations

To receive any deputations of which notice has been given.

10. Reports of the Executive

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

(1) Minutes of meeting Monday, 13 January 2025 of Executive (Pages 23 - 30)

(2) Minutes of meeting Monday, 3 February 2025 of Executive (Pages 31 - 38)

(3) Minutes of Meeting Thursday, 13 February 2025 of Executive

The minutes of the meeting of the Executive to be held on Thursday 13 February 2025 will be tabled at the meeting for consideration.

(4) Schedule of Individual Executive Member and Officer Delegated Decisions (Pages 39 - 40)

11. Reports of Other Committees

To receive the minutes of the following Committees and to consider and answer

questions on any reports and recommendations made.

- (1) Minutes of meeting Wednesday, 11 December 2024 of Planning Committee (Pages 41 - 50)
- (2) Minutes of meeting Wednesday, 15 January 2025 of Planning Committee (Pages 51 - 58)
- (3) Minutes of meeting Tuesday, 28 January 2025 of Licensing and Regulatory Affairs Committee (Pages 59 - 62)

12. Reports of the Scrutiny Panels

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

- (1) Minutes of meeting Monday, 6 January 2025 of Streetscene Scrutiny Panel (Pages 63 - 66)
- (2) Minutes of meeting Thursday, 9 January 2025 of Housing Scrutiny Panel (Pages 67 - 72)
- (3) Minutes of meeting Friday, 10 January 2025 of Policy and Resources Scrutiny Panel (Pages 73 - 76)
- (4) Minutes of meeting Tuesday, 14 January 2025 of Climate Change Scrutiny Panel (Pages 77 - 80)
- (5) Minutes of meeting Thursday, 16 January 2025 of Daedalus Scrutiny Panel (Pages 81 - 84)
- (6) Minutes of meeting Tuesday, 21 January 2025 of Health and Public Protection Scrutiny Panel (Pages 85 - 88)
- (7) Minutes of meeting Tuesday, 4 February 2025 of Leisure and Community Scrutiny Panel (Pages 89 - 92)

13. Questions under Standing Order 2.12

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

14. Motions under Standing Order 2.6

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

- (1) Notice of Motion received 31 January 2025 from Councillor Mrs J Needham
The Notice of Motion is in respect of the change of use of Stubbington Study Centre into a secure children's home. The Motion states:

"As Members of this Council, we propose to write to Hampshire County

council, asking them to find an alternative more suitable site.

The Stubbington Study Centre is a unique outdoor activity site that has been enjoyed by thousands of children since 1935 all over Hampshire and the wider area.

The feelings for the site are very strong, the consultation, the online petition and a march attended by 100's.

We understand that HCC has huge financial pressures due to Adult Social Care and Children's services, but now devolution has been granted, surely saving this much loved community asset can be the first good decision to come from it?

This Council endorses the points made by Fareham Borough Council in its formal consultation response submitted to Hampshire County Council voicing our concerns on the suitability of the site for use as a secure children's unit and requesting that an alternative site on land owned by Hampshire County Council is considered."

15. Finance Strategy, Capital Programme, Revenue Budget and Council Tax 2025/26

(1) Suspension of Standing Order 2.15 and 2.16

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

(2) Report to the Executive - 13 February 2025 (Pages 93 - 106)

The minutes of the meeting of the Executive held on 13 February 2025, to be presented to Council at its meeting on 14 February 2025 at item 8(2) of the agenda, contain recommendations on the revenue budget and the level of Council Tax for 2025/26.

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

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

- (a) the capital programme and financing of £37,004,800;
- (b) an overall revised net revenue budget for 2024/25 of £14,369,200;
- (c) a net revenue budget for 2025/26 of £15,050,100;
- (d) a council tax for Fareham Borough Council for 2025/26 of £191.42 per

band D property, which represents a £5.56 increase when compared to the current year and is within referendum limits;

- (e) an unchanged Council Tax Support scheme for 2025/26; and
- (f) that the Council continues to disregard the whole of any incomes prescribed in the Housing Benefit (War Pensions Disregards) Regulations 2007 and the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

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

- (3) Council Tax 2025/26 for Fareham Borough Council, Hampshire County Council, Hampshire Police and Crime Commissioner and Hampshire & Isle of Wight Fire and Rescue Authority

Having made the necessary calculations in relation to its own budget, the Council must proceed to set the Council Tax for 2025/26 taking account of the amounts in precepts issued to the Council by Hampshire County Council, the Police and Crime Commissioner and the Hampshire & Isle of Wight Fire and Rescue Authority. These precepts will not be issued before publication of this agenda and will therefore be reported at the meeting, with provisional figures being given for those that are not yet approved.

In order to enable Council Tax bills to be issued within the statutory timescale, it is recommended that the Council agrees to delegate authority to the Assistant Director (Finance & ICT) to amend the Council Tax 2025/26, in the event that any of the precepting authorities change their precept calculation from that expected and reported at the Council meeting.

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

(Note: a schedule will be tabled at the meeting for approval, showing the formal calculations the Council must make, incorporating any figures recommended by the Executive. Members will also be advised of the wording of the formal resolution they must adopt to set the Council Tax for 2025/26, taking account of the requisite calculations and the precepts of Hampshire County Council, the Police and Crime Commissioner and the Hampshire and Isle of Wight Fire & Rescue Authority).

16. Housing Revenue Account Budget and Capital Plans 2024/25 (Pages 107 - 126)

The minutes of the meeting of the Executive held on 03 February 2025, to be presented to Council at its meeting on 14 February 2025 at item 10(2) of the agenda contain recommendations on the Housing Revenue Account Spending Plans including the Capital Programme for the years 2024/25 and 2028/29. If Members accept the Executive's recommendations, formal approval will be sought of the following matters:

- (a) rents be approved for Council Dwellings as set out in paragraph 28 with effect from 1 April 2025;
- (b) rents for Council garages be increased by 2.7% with effect from 1 April 2025;
- (c) the revised budget for 2024/25 be approved;
- (d) the base budget for 2025/26 be approved; and
- (e) the Fees and Service Charges at confidential Appendix E to the report be approved.

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

17. Treasury Management Investment Strategy 2024/25 (Pages 127 - 150)

The minutes of the meeting of the Executive held on 03 February 2025, to be presented to Council at its meeting on 14 February 2025 at item 17 of this agenda, contain recommendations that the Treasury Management Strategy and Investment Strategy 2025/26 be submitted to Council for approval. If Members accept the Executive's recommendation, formal approval will be sought that the Council approves the Treasury Management Strategy and the Investment Strategy 2025/26.

(Note: a copy of the report to the Executive together with the Treasury Management Strategy and Investment Strategy 2025/26 are included in this agenda pack.)

18. Capital Programme and Capital Strategy 2025/26 (Pages 151 - 194)

The minutes of the meeting of the Executive held on 13 January 2025, to be presented to Council at its meeting on 14 February 2025 at item 10(1) of this agenda, contain recommendations on the Capital Programme and Capital Strategy 2025/26. If Members accept the Executive's recommendations, formal approval of the Capital Programme and Capital Strategy for 2025/26 will be sought.

(Note: a copy of the report to the Executive, together with the Capital Programme and Capital Strategy for 2025/26 is included in this agenda pack.)

19. Approval of Pay Policy Statement 2025/26 (Pages 195 - 202)

The minutes of the meeting of the Executive held on 13 January 2025, to be presented to Council at its meeting on 14 February 2025 at item 10(1) of this agenda, contain a resolution by the Executive that the Medium-Term Finance Strategy be approved.

Attached to the Medium-Term Finance Strategy as Annex 2 is the updated Pay Policy Statement 2025/26 which Council is now asked to approve.

(Note: a copy of the updated Pay Policy Statement for 2025/26 is included in this agenda pack.)

20. Gambling - Statement of Principles (Pages 203 - 246)

A report by the Director of Neighbourhoods.

21. Change of meeting dates

(1) Audit and Governance Committee

Council will be asked to note the cancellation of the Audit and Governance Committee meetings scheduled to take place on 10 February 2025 and 10 March 2025 and endorse their replacement with a single meeting to take place on 27 February 2025 at 6pm. This is to ensure that the Committee is able to review the audited Statement of Accounts ahead of the required deadline.

(2) Council meeting - July 2025

The Council will be asked to note that the date of the meeting of the Council due to take place on Thursday 24 July 2025 will be moved to Tuesday 22 July 2025.

22. Allocations to Committees (Pages 247 - 254)

To receive a report by the Assistant Director (Democracy) which invites Council to appoint the nominations of the political groups to committees and also to appoint the role of Chairman and Vice-Chairman for each committee.

At the end of the Council meeting, Members are invited to remain in the Council Chamber for a brief informal meeting concerning the selection of the Deputy Mayor 2025/26.



A WANNELL
Chief Executive Officer

www.fareham.gov.uk

06 February 2025

**For further information please contact:
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FAREHAM

BOROUGH COUNCIL

Minutes of the Council

Date: Thursday, 12 December 2024

Venue: Council Chamber - Civic Offices

PRESENT:

Mrs P K Hayre
(Mayor)

Mrs L E Clubley
(Deputy Mayor)

Councillors: C A Bainbridge, I J Bastable, Mrs S M Bayford, R N Bird, F W Birkett, Mrs L M Birkett, Mrs P M Bryant, Miss J Burton, M R Daniells, S Dugan, Mrs T L Ellis, J M Englefield, D G Foot, M J Ford, G Furnivall, D J Hamilton, Miss T Harper, Mrs C L A Hockley, S P Ingram, Mrs K Mandry, S D Martin, A M J Murphy, Mrs J Needham, P M Nother, A West, L J Whittle, P W Whittle, D P Wiltshire and K Wiltshire



1. PRAYERS

The meeting commenced with a service of prayers led by Reverend Richard England.

2. APOLOGIES FOR ABSENCE

An apology of absence was received from Councillor F L Burgess.

3. MINUTES

RESOLVED that the Mayor be authorised to sign, as a correct record, the minutes of the meeting of the Council held on 17 October 2024.

4. MAYOR'S ANNOUNCEMENTS

The Mayor made the following announcements:

It was very kind of the Duke of Edinburgh to accept our invitation to visit Fareham Live and I am very proud that we have had 2 royal visits to Fareham this year. I had a great conversation with the Duke of Edinburgh and discussed his impressions of Fareham including our plans for the Fareham Town Centre Regeneration programme.

I would also like to thank the Deputy Mayor for attending the Christmas Lights Switch on in my absence whilst I was volunteering at an eye camp in India with my son who is an ophthalmologist.

5. EXECUTIVE LEADER'S ANNOUNCEMENTS**Disability Confident Employer's Scheme**

Tonight, Members have before them the Council's revised Corporate Strategy, and you will have seen in the agenda that we are strengthening our approach to equity, diversity and inclusion for our community and our staff. With this in mind, I am pleased to be able to advise Members that we have recently been certified under the Government's Disability Confident Employer Scheme.

This scheme is about encouraging employers to think differently about disability and take action to improve how they recruit, retain and develop disabled people. Councillor Daniells brought this to my attention and has shared with the Chief Executive his first hand experience of promoting this scheme within the workplace. This month, the Chief Executive published his People Strategy for the organisation with Equality Diversity and Inclusion being one of the key pillars, I was pleased to see that we will be embedding the Disability Confident scheme as part of this.

Councillor Daniells has kindly agreed to become the Member Champion for the Disability Confident employer scheme, ensuring that we do all we can to make the Council fully inclusive and accessible to all talent, and especially those with a disability.

Winter Fuel Allowance

Following the motion presented to this Council in October, I can confirm that I have written to the Chancellor of the Exchequer on behalf of the Council to express our concern on the impact to our vulnerable pensioners in Fareham following the Government's decision to end winter fuel allowance.

Despite my hope that the government will change their position on this within the budget, unfortunately this is not the case and unsurprisingly I have not even received an acknowledgement to my letter, which potentially sums up the general approach by the government to those in need.

As a result of this cruel and uncaring policy and given the onset of winter, I've asked officers to stand ready to help the most vulnerable in our communities who will be directly affected by this cut.

We have issued a press release to inform all residents of the welfare options available to them and continue to promote the pension credits right up until the deadline set by the government. However to ensure that we are responding to those suffering from severe hardship we have allocated specific funding for this scheme and it has already been a very positive response by the public judging by the applications which have already been received.

Tree Preservation Orders

In relation to the Council's position in relation to tree preservation orders the council has been lobbying the government throughout the year to make changes to the legislation around tree preservation orders. This is so that the felling of trees implicated in subsistence cases should be considered as a last result rather than one of the first options.

To date the government has indicated it doesn't intend to review existing legislation around tree preservation orders. We have sent through further correspondence requesting clarification and providing further evidence which has had no response.

In relation to planning applications, the council has had no alternative but to agree to fell one lime tree and six oak trees which have been identified as causing structural damage. Whilst repairs to the properties will be covered by home insurance, far more extensive structural works would be needed if the trees were to cause damage by remaining in place and those increased costs would fall on the council purse if we didn't allow those trees to be removed. We will be continuing to press the government and the insurance companies to change their position on this matter.

6. EXECUTIVE MEMBERS' ANNOUNCEMENTS

Executive Member for Planning and Development

The Executive Member for Planning and Development made the following announcement:

National Planning Policy Framework

Following a consultation during the Summer, the Government published the revised National Planning Policy Framework earlier today.

The revised NPPF introduces a number of changes to the national planning system. These include changes to the way in which the number of new houses local authorities need to plan for are calculated, introducing mandatory housing targets and changes to decision making on planning applications for new houses.

In light of the implications for this Borough, Officers will be arranging to brief Members on the changes to the NPPF shortly.

I want to express my profound disappointment and frustration with the Government's continued pursuit of its housing target of over million new homes in the next five years.

As part of the consultation process, Fareham Borough Council submitted a detailed and robust response outlining the serious concerns shared by our residents, councillors, and neighbouring authorities. We joined thousands other councils across the country in highlighting the significant issues these proposals present.

Despite our efforts, the Government has chosen to press ahead. In addition to responding to the consultation, the Executive Leader also wrote to the Secretary of State to express our concerns.

While we did receive a response, it is disheartening to report that, despite the Executive Leader's invitation for an official visit to the borough for the Secretary of State to see the challenges we face first-hand, she has declined. Angela Rayner's refusal to engage with local authorities like ours demonstrates the lack of respect this government has.

Here in Fareham, we already have a Local Plan in place. Our plan represents years of hard work, careful thought, and engagement with our community to strike the right balance between meeting housing needs and protecting our borough's character and environment. We have already allocated a significant portion of the borough for development, with some difficult decisions made to ensure we do our part.

Today's announcement is a great shame. It undermines our Local Plan, and jeopardises Fareham remaining a desirable place to live.

Labour's changes to the NPPF appears to prioritise targets over thoughtful, sustainable development, bulldozing through the countryside and undermining the hard work councils have put into developing their Local Plans.

We in Fareham have always been clear: we are not against development. We understand the need to provide homes for future generations, but this must be done in a way that is reasonable, respects our local environment and infrastructure. Our Local Plan was created with these priorities in mind. Yet, under this Government, it feels as though our plans are being overridden and our voice silenced.

A very disappointing day.

Executive Member for Leisure and Community

The Executive Member for Leisure and Community made the following announcements:

Play Area Upgrades

I am pleased to announce that improvements to Course Park Play Area, Elsanta Play Area and Laurels Gardens Play Area are now complete. Improvements include new items of equipment chosen by residents, as well as floor graphics, a communication board and the existing equipment and surfacing tidied up. This is part of the ongoing rolling programme to improve our play areas.

Fareham Park Vision

The Vision for Fareham Park is progressing well. Works to the new play area, outdoor gym, MUSA (Multi-Use Social Area) and running track are underway and expected to be completed by the Spring.

The outline planning application for Fareham Park's new community centre has been submitted and Money Tree, a company specialising in bid writing, is preparing information ready to start submitting funding applications in January.

Westbury Manor

Many of you will be aware that Westbury Manor Museum has now closed to the public and Hampshire Cultural Trust are making the necessary arrangements to properly manage the removal of the collections currently housed within the building – most items are being returned to storage after they have been cleaned and documented on site.

The history folders that were in the Library Room have been relocated to Crafty Makery to help ensure they remain accessible to the public and I would like to say a special thank you to Lesley for helping to facilitate this with Officers. The location of the history folders will be promoted in the New Year so that current and new users of the historical folders will be aware of how and where to access them.

With regards to the future of the building, the Council's Asset Management Team and Regeneration Lead are reviewing interest in the building. Savills will continue to market the property with the hope of generating additional interest to try and ensure the best possible tenant is secured to provide a use that will align with the wider town centre aspirations. In the meantime, Officers have agreed terms with Café Zero 5 who operated the café at Solent Airport, regarding the continuation of the café at Westbury Manor until a longer-term

tenant is found. Given our existing relationship, Officers believe that Café Zero 5 are well placed to oversee the short-term operation of the café.

7. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

8. PRESENTATION OF PETITIONS

There were no petitions presented at this meeting.

9. DEPUTATIONS

A deputation was received from local resident, Christopher Watson, in respect of item 14(1) – Motion on Right of Local Supply for Community Energy Projects.

The item was brought forward on the agenda and discussed after the deputation was heard.

A deputation was received from representatives of Y-Services for Young People in respect of item 15 – Annual Review of the Corporate Strategy 2023-2029.

This item was brought forward on the agenda and discussed after the deputation was heard.

10. REPORTS OF THE EXECUTIVE

(1) Minutes of meeting Monday, 4 November 2024 of Executive

RESOLVED that the minutes of the meeting of the Executive held on Monday, 4 November 2024 be received.

(2) Minutes of meeting Tuesday, 3 December 2024 of Executive

RESOLVED that the Council:

(a) approves the Corporate Strategy 2023-2029, subject to any further amendments.

(b) The minutes of the meeting of the Executive held on Tuesday, 3 December be received.

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

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

11. REPORTS OF OTHER COMMITTEES

- (1) Minutes of meeting Wednesday, 11 September 2024 of Planning Committee

RESOLVED that the minutes of the meeting of the Planning Committee held on Wednesday, 11 September 2024 be received.

- (2) Minutes of meeting Wednesday, 9 October 2024 of Planning Committee

RESOLVED that the minutes of the meeting of the Planning Committee held on Wednesday, 9 October 2024 be received.

- (3) Minutes of meeting Wednesday, 13 November 2024 of Planning Committee

RESOLVED that the minutes of the meeting of the Planning Committee held on Wednesday, 13 November 2024 be received.

- (4) Minutes of meeting Monday, 25 November 2024 of Audit and Governance Committee

RESOLVED that the minutes of the meeting of the Audit and Governance Committee held on Monday, 25 November 2024 be received.

- (5) Minutes of meeting Tuesday, 26 November 2024 of Licensing and Regulatory Affairs Committee

RESOLVED that the Council:

- (a) endorses the final scheme for Polling Places and Polling Districts 2024 for adoption for the next four years, as shown to Appendix C of the report.
- (b) Agrees that the Minutes of the meeting of the Licensing and Regulatory Affairs Committee held on Tuesday, 26 November 2024 be received.

12. REPORTS OF THE SCRUTINY PANELS

- (1) Minutes of meeting Tuesday, 8 October 2024 of Health and Public Protection Scrutiny Panel

RESOLVED that the minutes of the meeting of the Health and Public Protection Scrutiny Panel held on Tuesday, 8 October 2024 be received.

- (2) Minutes of meeting Monday, 14 October 2024 of Daedalus Scrutiny Panel

RESOLVED that the minutes of the meeting of the Daedalus Scrutiny Panel held on Monday, 14 October 2024 be received.

- (3) Minutes of meeting Tuesday, 15 October 2024 of Climate Change Scrutiny Panel

RESOLVED that the minutes of the meeting of the Climate Change Scrutiny Panel held on Tuesday, 15 October 2024 be received.

- (4) Minutes of meeting Monday, 21 October 2024 of Policy and Resources Scrutiny Panel

RESOLVED that the minutes of the meeting of the Policy and Resources Scrutiny Panel held on Monday, 21 October 2024 be received.

- (5) Minutes of meeting Monday, 18 November 2024 of Policy and Resources Scrutiny Panel

RESOLVED that the minutes of the meeting of the Policy and Resources Scrutiny Panel held on Monday, 18 November 2024 be received.

- (6) Minutes of meeting Thursday, 24 October 2024 of Housing Scrutiny Panel

RESOLVED that the minutes of the meeting of the Housing Scrutiny Panel held on Thursday, 24 October 2024 be received.

- (7) Minutes of meeting Tuesday, 29 October 2024 of Streetscene Scrutiny Panel

RESOLVED that the minutes of the meeting of the Streetscene Scrutiny Panel held on Tuesday, 29 October 2024 be received.

- (8) Minutes of meeting Wednesday, 6 November 2024 of Planning and Development Scrutiny Panel

RESOLVED that the minutes of the meeting of the Planning and Development Scrutiny Panel held on Wednesday, 6 November 2024 be received.

13. QUESTIONS UNDER STANDING ORDER 2.12

Question by Councillor West:

1. We have question for the Executive Leader for Planning and Development, Councillor Daniells regarding Fareham Borough Council's climate change action plan.

At the last Climate Change scrutiny Panel we raised our concerns that this Council's target to be carbon neutral in its direct operations by 2030 will, on current performance and projections be missed.

The 23% reduction in CO2 emissions over the last 4 years is to be commended but even if this decrease is based on a continuing linear projection it will take at least a further 12 years to reach the target.

We acknowledge that council officers are working hard in this area and initiatives such as expanding the use of HVO rather than diesel in

approximately 20% of the council vehicle fleet, increasing EV's in the fleet, using LED lights in the civic offices and the Hook solar farm project will all bring benefits, they are not enough actions to deliver out target.

The Environment Strategy, first raised a year ago in the December 23 council meeting and discussed in the July council meeting as part of an amendment to a proposed motion has still not started. We were advised that the draft strategy is unlikely to be available until the first half of 2025. We recognised that, to deliver the strategy and the carbon reduction targets, resources need to be dedicated to it.

The town centre regeneration and simpler recycling projects alone are already a signification drain on resources.

Can the executive member give reassurance to the members that there is confidence in delivering both the environmental strategy and out carbon reduction target and that we have sufficient resources in the right place to facilitate that.

Response by the Executive Member for Planning and Development:

1. Thank you Madam Mayor,
I would first like to thank Councillor West for her question, and for pointing out the significant progress we have made, in reducing our carbon footprint by just under a quarter since 2019/20.
It's important to point out that our emissions won't reduce year-on-year on a linear basis. This includes the level of use of low carbon fuel, Hydrotreated Vegetable Oil, which has already had such a positive effect on our fleet emissions.
To ensure service resilience and prudent use of Council finances, a considered approach in our transition to low emission vehicles is being taken. This reflects the rapidly changing but emerging nature of the market, particularly for the specialised vehicles which make up much of our fleet. Charging infrastructure is being installed at the depot to help future proof the site and support our transition to EV over the medium term.
Like most other Councils, we have operational buildings that were built before many of today's thermal and energy efficiency technologies were available.

A whole building approach to decarbonising the heating of the Depot, informed a detailed application for funding, which was submitted to the Government's Public Sector Decarbonisation Scheme in November.

Our proposal includes air source heat pumps, direct water heating, thermally insulated garage doors in the workshops and improved energy management. If approved, the emissions from gas use at the Depot would be reduced to zero.

Similar proposals will need to be developed for the Civic Offices, once the role it takes within the emerging Town Centre Regeneration Strategy becomes clearer.

Work continues on developing plans for a Solar Farm at Hook Recreation ground. Through the use of innovative agreements with energy suppliers, this project has the potential to fundamentally reduce our electricity emissions.

Focusing our resources on interventions like these, gives us the best chance of achieving our ambitious carbon neutrality commitment, whilst also maintaining service provision and ensuring we can respond to our financial challenges.

Finally, to offer further reassurance a more detailed carbon reduction projections up to 2030 will form part of the new Environment Strategy. To achieve this, we are securing additional external expert resource to develop the Strategy which is scheduled to be presented for public consultation in Spring 2025.

In closing, I want to reaffirm our commitment to achieving carbon neutrality while balancing our financial responsibilities and maintaining high-quality service delivery for our residents. By focusing on impactful, innovative, and sustainable interventions, we are setting a strong foundation for a greener future. I look forward to working together to build on our progress and delivering on our shared environmental goals. Thank you.

14. MOTIONS UNDER STANDING ORDER 2.6

(1) Right of Local Supply for Community Energy Projects

A deputation was received in respect of this item from local resident, Christopher Watson.

A motion was submitted by Councillor Mrs C L A Hockley in respect of the Page 3 Right of Local Supply for Community Energy Projects that requests:

That Fareham Borough Council

- (i) Acknowledges the efforts that this Council has made to reduce greenhouse gas emissions and promote renewable energy;
- (ii) Further recognises
 - that because small-scale renewable energy generation sites receive no guaranteed price certainty for the electricity they generate, it is difficult for sites to finance new generation projects or expand existing ones
 - that enabling small-scale renewable energy generation sites (capacity below 5 megawatts) to export their electricity to an existing electricity supplier on fair terms would provide sites with a guaranteed income which can be used to expand existing projects or establish new ones

- that very large financial setup and running costs involved in selling locally generated renewable electricity to local customers result in it being impossible for community-owned and run renewable electricity generators ('community schemes') to do so,
 - that requiring existing larger suppliers to work with community schemes to then sell the electricity they generate to local customers would mean local households, businesses and public services can access locally[1]generated, clean and affordable electricity
 - that revenues received by such community schemes that chose to become local renewable electricity providers could be used to help improve the local economy, local services and facilities and to reduce local greenhouse gas emissions.
- (iii) Notes that the Government-commissioned Net Zero Review, authored by Rt Hon Chris Skidmore and published on the Government's website on the 14th January 2023, recommends that Government should commit to enabling community energy projects to provide energy directly to local households and businesses.
- (iv) (iv) Accordingly resolves to support a Right to Local Supply, as outlined in the Local Electricity Bill of last year that was supported by a cross-party group of 326 MPs; and
- (v) Further resolves to
- inform the local media of this decision,
 - write to local MPs, asking them to support the establishment of a Right to Local Supply for community energy projects, and
 - write to the organisers of the campaign for the Right to Local Supply, Power for People, (at Camden Collective, 5-7 Buck Street, London NW1 8NJ or info@powerforpeople.org.uk) expressing its support. This item was taken to the Planning and Development Scrutiny Panel on 5th June. The minutes of this meeting can be found [here](#), and a copy of the presentation that was given to the Panel can be found [here](#).

During a debate on this item, Councillor G Furnivall proposed an amendment on this motion to amend the wording of the recommendation (iv) to read:

Resolves to endorse the objective of the Great British Energy Bill (relating to the Local Power plan) currently under consideration on the House of Lords, to facilitate community groups in accessing shares of the £400m of loans available for such initiatives, as well as the £600m allocated to local authorities for local power production projects.

And recommendation (v) to read:

- Continue to update local media on the council's progress on local power projects

- Write to local MP's, asking them to support and advocate for local power projects.

Having been duly seconded by Councillor M Daniells and following a debate on the amendment, it was declared CARRIED unanimously.

(2) Closure of Henry Cort Community College

Notice of Motion dated 14 November 2024 received from Councillor Mrs P M Bryant.

The notice of motion submitted by Councillor Mrs P M Bryant is in respect of the proposed closure of Henry Cort Community College states:

As Members of this Council are aware Hampshire County Council (HCC) have agreed to build a new secondary school in Whiteley which has been required for some years. This will benefit many families in that part of the Borough and relieve the need for pupils from Whiteley to be bussed into Henry Cort Community College in Fareham.

At a meeting on the 25 of October 2024, HCC Executive Member for Education Cllr Roz Chadd gave permission for the publication of a Public Notice to relocate Henry Cort Community College to the new North Whiteley Secondary School site with effect from September 2027. This decision was called in and the decision was considered on the 19 November. A planned second consultation on the relocation of Henry Cort to North Whiteley will now go ahead on 10 January until 14 February and the decision will be made in June 2025. The relocation of Henry Cort Community College will result in those pupils living in the catchment area of Henry Cort to be transported to the new school in Whiteley.

The Council Notes:

The decision made by HCC is clearly not in line with the community response received through the initial public consultation, with 72% of the responses preferring to keep both school sites open. In addition to this, concerns have been raised around the decision, relating to potential transportation and environmental impacts, educational need within Fareham, health concerns for parents and children, development in the local area, Welborne impacts, the effect on a disadvantaged area within Fareham and Fareham Borough Council's recent decision to invest in a new community centre site next door to Henry Cort. With the new school in North Whiteley, Henry Cort Community College will see its students relocated from September 2027. Both Fareham Page 5 Academy and Cams Hill School have agreed in principle to increase their catchment areas to potentially include the current Henry Cort catchment area.

This Council strongly believes that:

Henry Cort Community College is best situated in one of the most deprived areas in the Borough, and also has a large percentage of Special Educational Needs pupils which is constantly growing. Retaining these pupils at Henry Cort College or at schools closest to their existing school will result in providing an improved learning experience, minimising travel costs and time which will help

all the children and assist many of these local families to meet the costs of day-to-day living.

This Council resolves to:

- Write to Hampshire County Council asking that they support the families living in this area by retaining Henry Cort College at its current location.
- In the event that the retention of Henry Cort is unsuccessful, strongly urge the County Council to make provisions for those students, and future students, effected by the school move to North Whiteley to be included within the Fareham Academy and Cams Hill school catchment areas.

Having been duly seconded by Councillor F Birkett, the motion was debated with a recorded vote requested by Councillor D Hamilton. Upon being put to the vote the motion was declared CARRIED with 30 votes in favour (Councillors Bainbridge, Bastable, Mrs Bayford, Bird, Birkett, Mrs Birkett, Mrs Bryant, Miss Burton, Mrs Clubley, Daniells, Dugan, Mrs Ellis, Englefield, Foot, Ford, Furnivall, Hamilton, Miss Harper, Mrs Hayre, Mrs Hockley, Ingram, Mrs Mandry, Martin, Murphy, Mrs Needham, West, L Whittle, P Whittle, D Wiltshire and K Wiltshire), 0 votes against and 0 abstentions.

15. ANNUAL REVIEW OF CORPORATE STRATEGY 2023-2029

The comments of the deputies were taken into account when considering this item.

RESOLVED that Council:

- (a) notes the results of the annual review of the Corporate Strategy; and
- (b) approves the updates to the Corporate Strategy 2017-2023.

16. ADDITIONAL AUDIT AND GOVERNANCE COMMITTEE MEETING

RESOLVED that the Council confirms the additional Audit and Governance meeting to be held on 10 February 2025, if necessary, to allow the Committee the opportunity to consider the Statement of Accounts.

17. APPOINTMENTS TO OUTSIDE BODIES

- (1) River Hamble Management Committee

RESOLVED that, having been duly proposed and seconded, Councillor David Foot be appointed as the deputy member to the River Hamble Management Committee for the remainder of the term of office.

- (2) Hammond Memorial Hall Board of Trustees

RESOLVED that, having been duly proposed and seconded, Roy Parker be appointed to the Hammond Memorial Hall Board of Trustees for a further 4-year term of office.

18. APPOINTMENTS TO COMMITTEES

Councillor Hamilton announced the following change to the Liberal Democrat group's committee nominations:

Councillor David Wiltshire is appointed as a member of the Policy and Resources Scrutiny Panel, replacing Councillor Paul Whittle with Councillor David Hamilton appointed spokesman for that panel.

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

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

Minutes of the Executive

(to be confirmed at the next meeting)

Date: Monday, 13 January 2025

Venue: Collingwood Room - Civic Offices

Present:

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

Also in attendance:



1. APOLOGIES FOR ABSENCE

There were no apologies given for this meeting.

2. MINUTES

RESOLVED that the minutes of the meeting held on 3 December 2024 be confirmed and signed as a correct record.

3. EXECUTIVE LEADER'S ANNOUNCEMENTS

The Executive Leader made the following announcements:

Devolution

As Members will be aware, the Government has announced proposals for devolution in England and with this come proposals for Local Government Review. Although this is all at a very early stage, I want to take this opportunity to assure everyone that our focus at the moment is on running Fareham Borough Council and the continued delivery of our excellent services.

Council Tax Winter Fuel Payments

Further to his previous announcement made at the December meeting of the Executive, Fareham Borough Council's Council Tax Winter Fuel Scheme went live in early December. We have encouraged applications by emailing 220 customer where we hold an email address and are calling a further 170 customer where email contacts are not held. As of today we have received 82 applications.

We have so far processed 27 applications (a combined award of £4,762.02) which has led to either a Council Tax credit or a full or part refund of Council Tax already paid, we are notifying applicants of their awards this week and will continue to process applications as they are received.

4. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

5. PETITIONS

There were no petitions submitted at this meeting.

6. DEPUTATIONS

A deputation was received from local resident, Mr Gareth Owenson, in respect of item 10(4) on the agenda – Capital Investment at Solent Airport – PV aeroplane storage units.

7. REFERENCES FROM OTHER COMMITTEES

Licensing & Regulatory Affairs Committee – 26 November 2024

Minute 8 – Review of Gambling Statement of Principles

The Committee received a report by the Head of Environmental Health which presented the Gambling Statement of Principles for review.

RESOLVED that the Licensing and Regulatory Affairs Committee:

- (a) having considered the draft document, and noted the result of the statutory consultation exercise, makes no amendments to the draft policy statement;
and
- (b) recommends to the Executive that the final draft Gambling Act 2005 Statement of Principles 2025-2028, as attached at Appendix A to the report be recommended for adoption by the Council.

This was considered at item 10(5) of the agenda.

Minute 9 – Review of Hackney Carriage Tariff

The Committee received a report by the Head of Environmental Health which presented a review of the Hackney Carriage Tariff for consideration.

Members discussed the level of increase requested, noting that during the Covid-19 Pandemic the Taxi Trade had not requested an increase to the Tariff due to concerns that it would discourage people from using their service.

It was also noted that the Taxi Trade does not ask for an increase every year and only does so when it is felt appropriate. Members felt that the level of increase requested was reasonable, with some members suggesting that, given the recent cost of living crisis, a higher increase would be justified. The Committee concluded that, under the circumstances, the Taxi Trade is best placed to judge what the Taxi Tariff should be.

RESOLVED that the Licensing & Regulatory Affairs Committee:

- (a) considered the proposal as detailed in the report;
- (b) agrees that a change to the tariff is appropriate; and
- (c) recommends to the Executive that the proposed Hackney Carriage Tariff, as detailed at Appendix F to the report, be agreed.

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

Streetscene Scrutiny Panel – 6 January 2025

Minute 10 – Trade Waste Service Review

The Panel received a report by the Director of Neighbourhoods which presented proposed changes to the Council's Trade Waste Services for 2025-2028. Members were invited to consider the proposed changes and to put

forward observations or comments to the Executive to take into account when the item is considered at its meeting on 13 January 2025.

In presenting the report, the Director of Neighbourhoods advised the Panel that recommendation (f) as shown in the Executive report presented for comment by Members was not applicable for comment as matters relating to staffing levels are the remit of the Chief Executive Officer and not a matter for consideration by the Executive.

Councillor Bainbridge commented that the report was very comprehensive and well-presented and provided all the detail that was needed for the decision to be considered.

There were no other comments or questions put forward by the Panel.

RESOLVED that the Streetscene Scrutiny Panel considered the Trade Waste Services 2025-2028 report and put forward the observation, as detailed above, to the Executive to take into account at the meeting on 13 January 2025.

This was considered at item 8(1) on the agenda.

Policy and Resources Scrutiny Panel – 10 January 2025

Minute 8 – General Fund Revenue Budgets & Finance Strategy 2025/26

The Panel considered a report by the Assistant Director (Finance and ICT) on the general fund revenue budgets & finance strategy 2025-296. The report was presented to the Panel by the Financial Planning and Audit Manager.

RESOLVED that the Panel: -

(a) notes the content of the report;

(b) recommends that the Executive endorses the General Fund Revenue Budget & Finance Strategy 2025-26 at its meeting on 13 January 2025.

This was considered at item 10(1) on the agenda.

Minute 7 – General Fund Fees & Charges 2025/26

The Panel considered a report by the Assistant Director (Finance and ICT) which was presented by the Financial Planning and Audit Manager.

RESOLVED that the Panel: -

(a) notes the content of the report;

(b) recommends that the Executive endorses the proposed fees & charges for 2025-26 at its meeting on 13 January 2025.

This was considered at item 10(2) on the agenda.

Minute 6 – Capital Programme & Capital Strategy 2025/26

The Panel considered a report by the Assistant Director (Finance and ICT) which as delivered by the Technical Finance and Development Manager, who also tabled a confidential Appendix B at the meeting.

The Chairman thanked Officers for the inclusion of the CIL information in the report which had been requested previously by herself and Councillor P Whittle.

During a debate on the item, Councillor Burgess expressed her concern that members were being asked to confirm the Capital Strategy and Capital Programme for the next 2 years without capital funding for the Town Centre Regeneration being included within this, and the funding not yet secured. The Assistant Director (Finance & ICT) explained that the project was so vast in scale that it warrants its own report to deal with a wide range of issues including the funding and spend on the project. The Assistant Director (Democracy) also explained that the Strategy for the Town Centre Regeneration has not yet been approved and therefore it is unable to form part of the capital programme at present. Councillor Burgess thanked Officers for their detailed explanations but remained concerned that this project was not being considered at this time and requested that her concerns be noted.

RESOLVED that the Panel: -

- (a) notes the content of the report;
- (b) recommends that the Executive endorses the Capital Programme and Capital Strategy at its meeting on 13 January 2025.

This was considered at item 10(3) on the agenda.

8. STREETSCENE

(1) Trade Waste Service Review

The comments of the Streetscene Scrutiny Panel were taken into account in considering this item.

In considering this item the Executive noted that recommendation (f) as shown in the report was not for consideration as matters relating to staffing levels are the remit of the Chief Executive Officer and not a matter for the Executive.

RESOLVED that the Executive agrees:

- (a) that the Council continues to offer a trade waste service and adjusts the services offered to reflect new statutory Simpler Recycling requirements from 31 March 2025;
- (b) to approves the Waste Savers Objectives for 2025-2028, as set out in Confidential Appendix A to the report;
- (c) to support the proposed Trade Waste charging strategy, as set out in Confidential Appendix A to the report;

- (d) to approve the revised Trade Waste Charges for 2025/26 as set out in Confidential Appendix B to the report;
- (e) that the Director of Neighbourhoods be granted delegated authority, following consultation with the Executive Member for Streetscene, to adjust the Trade Waste Charges within the financial year, if and when necessary;
- (f) that revenue budget provision also be made in 2025/26 for marketing and the use of HVO fuel, as set out in Confidential Appendix A to the report; and
- (g) that capital budget provision of £34,000 be made for the purchase of new trade food waste bins in future years.

9. HEALTH AND PUBLIC PROTECTION

(1) Review of Hackney Carriage Tariff

The comments of the Licensing and Regulatory Affairs Committee were taken into account in considering this item.

RESOLVED that the Executive approves the proposed changes to the Hackney Carriage Tariff as recommended by the Licensing and Regulatory Affairs Committee as follows:

- (i) that the Tariff be amended to an initial £3.20 charge and then 20p for the first 162 metres, followed by 20p every 153 metres; and
- (ii) an increase in the soilage charge included within the Tariff from £70 to £85.

10. POLICY AND RESOURCES

(1) General Fund Revenue Budgets & Finance Strategy 2025/26

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

An amendment was tabled to refine wording contained in the following paragraphs of the report: 6, 10, 13, 20 and 24. The recommendations of the report were not changed by the updated wording.

RESOLVED that the Executive:

- (a) approves the **revised 2024/25** general fund revenue budget, amounting to £14,410,210 as set out in Appendices A to C to the report;
- (b) approves the **base 2025/26** general fund revenue budget amounting to £14,839,000, as set out in Appendices A to C to the report;
- (c) notes the **five-year projections** from the Medium-Term Finance Strategy in Appendix D and the work planned to address the future funding gap; and

- (d) agrees to submit the updated Pay Policy, in Appendix E to Full Council for approval.

(2) General Fund Fees & Charges 2025/26

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

RESOLVED that the Executive:

- (a) approves the General Fund fees and charges for 2025/26 as set out at Appendix A to the report;
- (b) notes the fees and charges that will be reviewed by the Licensing and Regulatory Affairs and Planning Committees;
- (c) approves the proposed Operational Fees and Charges for Solent Airport at Appendix B to the report;
- (d) agrees that delegated authority is given to the Director of Planning and Regeneration, following consultation with the Executive Member for Policy and Resources, to adjust the Operational Fees and Charges in place at Solent Airfield within the financial year, if and when necessary; and
- (e) agrees that the rate of short-term licences at Solent Airport be determined on an individual basis by the Head of Asset Management, supported by benchmarking of the fees charge with similar sites, where possible, and the results shared with the Executive Member for Policy and Resources.

(3) Capital Programme & Capital Strategy 2025/26

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

RESOLVED that the Executive:

- (a) endorses the draft Capital Strategy for 2025/26, attached as Appendix A to the report;
- (b) agrees the Capital Programme for the period 2024/25 to 2028/29, amounting to £85.9 million as set out in Annex 1 of the Capital Strategy; including the 2 new scheme listed at paragraph 30;
- (c) approves the use of £800,000 retained business rates in the Enterprise Zone for the Swordfish Business Park masterplan, and a further £820,000 for access road improvements;
- (d) submits the Capital Strategy for 2025/26 to Council for approval;

- (e) notes the future policy change to expand capitalisation of permitted officer salary costs;
- (f) notes the increased projected costs and contract variations that have arisen for the AGL scheme at Daedalus, and the proposed funding source; and
- (g) approves the recommendation arising from the negotiations detailed in confidential Appendix B.

(4) Capital Investment at Solent Airport - PVC aeroplane storage units

A deputation was received in respect of this item from local resident, Gareth Owenson.

RESOLVED that the Executive agrees to:

- (a) the capital budget to fund the construction of the PVC Aeroplane Storage Units at Solent Airport Daedalus; and
- (b) delegate authority to the Director of Planning and Regeneration following consultation with the Executive Member for Policy and Resources to award each of the contracts for the three phases of construction as demand dictates.

(5) Review of Statement of Gambling Principles

The comments of the Licensing and Regulatory Affairs Committee were taken into account in considering this item.

RESOLVED that, having considered the revised Gambling Policy, as detailed in Appendix A to the report, the Executive recommends it to Council for adoption.

(The meeting started at 6.00 pm and ended at 6.56 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

Minutes of the Executive

(to be confirmed at the next meeting)

Date: Monday, 3 February 2025

Venue: Collingwood Room - Civic Offices

Present:

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

Also in attendance:



1. APOLOGIES FOR ABSENCE

There were no apologies given for this meeting.

2. MINUTES

RESOLVED that the minutes of the meeting of the Executive held on 13 January 2025 be confirmed and signed as a correct record.

3. EXECUTIVE LEADER'S ANNOUNCEMENTS

The Executive Leader made an announcement regarding the Government's proposals for Devolution in England along with Local Government Reorganisation. We are currently waiting to hear if Hampshire will be included in the Priority Devolution Programme which is being led by the Ministry of Housing, Communities and Local Government. We hope to hear confirmation later this week. In the meantime, we will make every effort to ensure that we protect the interests of Fareham's residents in the continued delivery of Local Government services.

4. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

5. PETITIONS

There were no petitions submitted at this meeting.

6. DEPUTATIONS

There were no deputations made at this meeting.

7. REFERENCES FROM OTHER COMMITTEES**Housing Scrutiny Panel – 9 January 2025**Minute 10 – Fareham Housing Decant Policy

The Panel received a report by the Director of Housing which provided an overview of the Draft Fareham Housing Decants Policy. The Policy described the legislation and process governing when occupants are required to move accommodation in an emergency or to enable repairs, major works or redevelopment.

Members asked for clarification on the rent fees for tenants who are decanted to alternative accommodation, either permanently or on a temporary basis. Officers confirmed that in the case of temporary decants the rent would be the same as the permanent property and any benefits received for this would continue. In the instance of permanent moves, alternative properties would be assigned based on the allocations property and consider tenant needs and affordability, with officer's offering advice and guidance to tenants throughout the process.

Members of the Panel queried the number of decants that were not permanent each year. Officers advised that although no data was immediately to hand, the numbers were very low last year, and numbers would have the potential to fluctuate if, for example, there was a fire or flood event impacting multiple homes.

RESOLVED that, having considered the report and the attached Draft Fareham Housing Decants Policy as included in Appendix A to the report, the Housing Scrutiny Panel puts forward the comments, as detailed above, to the Executive to be taken into account when considering approval to present the draft policy for public consultation.

This was considered at item 8(1) on the agenda

Minute 12 – Tenant Alteration Policy

The Panel received a report by the Director of Housing which informed members of the new draft Fareham Housing Alterations and Improvements Policy and the associated 'easy read' version for Council tenants and leaseholders.

The Panel enquired if tenants must 'make good' on any alterations they make to their property when they vacate. Officers explained that this would be decided

on a case-by-case basis and would be agreed with the tenant when an alteration is approved.

Members asked about the number of requests received from tenants to make alterations. Officers advised that small alteration requests are made frequently but larger alterations such as extensions are rare with tenants signposted to Building Control, Planning and other professionals for advice and relevant statutory permissions. All requests are looked at on a case-by-case basis with tenants needs and the future use of the property considered with each request.

It was noted by the Panel that changes are required to Appendix C of the Policy document to provide clarity on the process.

RESOLVED that the Housing Scrutiny Panel puts forward the comments and observations, as detailed above, in advance of the draft policy being presented to the Executive for approval to proceed to public consultation.

This was considered at item 8(2) on the agenda

Health & Public Protection Scrutiny Panel – 21 January 2025

Minute 7 – Portchester Foreshore Management

The Panel considered a report by the Director of neighbourhoods which sets out the Council's planned approach to managing the impact of coastal erosion between Alton Grove and Cador Drive.

At the invitation of the Chairman, Councillor D Wiltshire addressed the Panel on this item. He requested whether it would be possible to erect signage highlighting where there is a risk of erosion to better inform the public. The Director of Neighbourhoods informed the Panel that the risk referred to in the report had not identified this as a need at present. However, this will be reviewed periodically and may be considered appropriate at a later date. The Head of Environmental Health confirmed that the new joint approach in undertaking site inspections will assist in managing this risk much more effectively and will ensure that action is taken promptly where necessary.

RESOLVED that the Panel: -

- (a) notes the content of the report; and
- (b) recommends the Executive endorses the recommendations, as set out in the Executive report, at its meeting on 3 February 2025.

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

Minute 8 – Air Quality Strategy 2025 – 2030

The Panel considered a report by the Director of Neighbourhoods on the draft Air Quality Strategy 2025-2030, which fulfils the statutory requirement to publish an Air Quality Strategy following the revocation of both Air Quality Management Areas in the Borough.

Councillor Furnivall enquired as to whether any consultation is undertaken with the Hampshire Public Health team. The Head of Environmental Health confirmed that the Council does work with Public Health and they form part of the public consultation for this strategy.

Council West enquired as to whether there was any scope to erecting signage to inform drivers to switch off their engines when in stationary traffic. The Head of Environmental Health addressed the Panel on this point and explained that most newer cars already have this function built in and therefore any signage would be of limited effect.

RESOLVED that the Panel: -

- (i) notes the content of the report; and
- (ii) recommends that the Executive endorses the recommendation that the draft Air Quality Strategy 2025-20230 is approved for the consultation at their meeting on 3 February 2025.

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

Policy & Resources Scrutiny Panel – 10 January 2025

Minute 9 – Housing Revenue Account Budgets, Fees & Charges 2025-26

The Panel considered a report by the Assistant Director on the Housing Revenue Account Budgets, Fees & Charges 2025-26. The report was presented to the Panel by the Finance Business Partner for Housing.

RESOLVED that the Panel: -

- (a) notes the content of the report; and
- (b) recommends that the Executive endorses the Housing Revenue Account Budgets, Fees & Charges 2025-26 at its meeting on 3 February 2025.

This was considered at item 10(3) on the agenda

8. HOUSING

- (1) Fareham Housing Decants Policy - approval for consultation

The comments of the Housing Scrutiny Panel were taken into account in considering this item.

RESOLVED that the Executive:

- (a) notes the clarifications requested from the Housing Scrutiny Panel meeting;
- (b) approves the draft Fareham Housing Decant Policy going forward for 6 weeks public consultation; and
- (c) agrees that any minor changes needed to the Policy prior to public consultation are delegated to the Director of Housing following consultation with the Executive Member for Housing.

- (2) Fareham Housing Tenant Alterations policy - approval for consultation

The comments of the Housing Scrutiny Panel were taken into account in considering this item.

In considering this and the previous item, Members of the Executive welcomed the Easy Read version of the policies which are much more accessible for tenants.

RESOLVED that the Executive:

- (a) notes the feedback from the Housing Scrutiny Panel;
- (b) approves the draft Fareham Housing Alterations Policy for consultation; and
- (c) agrees that any minor changes to the Policy prior to public consultation are delegated to the Director of Housing following consultation with the Executive Member for Housing.

- (3) Fareham Housing Acquisitions, Disposals and Tenure Changes

RESOLVED that the Executive agrees to:

- (a) delegate authority to the Director of Housing, following consultation with the Executive Member for Housing, and the Section 151 Officer, to approve the acquisition, disposal or change of tenure of void properties by Fareham Housing, typically on an individual, ad hoc property basis; and
 - (b) delegate authority to the Director of Housing, in consultation with the Section 151 Officer, to use the capital receipts arising from the sale of Council homes, either through disposal or Right to Buy, to be spent on the acquisition of additional affordable housing, regeneration of existing stock or paying Housing Revenue Account debt.
- (4) Gas Servicing, Maintenance and Installation Contract

RESOLVED that the Executive agrees:

- (a) the funding mechanisms, as outlined in confidential Appendix A to the report to enable the continued service, maintenance and installation of new heating and hot water systems in the Council's housing stock and public buildings;
- (b) that the award of contract for the service, maintenance and installation of new heating and hot water systems in the Council's housing stock and public buildings be delegated to the Director of Housing, following consultation with the Executive Member for Housing; and
- (c) that an extension of up to 6 months of the existing contract for Gas Servicing, Maintenance and Installation be delegated to the Director of Housing, following consultation with the Executive Member for Housing, to ensure a seamless handover from the existing to the new provider.

9. HEALTH AND PUBLIC PROTECTION

- (1) Draft Air Quality Strategy 2025-2030 for Consultation

The comments of the Health and Public Protection Scrutiny Panel were taken into account in considering this item.

RESOLVED that the Executive agrees that the draft Air Quality Strategy 2025 – 2030 is approved for consultation.

- (2) Portchester Foreshore Management

The comments of the Health and Public Protection Scrutiny Panel were taken into account in considering this item.

At the invitation of the Executive Leader, Councillor D Hamilton addressed the Executive on this item.

RESOLVED that the Executive agrees that:

- (a) the proposals for an enhanced inspection and management regime at this site be supported;
- (b) risk assessments be undertaken for the historic landfill sites at Salterns and Harbour View; and
- (c) the potential to also contain the landfill waste and reduce any risks to the public and the wider environment be considered carefully when the outline designs and preliminary cost estimates for a future coastal management scheme are reported to the Executive later in the year.

10. POLICY AND RESOURCES

(1) Performance Measures Approach

At the invitation of the Executive Leader, Councillor D Hamilton addressed the Executive on this item.

RESOLVED that the Executive approves the proposed corporate performance approach as set out in the report and the Appendices.

(2) Insurance Services Contract

RESOLVED that the Executive agrees:

- (a) to award the contract to the winning insurer of each Lot, as set out in confidential Appendix A to the report, being the most economically advantageous tender received; and
- (b) that authority be delegated to the Assistant Director (Finance & ICT) to accept the finalised premiums and associated costs or make alternative arrangements in the event that the tender cannot be accepted by other participating local authorities.

(3) Housing Revenue Account Budgets, Fees & Charges 2025/26

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

RESOLVED that the Executive agrees and recommends to the meeting of the Council to be held on 14 February 2025 that:

- (a) rents be approved for Council Dwellings as set out in paragraph 28 with effect from 1 April 2024;
- (b) rents for Council garages be increased by 2.7% with effect from 1 April 2025;
- (c) the revised budget for 2024/25 be approved;
- (d) the base budget for 2025/26 be approved; and
- (e) the Fees and Service Charges at confidential Appendix E be approved.

(4) Treasury Management Strategy and Prudential Indicators

RESOLVED that the Executive:

- (a) endorses the draft Treasury Management Strategy and Investment Strategy for 2025/26, attached as Appendix A to the report; and
- (b) agrees to submit the Strategy to Council for approval.

(5) Corporate Peer Challenge Position Statement

RESOLVED that the Executive:

- (a) notes the progress on the Corporate Peer Challenge; and
- (b) approves the contents of the Positioning Statement to be submitted to the peer team of the LGA.

11. EXCLUSION OF PUBLIC AND PRESS

RESOLVED that the public and representatives of the press be excluded from the remainder of the meeting in accordance with Section 100(A) of the Local Government Act 1972, on the grounds that the matters to be dealt with involve the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Schedule 12 of the Act.

12. POLICY AND RESOURCES

(1) Sale of Land at Faraday North

RESOLVED that the Executive agrees:

- (a) to proceed with the transaction outlined in the confidential report, in principle; and
- (b) that authority be delegated to the Director of Planning and Regeneration, following consultation with the Section 151 Officer and the Executive Member for Policy and Resources, to approve final terms should they depart from those outlined in the report and provided the final sale price agreed is above an independent s123 valuation.

(2) Irrecoverable Debts

RESOLVED that the Executive agrees that the debts listed in the confidential Appendix A to the report be written off as irrecoverable.

(The meeting started at 6.00 pm and ended at 7.15 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

SCHEDULE OF EXECUTIVE MEMBER & OFFICER DELEGATED DECISIONS

The following decisions have been made by individual Executive Members since those reported at the meeting of Council on 12 December 2025:

Leisure & Community - 13 January 2025	Decision No: 2024/25 - 2613
Community Grant Application – Titchfield Village Trust	
RESOLVED that the Executive Leader approves the application to award £3,485 from the Community Fund.	
Leisure & Community – 4 February 2025	Decision No: 2024/25 - 2630
Community Fund Application – Victory Hall	
RESOLVED that the Executive Member for Leisure and Community approves the application to award £10,000 from the Community Fund.	

FAREHAM

BOROUGH COUNCIL

Minutes of the Planning Committee

(to be confirmed at the next meeting)

Date: Wednesday, 11 December 2024

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor D G Foot (Chairman)

Councillor I J Bastable (Vice-Chairman)

Councillors: Miss J Burton, S Dugan, G Furnivall, S P Ingram,
Mrs J Needham, P M Nother and K Wiltshire

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies of absence.

2. MINUTES OF PREVIOUS MEETING

RESOLVED that the minutes of the Planning Committee meeting held on 13 November 2024 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

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

4. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

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

Name	Spokes person representing the persons listed	Subject	Supporting or Opposing the Application	Item No/ Application No/Page No	Dep Type
ZONE 1 – 2.30pm					
Peter Cox		33 HEATH LAWNS FAREHAM PO15 5QB FELL ONE LIME AND ONE OAK TREE PROTECTED BY TPO 629 – T9 & T10	Opposing	6(2) P/24/0801/TO Pg 43	In person 3 mins
Hugh Marie		-DITTO-	Opposing	-Ditto-	In person 3 mins
Richard Hazelgrove		-DITTO-	Supporting	-Ditto-	In person 3 mins
Dean Scopes		31 HEATH LAWNS, FAREHAM PO15 5QB FELL TWO OAK TREES PROTECTED BY TPO 629 – T6 & T8	Opposing	6(3) P/24/0802/TO Pg 53	In person 3 mins

Richard Hazelgrove		-DITTO-	Supporting	-Ditto-	In person 3 mins
Richard Hazelgrove		35 HEATH LAWNS FAREHAM PO15 5QB FELL TWO OAK TREES PROTECTED BY TPO 629 – T11 & T12	Supporting	6(4) P/24/0803/TO Pg 62	In person 3 mins
James Porter (Agent)		KINGFISHERS, FISHERS HILL FAREHAM PO15 5QT CONSTRUCTION OF THREE DWELLINGS WITH ASSOCIATED CAR PORTS, ACCESS AND LANDSCAPING FOLLOWING DEMOLITION OF SWIMMING POOL ENCLOSURE	Supporting	6(7) P/24/1016/FP Pg 86	In Person 3 mins
Bob Marshall	The Fareham Society	-DITTO-	Opposing	-Ditto-	Written
Mr & Mrs Fisher		BUSH MUG HOUSE, WALPOLE LANE, SWANWICK, SOUTHAMPTON SO31 7AX CONSTRUCTION OF 4 X DWELLINGS WITH ACCESS ROAD PARKING AND GARAGES	Opposing	6(8) P/24/1159/FP Pg 109	Written
Phyllis Burton		-DITTO-	Opposing	-Ditto-	Written
Derek Lindsey (Agent)		-DITTO-	Supporting	-Ditto-	In person 3 mins
Neil McLeod	24Acoustics	-DITTO-	Supporting	-Ditto-	In Person 3 mins
ZONE 2 – 4pm					
Owen Bizley		3 DRIFT ROAD FAREHAM – SINGLE STOREY FRONT/SIDE/REAR EXTENSION, TWO	Opposing	6 (10) P/24/1154/FP Pg 146	In Person 3 mins

		STOREY SIDE EXTENSION, ASSOCIATED ROOF ALTERATIONS, LOFT CONVERSION WITH GABLE BUILD UP AND REAR DORMER			
ZONE 3 – No Items					

(1) WRITTEN DEPUTATIONS

The Committee noted the content of the written deputations that had been published on the Council’s website prior to the meeting.

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

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

(1) P/22/0450/FP - LAND BETWEEN 75 AND 77 CHURCH ROAD, WARSASH, FAREHAM

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

Condition 29 has been amended to include second floor windows and would read as follows;

The first-floor and second-floor windows, which would serve a bathroom, a stairwell and cinema room, proposed to be inserted into the north and south elevations of plots 1, 2, 3, 4, 5, 6, 7, 12, 13 and 14 and the east and west elevations of plots 8, 9, 10 and 11 shall be:

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

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

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

Members discussed the application at length and, whilst they acknowledged that the site is identified within the Local Plan for development, they raised concerns with the proposal to fell a protected oak tree on the site, adjacent 77 Church Road. Members requested that officers enter into further discussions with the applicant to seek changes to layout of the site to enable the retention of the oak tree subject to a tree preservation order.

A motion to defer consideration of the application to enable Officers to enter into further discussions with the applicant to seek amendments to the layout to enable the retention of the oak tree adjacent 77 Church Road was proposed and seconded and was voted on and CARRIED.

(Voting: 7 in favour; 2 against)

RESOLVED that the application be DEFERRED to enable Officer to enter into further discussions with the applicant to seek amendments to the layout to enable the retention of the oak tree adjacent 77 Church Road.

(2) P/24/0801/TO - 33 HEATH LAWNS, FAREHAM PO15 5QB

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

Upon being proposed and seconded the officer recommendation to grant consent to fell 1 lime and 1 oak tree was voted on and CARRIED.

(Voting: 7 in favour; 2 against)

RESOLVED that CONSENT be GRANTED to fell 1 lime and 1 oak tree.

(3) P/24/0802/TO - 31 HEATH LAWNS, FAREHAM PO15 5QB

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

Upon being proposed and seconded, the officer recommendation to grant consent to fell two oak trees, was voted on and CARRIED.

(Voting: 7 in favour; 2 against)

RESOLVED that CONSENT be GRANTED to fell two oak trees.

(4) P/24/0803/TO - 35 HEATH LAWNS, FAREHAM PO15 5QB

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

Upon being proposed and seconded the officer recommendation to fell two oak trees, was voted on and CARRIED.

(Voting: 7 in favour; 2 against)

RESOLVED that the CONSENT be GRANTED to fell two oak trees.

(5) P/24/1106/TO - 27 HEATH LAWNS, FAREHAM PO15 5QB

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

The Committee to be made aware that the owner of 27 Heath Lawns is the Titchfield ward member – Cllr Hockley. Mrs Hockley is not the applicant.

Upon being proposed and seconded the officer recommendation to grant consent to fell one oak tree, was voted on and CARRIED.

(Voting: 7 in favour; 2 against)

RESOLVED that CONSENT be GRANTED to feel one oak tree.

(6) P/24/1105/TO - 14 SOUTHMEAD ROAD, FAREHAM PO15 5JX

Upon being proposed and seconded the officer recommendation to reduce the crown of one oak tree: Hortlink 212 pruning by way of 30% linear reduction equating to 75% of total crown volume was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that CONSENT be GRANTED to Hortlink 212 pruning by way of 30% linear reduction equating to 75% of total crown volume.

(7) P/24/1016/FP - KINGFISHERS, FISHERS HILL, FAREHAM PO15 5QT

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

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

(Voting: 8 in favour; 1 against)

RESOLVED that PLANNING PERMISSION be REFUSED.

Reasons for Refusal:

The development would be contrary to Policies HE1, HE2, HE3, NE3 and NE4 of the Fareham Local Plan 2037 and is unacceptable in that:

- i) The design and quantum of development would fail to have regard to the rural character of Fishers Hill and would fail to preserve or enhance the character and appearance of the Titchfield Abbey Conservation Area and the setting of Catisfield Conservation Area and the nearby Grade II Listed Buildings.
- ii) The proposal would have likely adverse effects on the integrity of the protected Habitat Sites in combination with other developments due to the additional generation of nutrients entering the water environment and the lack of appropriately secured mitigation.
- iii) The site lies within 5.6km of The Solent Waters Protection Areas. The proposal fails to provide appropriate mitigation against the impact of increased recreational disturbance created from the provision of additional residential accommodation within this area.
- iv) The site is within 13.8km of the New Forest Special Protection Area. The proposal fails to provide appropriate mitigation against the impact of increased recreational disturbance created from the provision of additional residential accommodation with this area.

(8) P/24/1159/FP - BUSH MUG HOUSE, WALPOLE LANE, SWANWICK, SOUTHAMPTON SO1 7AX

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

Upon being proposed and seconded the officer recommendation to: -

- (i) GRANT planning permission, subject to the conditions in the report.

Then

- (ii) DELEGATE AUTHORITY to the Head of Planning to make any necessary modification, deletion or addition to the proposed conditions.

Was voted on and CARRIED.

(Voting: 8 in favour; 1 against)

RESOLVED that: -

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

Then

- (ii) AUTHORITY BE DELEGATED to the Head of Planning to make any necessary modification, deletion or addition to the proposed conditions.

(9) P/24/1333/VC - LAND OFF ROOKERY AVENUE, WHITELEY

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

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

New paragraph inserted after 8.28 regarding Section 106 Agreement:

Section 106 Agreement

8.29 Planning permission for the development granted under P/19/0870/FP is subject to a section 106 agreement which secures:

- a) Financial contributions to provide for satisfactory mitigation of the 'in combination' effects that the increase in residential units on the site would cause through increased recreational disturbance on the Solent and Southampton Water and Portsmouth Special Protection Areas;*
- b) Securing off-site translocation of reptiles*
- c) Traffic Regulation Order (TRO) for parking restriction works to junction of site with Rookery Avenue and Shetland Rise*
- d) The delivery of 40% of the permitted dwellings as a mixture of 12 on-site affordable houses and an off-site financial contribution equivalent to 0.8 of a unit.*

8.30 As a variation of condition application has the legal effect of creating a new standalone planning permission, the section 106 agreement will need to be varied to ensure that it applies to both the original permission and (if

granted) this variation of condition application. This can be done by way of a deed of variation between the Council and the landowner.

(Summary paragraphs 8.29-8.30 renumbered to 8.31-8.32)

Amendments to recommendation:

Subject to:

- i) The applicant/owner entering into a deed of variation to the section 106 agreement secured under planning permission P/19/0870/FP to ensure that the same planning obligations apply to this variation of condition permission.*

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

(Voting: 2 in favour; 7 against)

A further motion was proposed and seconded to refuse planning permission and was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that PLANNING PERMISSION be REFUSED.

Reasons for Refusal:

The development would be contrary to Policies D2, HP5, NE1 and TIN2 of the adopted Fareham Local Plan 2037, and is unacceptable in that:

- i) the amended design of the acoustic fencing would result in future occupants of the development being unacceptably adversely impacted as a result of increased noise levels within parts of the public amenity space along the southern part of the site and increased noise levels within the private amenity areas serving some of the permitted houses within the southern part of the development.
- ii) in the absence of a legal agreement to secure such, the development proposal would fail to secure a provision of affordable housing at a level in accordance with the requirements of the Local Plan.
- iii) in the absence of a legal agreement to secure such, the development proposal would fail to secure appropriate highway improvements to the site's junction on Rookery Avenue with Shetland Rise.
- iv) in the absence of a legal agreement to secure such, the development proposal would fail to secure the ongoing management and maintenance of suitable habitat for reptiles that have been removed from the site.

(10) P/24/1154/FP - 3 DRIFT ROAD, FAREHAM PO16 8SZ

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

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

Paragraph 8.13 states that the current property contains four bedrooms, and the proposal will increase the total of bedrooms within the property to five. This is incorrect and the current property has three bedrooms and therefore the total increase in bedrooms will be two.

The parking requirements for a five-bed property is three spaces. Officers are satisfied that three car parking spaces can be provided within the site and therefore no highway concerns are raised.

Upon being proposed and seconded the officer recommendation to: -

- (i) GRANT planning permission, subject to the conditions in the report.

Then

- (ii) DELEGATE authority to the Head of Planning to make any necessary modification, deletion or addition to the proposed conditions.

Was voted on and CARRIED.

(Voting: 7 in favour; 2 against)

RESOLVED that: -

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

Then

- (ii) AUTHORITY BE DELEGATED to the Head of Planning to make any necessary modification, deletion or addition to the proposed conditions.

(11) Planning Appeals

The Committee noted the information in the report.

(12) UPDATE REPORT

The Update Report was circulated prior to the meeting and considered alongside the relevant agenda items.

7. PLANNING PERFORMANCE MONITORING AND ACTION PLAN UPDATE

The Committee considered a report by the Director of Planning and Regeneration on Planning Performance Monitoring Update and Action Plan.

RESOLVED that the Committee note the contents of the report.

(The meeting started at 2.30 pm
and ended at 6.14 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

Minutes of the Planning Committee

(to be confirmed at the next meeting)

Date: Wednesday, 15 January 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor D G Foot (Chairman)

Councillor I J Bastable (Vice-Chairman)

Councillors: Miss J Burton, S Dugan, G Furnivall, S P Ingram,
Mrs J Needham, K Wiltshire and D P Wiltshire (deputising for P
M Nother)

**Also
Present:**



1. APOLOGIES FOR ABSENCE

An apology of absence was received from Councillor P Nother.

2. MINUTES OF PREVIOUS MEETING

RESOLVED that the minutes of the Planning Committee meeting held on 11 December 2024 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

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

4. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

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

Name	Spokesperson representing the persons listed	Subject	Supporting or Opposing the Application	Minute No/ Application No/Page No	Dep Type
ZONE 1 – No Items					
ZONE 2 – 2.30pm					
Andrew Munton (Agent)		LAND SOUTH OF FUNTLEY ROAD – DEED OF VARIATION TO S106 AGREEMENT TO AMEND THE TRIGGER FOR THE ADOPTION OF PUBLIC PEDESTRIANS AND CYCLE PATH ON THE SITE BY THE LOCAL HIGHWAY AUTHORITY FROM NO OCCUPATION	Supporting	9(1) Q/1603/24 Pg 35	In Person 3 mins

		TO THE OCCUPATION OF NO MORE THAN 75% OF PROPERTIES – PLANNING APPLICATION P/20/1168/OA			
ZONE 3 – 2.30pm					
Ian Brodrick	On behalf of Richard Waterhouse	57 HILL HEAD ROAD – ALTERATIONS TO EXISTING BUILDING (INCLUDING ALTERATIONS TO FENESTRATION, NEW CLADDING, NEW ROOFING, ETC) AND ENLARGEMENT OF FIRST FLOOR PROJECTION	Opposing	9(2) P/24/1529/FP Pg 41	In Person 3 mins

5. ACTUAL REVENUE EXPENDITURE 2023-24

The Committee received a report from the Assistant Director (Finance and ICT) on the actual revenue expenditure for 2023-24.

RESOLVED that the Committee notes the content of the report.

6. SPENDING PLANS 2025-26

The Committee considered a report by the Assistant Director (Finance and ICT) on the spending plans for 2025-26.

Councillor Bastable enquired as to the reason why the revised budget for planning appeals for 2024/25 had increased so significantly from the base budget set for planning appeals in 2024/25. The Financial Planning and Audit Manager explained that this was due to the number of planning appeals that the Council had dealt with during 2024/25, and confirms that the budget for 2025/26 is similar to the base budget for 2024/25.

RESOLVED that the Committee: -

- (i) agrees the revised budget for 2024/25;
- (ii) agrees the base budget for 2025/26;
- (iii) agrees the revised discretionary planning charges for 2025/26 as set out at Appendix B; and
- (iv) recommends the budget to Full Council for approval.

7. OPPORTUNITIES PLAN UPDATE

The Committee considered a report by the Assistant Director (Finance and ICT) on an update to the Council's Opportunities Plan, with specific focus on projects that are linked to the Planning Committee.

RESOLVED that the Committee note the content of the report.

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

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

(1) Q/1603/24 - LAND TO THE SOUTH OF FUNTLEY ROAD

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

The Committee received a verbal update from the Planning Case Officer who clarified the extent of the footpath subject to this item, this being greater than the area shown on the plan attached to the report.

Upon being proposed and seconded the officer recommendation that Members authorise a deed of variation to the legal agreement to enable the occupation of up to 75% of dwellings prior to the formal adoption of the public pedestrian and cycle path through the site between Funtley Road, Funtley and Thames Drive, Fareham, was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that a deed of variation to the legal agreement to enable the occupation of up to 75% of dwellings prior to the formal adoption of the public pedestrian and cycle path through the site between Funtley Road, Funtley and Thames Drive, Fareham be AUTHORISED.

(2) P/24/1529/FP - 57 HILL HEAD ROAD FAREHAM PO14 3JL

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

The Committee received a verbal update from the Planning Case Officer who stated that an additional condition requiring the retention of the mirrored film for the lifetime of the development, had been added to the conditions in the published Officer report.

Upon being proposed and seconded the officer recommendation to: -

- (i) GRANT planning permission, subject to the conditions in the report and the additional condition from the verbal update;

Then

- (ii) DELEGATE authority to the Head of Planning to make any necessary modification, deletion or addition to the proposed conditions.

Was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that: -

- (i) PLANNING PERMISSION be granted, subject to the conditions in the report and the additional condition in the verbal update;

Then

- (ii) AUTHORITY BE DELEGATED to the Head of Planning to make any necessary modification, deletion or addition to the proposed conditions.

(3) Q/1533/24 - LAND EAST OF CROFTON CEMETERY AND WEST OF PEAK LANE STUBBINGTON

The Committee debated this item at length. Whilst Members were keen for the development to be completed and occupied, they considered that the Ecological Mitigation Land should be laid out in accordance with the approved details and transferred to the Council at the earliest opportunity.

A motion was proposed and seconded by Members to authorise a deed of variation to enable the occupation of up to 95 dwellings on the site prior to the completion of the works to create the Ecological Mitigation Land in accordance with the Ecological Mitigation Land Plan and its subsequent transfer to Fareham Borough Council and was voted on and CARRIED.

(Voting: 9 in favour; 0 against)

RESOLVED that a deed of variation to enable the occupation of up to 95 dwellings on the site prior to the completion of the works to create the Ecological Mitigation Land in accordance with the Ecological Mitigation Land Plan and its subsequent transfer to Fareham Borough Council be AUTHORISED.

(4) Planning Appeals

The Committee noted the information in the report.

(5) UPDATE REPORT

The Update Report was circulated prior to the meeting and considered alongside the relevant agenda items.

9. LOCAL INFORMATION REQUIREMENTS

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

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

Appendix A

1. The following text is proposed to be deleted and should have been struck through:

~~Nitrate Mitigation Statement~~

-

~~Required for the following types of applications:~~

-

- ~~• Full planning applications~~
- ~~• Outline planning applications~~
- ~~• Reserved Matters~~

-

~~When:~~

-

- ~~• The applications will result in a net increase in overnight accommodation~~

-

~~Biodiversity Gain Plan (National Requirement)~~

-

~~The Biodiversity Gain Plan must:~~

- ~~• Quantify the pre and post development biodiversity value of the site using either the DEFRA biodiversity metric or if appropriate the Small Sites Biodiversity Metric with an explanation of the condition scores set out in the DEFRA guidance. Plans of the site (and of any areas on which the site mitigation is proposed) must be provided together with Excel copies of the completed relevant metrics to demonstrate how the metric conclusions were reached.~~
- ~~• Identify how a gain of at least 10% Biodiversity Net Gain can be achieved ensuring that the proposed habitat is provided onsite in the first instance followed by either a combination of onsite and partial offsite and the proposed habitat is on a 'like for like' basis and avoids the 'trading down' e.g., replacing rare habitat with much more common habitat.~~
- ~~• Demonstrate that proposals have followed the 'mitigation hierarchy', avoiding habitat loss where possible; minimising the extent of negative impacts that can't be avoided; restoring degraded ecosystems where negative impacts can't be avoided or minimised; compensating for any residual negative impacts and ensuring at least 10% net gain.~~
- ~~• Demonstrate that proposals maximise the connectivity of the proposed habitat with habitat in the wider area to avoid fragmented or isolated habitat.~~

- ~~Confirm how the proposed Biodiversity Net Gain habitats will be implemented, managed, maintained, monitored and funded for a minimum of 30 years.~~

2. The following text (confirming what the supporting statement must contain) is required:

Habitat Regulations Supporting Statement

All applications are screened to determine if the application is likely to affect a Habitat Site and if it is, if that effect is likely to be significant.

Where likely significant effects cannot be ruled out (prior to the consideration measures), an appropriate assessment is required.

The following key pieces of information should be submitted to support any Habitat Regulations Assessment screenings or Appropriate Assessments:

- *Confirmation of whether a financial contribution is proposed towards the Solent Recreation Mitigation Strategy or whether a bespoke package of measures is proposed;*
- *Confirmation of the way in which the site has been used during the 10 years preceding the submission of the application. If the land has had more than one land use (as specified in Natural England's guidance) a plan is required to confirm the location of each land use. Each parcel of land must have area annotated and be provided with a detailed chronology confirming when each parcel of land was used for each separate use.*
- *The land uses and areas must be used to complete a Nutrient Budget using Natural England's Nutrient Calculator.*
- *It would also be useful if the form of mitigation proposed could be confirmed, for example the provision of a financial contribution towards a strategic project off-site or on-site mitigation.*

3. The following text is required in addition to the text already proposed to confirm what is required in the Space Standards Checklist:

If the application is for a House of Multiple Occupancy the space standards checklist needs to confirm and demonstrate that all proposed dwellings comply with the amenity standards for HMO's and space standards for HMO's.

4. The following amended wording is required for the Obligations Summary:

This information will enable the ~~legal~~ undertaking planning obligation to be progressed alongside the planning application.

RESOLVED that the Committee agrees the proposed changes to the Fareham Borough Council's Local Information Requirements for public consultation.

(The meeting started at 2.30 pm
and ended at 3.55 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

Minutes of the Licensing and Regulatory Affairs Committee

(to be confirmed at the next meeting)

Date: Tuesday, 28 January 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs P M Bryant (Chairman)

Councillor Mrs J Needham (Vice-Chairman)

Councillors: C A Bainbridge, Mrs S M Bayford, F L Burgess, G Furnivall,
Mrs P K Hayre, S P Ingram, A M J Murphy, A West and
L J Whittle

**Also
Present:**



1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors I J Bastable and J M Englefield.

2. COMMITTEE MINUTES

RESOLVED that the minutes of the meeting of the Licensing and Regulatory Affairs Committee held on 26 November 2024 be confirmed and signed as a correct record.

3. LICENSING PANEL MINUTES

(1) Minutes of meeting Wednesday, 20 November 2024 of Licensing Panel

RESOLVED that the minutes of the meeting of the Licensing Panel held on 20 November 2024 be confirmed and signed as a correct record.

(2) Minutes of meeting Wednesday, 18 December 2024 of Licensing Panel

RESOLVED that the minutes of the meeting of the Licensing Panel held on 18 December 2024 be confirmed and signed as a correct record.

4. CHAIRMAN'S ANNOUNCEMENTS

The Chairman put forward her thanks to Officers for the very useful and informative Opportunities Plan workshop that was held ahead of the committee meeting.

5. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

6. DEPUTATIONS

There were no deputations made at this meeting.

7. OPPORTUNITIES PLAN UPDATE

The Committee received a report by the Assistant Director (Finance & ICT) which presented an update for Members on the Opportunities Plan.

Members noted that points raised at the workshop, that was held ahead of the Committee meeting, would be considered for inclusion in the Opportunities Plan to be presented at the meeting of the Executive scheduled to take place in March.

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

8. ACTUAL REVENUE EXPENDITURE 2023/2024

The Committee received a report by the Assistant Director (Finance & ICT) which set out details of the actual revenue expenditure for 2023/24 in respect of the services for which the Committee is responsible.

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

9. SPENDING PLANS AND FEES & CHARGES 2025/26

The Committee received a report by the Assistant Director (Finance & ICT) which presented the Spending Plans and the Fees and Charges 2025/26 for consideration by the Committee before being recommended to Council for approval.

It was noted that the fees and charges being put forward for consideration by the Committee were in respect of the financial year 2025/26 and not 2023/24 as stated in the recommendation of the report.

The Committee highlighted that a number of fees and charges are lower than those being charged by other Authorities in the local area and suggested that when considering the proposed charges next year, information be prepared and presented to the Committee to enable Members to consider whether there is a case for increasing any of these fees so that they are more closely aligned to other Authorities.

RESOLVED that the Licensing and Regulatory Affairs Committee:

- (a) reviewed and agrees the revised budget 2024/25;
- (b) reviewed and agrees the base budgets for 2025/26;
- (c) reviewed and agrees the fees and charges for 2025/26; and
- (d) recommends both the budget and the fees and charges to Full Council for approval.

10. LICENSING AND REGULATORY AFFAIRS COMMITTEE WORK PROGRAMME

The Committee received a report by the Head of Environmental Health which presented the Committee's Work Programme 2024/25 for review and the Committee's draft Work Programme 2025/26 for preliminary consideration.

Members enquired when the update on police licensing matters would be brought forward to the Committee. The Head of Environmental Health advised that the current Licensing Officer has only recently returned to post following a period of absence and that he would contact him to ascertain when, in the new municipal year, he would be available to attend a meeting of the Committee.

RESOLVED that the Licensing and Regulatory Affairs Committee:

- (a) notes the progress on actions arising from the meeting of the Committee held on 26 November 2024, attached as Appendix A to the report;
- (b) reviewed the Work Programme 2024/25 attached as Appendix B to the report; and
- (c) gave initial consideration to the draft Work Programme for 2025/26 attached as Appendix C to the report.

(The meeting started at 6.01 pm
and ended at 6.32 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

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

Date: Monday, 6 January 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Miss T Harper (Chairman)

Councillor Mrs P K Hayre (Vice-Chairman)

Councillors: C A Bainbridge, Mrs L E Clubley, Mrs K Mandry,
Mrs J Needham and K Wiltshire

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. MINUTES

RESOLVED that the minutes of the meeting held on 29 October 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 DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. EXECUTIVE BUSINESS

(1) Food Waste Collection Service

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

(2) Vehicle Replacement Programme Annual Review 2024

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

7. OPPORTUNITIES PLAN UPDATE

The Panel received a report by the Assistant Director (Finance and ICT) which presented an update on the current Opportunities Plan for particular projects linked to the Streetscene portfolio. Members were asked to consider and comment on the report and to propose any new ideas they may have had in a workshop preceding the meeting.

There were no questions or comments put forward in respect of this item, however it was noted that the comments put forward at the preceding workshop meeting would be put forward to the Executive when the Opportunities Plan is brought forward for consideration.

RESOLVED that the Streetscene Scrutiny Panel considered and commented on the progress of the current Opportunities Plan projects, as detailed above.

8. FAREHAM IN BLOOM

The Panel received a presentation by the Public Spaces Operations Manager which provided a history of Fareham in Bloom for information. A copy of the presentation slides is attached as Appendix A to these minutes.

Councillor Bainbridge put forward her thanks to the Public Spaces Operations Manager for an informative presentation and commented that the Service appears to provide good value for money, particularly in respect of the pride felt in the local community.

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

9. EXTENDED PRODUCER RESPONSIBILITIES

The Panel received a presentation by the Head of Streetscene which provided background information on the Extended Producer Responsibilities. The presentation also explained what businesses in scope are required to do and highlighted the implications for Fareham Borough Council. A copy of the presentation slides is attached as Appendix B to these minutes.

Councillor Mrs Hayre raised a query regarding the impact that fluctuating business levels across the Borough might have on the level of payments the Council receives and was advised that, as it is national scheme, payment levels are linked to business contributions collected nationally rather than linked to just the Fareham local area.

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

10. TRADE WASTE SERVICES 2025-2028

The Panel received a report by the Director of Neighbourhoods which presented proposed changes to the Council's Trade Waste Services for 2025-2028. Members were invited to consider the proposed changes and to put forward observations or comments to the Executive to take into account when the item is considered at its meeting on 13 January 2025.

In presenting the report, the Director of Neighbourhoods advised the Panel that recommendation (f) as shown in the Executive report presented for comment by Members was not applicable for comment as matters relating to staffing levels are the remit of the Chief Executive Officer and not a matter for consideration by the Executive.

Councillor Bainbridge commented that the report was very comprehensive and well-presented and provided all the detail that was needed for the decision to be considered.

There were no other comments or questions put forward by the Panel.

RESOLVED that the Streetscene Scrutiny Panel considered the Trade Waste Services 2025-2028 report and put forward the observation, as detailed above, to the Executive to take into account at the meeting on 13 January 2025.

11. STREETSCENE SCRUTINY PANEL PRIORITIES

Members considered and noted the scrutiny priorities for the Panel and had no further topics to put forward at the present time for future consideration.

RESOLVED that the scrutiny priorities for the Panel were reviewed.

(The meeting started at 6.04 pm
and ended at 6.42 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

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

Date: Thursday, 9 January 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs K Mandry (Chairman)

Councillor Mrs L E Clubley (Vice-Chairman)

Councillors: R N Bird, Mrs P M Bryant, D J Hamilton, S P Ingram and
L J Whittle

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. MINUTES

RESOLVED that the minutes of the meeting held on 24 October 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 DIRECTIONS

There were no declarations of interests made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. EXECUTIVE BUSINESS

(1) Change of tenure of 29 Cottes Way, Hill Head and disposal of 5 Gordon Road, Fareham including the freehold

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

(2) Melvin Jones House

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

(3) Fareham Housing Repairs & Maintenance Policy - Adoption

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

7. OPPORTUNITIES PLAN UPDATE

The Panel received a report by the Assistant Director (Finance and ICT) which presented an update on the current Opportunities Plan for particular projects linked to the Housing portfolio. Members were asked to consider and comment on the report and to propose any new ideas they may have had in the workshop preceding the meeting.

RESOLVED that the Housing Scrutiny Panel considered and commented on the progress made with the current Opportunities Plan projects.

8. FAREHAM HOUSING DEVELOPMENT SITES UPDATE

The Panel received a presentation by the Housing Delivery Manager which updated Members on the progress being made with Fareham Housing sites and other relevant strategic housing matters.

Members commented on the details surrounding the decision to give delegated authority to the Director of Housing following consultation with the Executive Member for Housing to acquire, dispose or change the tenure of homes, which is scheduled to be considered at the February Executive meeting. Members asked that officers consider the transparency of this delegation and asked that regard be given to report when this delegation is used to this Panel. Officers advised that this would be discussed with the legal partners in creating the report to the Executive.

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

9. MANAGEMENT AND PERFORMANCE OF THE VOID PROCESS

The Panel received a report by the Director of Housing which provided an update on the changes, and improvement thus far, in how Fareham Housing address the 'voids' process.

Members commented on the excellent improvement in the management and performance of the voids process and commented positively on the increased income and savings since the changes have come into effect. Members noted the recognition that there are further opportunities to improve the efficiency of the process, and the positive impact that a faster void process can have by making properties available sooner for customers. Officers explained how caution should be applied if setting a target for average void time, given that the Council's current proactive approach to disabled adaptations (which often take longer) is important to maintain.

Members asked that in future reporting, the data could provide a little more detail, including total number of voids, more cost information, and potentially looking at those involving disabled adaptations separately.

RESOLVED that the Housing Scrutiny Panel notes the content of the report, including the changes undertaken and underway, and the intention to see ongoing improvements moving forward.

10. FAREHAM HOUSING DECANT POLICY

The Panel received a report by the Director of Housing which provided an overview of the Draft Fareham Housing Decants Policy. The Policy described the legislation and process governing when occupants are required to move accommodation in an emergency or to enable repairs, major works or redevelopment.

Members asked for clarification on the rent fees for tenants who are decanted to alternative accommodation, either permanently or on a temporary basis. Officers confirmed that in the case of temporary decants the rent would be the same as the permanent property and any benefits received for this would continue. In the instance of permanent moves, alternative properties would be assigned based on the allocations property and consider tenant needs and affordability, with officer's offering advice and guidance to tenants throughout the process.

Members of the Panel queried the number of decants that were not permanent each year. Officers advised that although no data was immediately to hand, the numbers were very low last year, and numbers would have the potential to fluctuate if, for example, there was a fire or flood event impacting multiple homes.

RESOLVED that, having considered the report and the attached Draft Fareham Housing Decants Policy as included in Appendix A to the report, the Housing Scrutiny Panel puts forward the comments, as detailed above, to the Executive to be taken into account when considering approval to present the draft policy for public consultation.

11. UPDATE ON TENANT ENGAGEMENT STRATEGY

The Panel received a report by the Director of Housing which provided members with an update on the progress with improving tenant engagement following the adoption of the Tenant Engagement Strategy in September 2024.

Members praised the enthusiasm of officers in getting this new initiative off the ground, and their appreciation for the update. Members recognised that much more is planned as part of the Council's journey to improve and enhance tenant engagement.

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

12. TENANT ALTERATIONS POLICY

The Panel received a report by the Director of Housing which informed members of the new draft Fareham Housing Alterations and Improvements Policy and the associated 'easy read' version for Council tenants and leaseholders.

The Panel enquired if tenants must 'make good' on any alterations they make to their property when they vacate. Officers explained that this would be decided on a case-by-case basis and would be agreed with the tenant when an alteration is approved.

Members asked about the number of requests received from tenants to make alterations. Officers advised that small alteration requests are made frequently but larger alterations such as extensions are rare with tenants signposted to Building Control, Planning and other professionals for advice and relevant statutory permissions. All requests are looked at on a case-by-case basis with

tenants needs and the future use of the property considered with each request.

It was noted by the Panel that changes are required to Appendix C of the Policy document to provide clarity on the process.

RESOLVED that the Housing Scrutiny Panel puts forward the comments and observations, as detailed above, in advance of the draft policy being presented to the Executive for approval to proceed to public consultation.

13. OPTIONS ON HOW TO BETTER ENGAGE TENANTS IN THE SCRUTINY PROCESS

The Panel received a report by the Director of Housing which provided Members with details of proposed options to develop effective tenant scrutiny mechanisms within the Council, including the introduction of a tenant scrutiny framework to support the council to deliver on the regulatory requirements.

Members of the Panel were delighted to see the proposals for tenant scrutiny, and strongly supported the need to allow this initiative to be led and developed by tenants. Members expressed how they would welcome hearing about, and supporting, how tenants wish to scrutinise the Council as landlord, and that the steer is with them as to how exactly this is done. Although it was agreed that a mechanism for Officers and/or Members to support the scrutiny process should be provided, especially in the early days of the process.

Members also expressed the need to keep the approach under review (as led by the tenants themselves) to ensure that it does not become stale.

Members were advised on when the group of Tier 1 engaged tenants will next meet to consider and decide the approach, which will not be limited to just the options articulated as part of the report.

RESOLVED that the Housing Scrutiny Panel:

- (a) considered the proposed options to introduce tenant scrutiny, as attached as Appendix A to the report, in advance of the options being presented to the tenant engagement group; and
- (b) supports the favoured scrutiny approach of the tenant engagement group.

14. FAREHAM HOUSING SHARED SPACES GUIDANCE

The Panel received a report by the Director of Housing which informed Members of the new draft Fareham Housing 'Shared Spaces' guidance and the accompanying 'Easy Read' version.

Members only comment on the document was that they thought it was very good and will be a useful guide to tenants and officers.

RESOLVED that the Housing Scrutiny Panel provides the observations and comments, as detailed above, in advance of the draft Fareham Housing 'Shared Spaces' guidance being made available for tenants.

15. FAREHAM HOUSING: COMPLIANCE WITH HEALTH & SAFETY

The Panel received a report by the Director of Housing which provided information in respect of Fareham Housing's compliance with Health and Safety Standards as a social housing landlord.

The Director of Housing addressed the Panel to advise that Members should note that in paragraph 24 of the report, where reference is made to an item subject to legal action, this should instead read that we are in discussion with our legal team about the potential to take action.

Members thanked Officers for the comprehensive document, which provided assurance and insight on very important matters pertaining to safety in council homes. Members highlighted the gas safety inspections, and the reassurance that this gave given the risk that this can pose in homes and for occupants.

Members asked Officers to further explain the approach to smoke detection/alarms and were pleased to hear more about the approach taken dependant on the nature of the premises (such as sheltered housing, general purpose flats, and general purposes houses) and that there is ever decreasing use of battery operated alarm systems in Council houses (with mains operated increasing). Members were also further assured on the annual checks by the gas servicing contractor of the carbon monoxide detector within homes, and their replacement where required.

Overall Members found the report very reassuring in highlighting the Council's compliance with the statutory safety standards.

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

16. HOUSING SCRUTINY PANEL PRIORITIES

Members considered the Scrutiny Priorities for the Housing Scrutiny Panel.

RESOLVED that Members considered the scrutiny priorities for the Housing Scrutiny Panel.

(The meeting started at 6.06 pm
and ended at 7.07 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

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

Date: Friday, 10 January 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor Mrs L M Birkett (Chairman)

Councillor F L Burgess (Vice-Chairman)

Councillors: S Dugan, D J Hamilton, Mrs K Mandry and D P Wiltshire

**Also
Present:**



1. APOLOGIES FOR ABSENCE

An apology of absence was received from Councillor Miss T Harper.

2. MINUTES

RESOLVED that the minutes of the Policy and Resources Scrutiny Panel meeting held on 18 November 2024 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement:

I would like to thank Members of the Panel for agreeing to convene on a Friday afternoon which is unusual. We were originally going to be pre-scrutinising the Fareham Town Centre Regeneration report but that will now come to our next meeting. I would like to highlight to Members that there is an all-Member informal briefing on that topic scheduled for Wednesday 29th January at 5pm and I would encourage you all to attend if you can.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTION

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. CAPITAL PROGRAMME & CAPITAL STRATEGY 2025-26

The Panel considered a report by the Assistant Director (Finance & ICT) which was delivered by the Technical Finance and Development Manager, who also tabled a confidential Appendix B at the meeting.

The Chairman thanked Officers for the inclusion of the CIL information in the report which had been requested previously by herself and Councillor P Whittle.

During a debate on the item, Councillor Burgess expressed her concern that members were being asked to confirm the Capital Strategy and Capital Programme for the next 2 years without capital funding for the Town Centre Regeneration being included within this, and the funding not yet secured. The Assistant Director (Finance & ICT) explained that the project is so vast in scale that it warrants its own report to deal with a wide range of issues including the funding and spend on the project. The Assistant Director (Democracy) also explained that the Strategy for the Town Centre Regeneration has not yet been approved and therefore it is unable to form part of the capital programme at the present. Councillor Burgess thanked Officers for their detailed explanations but remained concerned that this project was not being considered at this time and requested that her concerns be noted.

RESOLVED that the Panel: -

- (a) notes the content of the report;
- (b) recommends that the Executive endorses the Capital Programme and Capital Strategy at its meeting on 13 January 2025.

7. GENERAL FUND FEES & CHARGES 2025-26

The Panel considered a report by the Assistant Director (Finance and ICT) on the general fund fees & charges for 2025-26. The report was presented to the Panel by the Financial Planning and Audit Manager.

RESOLVED that the Panel: -

- (a) notes the content of the report;
- (b) recommends that the Executive endorses the proposed fees & charges for 2025-26 at its meeting on 13 January 2025.

8. GENERAL FUND REVENUE BUDGETS & FINANCE STRATEGY 2025-26

The Panel considered a report by the Assistant Director (Finance and ICT) on the general fund revenue budgets & finance strategy 2025-26. The report was presented to the Panel by the Financial Planning and Audit Manager.

RESOLVED that the Panel: -

- (a) notes the content of the report;
- (b) recommends that the Executive endorses the General Fund Revenue Budget & Finance Strategy 2025-26 at its meeting on 13 January 2025.

9. HOUSING REVENUE ACCOUNT BUDGETS, FEES & CHARGES 2025-26

The Panel considered a report by the Assistant Director on the Housing Revenue Account Budgets, Fees & Charges 2025-26. The report was presented to the Panel by the Finance Business Partner for Housing.

RESOLVED that the Panel: -

- (a) notes the content of the report;
- (b) recommends that the Executive endorses the Housing Revenue Account Budgets, Fees & Charges 2025-26 at its meeting on 3 February 2025.

10. OPPORTUNITIES PLAN UPDATE

The Panel considered a report by the Assistant Director (Finance & ICT) on an Update to the Opportunities Plan, which was presented to the Panel by the Policy, Research and Engagement Manager.

RESOLVED that the Panel noted the content of the report.

11. 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 18 November 2024.

(1) Annual Review of Corporate Strategy 2023 - 2029

There were no comments received.

12. SCRUTINY PRIORITIES

The Assistant Director (Democracy) addressed the Panel on this item and outlined items that were coming up for the meetings for the rest of municipal year. She offered Members the opportunity to put forward any suggestions of items that they would like included, no further items were suggested.

(The meeting started at 3.05 pm
and ended at 3.53 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

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

Date: Tuesday, 14 January 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor S P Ingram (Chairman)

Councillor Mrs T L Ellis (Vice-Chairman)

Councillors: C A Bainbridge, Mrs L M Birkett, J M Englefield, A M J Murphy and A West

**Also
Present:**



1. APOLOGIES FOR ABSENCE

No apologies of absence were received.

2. MINUTES

It was AGREED that the Minutes of the Climate Change Scrutiny Panel held on the 15 October 2024 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement:

On the 4 February 2025, the Leisure and Community Scrutiny Panel will be considering a scoping report which will accompany an invitation to Everyone Active to attend that Panel scheduled for the 25 March 2025. Officers will recommend to that Panel that the scoping report will ask Everyone Active to include information in their presentation to the Leisure and Community Scrutiny Panel that will be of relevance to the delivery of the Council's Climate Change Action Plan.

As this Panel has discussed the Leisure Centre's role in reducing the Council's overall Co2 emissions on several occasions, an invitation to attend the Leisure and Community Scrutiny Panel on the 25 March 2025 will therefore be sent to Climate Change Scrutiny Panel Members in the coming days.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

A deputation was received from a Mr Bob Murphy, representing Fareham and Gosport Friends of the Earth.

Mr Murphy was thanked by the Panel for his deputation.

6. COASTAL PARTNERS PROJECT UPDATE

The Panel received a presentation from the Coastal Partners; Lyall Cairns, Jane Ryan, Mark Stratton and Andy Pearce, who provided an update on the service, climate change, information on current projects and maintenance of the day-to-day Fareham Borough Council coastal assets. (A copy of this presentation is appended to these minutes).

Councillor West enquired as to why Fareham's contributions were lower than some other authorities. Jane Ryan explained that the fee is based on the proportion of resources needed that each authority is responsible for, and that Fareham's resource need is less than that of the other Partners but similar to Gosport BC at 11%.

Members raised concern over the frequency of storms that the UK now faces, and the increasing severity of them and enquired as to how these risks to resident's properties are being managed. Mark Stratton confirmed that due to the low number of properties affected in Fareham compared to other areas, potential schemes within Fareham do not readily attract funding from the Government as the relevant 'cost-benefit thresholds' are not met. However, Coastal Partners ensure the emergency planning teams are prepared for such events, and that communication is put out to any at risk residents providing advice on how to protect themselves, and we actively signposting residents to where they can get information on flooding. He also stressed that a behavioural change is needed for residents to be more proactive and take greater responsibility for protecting their homes.

Councillor Bainbridge raised an issue surrounding coastal erosion on legacy landfill sites, in particular the site in Portchester which has seen an increased risk of the landfill contents becoming exposed along the shoreline. Mark Stratton confirmed that these sites are closely monitored and that they are lobbying government to ensure that this is brought onto their agenda. Lyall Cairns addressed the Panel to confirm that this is an issue nationally and the risk in Fareham is much lower than in other parts of the country. He stated that Coastal Partners are keen to be at the forefront for any solutions that the Government put in place to tackle this issue.

RESOLVED that Members note the contents of the presentation.

7. CLIMATE CHANGE ACTION PLAN UPDATE

The Panel received a presentation from the Policy, Research and Engagement Manager updating Members on the progress of the Climate Change Action Plan. (A copy of the presentation has been appended to these minutes).

RESOLVED that Members note the contents of the presentation.

8. EXECUTIVE BUSINESS

The Panel considered the Executive items of business which fall under the remit of the Planning and Development Scrutiny Panel, specifically in relation to Climate Change, including Executive Member decisions and Officer delegated decisions that have taken place since the last meeting of the Panel.

The Panel considered the decisions at items 8(1) and 8(2).

(1) Hook Lake Coastal Management Study

There were no comments received.

(2) Hill Head to Portsmouth Harbour Beach Management Plan

There were no comments received.

9. CLIMATE CHANGE SCRUTINY PANEL PRIORITIES

The Director of Planning and Regeneration addressed the Panel on this item and confirmed the items that are programmed for the next meeting as follows: Climate Change Action Plan update, Environmental Strategy update.

He then provided Members with an opportunity to put forward any items of business they would like to consider a future meeting.

Councillor Mrs Ellis requested an update on the activities of the Titchfield Greening Campaign initiative being led by local residents. The Policy, Research and Engagement Manager confirmed that an update on this would be provided at that the next meeting.

(The meeting started at 6.00 pm
and ended at 7.53 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

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

Date: Thursday, 16 January 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor S Dugan (Chairman)

Councillor Mrs J Needham (Vice-Chairman)

Councillors: Mrs S M Bayford, J M Englefield, Mrs P K Hayre, Mrs K Mandry
and D P Wiltshire

**Also
Present:**



1. APOLOGIES FOR ABSENCE

There were no apologies of absence for this meeting.

2. MINUTES

RESOLVED that the minutes of the Daedalus Scrutiny Panel meeting held on 14 October 2024 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

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

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTION

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. PRESENTATION - AIRPORT INVESTMENT PROGRAMME DELIVERY UPDATE

The Panel received a presentation from the Daedalus Programme Lead (Airside) on an update to the airport investment programme. (A copy of this presentation is appended to these minutes).

Councillor Mrs Hayre enquired as to what specifically the additional budget spend on AGL was in relation to. The Daedalus Programme Lead (Airside) confirmed that the additional spend was in relation to unforeseen issues that arose during the installation of the equipment.

Councillor Mrs Mandry asked if there was a new cabin ready for the Spitfires if they want to relocate to a different location. The Director of Planning and Regeneration confirmed that there is a desire from the Council to relocate them to a more suitable location, but they are waiting on a commitment from Spitfires before proceeding.

RESOLVED that the Panel: -

- (i) Thank the Daedalus Programme Lead (Airside) for his very information presentation; and
- (ii) Notes the content of the presentation.

7. SCRUTINY PRIORITIES

The Director of Planning and Regeneration addressed the Panel on this item and confirmed the items coming forward to the next meeting of the Panel in

March as follows: update on Faraday Business Park, update on Swordfish Business Park, update on Fareham Innovation Centre operator procurement.

He then invited Members to put forward suggestions of any items of scrutiny that the Panel would like to look at in future meetings.

The Chairman addressed the Panel and put forward the following suggestions for the next Municipal Year 205/26):

July 2025 meeting – update on planning progress in relation to PVC Storage Units;

November 2025 meeting – update on progression of the Bristow's development;

January 2026 meeting – update on AGL system performance during 2025 and potential commissioning of Performance Based Navigation.

Councillor Mrs Needham also requested for the next meeting of the Panel (March 2025) that an item on a high-level overview of the financial performance of the whole Daedalus site over the 10-year period since the Council purchased the site.

The Director of Planning and Regeneration confirmed that these items can be brought to future meetings of the Panel.

8. EXECUTIVE BUSINESS

The Panel considered the Executive items of business which falls under the remit of the Policy and Resources Portfolio, specifically in relation to Daedalus, including Executive Member decisions and Officer delegated decisions that have taken place since the least meeting of the Panel.

The Panel considered the decision at 8(1).

(1) Proposals for alterations to security arrangements at Faraday Business Park

There were no comments received.

9. EXCLUSION OF PRESS AND PUBLIC

RESOLVED that the public and representatives of the press be excluded from the remainder of the meeting on the grounds that the matters to be dealt with involve the likely disclosure of exempt information as defined in Paragraph 3, Part 1, of Schedule 12A of the Local Government Act 1972.

10. PRESENTATION - AIRPORT OPERATOR PROCUREMENT UPDATE

The Panel received a presentation from the Daedalus Programme Lead (Airside) on an update of the procurement progress for the Airfield Operator.

RESOLVED that the Panel note the content of the presentation.

(The meeting started at 6.05 pm

and ended at 6.47 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

Minutes of the Health and Public Protection Scrutiny Panel

(to be confirmed at the next meeting)

Date: Tuesday, 21 January 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor M J Ford (Chairman)

Councillor Mrs L M Birkett (Vice-Chairman)

Councillors: Mrs P M Bryant, D G Foot, Miss T Harper, G Furnivall and A West

Also Present: Cllr D P Wiltshire (Item 7) and Cllr Miss J Burton, Executive Member for Health and Public Protection (Item 10)



1. APOLOGIES FOR ABSENCE

There were no apologies of interest for this meeting.

2. MINUTES

RESOLVED that the minutes of the Health and Public Protection Scrutiny Panel meeting held on 8 October 2024 be confirmed and signed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made the following announcement:

Members will recall that at our last meeting we were due to have a presentation from Peter Ridley, Chief Executive of Portsmouth University Hospitals but unfortunately he had to cancel at the last minute.

It was hoped that he would attend this meeting of the Panel instead, however, it has come to light that Peter is no longer working for Portsmouth University Hospitals and he will therefore not be attending any future meeting of the Panel.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OR ADVICE OR DIRECTIONS

There were no declarations of interest made at this meeting.

5. DEPUTATIONS

There were no deputations made at this meeting.

6. OPPORTUNITIES PLAN UPDATE

The Panel considered a report by the Policy, Research and Engagement Manager which provided an update on the Opportunities Plan that is being developed for 2025/26.

RESOLVED that the Panel notes the content of the report.

7. PORTCHESTER FORESHORE MANAGEMENT

The Panel considered a report by the Director of Neighbourhoods which sets out the Council's planned approach to managing the impact of coastal erosion between Alton Grove and Cadour Drive.

At the invitation of the Chairman, Councillor D Wiltshire addressed the Panel on this item. He requested whether it would be possible to erect signage highlighting where there is a risk of erosion to better inform the public. The Director of Neighbourhoods informed the Panel that the risk referred to in the report had not identified this as a need at present. However, this will be reviewed periodically and may be considered appropriate at a later date. The

Head of Environmental Health confirmed that the new joint approach in undertaking site inspections will assist in managing this risk much more effectively and will ensure that action is taken promptly where necessary.

RESOLVED that the Panel: -

- (a) notes the content of the report; and
- (b) recommends the Executive endorses the recommendations, as set out in the Executive report, at its meeting on 3 February 2025.

8. AIR QUALITY STRATEGY 2025 - 2030

The Panel considered a report by the Director of Neighbourhoods on the draft Air Quality Strategy 2025-2030, which fulfils the statutory requirement to publish an Air Quality Strategy following the revocation of both Air Quality Management Areas in the Borough.

Councillor Furnivall enquired as to whether any consultation is undertaken with the Hampshire Public Health team. The Head of Environmental Health confirmed that the Council does work with Public Health and that they form part of the public consultation for this strategy.

Councillor West enquired as to whether there was any scope to erecting signage to inform drivers to switch off their engines when in stationary traffic. The Head of Environmental Health addressed the Panel on this point and explained that most newer cars already have this function built in and therefore any signage would be of limited effect.

RESOLVED that the Panel: -

- (i) notes the content of the report; and
- (ii) recommends that the Executive endorses the recommendation that the draft Air Quality Strategy 2025 – 2030 is approved for consultation at their meeting on 3 February 2025.

9. EXECUTIVE BUSINESS

The Panel considered the Executive items of business which fall under the remit of the Health and Public Protection Portfolio, including Executive Member decisions and Officer delegated decisions, that have taken place since the last meeting of the Panel on 8 October 2024.

(1) Food Safety Service Plan 2024-2026

There were no comments received.

10. HEALTH AND PUBLIC PROTECTION SCRUTINY PANEL PRIORITIES

The Director of Neighbourhoods addressed the Panel on this item to confirm the proposed items of business for the March 2025 meeting of the Panel, as well as items that are proposed for meetings in the next municipal year.

At the invitation of the Chairman, Councillor Miss J Burton, Executive Member for Health and Public Protection addressed the Panel on this item.

(The meeting started at 6.00 pm
and ended at 6.47 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

Minutes of the Leisure and Community Scrutiny Panel (to be confirmed at the next meeting)

Date: Tuesday, 4 February 2025

Venue: Collingwood Room - Civic Offices

PRESENT:

Councillor F L Burgess (Chairman)

Councillor Mrs L E Clubley (Vice-Chairman)

Councillors: Mrs S M Bayford, R N Bird, Miss T Harper, L J Whittle and
D P Wiltshire

Also Present: Councillor Mrs C L A Hockley (Executive Member for Leisure and Community), Councillor F W Birkett (Item 8) and Councillor Mrs L M Birkett (Item 8).



1. APOLOGIES FOR ABSENCE

No apologies of absence were received.

2. MINUTES

RESOLVED that the Minutes from the Leisure and Community Scrutiny Panel meeting held on the 02 October 2024 be signed and confirmed as a correct record.

3. CHAIRMAN'S ANNOUNCEMENTS

The Chairman made no announcements at the meeting.

4. DECLARATIONS OF INTEREST AND DISCLOSURES OF ADVICE OR DIRECTIONS

No declarations of interest were received at the meeting.

5. DEPUTATIONS

No deputations were received at the meeting.

6. OPPORTUNITIES PLAN UPDATE

The Panel received a report from the Policy, Engagement and Research Manager which presented an overall update on the current Opportunities Plan including projects linked to the Leisure and Community Portfolio.

Members of the Panel had attended a Opportunities Plan Workshop prior to the Panel meeting. The Policy, Engagement and Research Manager thanked the Panel Members for attending the workshop as their input is fundamental in developing the plan moving forward.

RESOLVED that the Leisure and Community Panel considered the progress of the current Opportunities Plan projects.

7. SCOPING REPORT - EVERYONE ACTIVE

Members of the Panel considered a Scoping Report that had been drafted to accompany an invitation to ask Everyone Active to attend a future meeting of the Panel.

The Leisure and Community Manager advised that the Climate Change Scrutiny Panel will be invited along to the same meeting, as several elements of the presentation from Everyone Active will be of interest to Members of that Panel.

Members considered the contents of the scoping report and agreed that this will be a very informative presentation for the Panel.

RESOLVED that the Panel note the contents of the scoping report.

8. FAREHAM PARK VISION

The Panel received a presentation from the Leisure and Community Manager which provided an update on the Fareham Park Vision. The presentation provided details on the progress of both Phase 1 & 2 of the project and information on the next steps. A copy of the presentation has been published with these Minutes.

The Chairman welcomed Councillor Mrs, L and F Birkett to the meeting as Ward Councillors for Fareham Park.

Phase 1 of the project includes the installation of the new play area which is near completion. Members were delighted with the new facility which has equipment for children of all ages and abilities. The play area will be open within the coming weeks, with a formal grand opening to take place in the Spring.

Phase 2 will provide a new Community Centre at the site, for which an outline planning application has been submitted. The Leisure and Community Manager explained the planning process and how it is hoped that this phase will be funded. Information was also provided on the role of the Advisory Committee, which is Chaired by Councillor F Birkett and how this is an integral part of the ongoing consultation with the community in the development of the new community facility.

RESOLVED that the Leisure and Community Scrutiny Panel note the contents of the presentation.

9. EXECUTIVE BUSINESS

Members of the Panel were asked for any comments or questions with regards to the items of Executive Business.

(1) Voluntary Sector Funding Application - Titchfield Community Association

No questions or comments were received.

(2) Fareham Park Vision Update

No questions or comments were received.

(3) Community Funding Application - Portchester Choir

No questions or comments were received.

(4) Community Funding Application - Titchfield Village Trust

No questions or comments were received.

10. LEISURE AND COMMUNITY SCRUTINY PANEL PRIORITIES

Members of the Panel were asked to consider the Scrutiny Priorities for the Panel. Members of the Panel asked if a scoping report could be considered to invite Y-Services to a Panel meeting during 2025/26.

The Assistant Director (Democracy) addressed the Panel to advise that Officers have already contacted Everyone Active who are able to attend the meeting on the 25 March 2025. The hope is also to draft another Scoping report for Shopmobility to attend a future meeting of the Panel which will also be brought to the March meeting for consideration, along with a Leisure and Community Project update.

RESOLVED that the Panel considered the Leisure and Community Scrutiny Priorities.

(The meeting started at 6.06 pm
and ended at 7.05 pm).

..... Chairman

..... Date

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 13 February 2025

Portfolio:	Policy and Resources
Subject:	Updated Budgets and Council Tax 2025-26
Report of:	Assistant Director (Finance and ICT)
Corporate Priorities:	All Corporate priorities apply

Purpose:

This report seeks final confirmation of the recommendations to be made to Council, on 14 February 2025, in respect of the revenue budget, capital programme and council tax for 2025/26.

Executive summary:

On 13 January 2025, the Executive reviewed the Council's overall finance strategy and considered proposals relating to the revenue budgets and the council tax for 2025/26. This report updates the Council's budgets to reflect the decisions taken and other known changes since 13 January 2025, including the provisional local government finance settlement.

The capital programme for the years 2024/25 to 2028/29 will be £37,004,800 and has increased by £1,838,000 since the previous report. There are sufficient resources projected to be available to fund the programme.

The net revenue budget for 2025/26 will be £15,050,100. With core funding estimated to be £5,819,957 no payment from the collection fund and other income sources and use of reserves totalling £693,500, this leaves the total amount due from the council taxpayers to be £8,536,643.

This level of council tax for 2025/26 equates to £191.42 per Band D property. This represents an increase of £5.56 per year from the council tax set for 2024/25 and is within the 2.99% referendum threshold set by the Government.

Recommendation/Recommended Option:

It is recommended that the Executive approves and recommends to the meeting of the Council to be held on 14th February 2025:

- (a) the capital programme and financing of £37,004,800;
- (b) an overall revised net revenue budget for 2024/25 of £14,369,200;
- (c) a net revenue budget for 2025/26 of £15,050,100;
- (d) a council tax for Fareham Borough Council for 2025/26 of £191.42 per band D property, which represents a £5.56 increase when compared to the current year and is within referendum limits;
- (e) an unchanged Council Tax Support scheme for 2025/26; and
- (f) that the Council continues to disregard the whole of any incomes prescribed in the Housing Benefit (War Pensions Disregards) Regulations 2007 and the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

Reason:

To allow Full Council to approve the Council Tax for 2025/26.

Cost of proposals:

Not applicable

Appendices: **A: Top Level Summary – Original and Updated Base Budget for 2025/26**

Background papers: **None**

Reference papers:

Report to the Executive – 13 January 2025 - General Fund Fees and Charges Report

Report to the Executive – 13 January 2025 – Capital Programme and Capital Strategy 2025-26 Report

Report to the Executive – 13 January 2025 – General Fund Revenue Budgets and Finance Strategy 2025-26

Report to the Executive – 13 January 2025 – Capital Investment at Solent Airport

Report to the Executive – 13 January 2025 – Trade Waste Services 2025 - 2028

Report to the Executive - 13 February 2025 Fareham Town Centre Regeneration Strategy

Draft Statutory Instrument: The Town and County Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment and Transitional Provision) Regulations 2025

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	13 February 2025
Subject:	Updated Budgets & Council Tax 2025/26
Briefing by:	Assistant Director (Finance & ICT)
Portfolio:	Policy and Resources

INTRODUCTION

1. On 13 January 2025 the Executive reviewed the Council's overall finance strategy and considered proposals relating to:
 - The five year Capital Programme for 2024/25 to 2028/29 (separate report);
 - The revised revenue budget for 2024/25;
 - Fees and charges for 2025/26 (separate report);
 - The revenue budget for 2025/26; and
 - The council tax for 2025/26.
2. The purpose of this report is to update the Council's spending plans to take account of the decisions taken by the Executive in relation to these various issues and any known changes that have arisen since.

THE CAPITAL PROGRAMME 2024/25 TO 2028/29

3. The General Fund capital programme for the period 2024/25 to 2028/29 was reported to the January Executive as part of the Capital Strategy Report and totalled £35,166,800.
4. At the January Executive, additional capital budgets were approved for PVC Aeroplane Storage Units at Solent Airport and new trade food waste bins. New schemes relating to Town Centre Regeneration and Fareham Shopping Centre Asset Management Initiatives presented to the Executive at the same meeting as this report in February have also been included.
5. The updated programme is shown in the following table:

	Original Programme £000s	Updated Programme £000s
Streetscene	3,673	3,707
Leisure and Community	9,573	9,573
Housing	4,321	4,321
Planning and Development	323	323
Policy and Resources	17,277	19,081
TOTAL	35,167	37,005

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

	£000s
Capital Receipts	4,403
Grants and Contributions	19,705
Capital Reserves	4,754
Revenue	5,536
Borrowing	2,607
TOTAL	37,005

7. The programme and projected resources indicate that, by 31 March 2029, there could be a surplus of capital resources of £6.7 million, which represents a contingency of 18% on the overall capital programme.
8. Importantly, the surplus assumes an estimate of future capital receipts and grants as well as continued revenue contributions towards capital investment, totalling £20 million. In the event that these resources do not materialise, the programme will become partly unfunded.

REVISED BUDGET 2024/25

9. In January, the Executive considered in detail the revised net budget for 2024/25, totalling £14,410,200.
10. The updated revised budget now totals £14,369,200 as there has been an addition to the budget of £15,000 for Winter Fuel payments and movements from 2024/25 to 2025/26 of £56,000 for Town Centre Regeneration projects.
11. Overall changes to the revised budget show a better forecast position and instead of having to draw £404,200 from reserves to balance the budget, the figure has reduced to a drawdown of £285,700.

SERVICE BUDGETS 2025/26

12. The table below shows the service budgets resulting from the report that was submitted to the Executive on 13 January 2025, and an updated budget for decisions taken and other known changes since which are detailed further below.
- **January Executive:** There were no specific changes requested following the January 2025 General Fund Revenue Budgets and Finance Strategy 2025/6 report.

- **Town Centre Regeneration:** A report is being presented to the same Committee meeting for proposals relating to the Town Centre. The revenue implications of these proposals (£311,000) are included in the updated budget for the Policy and Resources Portfolio.
- **Local Tax Collection:** There has been a small amendment to this budget of £9,000 to reflect some capital charges which is included in the updated budget for the Policy and Resources Portfolio.
- **Planning Fees:** Since the January Executive meeting the Government have confirmed that Planning Fees will increase from 1 April 2025 which will see an increase of approximately £100,000 in the income received from that service. The budget for the Planning Committee has been amended to reflect the new position on fees.

	2025/26 Original Base Budget (£)	2025/26 Updated Base Budget (£)
Non- Executive Committees		
Licensing and Regulatory Affairs	619,900	619,900
Planning	800,600	700,600
Executive Committee		
Health and Public Protection	471,700	471,700
Housing	1,928,800	1,928,800
Leisure and Community	-85,200	-85,200
Planning and Development	1,010,000	1,010,000
Policy and Resources	-541,800	-221,800
Streetscene	6,935,100	6,935,100
NET SERVICE EXPENDITURE	11,139,100	11,359,100

13. Overall the Net Service Expenditure is budgeted to be more than estimated in January by £220,000.

OTHER EXPENDITURE 2025/26

14. There have been no changes to the Other Expenditure budgets since the January report. The “Other Budgets” total will therefore remain at £3,700,000.

FUNDING SOURCES

15. The provisional Local Government Finance Settlement was announced on 18 December 2024 and confirmed that it would again be a one-year settlement for 2025/26. This was updated in the Final Settlement on 3 February 2025. There was an indication that the Government then wishes to move to multi-year settlements and it has started a consultation on proposed funding reforms for 2026/27 onwards.

16. The implications of the provisional Local Government Finance Settlement for this Council are:
- **Recovery Grant** – The government have removed a number of grants, including the Service Grant (worth £13,500 to FBC in 2024/25) and reduced the Funding Floor/Guarantee (loss of £276,000 to FBC compared to 2024/25). These reductions have been used to fund the new Recovery Grant payments. However, few District Councils will receive a Recovery Grant and FBC is not one of them.
 - **Revenue Support Grant (RSG)**– The total RSG distribution has been higher than expected (worth an additional £31,000 to FBC).
 - **New Homes Bonus (NHB)** – It has been confirmed that there will be another year of NHB payments. The provisional estimate for FBC is higher than in the January budget by £22,000.
 - **National Insurance Contribution (NIC) Funding** – The Government have confirmed that they will be distributing a funding pot to Councils to compensate for the increased cost of NIC in 2025/26. This Councils share of this pot is estimated to be approximately £155,000 which will fund about 49% of the increased direct costs. No funding had been included in the January budget figures.
17. The overall position is an improvement in the Council's funding position by an amount of £215,100 which means that there is no need to draw from reserves to fund the budget for 2025/26.

THE OVERALL BUDGET POSITION FOR 2025/26

18. The updated budget position, taking account of the information referred to in the preceding paragraphs, is summarised in Appendix A. The overall total net budget for 2025/26 is confirmed as £15,050,100 which is £211,000 above the base budget for 2024/25. The increase in funding detailed in paragraph 17 means there is no requirement for a contribution from general fund reserves to balance the budget. This has reduced from the original estimate of a £62,600 contribution from reserves.
19. Although the overall economic situation appears to have stabilised recently the overall position for councils remains unclear going into the new financial year and the impact of changes announced in the Autumn Statement are yet to be felt by the economy in general.

RESERVES

20. The Council maintains a spending reserve to cover unforeseen changes in revenue expenditure and is important to prudent financial management.
21. The current balance on the reserve stands at £4,498,711 which is £298,711 over the current policy of maintaining a minimum balance of 7.5% of Gross Expenditure.

22. The Council will continue to use the unallocated general reserves to balance the budget for 2024/25 and 2025/26. However, the projections in the Medium-Term Finance Strategy through to 2028/29 are showing a projected shortfall of £1.2m in 2026/27 and a further shortfall in the final 2 years of the strategy. These cannot be met from unallocated general reserves, even if the spending reserve were reduced to the minimum of 5% of Gross Expenditure, and Council Tax increases are maintained.
23. There are also some additional future pressures which have not yet been accounted for in the forecasts, and a current high level of international volatility which may affect future costs.
24. Therefore, there is still a need to protect the Council's reserves above the spending reserve provision and delay future funding gaps.

COUNCIL TAX FOR 2025/26

25. In the provisional Local Government Finance Settlement 2025/26 the referendum limits for local authorities were set out and council tax increases that exceed 2.99% would trigger a referendum. However, the government has again allowed shire districts to raise their council tax by the higher of 2.99% or a maximum of £5 when compared to the previous level, before a referendum is triggered.
26. The council tax base for 2025/26 is estimated to be 44,596.40 Band D equivalent properties.
27. The overall net budget for 2025/26 is £15,050,100. There will be government funding of £5,819,957 along with other funding sources such as interest receipts and use of reserves totalling £693,500 and a zero contribution from the collection fund. This will leave an amount due from council tax payers of £8,536,643. This is shown in the following table:

	Base Budget 2024/25	Base Budget 2025/26	Variation
	£	£	£
Total Net Budget	14,883,000	15,050,100	167,100
Less:			
Government Funding and Retained Business Rates	-5,145,039	-5,819,957	-674,918
Other funding and Use of Reserves	-1,525,200	-693,500	831,700
Collection Fund deficit	0	0	0
Total due from Council Tax Payers	8,212,761	8,536,643	+323,882
Council Tax base	44,188.9	44,596.4	
Council Tax (Band D)	£185.86	£191.42	
Cash Increase (per year)	+ £5.40	+ £5.56	
Percentage Increase (per year)	+2.99%	+2.99%	

28. The proposed council tax increase is within government referendum limits.
29. The proposed council tax of £191.42 is for Band D properties only and the Fareham element of the council tax for all bands is shown in the table below:

	2024/25	2025/26	Increase	Number of Dwellings
Band A	£123.91	£127.61	£3.70	3,628
Band B	£144.56	£148.88	£4.32	7,380
Band C	£165.21	£170.15	£4.94	15,698
Band D	£185.86	£191.42	£5.56	10,868
Band E	£227.16	£233.96	£6.80	8,126
Band F	£268.46	£276.50	£8.04	3,703
Band G	£309.77	£319.03	£9.26	1,528
Band H	£371.72	£382.84	£11.12	136

30. The overall income from taxpayers of £8,536,643 represents approximately 15% of the gross revenue budget for the council for 2025/26 of £57.4million.

ASSURANCE STATEMENT BY THE CHIEF FINANCIAL OFFICER (CFO)

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

COUNCIL TAX SUPPORT 2025/26

34. Legislation requires that Local Council Tax Support schemes are considered by Full Council on an annual basis even if no major changes are to be made. In previous years and following public consultation, the Council has agreed and implemented a scheme based on the following principles:

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

35. For 2025/26, it is proposed to retain these key principles and to administer an unchanged scheme.

36. There are currently 3,629 households in the borough receiving Council Tax Support. The caseload and expenditure for the current financial year can be seen below:

	Number of claimants	Cost of Council Tax Support
Pension-age caseload	1,728	£2,061,938
Working-age caseload (vulnerable group)	1,230	£1,608,396
Working-age caseload (employed)	46	£21,602
Working-age caseload (not employed*)	625	£576,907
Total	3,629	£4,268,843

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

37. It is anticipated that an unchanged Council Tax Support scheme for 2025/26, which provides the same level of assistance and protection to claimants as the current scheme, will continue to be contained within available resources.

38. However, work will continue in 2025/26 to benchmark the support scheme with neighbouring authorities and to explore the implications of changing the nature of the scheme. For example consideration is being given to whether moving to a banded scheme will require a reduced resource to deliver and therefore potential savings for the Opportunities Plan, with limited impact to claimants.

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

39. The Housing Benefit Regulations 2006 prescribe a standard weekly disregard of £10 from the incomes prescribed in the Housing Benefit (War Pensions Disregards) Regulations 2007. However, any residual balance from these incomes is included in the aggregated assessment of means in an applicant's entitlement, thereby affecting their total award.
40. The Social Security Administration Act 1992 (SSAA) entitles Local Authorities to locally design adjustments to the scheme to satisfy the needs of their community but with a percentage of the cost for such a scheme falling on the authorities' own finances.
41. The Council has operated a local scheme that disregards 100% of this income since the introduction of the SSAA and has copied this scheme design to its Local Council Tax Support Scheme upon its introduction in 2013. This ensures financial support for low-income households who are in receipt of a disablement or widow's/widower's pension payable as a consequence of service as members of the armed forces.
42. Subsidy arrangements mean that where a local amendment to the scheme is in operation, the local authority will only be compensated with 75% of any expenditure incurred up to a maximum of 0.2% of the total subsidy claimed in the relevant year.
43. In 2023-24, the full cost to the Council was £3,613 as £10,840 of the total expenditure of £14,453 was met through subsidy.
44. In exercising the function of administering the Housing Benefit scheme, local authorities are subject to external reporting on the efficacy of their processes and procedures. The Housing Benefit Assurance Process (HBAP) specifies the requirement for the appointment of reporting accountants; theirs and the local authorities' responsibilities; and the potential consequences arising from the HBAP report.
45. Ernst & Young were appointed as the Council's reporting accountant in August 2022 and gave guidance at that time as to what evidential requirements we would need to adhere to in order to satisfy the HBAP Audit guidelines.
46. The need to have a resolution in respect of a local scheme was identified as a matter for attention. Prior to this, the Benefits Service had relied upon the resolution made at the original lying down of legislation and had not reviewed or renewed the scheme formally in some considerable time.
47. However, the financial impact of the scheme is routinely taken into account when preparing financial estimates for the Benefits Service, as it is built into the Housing Benefit subsidy regime. It therefore forms part of the financial planning for the service and formulating the scheme now will not make any additional financial demand on the Council.
48. The latest estimate was produced in August 2024 and indicates that from a total spend of £13,903, £10,427 will be subsidised, with the total cost to the Council being £3,476.

ENVIRONMENTAL CONSIDERATIONS/CARBON IMPACT ASSESSMENT

49. 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.

LEGAL CONSIDERATIONS

50. Members have a legal duty to weigh the needs of service users against the interests of local taxpayers. In planning the budget, Members are under a duty to act prudently, responsibly, in a business-like manner and in their view of what constitutes the best interests of the general body of local taxpayers. This duty includes consideration of future local taxpayers as well as current local taxpayers.
51. The Council has a duty under the Local Government Finance Act 1992 to consult about proposals for expenditure and set a balanced budget. The consultation process is currently underway, and an update will be provided to members at the February meeting of the Council.
52. Failure to set a lawful Council Tax could have serious financial results for the Council and make the Council vulnerable to an Order from the Courts requiring it to make a council tax. Information must be published and included in the council tax demand notice, in a form that complies with the regulations made by the Secretary of State.
53. Under Section 114 (2) and 114 (3) of the Local Government Finance Act 1988, the Chief Financial Officer is required to make a report, if it appears to him/her that a decision or course of action the council or an officer has agreed or is about to make is unlawful, or that expenditure is likely to exceed resources available.
54. The Assurance Statement from the Chief Finance Officer is included in the report in accordance with Section 25 of the Local Government Act 2003.

RISK ASSESSMENT

55. While all spending plans can be met from within existing resources, including use of reserves, growing financial pressures increase the risk that spending plans exceed desirable levels.
56. With the Fair Funding review being delayed until at least the 2026/27 financial year the future funding support for Fareham remains uncertain. However, indications are that the review and the Business Rate Reset also expected in 2026/27 are very likely to affect the Council's future finances and it remains an important part of the overall Medium Term Finance Strategy to retain sufficient balances to cater for the unexpected in these uncertain times.
57. The council will continue to explore opportunities to increase income sources for the Council as well as review other opportunity plans in order that balanced budgets can continue to be made in future years.
58. In addition, the Government is currently consulting on the proposal to remove the Pooling Fund Statutory Override on 1 April 2025. This could result in a cost to the General Fund of up to £1million in 2025/26. Allocated reserves of £0.5million have

been put aside to help mitigate this risk. However, any additional shortfall, will need to be met from unallocated reserves, reducing their availability for future year budget gaps.

CONCLUSION

59. In making a recommendation to Council on the council tax for 2025/26, the Executive has evaluated the Council's overall financial position in relation to existing commitments, the level of resources (including reserves) and the projected financial position in the future; not just the overall budget position for next year.

Enquiries:

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

Appendix A - Top Level Summary – Original and Updated Base Budget for 2025/26

	Original Base Budget 2025/26 £	Updated Base Budget 2025/26 £	Variation Base to base £
REVENUE BUDGETS			
Service Subjective Expenditure			
Employees	14,504,700	14,614,700	110,000
Premises-Related Expenditure	5,043,300	5,043,300	0
Supplies and Services	7,610,623	7,811,600	200,977
Third Party Payments	3,310,500	3,310,500	0
Transfer Payments	13,586,800	13,586,800	0
Transport Payments	1,708,300	1,708,300	0
Support Services	3,442,500	3,442,500	0
Gross Service Expenditure	49,206,723	49,517,700	310,977
Service specific Government Grants	-14,597,723	-14,597,700	23
Service specific other Grants & Reimbursements	-3,770,600	-3,770,600	0
Sales, Fees and Charges	-10,260,200	-10,360,200	-100,000
Rents	-9,139,000	-9,139,000	0
Recharges to other accounts	-300,100	-300,100	0
Gross Service Income	-38,067,623	-38,167,600	-99,977
Net Service Expenditure	11,139,100	11,350,100	211,000
Other Expenditure			
Service accounting adjustments	4,845,700	4,845,700	0
Non-service specific budgets	-4,243,100	-4,243,100	0
Minimum Revenue Provision	1,747,400	1,747,400	0
Revenue contribution to capital	1,350,000	1,350,000	0
Total Other Expenditure	3,700,000	3,700,000	0
NET REVENUE EXPENDITURE	14,839,100	15,050,100	211,000
FUNDING SOURCES			
General Government Grants	-368,400	-585,900	-217,500
Extended Producer Responsibility Payment (pEPR)	-704,000	-704,000	0
Retained Business Rates and S31 grants	-4,530,081	-4,530,057	24
Return on Financial Investments	-357,300	-357,300	0
Other Funding Sources	0	0	0
Use of ear marked reserves	-209,800	-240,800	-31,000
Use of allocated general reserves	-70,400	-95,400	-25,000
Draft Council Tax Proposal	-8,536,519	-8,536,643	-124
Total Funding Available	-14,776,500	-15,050,100	-273,600
Transfer from (-) or to (+) unallocated general reserves	-62,600	0	62,600

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 3 February 2025

Portfolio:	Policy and Resources
Subject:	Housing Revenue Account Budgets, Fees & Charges 2025/26
Report of:	Assistant Director (Finance & ICT)
Corporate Priorities:	Provides Housing Choices

Purpose:

This report seeks agreement from the Executive to recommend to Council the approval of the revised budget for the Housing Revenue Account for 2024/25, plus the base budgets, fees and charges and rent increases for 2025/26.

Executive summary:

The Executive recommended, and the Council approved, in February 2024, the base budget and rent increase for 2024/25, for Housing Revenue Account (HRA) services.

This report sets out some revisions to the Housing Revenue Account revised budget for 2024/25 and base budget for 2025/26. The housing capital programme and financing for the years 2024/25 to 2028/29 is also included for information as this impacts on the revenue budget. The report also proposes the increases in rents and fees and charges for 2025/26.

The report highlights the issues affecting the Housing Revenue Account. In particular it highlights the increased expenditure needed to maintain the Council's housing stock in the next 2 years. This will mean that we will not be able to continue with our debt repayment put aside in these years. However, any surpluses that do arise will be considered for this purpose. Due to these pressures increased budget monitoring has been introduced for this period and a specific HRA Opportunities Plan has been drawn up which contains actions that have been identified to help reduce net expenditure.

Council budgets are susceptible to change in the level of expenditure and income caused by factors inside and outside the Council's control. Scenario analysis has been carried out to indicate the effect on housing balances of changes in the level of expenditure and income. This has been included to support the need to maintain a prudent level of reserves and a working balance.

Recommendation/Recommended Option:

It is recommended that the Executive agrees and recommends to the meeting of the Council to be held on 14 February 2025 that:

- (a) rents be approved for Council Dwellings as set out in paragraph 28 with effect from 1 April 2025;
- (b) rents for Council garages be increased by 2.7% with effect from 1 April 2025;
- (c) the revised budget for 2024/25 be approved;
- (d) the base budget for 2025/26 be approved;
- (e) the Fees and Service Charges at confidential Appendix E be approved.

Reason:

To allow the Council to approve the Housing Revenue Account budgets for 2025/26 and ensure that the HRA remains financially robust and not of risk of being in deficit.

Cost of proposals:

As detailed in the report.

Appendices:

- A: Capital Programme and Financing**
- B: Detailed Revenue Budgets**
- C: Examples of Rent**
- D: Published Housing Fees and Charges 2025/26**
- E: Confidential Fees and Charges 2025/26****

** Fees and Charges 2025/26 Appendix E (Confidential) – By virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 – Information relating to the financial or business affairs of any particular person and category 7A (information which is subject to an obligation of confidentiality) of Schedule 12A Local Government Act 1972 and the Council's Access to Information Procedure Rules. It is not in the public interest to publish this information as it would harm the Council's ability to achieve best value by way of negotiations where there may also be an obligation of confidence in relation to the financial and technical content for any procurement exercise. Disclosure could adversely affect competitive bids and remove the necessary element of market competition that drives best value principles.

Background papers: None

Reference papers:

- (a) Executive 5 February 2024 – Housing Revenue Account 2024/25
- (b) Executive 1 July 2024 – General Fund and Housing Revenue Account Outturn 2023/24

- (c) Climate Change Scrutiny Panel 15 October 2024 - Climate Change Action Plan Update Annual Review 2023/24
- (d) Executive 13 January 2025 – General Fund Revenue Budgets and Finance Strategy 2025/26
- (e) Executive 13 January 2025 – Capital Programme and Capital Strategy 2025/26
- (f) Executive 7 March 2022 - Assheton Court redevelopment
- (g) Executive 9 January 2023 – Fareham Housing Development of Ophelia Court, Montefiore Drive, Park Gate
- (h) Executive 9 October 2023 – Town Centre property acquisition
- (i) [The Direction on the Rent Standard 2023](#), Department for Levelling Up, Housing & Communities
- (j) [Policy Statement on rents for social housing](#), Department for Levelling Up, Housing & Communities

FAREHAM

BOROUGH COUNCIL

Executive Briefing Paper

Date:	3 February 2025
Subject:	Housing Revenue Account Budgets, Fees & Charges 2025/26
Briefing by:	Assistant Director (Finance & ICT)
Portfolio:	Policy and Resources

INTRODUCTION

1. This report brings together the revenue and capital spending plans for the Housing Revenue Account for 2024/25 and 2025/26 for the Executive to consider. On 13 January 2025 the Executive will be asked to approve the Council's Finance Strategy for 2025/26 and later years. The budget guidelines contained within the Strategy have been used as a basis for the Housing Revenue Account (HRA) spending plans along with the Government's Direction on the Rent Standard 2023 and their Policy Statement on rents for social housing from 1 April 2020. At the time of writing, a government consultation is underway on the future social housing rent policy which focuses on the introduction of a new rent policy from 1 April 2026.
2. Together these have informed revisions to the 2025/26 revenue and capital budgets and those for future financial years as part of Business Planning for the HRA.

HOUSING CAPITAL PROGRAMME

3. The five-year Housing capital programme has been updated and is summarised in the following table.

Value of Capital Programme		Sources of Financing	
Year	£'000		
2024/25	11,765	Major Repairs Reserve	34%
2025/26	17,615	Grants and Contributions	20%
2026/27	8,610	Revenue Contributions	11%
2027/28	5,099	Capital Receipts	4%
2028/29	4,890	Borrowing	31%
Total	47,979		100%

4. More details of the capital schemes and their financing can be found in Appendix A, with the highlights given below. The Housing capital programme will be included in the Council's Capital Strategy presented for approval at the 13 January 2025 Executive.

Affordable Housing Delivery

5. The Council continues to be successful in achieving capital grants awards under the Homes England Affordable Homes Programme 2021-26. This Programme requires developments to start on site by March 2025 and complete by March 2026. New housing schemes already completed under the 2021-2026 programme include 2 social rent houses at **Queens Road** in Fareham and 11 Shared Ownership houses at **Capella Close** in Stubbington.
6. At the end of the current 2024/25 financial year the major schemes of 9 new affordable shared ownership flats at **Ophelia Court** and one new social rent house at **Bellfield** should be completed.
7. Following completion of a further successful tender exercise and grant claim process, work has started on site at **Assheton Court** which will provide 60 social rent one and two bedroom apartments for the over 55s. Homes England Grant of £126,000 per unit has been secured to support the delivery of the scheme, and the budget of £19.4m for construction and further on-costs is now reflected in the capital programme. However, to secure the funds development needs to be completed by September 2026.
8. There are currently further development / acquisition and regeneration sites being pursued as set out in the table below. These have been reported to the Executive and approved in principle for further feasibility and preliminary actions to be undertaken before final schemes and the appropriate funding sources are presented for approval. Future capital projects and regeneration opportunities are likely to include council owned sites allocated within the Local Plan.

Site
130-136 West Street (Birks Building) (Fareham Town ward)
Wynton Way (Fareham Park ward)
Menin House regeneration (Fareham Park ward)
Redoubt Court regeneration (Fort Fareham ward)
Melvin Jones House and St Marys Road flats (Stubbington ward)

Improvements to Existing Housing Stock

9. The budget for component planned maintenance and improvements to existing properties has been increased for the current and future financial years covered by the capital programme. The Capital Strategy has been increased to reflect these revised figures, for example the budget for 2024/25 is now set at £4million (previously £3million). This is due to this being an area of significant cost pressures that have not been at this level for many years. Contributory factors include continually increasing costs of materials and labour, an ageing stock profile and a need to make the stock greener, along with increased regulation whilst maintaining service standards. A Stock Condition Survey is currently ongoing to inform the budget requirements and spending pressures for future years, with full stock coverage over a 5-year period (20% of stock per year). Revenue Contributions to Capital Outlay have been increased to support this expenditure.

Financing Options

10. The HRA must be a ring-fenced account, this means that it must, in general, balance on a year-to-year basis, so that the costs of running the service, which include debt charges, administration costs and maintenance expenditure must be met from HRA

income. The ringfencing of the HRA ensures that all the income and expenditure in relation to managing the council housing stock is separate to the General Fund and there is no cross subsidy between either fund (tenants and the taxpayer and vice versa).

11. The table below summarises the financing options available to fund the Housing Capital Programme:

Funding Source	What this and any restrictions	Type of Reserve
Major Repairs Reserve	This is funded from annual revenue contributions (similar to a depreciation charge), The reserve is used to fund capital expenditure on HRA assets.	HRA Reserve
Housing Capital Receipts	These are receipts arising from the sale of council owned housing (non RTB). They cannot be combined with RTB 1-4-1 receipts.	General Fund and HRA Reserve
Right to Buy (RTB) initial receipts	These are part of the receipts (34%) arising from the Right to Buy sales of council owned housing. They cannot be combined with Homes England funding.	General Fund Reserve
Right to Buy (RTB)1-4-1 receipts	These are the other part of the receipts (66%) arising from the Right to Buy sales of council owned housing. These have to be earmarked for building or buying new affordable housing. They cannot be combined with housing capital receipts or grant funding.	HRA Reserve
Section 106 monies for the purpose of affordable housing provision	These are contributions arising from Planning Section 106 Agreements where the provision of Affordable Housing is required as part of a development scheme.	General Fund Reserve
HRA Revenue Contributions to Capital Outlay (RCCO)	These are contributions from the current years revenue budget, used to meet capital expenditure on existing HRA assets or transferred to a reserve to be used to meet capital expenditure in the future.	Not currently held in a Reserve, used directly to meet capital expenditure
Borrowing (internal or external)	This is a source of funding that will be required to be repaid in the future. The sources will be from internal resources of from the Public Works Loan Board used to meet capital expenditure.	N/A

12. Since 2022 local authorities retain 100% of Right to Buy receipts. Right to Buy initial receipts are retained unconditionally, but Right to Buy 1-4-1 receipts have to be invested in a new homes build or purchase programme and spent within 5 years. - There are restrictions on what funding sources can be combined with 1-4-1 receipts as highlighted in the table above.
13. In addition to these internal and borrowed resources, grant bids will be sought wherever possible, as we have done for current development schemes of Ophelia Court and Assheton Court. It should be noted that any Homes England grant funding cannot be combined with RTB initial and 1-4-1 receipts.
14. Additional borrowing for large schemes, and improvements to existing stock where needed, would come from the Public Works Loan Board (PWLB) or internal borrowing. A discounted PWLB rate is currently available until the end of March 2026 for authorities

borrowing for the HRA.

15. Although the opportunity for borrowing to enable future development is positive there needs to be caution highlighted. Any additional debt will need to be serviced without undermining the financial stability of the Council's HRA. Careful consideration of the borrowing implications along with flexibility in how the various funding sources are used will be required.
16. The most appropriate form of borrowing will be established by the Council's Finance Team in consultation with the Chief Executive Officer in order to fund the capital programme.

REVENUE BUDGETS

17. The following table summarises the Housing Revenue Account base and revised budgets for 2024/25, and the base budget for 2025/26. A more detailed breakdown is provided in Appendix B.

	Base Budget 2024/25 £'000	Revised Budget 2024/25 £'000	Base Budget 2025/26 £'000
HOUSING REVENUE ACCOUNT			
Income	-15,316	-15,605	-15,835
Tenancy Management & Running Costs	4,972	4,912	5,075
Net Interest	1,650	2,008	2,203
Transfer to Debt Repayment Fund	542	0	0
	-8,152	-8,685	-8,557
Revenue Repairs Expenditure	3,747	4,315	4,317
Depreciation set aside into the Major Repairs Reserve	3,205	3,105	3,105
Revenue Contribution to Capital Programme	1,200	1,265	1,135
Transfer to(-)/from (+) HRA Reserve	0	0	0

18. The **income** budget has been uplifted to reflect proposed increases in rent and service charges, below. Service charges for heating have reduced for the 2024/25 financial year in line with our costs incurred.
19. Changes in circumstances and financial stability for some tenants continue to impact on rent being paid, and with the impact of the cost-of-living crisis still being experienced, arrears are closely monitored and remain at a high, though stable, level. The housing Rent Recovery Officer continues to work closely with customers and reports regularly from the housing management system.
20. Within **Tenancy Management and Running Costs** increases have been made for employee costs, impacting General Administration, Sheltered Housing, Grounds Maintenance and Communal Cleaning areas. An increase has been allowed for Council Tax incurred against void properties.
21. The budgets for Communal Heating and Lighting have been reduced, recognising the reduction in gas costs being charged from October 2024 to October 2025.
22. The provision made for **bad debts** was increased significantly in the 2022/23 financial

year. Assessing current debt levels, the provision will not need such a high value for 2024/25 and 2025/26 so this budget has been revised downwards.

23. A budget increase for the **property repairs and maintenance** and materials area is proposed to reflect the employment costs of the building maintenance team as well as higher costs that suppliers face and that are inevitably passed on to the Council.
24. **Leaseholder Service Charge actuals** have been completed for 2023/24 and income was higher than originally anticipated due to the need to pass on the cost of repairs arising from the external decoration programme and other large capital improvement costs, this is also reflected in the income budget.
25. The **Revenue Contribution to Capital** programme budget has been increased significantly to fund the higher value of Capital Improvements work, as discussed above.
26. These increases have a direct impact on the set aside of reserves for repayment of the £49.3 million **housing debt** taken on in 2012 when the government changed the national subsidy scheme to a self-financing scheme. £40 million of these loans are from the PWLB and become repayable in 27 to 36 years. The remaining £9.3 million is an internal loan with the General Fund and is repayable in 2026/27. To date there has been approximately £6.84 million put aside for this purpose. Unfortunately additional budget provision of £542,000 for this has had to be removed for 2024/25 and there will be no provision for 2025/26. However, if any budget surplus does arise for the year this may be considered for this use.
27. A summary of all the HRA reserves projected to the end of 2024/25 is set out below:

Reserve	Purpose of Reserve	2023/24 Closing Balance £'000	2024/25 Transfers In £'000	2024/25 Transfers Out £'000	2024/25 Closing Balance £'000
HRA Revenue Reserve	To fund unexpected operating costs	1,412	0	0	1,412
Exceptional Expenditure Reserve	To fund any exceptional demands upon expenditure	1,500	4,316	-4,316	1,500
Debt Repayment Fund	To repay debt	6,840	0	0	6,840
Leaseholder Reserve	To fund major repairs on blocks containing leasehold properties	556	195	-150	601
Total Revenue Reserves					
Major Repairs Reserve	To fund capital expenditure on HRA assets	0	3,105	-3,105	0
1:4:1 Receipts	To fund costs of new acquisitions and developments	1,946	500	-250	2,196
Total Reserves		12,254	8,116	-7,821	12,549

RENTS

28. In the Autumn Statement, the Government launched a consultation on a five-year rent settlement of CPI+1% for social landlords, with potential for this to be extended to 10

years.

29. For 2025/26, an increase of 2.7% is therefore proposed, in line with the allowed increase of up to CPI + 1% (using the September 2023 CPI rate of 1.7%) for social, affordable and shared ownership rents.
30. Rents for Council garages are not covered by the Government's Direction applying to dwellings, but a similar principle is applied in the Council's Social Housing Rents Policy. It is therefore proposed that garage rents for 2025/26 increase by 2.7% (£0.43 per week) in line with that of rent increases.
31. Examples of proposed rents can be seen in Appendix C.

FEES AND CHARGES

32. The current published fees and charges for housing and the charges for 2025/26, to be approved at the 13 January 2025 Executive, are set out in Appendix D. The statutory charge is subject to the control and advice of Government. The current level of charge has been set at the maximum allowed.
33. Service Charges for the HRA and Careline customers for 2025/26 are set out in confidential Appendix E for Executive agreement and recommendation to Council for approval. These are mainly set to recover the costs the Council incurs. In some cases, it has been possible to reduce the charges this year due to costs going down.

RISK ASSESSMENT

34. Council budgets are susceptible to change in the level of expenditure and income caused by factors inside and outside the Council's control. Scenario analysis has been carried out to indicate the effect on housing balances of changes in the level of expenditure and income, as summarised in the table below.

Examples of Potential and Actual Changes	Effect on Expenditure in Year £'000	Effect on Income in Year £'000
Change in rent policy to decrease rents by 1% beyond 2025		140
Loss of income if void rate rises by 1%		140
Increase on rent arrears by 10%		80
Increase of 10% on employees, and supplies & service costs	494	
Increase of 10% in the depreciation charge	310	
Increase of 20% in cost of responsive repairs	860	

35. Reserves are therefore maintained so the Council can:
 - Continue to manage and maintain homes
 - Improve and redevelop estates
 - Cover any unexpected expenditure
 - Take advantage of new opportunities to meet housing needs
 - Repay the debt
 - Meet the challenges of any change in Government policy
36. The following list of ongoing pressures and key risks to the HRA include :
 - Inflation decreases will limit our power to increase rents to keep in line with higher responsive and void costs that are subject to demand increase as well as inflation.

- Interest rates increases result in higher borrowing costs to finance development sites and improvements within the capital programme.
 - The expectations on stock condition continue to increase to ensure homes are decent, safe, well maintained with decent services. This requires effective management and detailed knowledge of stock condition, which is an ongoing process.
 - There will be future stock condition demands to meet the Decent Homes Standard, decarbonisation goals/EPC rating and manage the risk of disrepair claims. A Stock Condition Survey is currently underway to inform future years required budget and spend prioritisation.
 - Continuing to improve Tenant Safety by understanding tenants needs and learning from experience in relation to damp and mould and fire) (following Grenfell, Rochdale and Awaabs Law).
 - Increasing Tenant Engagement.
 - Further pressures associated with the Social Housing (Regulation) Act 2023.
37. In particular, the increases in the costs of revenue repairs and capital improvements already occurring mean that the HRA is currently under considerable strain, which is a trend across the country. Increased budget monitoring has therefore been introduced, involving senior housing and finance management, to try and keep to the budgets set.
38. Mitigating actions continue to be taken by the service to try to reduce costs where they can. However, the position is such that an additional Opportunities Plan, specific to housing and the HRA, is being developed for discussion at a future Scrutiny Panel Workshop.
39. Particular projects currently underway are reviewing the responsive repair framework of suppliers and also the voids process to reduce the periods that properties are vacant leading to reduced income and increased costs.

ENVIRONMENTAL CONSIDERATIONS/CARBON IMPACT ASSESSMENT

40. The Council Climate Change Action Plan (CCAP) was approved by the Climate Change Scrutiny Panel on 15 October 2024. Initiatives within housing to reduce our carbon footprint include
- A review of the vehicle fleet and required infrastructure to meet the demands of the service.
 - Home energy efficiency measures such as installation of solar panels, external wall insulation, loft insulation and heating upgrades and seeking external funding where available.
 - New development built with energy efficiency in mind such as air source heat pumps.
 - We continue to be a member of the Warmer homes consortium, which delivers free energy saving measures to low-income households in energy efficient homes.

Enquiries:

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

HOUSING CAPITAL PROGRAMME AND FINANCING

	2024/25	2025/26	2026/27	2027/28	2028/29
	£	£	£	£	£
Improvements to Existing Stock					
Improvements	1,400,000	1,600,000	1,700,000	1,800,000	1,800,000
Voids	2,100,000	2,000,000	2,000,000	2,000,000	2,000,000
Modifications	600,000	500,000	500,000	500,000	500,000
Vehicles	245,000	90,000	135,000	90,000	90,000
Acquisitions and New Builds					
Acquisitions	500,000	500,000	500,000	500,000	500,000
New Build – Assheton Court	5,000,000	12,400,000	2,000,000		
New Build – Ophelia Court	1,520,000	240,000			
New Build – Bellfield	275,000	35,000			
Town Centre Development	100,000	200,000	1,700,000	159,300	
Regeneration Feasibility	25,000	50,000	75,000	50,000	
TOTAL CAPITAL EXPENDITURE	11,765,000	17,615,000	8,610,000	5,099,300	4,890,000
Funded by:					
Improvements to Existing Stock					
Major Repairs Reserve	-3,104,800	-3,104,800	-3,300,000	-3,400,000	-3,500,000
RCCO	-1,020,200	-1,045,200	-975,000	-950,000	-800,000
Other Assets					
RCCO - Vehicles	-245,000	-90,000	-135,000	-90,000	-90,000
Acquisitions and New Builds					
RTB 1-4-1 Receipts	-250,000	-250,000	-250,000	-250,000	-250,000
Housing Capital Receipts	-275,000	-35,000			
Homes England Grants	-2,111,000	-5,560,000			
Other Grants and Contributions (s106)	-250,000	-250,000	-250,000	-250,000	-250,000
Borrowing	-4,509,000	-7,280,000	-3,700,000	-159,300	
TOTAL FUNDING	-11,765,000	-17,615,000	-8,610,000	5,099,300	-4,890,000

DETAILED REVENUE BUDGET

	Base 2024/25 £'000s	Revised 2024/25 £'000s	Base 2025/26 £'000s
Income			
Rents - Dwellings	-13,371	-13,590	-13,930
Rents - Garages	-410	-410	-418
Rents - Other	-5	-6	-6
Service Charges (Wardens, extra assistance, heating)	-795	-805	-815
Cleaning	-215	-215	-200
Grounds Maintenance	-150	-151	-154
Other Fees and Charges	-35	-30	-30
Leaseholder Service Charges & Insurance	-323	-386	-271
Government Grant	-12	-12	-12
	-15,316	-15,605	-15,835
Expenditure			
Tenancy Management and Running Costs			
General Administrative Expenses	2,745	2,852	2,996
Corporate & Democratic Core	90	85	94
Corporate Management	75	73	73
Unapportioned Overhead	10	10	10
Communal Heating Services	270	135	135
Communal Lighting	80	100	100
Rents, Rates & Other Taxes	279	283	279
Communal Cleaning	289	264	257
Grounds Maintenance	324	332	332
Sheltered Housing Service	641	657	679
Bad Debts Provision	100	50	50
Bad Debts Written off	35	35	35
Debt Management Expenses	35	35	35
Sub-total of management costs	4,972	4,912	5,075
Long Term Debt Management			
Interest Payable	1,900	2,258	2,453
Interest Earned on Internal Balances	-250	-250	-250
Transfer to Debt Repayment Fund	542	0	0
Property Repairs and Maintenance			
Revenue Repairs Expenditure	3,747	4,315	4,317
Depreciation	3,205	3,105	3,105
Revenue Contribution to Capital Programme	1,200	1,265	1,135
Surplus(-)/Deficit for Year	0	0	0

HRA EXAMPLES OF PROPOSED RENT CHANGES

	Property Type	2024/25 Actual Rent £	2025/26 Proposed Rent £	Change per week £	Change per week %
Rose Court	1 Bed Flat	101.79	104.54	2.75	2.7
Grebe Close	2 Bed Bungalow	132.21	135.78	3.57	2.7
Collingwood Court	1 Bed Flat	124.24	127.59	3.35	2.7
Foxbury Grove	2 Bed Flat	110.89	113.88	2.99	2.7
Garden Court	1 Bed Maisonette	99.32	102.00	2.68	2.7
Sicity House	2 Bed Maisonette	107.57	110.48	2.90	2.7
Fairfield Avenue	3 Bed House	128.85	132.33	3.48	2.7
Churchill Close	3 Bed House (shared owner)	112.32			
Jubilee Court	4 Bed House	147.24	151.21	3.98	2.7
Average for total stock		120.67	123.93		
Garages		15.75	16.18	0.43	2.7



HOUSING FEES & CHARGES

	Notes	Fee 2024/25 £	Fee 2025/26 £	% Increase
Sales of Council Houses				
Maximum legal and administration fees in connection with granting a service charge loan	Statutory Charge	100.00	100.00	NIL
Recharge of Officer time in agreeing any consent to freeholders	Fee per occurrence	116.00	120.00	3.4
Repairs to Council Houses				
Abortive visit by Officer, Surveyor or Tradesman	Charge per visit	58.00	60.00	3.4
Rechargeable works	These will be assessed individually at the time the work is carried out.			
Sheltered Accommodation for the Elderly – Guest Room Charges				
Single occupancy per night	Inclusive of VAT	16.00	17.50	9.4
Per couple per night	Inclusive of VAT	21.00	23.00	9.5
Collingwood Court per room	Inclusive of VAT	32.00	35.00	9.4
Sylvan Court per room	Inclusive of VAT	32.00	35.00	9.4
Other Charges				
Keys – Key	Inclusive of VAT	6.30	6.45	2.4
Keys – Fob		10.10	10.35	2.5
Replacement Pendant	Inclusive of VAT			

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

Document is Restricted

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 3 February 2025

Portfolio:	Policy and Resources
Subject:	Treasury Management Strategy and Prudential Indicators
Report of:	Assistant Director (Finance and ICT)
Corporate Priorities:	Responsive, Inclusive and Innovative Council

Purpose:
This report considers the draft Treasury Management Strategy and Investment Strategy for 2025/26, prior to its submission to the Council for approval.

Executive summary:
Regulations require the Council to prepare and formally approve both an annual Treasury Management Strategy and Investment Strategy. The latest document updated for 2025/26 is attached as Appendix A to this report for consideration by the Executive before being submitted to Council for approval.

In the past 12 months, the Council's **investment** balance has ranged between £18 million and £32 million, lower levels are expected in the forthcoming year due to capital programme expenditure. The Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.

Borrowing levels are expected to be £71.3 million at the end of 2025/26, compared to £72.3 in the last strategy. The Council has previously raised all of its long-term borrowing from the Public Works Loan Board (PWLB) but will consider long-term loans from other sources.

The Ministry for Housing, Communities and Local Government (MHCLG) has issued a consultation on the extension of the statutory override on accounting for **gains and losses on pooled investment funds**. The outcome is expected to be published in February 2025. Whether the override will be extended beyond 31 March 2025 is unknown.

The Council has set up a **reserve of £500,000** to mitigate the impact of the pooled funds statutory override not being extended as unrealised losses on pooled investment funds are required to be recognised in the General Fund. The actual

impact will be based on the valuations of the Council's long term pooled funds on 31 March 2026.

Recommendation:

It is recommended that the Executive:

(a) endorses the draft Treasury Management Strategy and Investment Strategy for 2025/26, attached as Appendix A to this report; and

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

Reason:

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

Cost of proposals:

Not applicable.

Appendices: **A:** Treasury Management Strategy and Investment Strategy 2025/26

Background papers: None

Reference papers:

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

CIPFA The Prudential Code 2021

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

Template for Treasury Management Strategy and Investment Strategy 2025/26 provided by Arlingclose (the Council's Treasury Advisers)

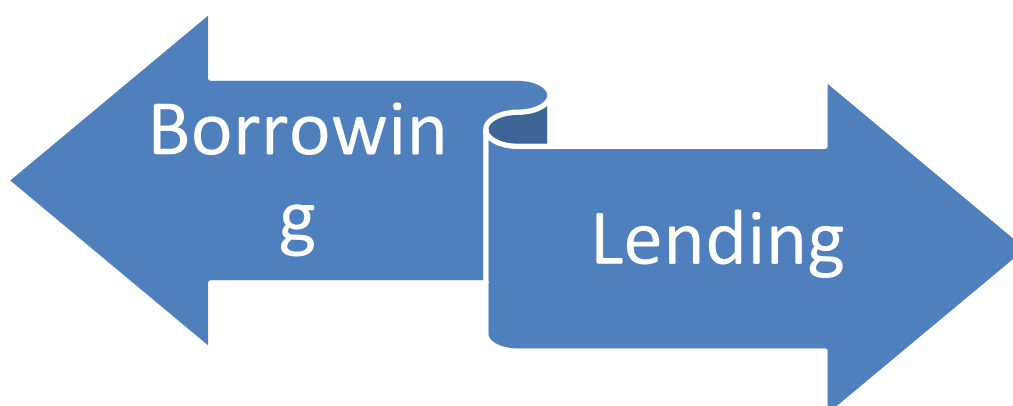
MHCLG Consultation on the IFRS 9 Pooled Fund Statutory Override – December 2024

Enquiries:

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

FAREHAM
BOROUGH COUNCIL

**TREASURY MANAGEMENT
STRATEGY
AND
INVESTMENT STRATEGY
2025/26**



INTRODUCTION

WHAT IS TREASURY MANAGEMENT?

1. Treasury Management is defined as:

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

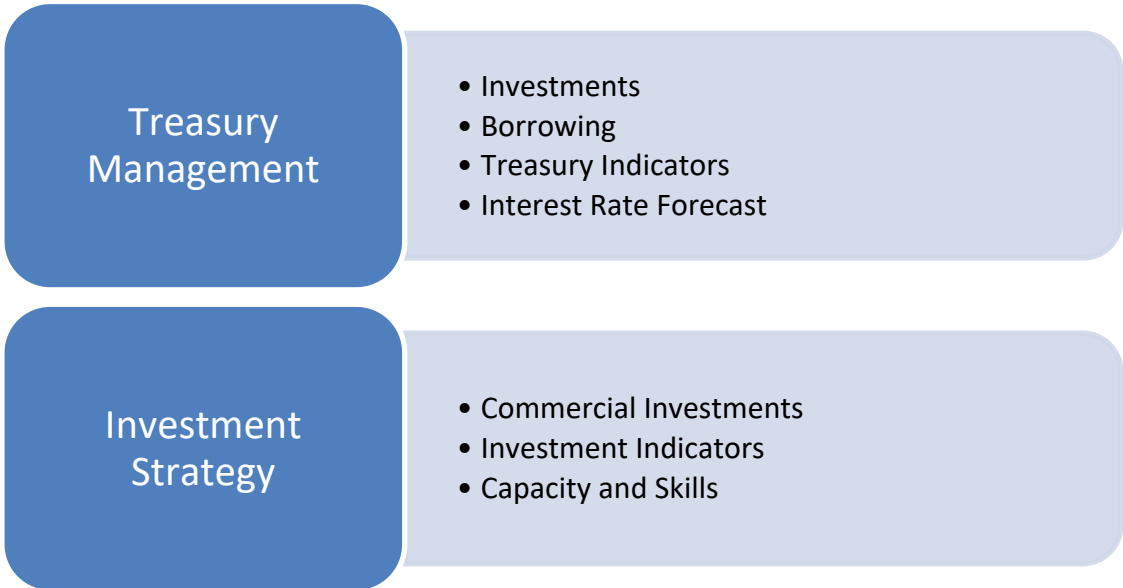
the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

2. The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. There are two aspects to the treasury management service:

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

CONTENT OF THE TREASURY MANAGEMENT AND INVESTMENT STRATEGIES

3. These strategies set out the expected approach to treasury management and investment activities for 2025/26. It covers two main areas:



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

REPORTING REQUIREMENTS

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



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

TREASURY MANAGEMENT STRATEGY

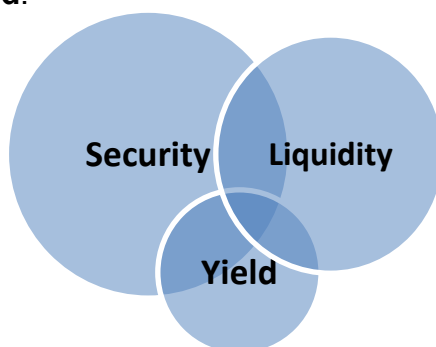
INVESTMENTS

Current Portfolio Position

7. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £13 million and £32 million, lower levels are expected in the forthcoming year due to capital programme expenditure.

Treasury Investment Strategy

8. The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the **security** and **liquidity** of its investments before seeking the highest rate of return, or **yield**.



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

Approved Counterparties

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

table below, subject to the limits shown.

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

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

multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

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

Operational Bank Accounts

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

Risk Assessment and Credit Ratings

19. Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

20. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “rating watch negative” or “credit watch negative”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments

21. The Council understands that credit ratings are good, but not perfect predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations, in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press and analysis and advice from the Council treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above credit rating criteria.
22. Reputational aspects: The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.
23. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.
24. The following **internal measures** are also in place:
- Investment and borrowing decisions formally recorded and endorsed using a Counterparty Decision Document.
 - Monthly officer reviews of the investment and borrowing portfolio and quarterly reviews with the Chief Executive Officer.

Investment Limits

25. The Council’s revenue reserves available to cover investment losses are forecast to be £4 million on 31st March 2025. In order to minimise risk, in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be **£5 million**. A group of entities under the same ownership will be treated as a single organisation for limit purposes.
26. Limits are also placed on fund managers, investments in brokers’ nominee

accounts and foreign countries as in the table below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

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

Liquidity Management

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

Environmental, Social and Governance Policy

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

BORROWING

Current Portfolio Position

32. The Council's borrowing position at 31 March 2024, with forward projections are summarised below.

£'000	2024/25 Revised	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Debt at 1 April	64,589	66,900	71,300	70,600	69,900
Expected change in debt	2,311	4,400	(700)	(700)	(600)
Gross Debt at 31 March	66,900	71,300	70,600	69,900	69,300

33. Debt at 31 March 2025 is projected to be higher than originally estimated due to borrowing short-term externally to fund the capital programme.

Borrowing Strategy

34. The Council's main objective when borrowing money is to strike an appropriately low risk balance between **securing low interest costs** and achieving **certainty of those costs** over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
35. Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.
36. Short-term interest rates are currently higher than in the recent past but are expected to fall in the coming year and it is therefore likely to be more cost effective over the medium term to either **use internal resources**, or to **borrow short-term** loans instead.
37. By doing so, the Council can reduce net borrowing costs (despite foregone investment income) and **reduce overall treasury risk**. The benefits of internal borrowing or short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly.
38. Our treasury advisers will assist the Council with this '**cost of carry**' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2025/26 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.
39. The Council has previously raised all of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code.
40. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield.
41. Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.
42. In addition, the Council may borrow further short-term loans to cover unexpected cash flow shortages.

Sources of Borrowing

43. The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board).
 - National Wealth Fund Ltd (formerly UK Infrastructure Bank Ltd)
 - Any institution approved for investments.
 - Any other bank or building society authorised to operate in the UK.
 - Any other UK public sector body.
 - UK public and private sector pension funds (except the Hampshire County Council Pension Fund).
 - Capital market bond investors.
 - UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues.
44. In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:
- Leasing
 - Hire purchase
 - Private Finance Initiative
 - Sale and leaseback
 - Similar asset based finance
45. **Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.
46. **Short-Term and Variable Rate Loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.
47. **Debt Rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

TREASURY MANAGEMENT PRUDENTIAL INDICATORS

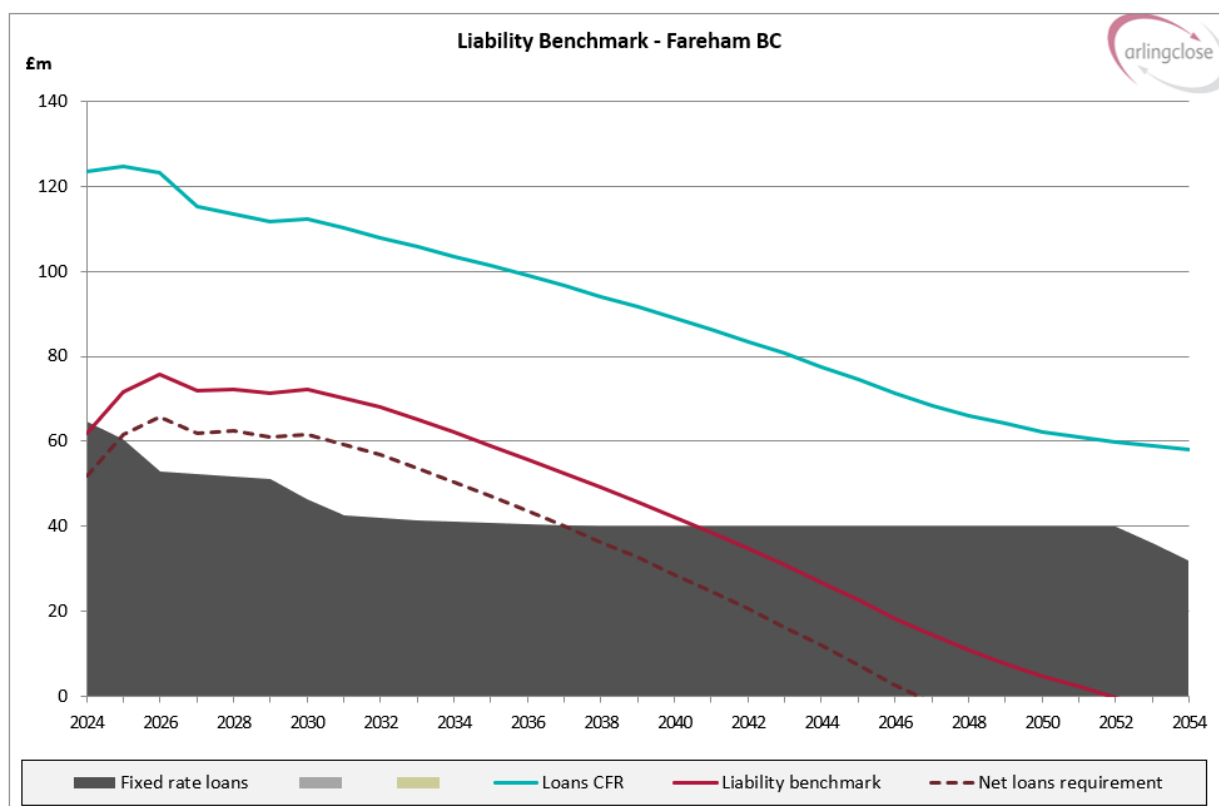
48. The Council measures and manages its exposures to treasury management risks using the following three treasury management indicators.
49. *Treasury Management Prudential Indicator 1 – Liability Benchmark:* To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the cash and investment balances are kept to a minimum level of £10m at each year-

end to maintain sufficient liquidity but minimise credit risk.

50. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

£'000	31/03/24 Actual	31/03/25 Estimate	31/03/26 Estimate	31/03/27 Estimate	31/03/28 Estimate
Capital Financing Requirement	123,444	124,558	123,238	115,172	113,622
Less: Balance sheet resources	(71,600)	(62,900)	(57,500)	(53,200)	(51,300)
Net loans requirement	51,844	61,658	65,738	61,972	62,322
Plus: Liquidity allowance	10,000	10,000	10,000	10,000	10,000
Liability benchmark	61,844	71,658	75,738	71,972	72,322

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



52. If cash flows occur as forecast, the Council's level of existing borrowing remains below the liability benchmark for the next 16-17 years. This indicates a need for further external borrowing over this period, peaking at approximately an additional £26m by 2031 and then reducing over time.

53. *Treasury Management Prudential Indicator 2 – Long-term treasury management investments:* The purpose of this indicator is to control the Council's exposure to

the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

£'000	2024/25 Revised	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Limit on principal invested beyond year end	12,000	12,000	12,000	12,000	12,000

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

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

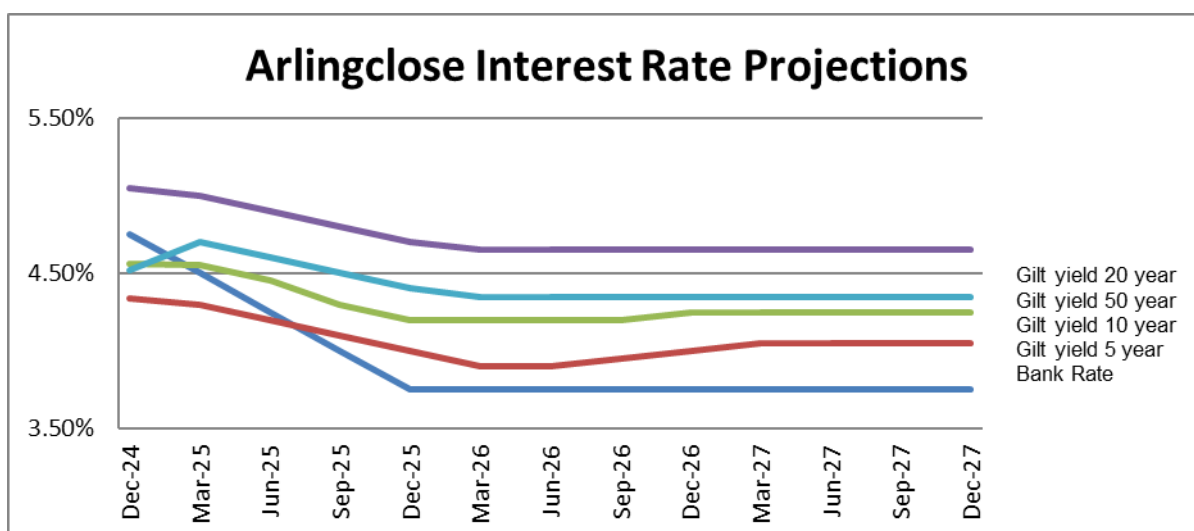
55. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.
56. *Treasury Management Prudential Indicator 4 - Housing Revenue Account (HRA) ratios:* As a result of the HRA Reforms in 2012, the Council moved from a subsidy system to self-financing and was required to take on **£49.3 million** of debt. The table below shows additional local indicators relating to the HRA in respect of this debt.

	2024/25 Revised	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
HRA debt £'000	58,268	65,500	55,100	51,600	51,400
HRA revenues £'000	15,606	15,836	16,681	17,500	17,859
Number of HRA dwellings	2,379	2,398	2,468	2,463	2,458
Ratio of debt to revenues	3.73:1	3.55:1	2.82:1	2.69:1	2.63:1
Debt per dwelling £	24,495	27,317	22,328	20,952	20,913
Debt repayment fund £'000	6,840	6,840	0	0	0

57. The HRA is due to repay borrowing from the General Fund of £9.268 million in 2026/27. It is assumed that the debt repayment fund balance of £6.84 million will be used and the balance refinanced.

INTEREST RATE FORECAST

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



- 60. Arlingclose expects the Bank of England’s MPC will continue reducing Bank Rate through 2025, taking it to around 3.75% by the end of the 2025/26 financial year. The effect from the Autumn Budget on economic growth and inflation has reduced previous expectations in terms of the pace of rate cuts as well as pushing up the rate at the end of the loosening cycle.
- 61. Arlingclose expects long-term gilt yields to remain broadly at current levels on average (amid continued volatility), but to end the forecast period modestly lower compared to now. Yields will continue remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will be short-term volatility due to economic and (geo)political uncertainty and events.

Other Items

- 62. The CIPFA Code requires the Council to include the following in its Treasury Management Strategy.
- 63. **Policy on Apportioning Interest to the HRA:** On 28 March 2012, the Council borrowed £40 million from the Public Works Loan Board (PWLB) to buy itself out of the HRA subsidy System. The monies were borrowed by the General Fund on behalf of the HRA. The interest on these loans is charged to the HRA on a half-yearly basis at the rate charged by PWLB. A further £9.268 million was lent by the General Fund to the HRA to complete the buyout. Interest on this element is charged at the average weighted rate of the PWLB loans.
- 64. The unfunded HRA capital financing requirement is also charged to the HRA at the average weighted rate of the PWLB loans.
- 65. The General Fund credits the HRA with interest earned on HRA credit balances calculated on the reserve balances at year end. The rate used is the weighted interest rate on General Fund investments and cash balances.
- 66. **Markets in Financial Instruments Directive:** The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council’s treasury management

activities, the Chief Financial Officer believes this to be the most appropriate status.

Financial Implications

67. The budget for net interest received in 2025/26 for the General Fund is £357,300 and the budget for net interest paid in 2025/26 for the HRA is £2,203,000. If actual levels of investments and borrowing, and actual interest rates differ from that forecast, performance against budget will be correspondingly different.
68. **Statutory Override:** In April 2023 the Ministry for Housing, Communities and Local Government (MHCLG) published the full outcome of the consultation on the extension of the statutory override on accounting for **gains and losses on pooled investment funds**. A further consultation on the override was included in MHCLG's annual consultation on the provisional local government finance settlement published in December 2024.
69. The consultation closed on 15th January 2025 with the outcome expecting to be published in February 2025. So far, the override has been extended until 31st March 2025. Whether the override will be extended beyond this date is unknown but commentary from both consultations suggests an extension is unlikely.
70. The Council has invested £12 million in pooled investment funds and has set up a **reserve of £500,000** to mitigate the impact of the statutory override not being extended, as unrealised losses on pooled investment funds are required to be recognised in the General Fund. The actual impact will be based on the valuations of the Council's long term pooled funds on 31 March 2026.

Other Options Considered

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

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

		income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

INVESTMENT STRATEGY

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

COMMERCIAL INVESTMENTS

- 75. The Council invests in local and some regional UK commercial property with the intention of making a profit that will be spent on local public services.
- 76. Since the Executive approval of a Commercial Property Investment Acquisition Strategy in January 2013, the Council has purchased commercial investment properties currently valued at **£33.6 million** and expected to generate rental income of £2.6 million during 2025/26.

Property Type	Current Value £'000
Retail	20,570
Commercial (Industrial)	11,160
Other (Healthcare)	1,830
Total	33,560

- 77. The Council’s total Commercial property portfolio, shown below, is valued at **£66.5 million** and includes Faretec and industrial estates at Palmerston Business Park and Newgate Lane. The Council purchased the leasehold of Fareham Shopping Centre at the end of September 2023. The table includes the freehold value only.

Property Type	Current Value £'000
Retail	32,025
Commercial	23,756
Other	4,217
Office	4,925
Leisure	1,536
Total	66,459

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

Proportionality

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

£'000	2023/24 Actual	2024/25 Revised	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Gross service expenditure	47,815	49,482	49,207	49,352	49,680	49,787
Investment income	5,263	5,052	5,002	5,002	5,002	5,002
Proportion	11.0%	10.2%	10.2%	10.1%	10.1%	10.0%

INVESTMENT INDICATORS

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

£'000	2023/24 Actual	2024/25 Estimate	2025/26 Estimate
Treasury Management Investments	13,588	15,000	15,000
Commercial Investments	66,459	66,459	66,459
Total	80,047	81,459	81,459

83. *Investment Indicator 2 - How investments are funded:* Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.

£'000	2023/24 Actual	2024/25 Estimate	2025/26 Estimate
Treasury Management Investments	0	0	0
Commercial Investments	28,663	27,823	26,958
Total	29,479	27,823	26,958

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

	2023/24 Actual	2024/25 Estimate	2025/26 Estimate
Treasury Management Investments	3.9%	1.7%	1.8%
Commercial Investments	3.8%	4.0%	3.8%
Total	3.8%	3.5%	3.4%

CAPACITY AND SKILLS

Training

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

Use of Treasury Management Consultants

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

ARLINCLOSE ECONOMIC AND INTEREST RATE FORECAST

Economic Background – January 2025

The impact on the UK from the government's Autumn Budget, slower expected interest rate cuts, a short-term boost to but modestly weaker economic growth over the medium term, together with the impact from President-elect Trump's second term in office and uncertainties around US domestic and foreign policy, will be major influences on the Authority's treasury management strategy for 2025/26.

The Bank of England's (BoE) Monetary Policy Committee (MPC) held Bank Rate at 4.75% at its December 2024 meeting, having reduced it to that level in November and following a previous 25bp cut from the 5.25% peak at the August MPC meeting. At the December meeting, six Committee members voted to maintain Bank Rate at 4.75% while three members preferred to reduce it to 4.50%.

The November quarterly Monetary Policy Report (MPR) expected Gross Domestic Product (GDP) growth to pick up to around 1.75% (four-quarter GDP) in the early period of the BoE's forecast horizon before falling back. The impact from the Budget pushes GDP higher in 2025 than was expected in the previous MPR, before becoming weaker. Current GDP growth was shown to be zero (0.0%) between July and September 2024 and 0.4% between April and June 2024, a further downward revision from the 0.5% rate previously reported by the Office for National Statistics (ONS).

ONS figures reported the annual Consumer Price Index (CPI) inflation rate at 2.6% in November 2024, up from 2.3% in the previous month and in line with expectations. Core CPI also rose, but by more than expected, to 3.6% against a forecast of 3.5% and 3.3% in the previous month. The outlook for CPI inflation in the November MPR showed it rising above the MPC's 2% target from 2024 into 2025 and reaching around 2.75% by the middle of calendar 2025. This represents a modest near-term increase due to the ongoing impacts from higher interest rates, the Autumn Budget, and a projected margin of economic slack. Over the medium-term, once these pressures ease, inflation is expected to stabilise around the 2% target.

The labour market appears to be easing slowly, but the data still require treating with some caution. The latest figures reported the unemployment rate rose to 4.3% in the three months to October 2024 and economic inactivity fell to 21.7%. Pay growth for the same period was reported at 5.2% for both regular earnings (excluding bonuses) and for total earnings. Looking ahead, the BoE MPR showed the unemployment rate is expected to increase modestly, rising to around 4.5%, the assumed medium-term equilibrium unemployment rate, by the end of the forecast horizon.

The US Federal Reserve has continued cutting interest rates, bringing down the Fed Funds Rate by 0.25% at its December 2024 monetary policy meeting to a range of 4.25%-4.50%, marking the third consecutive reduction. Further interest rate cuts are expected, but uncertainties around the potential inflationary impact of incoming President Trump's policies may muddy the waters in terms of the pace and magnitude of further rate reductions. Moreover, the US economy continues to expand at a decent pace, rising at an (upwardly revised) annual rate of 3.1% in the third quarter of 2024, and inflation remains elevated suggesting that monetary policy may need to remain more restrictive in the coming months than had previously been anticipated.

Euro zone inflation rose above the European Central Bank (ECB) 2% target in November 2024, hitting 2.2% as was widely expected and a further increase from 2% in the previous month. Despite the rise, the ECB continued its rate cutting cycle and reduced its three key policy rates by 0.25% in December. Inflation is expected to rise further in the short term, but then fall back towards the 2% target during 2025, with the ECB remaining committed to maintaining rates at levels consistent with bringing inflation to target, but without suggesting a specific path.

Credit outlook:

Credit Default Swap (CDS) prices have typically followed a general trend downwards during 2024, reflecting a relatively more stable financial period compared to the previous year. Improved credit conditions in 2024 have also led to greater convergence in CDS prices between ringfenced (retail) and non-ringfenced (investment) banking entities again.

Higher interest rates can lead to a deterioration in banks' asset quality through increased loan defaults and volatility in the value of capital investments. Fortunately, the rapid interest rate hikes during this monetary tightening cycle, while putting some strain on households and corporate borrowers, has not caused a rise in defaults, and banks have fared better than expected to date, buoyed by strong capital positions. Low unemployment and robust wage growth have also limited the number of problem loans, all of which are positive in terms of creditworthiness.

Moreover, while a potential easing of US financial regulations under a Donald Trump Presidency may aid their banks' competitiveness compared to institutions in the UK and other regions, it is unlikely there will be any material impact on the underlying creditworthiness of the institutions on the counterparty list maintained by Arlingclose, the authority's treasury adviser.

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

Underlying assumptions:

- As expected, the Monetary Policy Committee (MPC) held Bank Rate at 4.75% in December, although, with a 6-3 voting split and obvious concerns about economic growth, presented a much more dovish stance than had been expected given recent inflationary data.
- The Budget measures remain a concern for policymakers, for both growth and inflation. Additional government spending will boost demand in a constrained supply environment, while pushing up direct costs for employers. The short to medium-term inflationary effects will promote caution amongst policymakers.
- UK GDP recovered well in H1 2024 from technical recession, but underlying growth has petered out as the year has progressed. While government spending should

boost GDP growth in 2025, private sector activity appears to be waning, partly due to Budget measures.

- Private sector wage growth and services inflation remain elevated; wage growth picked up sharply in October. The increase in employers' NICs, minimum and public sector wage levels could have wide ranging impacts on private sector employment demand and costs, but the near-term impact will likely be inflationary as these additional costs get passed to consumers.
- CPI inflation rates have risen due to higher energy prices and less favourable base effects. The current CPI rate of 2.6% could rise further in Q1 2025. The Bank of England (BoE) estimates the CPI rate at 2.7% by year end 2025 and to remain over target in 2026.
- The MPC re-emphasised that monetary policy will be eased gradually. Despite recent inflation-related data moving upwards or surprising to the upside, the minutes suggested a significant minority of policymakers are at least as worried about the flatlining UK economy.
- US government bond yields have risen following strong US data and uncertainty about the effects of Donald Trump's policies on the US economy, particularly in terms of inflation and monetary policy. The Federal Reserve pared back its expectations for rate cuts in light of these issues. Higher US yields are also pushing up UK gilt yields, a relationship that will be maintained unless monetary policy in the UK and US diverges.

Forecast:

- In line with our forecast, Bank Rate was held at 4.75% in December.
- The MPC will reduce Bank Rate in a gradual manner. We see a rate cut in February 2025, followed by a cut alongside every Monetary Policy Report publication, to a low of 3.75%.
- Long-term gilt yields have risen to reflect both UK and US economic, monetary and fiscal policy expectations, and increases in bond supply. Volatility will remain elevated as the market digests incoming data for clues around the impact of policy changes.
- This uncertainty may also necessitate more frequent changes to our forecast than has been the case recently.
- The risks around the forecasts lie to the upside over the next 12 months but are broadly balanced in the medium term.

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 13 January 2025

Portfolio:	Policy and Resources
Subject:	Capital Programme & Capital Strategy 2025/26
Report of:	Assistant Director (Finance and ICT)
Corporate Priorities:	Responsive, Inclusive and Innovative Council

Purpose:

This report considers the Capital Strategy for 2025/26, prior to its submission to the Council for approval.

Executive summary:

Regulations require the Council to prepare and formally approve a Capital Strategy. The document for 2025/26 is attached as Appendix A to this report for consideration by the Executive before being submitted to Council for approval.

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

The main highlights in the Capital Strategy are:

- i) The **5-year** programme contains capital expenditure of **£85.9 million** (compared to £82.3million in the previous Strategy). Key projects included are:
 - Completion of Fareham Live and demolition of Osborn Road car park
 - Construction of Assheton Court sheltered housing apartments
 - Holly Hill Woodland Park Restoration
 - Fareham Park Vision
 - Aeronautical Ground Lighting at Daedalus
 - Land purchase for Nutrient Mitigation In Stubbington
 - Vehicle purchases for the introduction of Simpler Recycling
- ii) **New schemes** that are proposed since the 2024/25 Capital Strategy are listed at paragraph 30. There is currently no provision in the programme for Town Centre Regeneration requirements which will be subject to a separate report.
- iii) The revised level of capital expenditure estimated for **2024/25** is **£30 million** (previously £16.4 million). This significant increase reflects streams of external

funding that the Council has been successful in attracting, such as from Homes England for Assheton Court housing, or is pursuing, such as Lottery Grant funding for Holly Hill Woodland Park. The current estimate is that only £2.3 million of the spend will need to be met by new borrowing.

- iv) However, there are a number of pressures highlighted in the Capital Strategy, not least for the General Fund asset management and replacement plans. In particular, the estimated provisions for vehicle replacement and ICT development are such that it is proposed that **Revenue Contributions to Capital** are now increased by £225,000 to £1.35 million a year. This is covered by the Revenue Budget report at the same meeting.
- v) There are also a number of pressures on the **HRA** element of the Capital Strategy. In particular, the value of the planned maintenance of the stock has been increased from £3million to £4million and is one of the reasons that no further funds are being put aside to repay the HRA debt at this moment. This will be covered further in the HRA budget report to the February Committee.
- vi) The **funding of the 5-year Strategy** relies on forecasts of resources that are not yet in place. These total £64 million (75% of the programme).
- vii) A high-level review of **future funding requirements** has also identified a capital funding requirement of £229 million over the next 30 years.
- viii) The Strategy proposes some **policy clarifications**. This includes expanding the capitalisation of officer salary costs that are directly attributable to capital schemes, to now be considered as part of the total project costs

A separate report proposing the Treasury Management Strategy and Investment Strategy for 2025/26 will be presented at the February meeting of the Executive. The value of the Council's **investment property portfolio** is covered in the Capital Strategy and is estimated to have a value of £66 million.

Recommendation:

It is recommended that the Executive:

- (a) endorses the draft Capital Strategy for 2025/26, attached as Appendix A to this report;
- (b) agrees the Capital Programme for the period 2024/25 to 2028/29, amounting to £85.9 million as set out in Annex 1 of the Capital Strategy; including the 2 new schemes listed at paragraph 30;
- (c) approves the use of £800,000 retained business rates in the Enterprise Zone for the Swordfish Business Park masterplan, and a further £820,000 for access road improvements.
- (d) submits the Capital Strategy for 2025/26 to Council for approval;
- (e) notes the future policy change to expand the capitalisation of permitted officer salary costs;

- (f) notes the increased projected costs and contract variations that have arisen for the AGL scheme at Daedalus, and the proposed funding source; and
- (g) approves the recommendation arising from the negotiations detailed in confidential Appendix B.

Reason:

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

Cost of proposals:

As detailed in the report.

Appendices:

A: Capital Strategy 2025/26 (including 5-year capital programme as Annex 1 and New Schemes as Annex 2)

B: Additional information for Daedalus Construction Schemes Update (Confidential)*

** Commercially exempt from publication under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972*

It is not in the public interest to publish this information at this time as doing so would prejudice the Council's ability to achieve best value when spending public monies

Background papers: None

Reference papers:

CIPFA Prudential Code 2021

Arlingclose Capital Strategy 2025/26 Template

Climate Change Action Plan Update – Annual Review 2023/24, Climate Change Scrutiny Panel, 15 October 2025

The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003

Enquiries:

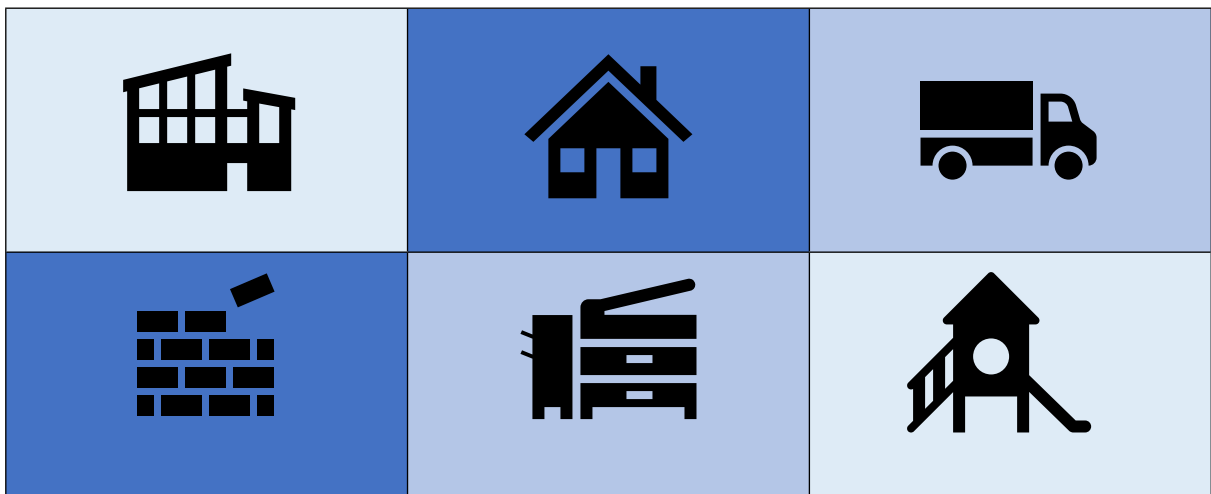
For further information on this report please contact Caroline Hancock 01329 824589.

FAREHAM

BOROUGH COUNCIL

CAPITAL STRATEGY

2025/26



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Annex 1 – Capital Programme 2024/25 to 2028/29

Annex 2 - New Capital Schemes Approved since the last Capital Strategy

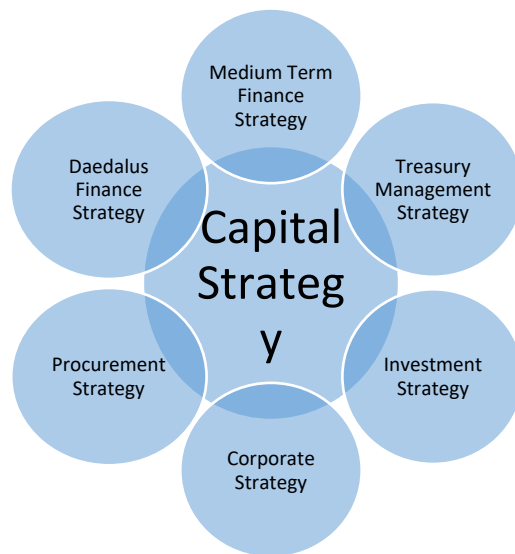
INTRODUCTION

WHAT IS THE CAPITAL STRATEGY?

1. Capital expenditure is where the Council spends money on assets, which will be used for more than one year. In local government this also includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. Capital schemes are distinct projects such as property construction or renovation, as compared to the ongoing asset management and replacement programmes.
2. The Capital Strategy has been developed to meet the requirements of the CIPFA Prudential Code.
3. It gives a high-level overview of how **capital expenditure, capital financing, asset management and treasury management** activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
4. It includes the details of the Council's Capital Programme for a 5-year period covering both Capital Schemes and Asset Management needs.
5. Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future.
6. The Capital Strategy covers:

Capital Programme	<ul style="list-style-type: none">• Summary of Capital Expenditure• Major Capital Schemes• New Schemes
Capital Schemes	<ul style="list-style-type: none">• New Housing Schemes• Town Centre Regeneration• Solent Airport and Daedalus• Climate Change and Nutrient Mitigation
Asset Management	<ul style="list-style-type: none">• Future Funding Requirements• Asset Disposals• Replacement and Improvement Programmes
Capital Financing	<ul style="list-style-type: none">• Funding Sources• Financing Plan for Capital Programme• Pressures and Risks• Debt, MRP and CFR
Treasury Management	<ul style="list-style-type: none">• Borrowing Strategy• Investment Strategy• Commercial Activities• Revenue Budget Implications

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



PRUDENTIAL INDICATORS

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

GOVERNANCE, POLICY AND PRIORITIES

10. Capital programme expenditure is monitored through monthly officer monitoring reports and half-yearly and annual outturn reports to the Executive.
11. All new potential capital schemes will only be considered if they make a clear contribution to the Council's objectives and priority actions or support the Council's Asset Management Plan.
12. The following factors need to be considered before a decision is made to include a new scheme in the capital programme:

- On-going operational costs associated with the scheme;
 - Whole life costing implications of the scheme;
 - Cost of servicing the debt if the scheme is financed by borrowing;
 - Loss of investment interest if internal resources are used.
13. Where new capital schemes are included in the capital programme there will be a need to ensure that the necessary resources are in place to meet the full capital costs and the on-going revenue costs.
 14. A new policy of capitalising officer salary costs that are directly attributable to capital schemes will now be considered as part of the total project costs. In addition, up to 4% of new capital receipts received, other than from housing, will be used to meet the costs of enabling land disposals, this is allowable under capital accounting regulations.
 15. Efforts will be made to secure external (non-borrowing) sources of funding capital schemes. Internal capital resources will only be released to fund schemes once external sources of funding (such as developers' contributions, grants, etc.) have been explored and rejected.
 16. Capital schemes will normally be financed by use of capital reserves or external contributions. Borrowing will only be considered where there is a sound economic business case (e.g. for spend to save schemes) whereby borrowing costs are wholly offset by long term net revenue income or savings.
 17. Resources allocated to particular capital projects but subsequently not required are returned to meet future corporate priorities rather than be retained for use by that service.
 18. To ensure the Council is able to meet the financial challenges ahead, priority is given to the following:
 - Corporate priorities;
 - Providing for future liabilities;
 - Maintaining and protecting public assets;
 - Investing in the future by ensuring assets are sustainable, encourage economic growth and regeneration, and meet the needs of the community.
 19. This is achieved by:
 - Building up finances for the future, such as the allocation of windfall income to the Capital Fund Account;
 - Maximising external funding opportunities to reduce the reliance on internal resources;
 - Effective project planning and management to ensure schemes are completed on time and within budget.

20. Further Policies contained in the Strategy are:
- [Level of Revenue Contributions for Capital financing](#) (para 88)
 - [Priorities for use of Capital receipts](#) (para 104)
 - [Priorities for the use of CIL](#) (para 85)
 - [The Minimum Revenue Provision calculation](#) (para 105)
 - [Limits to Borrowing](#) (para 122)

KNOWLEDGE AND SKILLS

21. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council also supports junior staff to study towards relevant professional qualifications including CIPFA.
22. Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs **Arlingclose Limited** as treasury management advisers and a number of property consultants. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

CAPITAL PROGRAMME

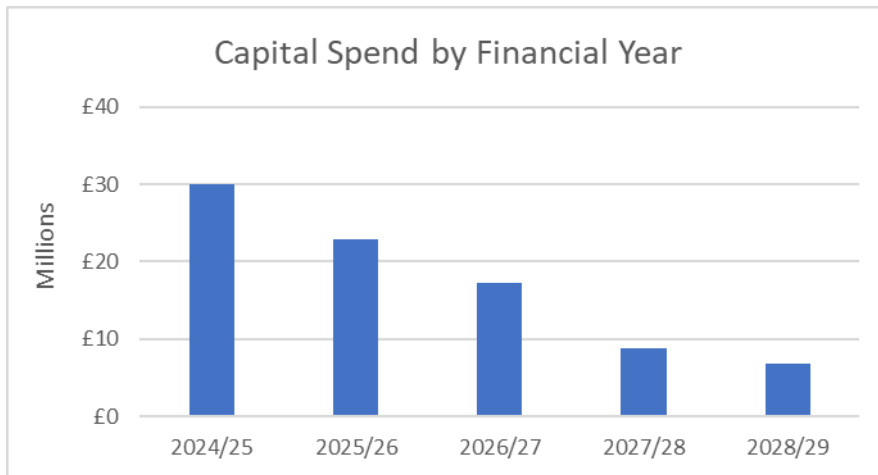
SUMMARY OF CAPITAL PROGRAMME

23. The Council agrees a rolling five-year capital programme each year consistent with the Medium-Term Finance Strategy and the resources available, along with any impact on the revenue budgets.
24. The major **General Fund** capital schemes include the Vehicle Replacement Programme, Fareham Live, schemes at Solent Airport at Daedalus and the Fareham Park Vision.
25. The **Housing Revenue Account (HRA)** is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately and includes new housing developments such as nine new affordable shared ownership flats at Ophelia Court and the redevelopment of Assheton Court.
26. The capital programme for the period 2024/25 to 2028/29 has been updated to take account of re-phased schemes and newly approved schemes such as the Holly Hill Woodland Park Restoration Project and the new Food Waste Collection Service.
27. Total capital expenditure is one of the risk indicators required by the Prudential Code. The Council is planning capital expenditure of £85.9 million in the 5-year capital programme as summarised below (detailed schemes are in **Annex 1**):

Prudential Indicator 1 - Estimates of Capital Expenditure

Capital Expenditure	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	Total £'000
Streetscene	521	1,167	97	1,888	0	3,673
Leisure and Community	6,752	729	1,992	100	0	9,573
Housing	1,026	800	800	800	895	4,321
Planning and Development	323	0	0	0	0	323
Policy and Resources	6,872	2,649	5,684	993	1,079	17,277
Total General Fund	15,494	5,345	8,573	3,781	1,974	35,167
HRA	11,765	17,615	8,610	5,099	4,890	47,979
Local Nutrient Mitigation Fund (PfSH)	2,704	0	0	0	0	2,704
Total Expenditure	29,963	22,960	17,183	8,880	6,864	85,850

28. The graph below shows the relative value of the spend across the five years with 35% of the spending incurring in 2024/25.



29. Major schemes in the capital programme over £2 million are summarised in the table below:

Major Schemes	£'000
HRA Improvements to Existing Stock	21,000
HRA Assheton Court New Build	19,400
Asset Replacement Programme (Vehicles and ICT)	6,468
Solent Airport at Daedalus	4,685
Fareham Live	4,567
Disabled Facilities Grants	4,192
Civic Offices Improvements	3,304
Local Nutrient Mitigation Fund	2,704
HRA Stock Acquisitions	2,500
Fareham Park Vision	2,435
HRA Birks Building Redevelopment	2,159

30. Annex 2 lists all new schemes that have been approved since the 2024/25 Capital Strategy was approved. In addition, the following schemes have been added for approval as part of the 2025/26 Capital Strategy:

- Fareham Leisure Centre PV Panels and Pool Cover - £672,400
- Swordfish Business Park Masterplan - £800,000

CAPITAL SCHEMES

CAPITAL SCHEMES

NEW HOUSING SCHEMES

31. **Ophelia Court (£1.8 million)** is Fareham Housing's second shared ownership development in recent years, following Capella Close. The Council is developing 9 x 1 bed and 2 bed apartments. Work started on site at the end of 2023, with FE Chase Ltd as the building contractor. The development was successful in its grant bid application to Homes England for £447,000 from the Affordable Homes programme 2021-2026. Ophelia Court is due to be ready for occupation in early 2025.
32. **51A Bellfield (£350,000)** is a new home in the side garden of 51 Bellfield. Planning permission was granted in March 2023. The new 3 bedroomed home will be heated with an air source heat pump and includes solar panels on the roof and electric vehicle charging. The appointed contractor, Daintree Developments Ltd, started on site earlier in 2024 and expect to complete the property in early Spring 2025.
33. **Sea Lane, Stubbington (£33,700)**, is one of the packages of sites the Council purchased from Homes England (another of which was Capella Close). The small site has planning permission for 4 x self-build plots. A Deed of Variation between the Council and Homes England for overage was completed in May this year enabling progress of the site, including selling a small strip of land to a neighbour and procuring access works required before the plots can be marketed.
34. In March 2022 Executive approved the funding arrangements and the process to appoint the contractor for the redevelopment of **Assheton Court** in Portchester, to provide up to 60 sheltered housing apartments with an estimated project cost of over **£20million**. A bid was submitted to Homes England for all the Assheton Court apartments to be let at a social rent. The grant bid was approved in the summer for £7,560,000.
35. The old Assheton Court has been demolished and the contractor, Feltham Construction Ltd, has been appointed. Feltham took possession of the site at the end of September 2024 to start preliminary works.
36. In October 2023, Executive approved a bid to be concluded for the acquisition of the former **Birks building (130-136 West Street)** for its redevelopment as affordable housing. This property was acquired in March 2024 and consists of the former Foresters' Hall, a number of ground floor shops and the Birks of Fareham furniture store.

37. The January 2024 Executive set aside **£3 million** for Emergency and Temporary Accommodation. £840,700 of this was used to acquire the building with the balance of £2,159,300 earmarked for the redevelopment of the site. A further report will be provided to the Executive once overall project costs are known. The budget provision has moved from the General Fund Housing portfolio to the HRA to allow more flexibility around the use of the housing units between secured and temporary tenancies and in order for the scheme to be eligible for Homes England grant funding.

TOWN CENTRE REGENERATION

38. 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.
39. 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 Fareham Shopping Centre in September 2023.
40. The Council has appointed an asset manager to manage the Shopping Centre and is working closely with specialist regeneration consultants to develop a Town Centre Regeneration Strategy. The Strategy will be presented to the February 2025 Executive and is not currently included in the capital programme.
41. A further report to the Executive, in February 2025, will also set out a number of Asset Management initiatives for Fareham Shopping Centre and associated West Street properties, which are also not currently included in the capital programme.

SOLENT AIRPORT AND DAEDALUS

42. Solent Airport and the Daedalus site is a strategic asset for the Council, and as such will require significant capital investment over time. It also has the potential to generate revenue for the Council, create job opportunities for the borough and the aspiration is for the airport operations (airside and non-airside combined) to be financially self-sustaining.
43. The significance of Daedalus is such that it warrants its own financial operating framework, and the Daedalus Finance Strategy was presented to the Executive in March 2022. The strategy establishes a financial framework for the operation and investment at Solent Airport and the wider Daedalus site, including the approach to capital receipts and its use as a corporate capital resource.

44. Members have financial updates comparing figures against the strategy position at regular meetings of the Daedalus Scrutiny Panel. The Scrutiny Panel will also consider all activities and developments at the site.
45. In June 2023, the Executive approved £2.8 million for **Aeronautical Ground Lighting (AGL)**. There have been unexpected circumstances which have impacted on the AGL project causing both delays and additional costs. For example, a large number of uncharted services were found underground such as pipes and concrete.
46. It is expected that the final cost of the project will be £3.05 million, £250,000 (8.86%) over the £2.8 million approved by the Executive. The detail behind this overspend is noted in the confidential Appendix B, which contains commercially sensitive information.
47. The Council's Procurement and Contract Procedure Rules state that members should be informed if there is an overspend against a single contract of more than 10%. As a result of these unforeseen circumstances, there will be an increase over 10% in the value of two previously awarded contracts on the project. The details are in confidential Appendix B as they are commercially sensitive.
48. The Executive also approved £380,000 for improvements to the **Visual Control Room (VCR)**. The contract with the current airport operator expires 31 March 2026, and there is an active procurement exercise underway. It is possible that the operating model could change from April 2026, and it may be that the need for a VCR is no longer required. Tenderer's for the airport operator contract are expected to demonstrate a business case for all capital investment that is needed to deliver their offering over the life of the new contract. This would include the need for VCR where relevant.
49. The £380,000 budget for the VCR has therefore been removed from the capital programme and the AGL budget has increased by £250,000 to £3.05 million funded from land sale capital receipts at Daedalus.
50. In March 2024, the Executive approved £37 million being added to the capital programme for **Infrastructure Investment at Daedalus**, of which approximately £31.5 million related to Swordfish Business Park. However, the funding sources for this investment are not yet established and so are not included in the capital programme.
51. This coincided with an approval to complete a Memorandum of Understanding (MOU) for the use of retained business rates in the **Enterprise Zone**, which are currently over £2 million. The MOU has now been completed and to comply with wider contractual obligations, the Council now need to Masterplan

Swordfish Business Park. A budget of £800,000 is required to achieve this and obtain a planning consent for infrastructure development. It is requested that the Executive approve expenditure up to this amount funded from retained business rates.

52. To ensure funds are justly committed, expenditure on master planning will be on a phased basis, starting with feasibility testing to understand viability. Expenditure on a planning application would only follow once this has been appropriately tested. Further business plans and approvals will be sought ahead of committing to any development works.
53. In May 2023, the Executive approved a budget of £820,000 for infrastructure works comprising an access road with associated drainage and utility connections. Retained business rates in the Enterprise Zone will also now be used to fund this scheme.
54. At the October 2024 Executive, members approved a budget to alter the **security arrangements at Faraday Business Park**. A further update on this project and the associated financial risks is provided in confidential Appendix B.

CLIMATE CHANGE ACTION PLAN AND NUTRIENT MITIGATION

55. At the June 2021 Executive, members adopted the Council's Climate Change Action Plan detailing the actions the Council is taking to reach carbon neutrality in Scope 1 and 2 emissions by 2030.
56. The annual review of the action plan, presented to the October 2024 Climate Change Scrutiny Panel, highlights areas that require capital funding for projects such as:
 - Energy efficiency improvements to Council properties and housing stock
 - Replacement vans and smaller vehicles that have exceeded their working lifespan with electric versions, where appropriate taking into account cost and performance
 - Electric vehicle charging infrastructure at the Depot to support a growing electrified fleet
 - Replacement of petrol-powered tools that have exceeded their working lifespans with electric versions, where appropriate taking into account cost and performance
 - A potential energy generation site on Council land
57. External sources of funding will be sought where possible to contribute towards priority environmentally sustainable projects and will be an area of spending pressure in the future.

58. Examples of Council bids include the grant awarded from the second phase of Sport England's **Swimming Pool Support Fund** for energy saving and generation improvements at Fareham Leisure Centre and the November 2024 bid to the Public Sector Decarbonisation Scheme to support measures to decarbonise the heating of the Depot.
59. An **Environment Strategy** is being developed which will incorporate Climate Change considerations alongside a range of connected environmental initiatives and projects. The capital funding requirements for projects in the strategy will become clearer when the draft is presented for public consultation in Spring 2025.
60. In March 2024, the Executive approved a budget of £130,000 for a grid connection application to pursue a **Solar Photovoltaic Development at Hook Recreation Ground**. The grid application is still being sought and further viability testing is underway. Should the scheme proceed the capital commitment is estimated at £1,900,000. Further Executive approval will be sought ahead of proceeding beyond the grid application stage.
61. Funding has been received by the Partnership for South Hampshire from the **Local Nutrient Mitigation Fund** to minimise the impact that nutrient pollution has had on the delivery of new homes across the Solent over the last few years. The Council is lead authority of the fund. The deployment of the fund has been approved by the Partnership for South Hampshire Joint Committee and includes the acquisition of agricultural land at Stubbington.

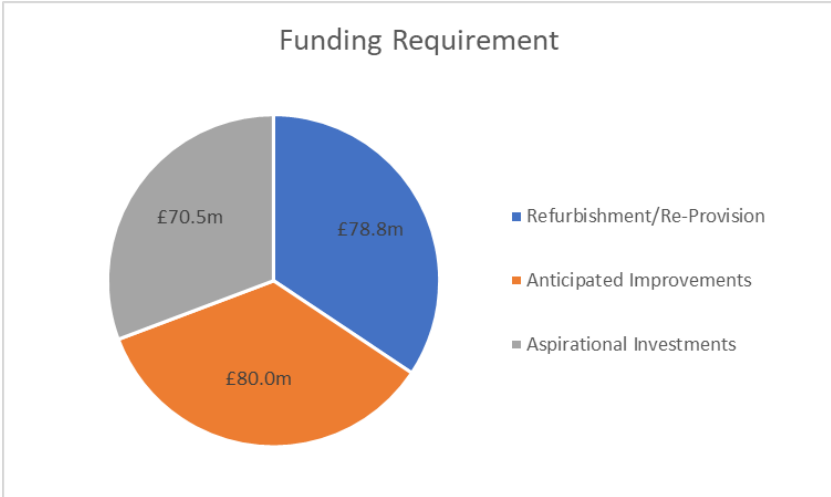
ASSET MANAGEMENT

ASSET MANAGEMENT

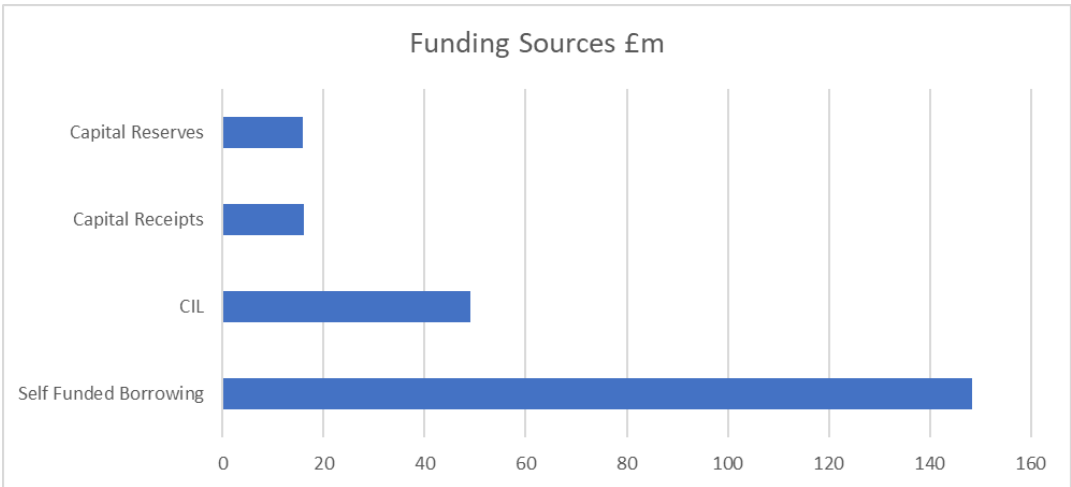
62. One of the Council’s corporate priorities is ‘a dynamic, prudent and progressive Council’ and aims to ‘undertake a major review of all Council owned land and buildings to ensure that we are making the best use of our assets’.

FUTURE FUNDING REQUIREMENTS

63. To ensure that capital assets continue to be of long-term use, a high-level review of the future funding requirements for its land and buildings, excluding Council dwellings has been undertaken. This review covers a 30-year time frame and has identified a capital funding requirement of **£229 million** for refurbishing/re-provisioning existing assets, improving existing assets and aspirational investments as shown in the chart below:



64. The main funding source is self-funded borrowing supported by capital receipts, capital reserves and the community infrastructure levy, as illustrated in the following graph:



65. The Council will put in place a Council-wide plan which will set out the overall direction and framework for the management of its assets to help deliver the Council's priority actions and service delivery needs, now and in the future.

ASSET DISPOSALS

66. When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt.

67. Repayments of capital grants, loans and investments also generate capital receipts. The Council estimates to receive capital receipts as follows:

	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
Right to Buy Property	400	400	400	400	400
Other Housing Receipts	118	600	0	0	0
General Fund Property	2,387	11,582	25	25	25
Total	2,905	12,582	425	425	425

68. Other Housing Receipts in 2025/26 relates to an estimate of shared ownership sales at Ophelia Court.

69. General Fund Property mainly relates to land and property sales at Daedalus. £6 million of these receipts will be used to repay some of the shopping centre debt, purchased in September 2023.

70. General Fund Property also includes the sale of the three Welborne Cottages. The Council is planning to serve notice in accordance with the option agreement. The capital receipt will be used to cover the MRP costs as the cottages were purchased from borrowing.

REPLACEMENT AND IMPROVEMENT PROGRAMMES

71. At the 4 November Executive, members reviewed and endorsed the 2025-2030 **Vehicle Replacement Programme**, estimating that 50 vehicles will need to be replaced at an estimated maximum cost of £4.68 million.

72. The replacement programme will enable the Council to move to a modern fleet of commercial vehicles that will improve resilience in service delivery, reduce maintenance and vehicle hire costs over the longer term, whilst reducing the carbon emissions.

73. At the same meeting, Members also approved the purchase of five new food waste vehicles, caddies, and bins to enable the Council to introduce food waste collection from 31 March 2026, as part of the Simpler Recycling initiative which was reported to Members at the March 2024 Executive. New Burdens funding of £969,200 has been received to cover the capital costs of implementation.
74. The **ICT Improvement Programme** has been updated to take into account the latest programme of works in the ICT Strategy. This includes a provisional budget of £400,000 for the replacement of a key system used by Streetscene, Land Charges, Environmental Health Partnership and the Building Control Partnership.
75. The Vehicle and ICT Replacement Programmes are funded from [revenue contributions](#) set aside each year. For many years the annual amount has been £625,000. However, the revised Replacement Programmes will exceed this allocation, therefore it is proposed to increase the annual contribution to £850,000.
76. The budget for improvements to existing **housing stock** has also been increased for the current and future financial years covered by the capital programme, for example the budget for 2024/25 is now set at £4.1 million (previously £3 million).
77. This is an area of significant cost pressures that have not been at this level for many years. Contributory factors include continually increasing costs of materials and labour, an ageing stock profile and a need to make the stock greener, along with increased regulation whilst maintaining service standards. Revenue contributions to capital have been increased to support this expenditure.

CAPITAL FINANCING

CAPITAL FINANCING

78. All capital expenditure must be financed, either from **external sources** (government grants and other contributions), the Council's **own resources** (revenue, reserves and capital receipts) or **debt** (borrowing and leases).

FUNDING SOURCES

Capital Receipts

79. Capital receipts are mainly generated by the sale of land and buildings and will be used to fund 5% of the capital programme. The [Asset Disposal](#) section provides further information on forecast capital receipts.

Grants and contributions

80. Grants and contributions from external bodies include developer contributions (Community Infrastructure Levy and S106 contributions) and grant funding from bodies such as Homes England and the Ministry of Housing Communities & Local Government (MHCLG).
81. The table below lists the most significant capital grant funding already received or expected in 2024/25, and the schemes where the funding will be used:

Funding Received 2024/25	Amount £	Capital Scheme
Community Infrastructure Levy	6,314,000	Fareham Live, Osborn Road Car Park, Bus Shelters
Local Nutrient Mitigation Fund (PfSH)	2,703,700	Land Acquisition
Homes England (Affordable Housing)	2,111,000	Assheton Court, Ophelia Court
Disabled Facilities Grant	992,000	Disabled Facilities Grants
UK Shared Prosperity Fund	685,000	Fareham Park Vision
Sport England Swimming Pool Support Fund	672,400	Fareham Leisure Centre PV Panels and Pool Cover
S106 Developer Contributions	528,300	Play Area Improvements, Cams Alders Pavilion, vehicle replacement, HRA stock repurchase
Homes England (Daedalus)	245,000	Daedalus Site Wide
Everyone Active	150,000	Holly Hill Leisure Centre Filtration System
Changing Places Grant (£40,000 used in 2023/24)	10,000	Fareham Live

82. The **Community Infrastructure Levy (CIL)** is a planning charge on many forms of new development that generally involves a net increase in building floorspace, to fund infrastructure.

83. The Council approved its first charging schedule in 2013. Since that time £20.3 million has been raised, as at 31 March 2024, and has been used to fund the schemes in the table below:

Capital Scheme	Amount spent to 31 March 2024 £
Fareham Live	12,168,085
Holly Hill Leisure Centre	2,400,000
Hill Head Coastal Protection	1,045,635
Osborn Road Car Park	664,775
Play Area Improvements	505,846
Holly Hill Cemetery Extension	280,568
Bus Shelters	153,968
Total	17,218,877

84. £3.1 million of unspent CIL and amounts raised during 2024/25 will be used to fund the remaining costs of Fareham Live and Osborn Road Car Park.

85. The Council is forecast to receive approximately £18.7 million more CIL funding over the next 5 years as shown in the table below:

Year	Forecast CIL £
2024/25	2,386,800
2025/26	193,050
2026/27	2,930,850
2027/28	8,862,750
2028/29	4,369,950
Total	18,743,400

86. However, it is important to note that the forecast is heavily caveated on delivery assumptions such as when developments commence and dwelling size.

87. CIL receipts will be used to meet future community infrastructure projects in accordance with the priorities of the Council. The Holly Hill Woodland Park Restoration Project has been earmarked £436,000 to preserve and enhance the heritage, ecological and recreational site. In addition, CIL receipts of up to £2.15 million may be used to part fund the leisure, community and sports improvements at Fareham Park depending on the success of any external funding bids.

EZ Retained Business Rates

88. Part of the Daedalus site is designated as an Enterprise Zone which allows any growth in business rates there to be retained for investment in the local area. A Memorandum of Understanding (MOU) for the use of the retained business rates in the **Enterprise Zone**, has now been completed. The current value of the receipts is over £2 million.

89. To draw on this, the Council needs to comply with the terms of the MOU with Gosport Borough Council and Hampshire County Council.

Revenue Contributions

90. Revenue contributions fund rolling programme schemes such as the vehicle replacement programme and the ICT improvement programme. The Council currently sets aside £625,000 a year from revenue contributions. Due to increases in the needs of both replacement programmes, it is proposed to increase this to £850,000.
91. In addition, £500,000 is set aside annually to fund asset management plans such as the Civic Offices, Council Depot, community buildings and sports pavilions. The proposed budget for both revenue contributions will increase to £1.35 million and will be included in the Medium-Term Finance Strategy.

Borrowing

92. Borrowing can be from the use of internal resources (surplus cash) or external borrowing such as local authorities and the Public Works Loan Board (PWLB). Borrowing is repaid by making a Minimum Revenue Provision (see section below).

FINANCING PLAN FOR THE CAPITAL PROGRAMME

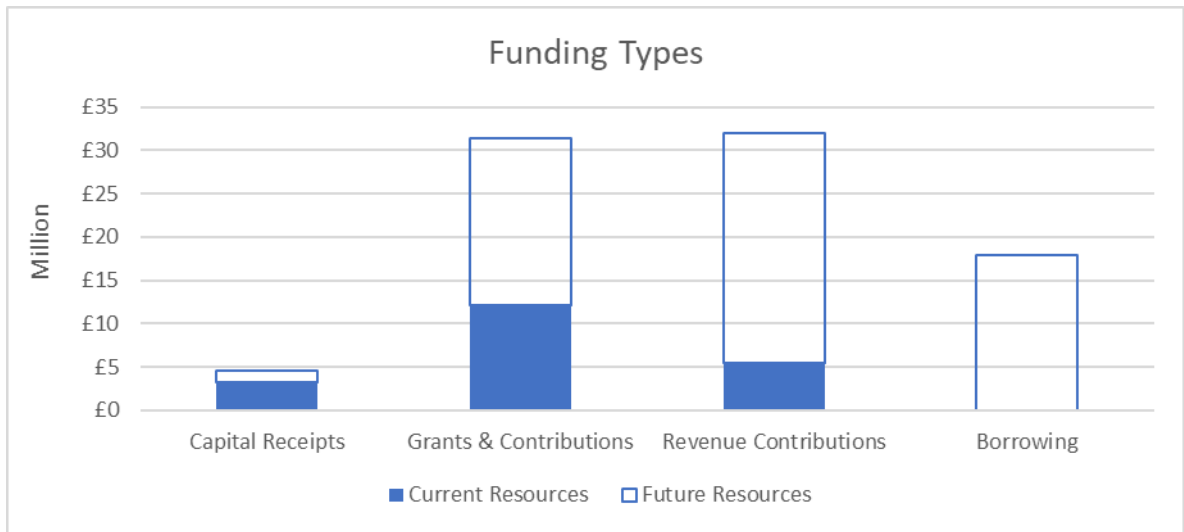
93. The planned financing of the expenditure in the Capital Programme is as follows:

Prudential Indicator 1 - Estimates of Financing

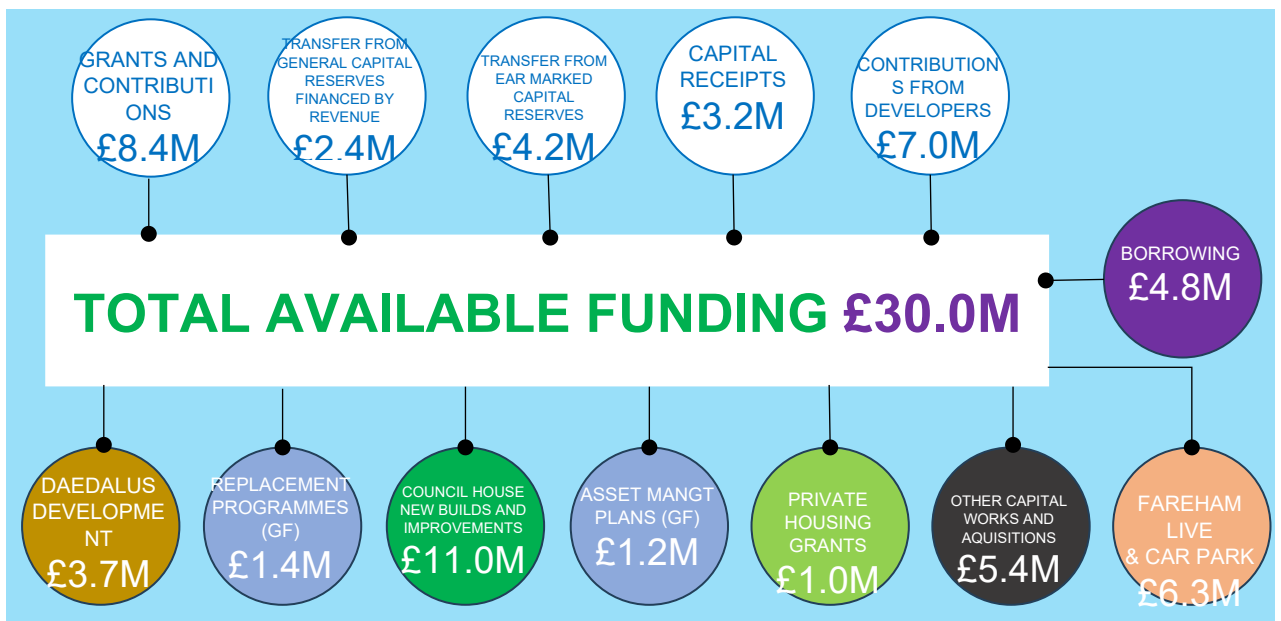
Capital Financing	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	Total £'000
Capital Receipts	3,190	514	250	250	345	4,549
Grants & Contributions	15,375	8,827	2,997	3,102	1,095	31,396
Revenue Contributions	6,584	6,339	8,324	5,369	5,424	32,040
Borrowing	4,814	7,280	5,612	159	0	17,865
Total Financing	29,963	22,960	17,183	8,880	6,864	85,850

94. Total resources of **£94 million** are estimated to be available over the life of the capital programme resulting in £8.1 million unallocated in this Strategy.

95. The chart below shows the different funding types split between current and future resources. Grants and contributions and revenue contributions are the largest funding sources, each financing 37% of the programme.



96. The funding split for 2024/25 is shown in the diagram below.



PRESSURES AND RISKS

97. The forecast surplus of resources is limited and relies partly on resources that have not yet been secured (such as future capital receipts and grants as well as continued revenue contributions towards capital investment), totalling **£64 million**.

98. In the event that these resources do not materialise, other funding options will need to be investigated including borrowing, reliance on external funding or the programme scaled back.

- 99. It must also be borne in mind that the implications of some of the Council’s priority actions, such as Town Centre Regeneration, the Fareham Park Vision and Welborne, and emerging capital spending pressures have not yet been quantified. Costs associated with approved schemes also remain provisional until tenders have been received.
- 100. Spending pressures including repair and refurbishment, or replacement works to all Council assets have also yet to be added to the capital programme.
- 101. The full costs of the following projects have not yet been included in the capital programme:
 - Civic Offices full asset management plan
 - Car parks asset management plan
 - Depot heating decarbonisation
 - Environment strategy
 - Fareham Park vision
 - Town centre regeneration
 - Daedalus infrastructure investment

DEBT, MRP and CFR

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

103. Planned MRP and use of capital receipts are as follows:

	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
Minimum Revenue Provision	1,666	1,747	1,798	1,850	1,903
Future Capital Receipts	2,000	6,853	0	0	0

104. Borrowing costs (MRP and interest charges) for schemes funded by debt will be covered by revenue generating assets.

105. The MRP budget provision reflects the capital costs relating to commercial property purchases, shopping centre and construction works at Solent Airport at Daedalus including the Innovation Centre extension and hangars.

106. A priority call for the use of future capital receipts in the table above will be to repay the shopping centre debt. These capital receipts are from land sales at Daedalus, and also includes the sale of the Welborne cottages.

MRP Policy Statement

107. The Council is required to set an annual policy on the way it calculates the prudent provision for the repayment of General Fund borrowing. The main policy adopted is that MRP will be determined by charging the expenditure over the **expected useful life** of the relevant assets on an **annuity basis** starting in the year after the asset becomes operational. This calculation will be reviewed on a case-by-case basis depending on the circumstances and with a view to minimising the impact on the council tax payer.

108. Where expenditure is on an asset which will be held on a short-term basis (up to 5 years), no MRP will be charged. However, the capital receipt generated by the sale of the asset will be used to repay the debt instead.

109. No MRP will be charged in respect of assets held within the HRA but depreciation on those assets will be charged instead in line with regulations.

Capital Financing Requirement

110. The Council's cumulative outstanding amount of debt finance is referred to as the **Capital Financing Requirement (CFR)** and is another prudential indicator. The CFR increases with new debt-financed capital expenditure and reduces when MRP and capital receipts are used to replace debt.

111. The CFR indicator is a measure of the Council's underlying need to borrow for a capital purpose taken from the balance sheet. This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits.

112. The CFR is expected to increase by £0.5 million during 2025/26 mainly due to MRP being less than debt funded capital expenditure. The Council's estimated CFR is as follows:

Prudential Indicator 2 - The Council's borrowing need

	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
General Fund	63,659	55,059	53,261	51,411	49,508
HRA	60,899	68,179	61,911	62,211	62,211
Total CFR	124,558	123,238	115,172	113,622	111,719

113. The decrease in CFR in 2026/27 is mainly due to the repayment of a £9.3 million loan between the General Fund and HRA as part of the HRA reforms in 2012.

TREASURY MANAGEMENT

TREASURY MANAGEMENT

- 115. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council’s spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account.
- 116. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
- 117. At 31 March 2024, the Council had £64.6 million borrowing and £13.6 million treasury investments.
- 118. The Treasury Management Strategy and Investment Strategy for 2025/26 will be presented separately at the February meeting of the Executive.

BORROWING STRATEGY

- 119. The Council’s main objective when borrowing is to achieve a low but sufficiently certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans and long-term fixed rate loans where the future cost is known but higher.
- 120. Projected levels of the Council’s total outstanding debt are shown below, compared with the capital financing requirement.

Prudential Indicator 3 - Gross debt and the capital financing requirement

	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
Debt at 31 March	66,900	71,300	70,600	69,900	69,300
Capital Financing Requirement (CFR)	124,558	123,238	115,172	113,622	111,719

- 121. Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from the table above, the Council expects to comply with this in the medium term.

AFFORDABLE BORROWING LIMIT

- 122. The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and a lower “operational boundary” set as a warning level should debt approach the limit.

123. The operational boundary is based on the Council's estimate of the most likely (i.e. prudent but not worst case) scenario for external debt. This is the limit beyond which external borrowing is not normally expected to exceed.
124. The authorised limit represents the maximum amount of debt that the Council can legally owe. The limit provides headroom over and above the operational boundary for unusual cash movements.

Prudential Indicator 4 - Limits to Borrowing Activity

	2024/25 Revised £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
Operational Boundary	148,000	158,000	157,000	159,000	157,000
Authorised Limit	158,000	168,000	167,000	169,000	167,000

125. Further details on borrowing are in the Council's Treasury Management Strategy.

TREASURY INVESTMENT STRATEGY

126. The Council invests its money for three broad purposes:
- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
 - to support local public services by lending to or buying shares in other organisations (**service investments**), and
 - to earn investment income (known as **commercial investments** where this is the main purpose).
127. The Council does not currently have service investments.

Treasury Investment Policy

128. The Council's policy on treasury investments is to prioritise security and liquidity over yield, which is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss.
129. Money that will be held for longer terms is invested more widely, including property and multi-assets funds containing bonds and shares, to balance the risk of loss against the risk of receiving returns below inflation.

130. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which investments to buy, and the Council may request its money back at short notice.
131. Further details on treasury investments are set out in the Council's Treasury Management Strategy.

Treasury Investment Risk Management

132. The effective management and control of risk are prime objectives of the Council's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses.

Treasury Investment Governance

133. Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Statutory Chief Finance Officer and staff, who must act in line with the treasury management strategy approved by Full Council.
134. Reports on treasury management activity are presented to the Executive. The Audit and Governance Committee is responsible for scrutinising treasury management decisions and therefore is presented with the annual Treasury Management Policy for comment, and reports on adherence to this Policy.

COMMERCIAL ACTIVITIES

Commercial Investments Policy

135. With central government financial support for local public services declining, the Council previously invested in commercial property to secure a financial gain. Total commercial investments that have been purchased in accordance with the Council's Commercial Property Investment Acquisition Strategy are summarised below and are currently valued at **£33.6 million** and expected to generate rental income of £2.6 million during 2025/26.

Property Type	Current Value £'000
Retail	20,570
Commercial (Industrial)	11,160
Other (Healthcare)	1,830
Total	33,560

136. The Council's total investment portfolio, shown below, is valued at **£66.5 million** and includes Faretec, industrial sites at Palmerston Business Park and

Newgate Lane and the freehold value of Fareham Shopping Centre. The total portfolio is expected to generate rental income of £4.6 million during 2025/26.

Property Type	Current Value £'000
Retail	32,025
Commercial	23,756
Other	4,217
Office	4,925
Leisure	1,536
Total	66,459

Commercial Investments Risk Management

137. With financial return being a key objective, the Council accepts higher risk on commercial investment than with treasury investments. Investing in property is not risk-free, so it is important that any acquisitions reflect the Council's risk appetite in terms of maintaining the capital value of the asset in the long term, and extent to which rental income is guaranteed.
138. The principal risk exposures include vacancies and the resultant loss of income, added costs of holding a vacant property and cost of marketing and re-letting the property.
139. These risks are managed by ensuring:
- funds available for new purchases are disaggregated to limit the overall impact that any single investment would have on the Council's finances;
 - there is a mix of property types in the portfolio e.g. retail, industrial, etc.;
 - new purchases are only considered with existing tenants of "high quality" and sufficiently long lease terms;
 - appropriate checks are carried out to ascertain the tenant's reliability before the investment is made and periodically afterwards;
 - other "due diligence" is undertaken to protect the Councils investment as far as possible such as checks on planning conditions, land contamination issues and planning policy issues.
140. The majority of investments will be held for a medium to long term in order to achieve the required return and to justify the cost of the acquisition. However, as part of the investment decision, consideration is also given to the potential ways in which the Council could "exit" from the investment, such as sale to

another investor, sale for redevelopment, etc. An investment only proceeds where there is a clear exit strategy, should it be required.

Commercial Investments Governance

141. The Executive approved a Commercial Property Investment Acquisition Strategy on 7th January 2013.
142. The steps taken before a decision to purchase a property are clearly documented and tested via a challenge process involving the Head of Asset Management, Statutory Chief Finance Officer and the Executive portfolio holder for Policy Strategy and Finance.
143. Decisions on commercial investments are made by the Executive in line with the criteria outlined in the Commercial Property Investment Acquisition Strategy.
144. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

Prudential Indicator 5 – Net income from commercial investments to net revenue stream

	2024/25 Revised	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Total net income from commercial investments £'000	3,531	3,432	3,432	3,432	3,432
General Fund Proportion of net revenue stream	27%	25%	25%	25%	25%

LIABILITIES

145. In addition to debt detailed above, the Council is committed to making future payments to cover its **pension fund deficit** (valued at £8.9 million as at 31 March 2024). It has also set aside provisions of £2.5 million mainly to cover **business rate appeals**.
146. Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Statutory Chief Finance Officer. The risk of liabilities crystallising and requiring payment is monitored by Finance and reported as necessary.
147. Further details on liabilities are given in the 2023/24 Statement of Accounts.

REVENUE BUDGET IMPLICATIONS

148. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable.
149. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e., the amount funded from Council Tax, business rates, general government grants and housing rents.

Prudential Indicator 6 - Proportion of financing costs to net revenue stream

	2024/25 Revised	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
General Fund Financing costs £'000	1,342	1,397	1,448	1,500	1,553
General Fund Proportion of net revenue stream	13%	14%	13%	13%	12%
HRA Financing costs £'000	2,008	2,203	2,203	2,203	2,203
HRA Proportion of net revenue stream	13%	14%	13%	13%	12%

150. Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 30 years into the future. The Statutory Chief Finance Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable.

ANNEX 1 - CAPITAL PROGRAMME 2024/25 to 2028/29

	Scheme Budget £	Spend to 31/03/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	5 year Total £	Funding Source
STREETSCENE									
Streetscene Asset Management Plan	462,000	30,000	315,500	116,500				432,000	Reserves
Bus Shelters	451,500	354,100	8,400			89,000		97,400	CIL
Play Area Safety Equipment & Surface Replacement	350,000	146,600	53,400	50,000	50,000	50,000		203,400	S106
Simpler Recycling Programme	969,200	0		969,200				969,200	External contributions
Holly Hill Woodland Park Restoration	2,046,000	75,350	143,200	31,500	47,300	1,748,600		1,970,600	Lottery grant (tbc), S106
STREETSCENE TOTAL			520,500	1,167,200	97,300	1,887,600	0	3,672,600	
LEISURE & COMMUNITY									
Buildings									
Fareham Live	16,740,000	12,173,400	4,566,600					4,566,600	CIL
Leisure Centres Capital Investment	6,810,000	6,363,300	305,000		141,700			446,700	Borrowing
Fareham Leisure Centre PV Panels & Pool Cover	672,400	0	672,400					672,400	External contributions
Holly Hill Leisure Centre Filtration System	281,000	0	281,000					281,000	External contributions, Capital reserves
Community Buildings Review	422,000	65,300	34,500	322,200				356,700	Capital reserves
Whiteley Community Centre Refurbishment	40,000	0		40,000				40,000	Capital receipts
Cams Alders Pavilion Roof & Masonry Repairs	100,000	0	100,000					100,000	S106
Fareham Park Vision	2,435,000	0	685,000		1,750,000			2,435,000	UKSPF grant, S106
			6,644,500	362,200	1,891,700	0	0	8,898,400	
Play Schemes									
Play Area Improvement Programme	500,000	92,100	107,900	100,000	100,000	100,000		407,900	S106
Skate Park Upgrade - Wicor Recreation Ground	100,000	0		100,000				100,000	S106
Skate Park Upgrade - Stubbington Recreation Ground	100,000	0		100,000				100,000	S106

	Scheme Budget	Spend to 31/03/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total	Funding Source
	£	£	£	£	£	£	£	£	
Fareham College Play Area	50,000	0		50,000				50,000	S106
			107,900	350,000	100,000	100,000	0	657,900	
Other Community Schemes									
Allotment Improvements				16,300				16,300	S106
LEISURE & COMMUNITY TOTAL			6,752,400	728,500	1,991,700	100,000	0	9,572,600	
HOUSING									
Home Improvements									
Disabled Facilities Grants			992,000	800,000	800,000	800,000	800,000	4,192,000	External contributions
Empty Homes Strategy							95,400	95,400	Capital receipts
			992,000	800,000	800,000	800,000	895,400	4,287,400	
Enabling									
Sea Lane, Stubbington - Self Builds			33,700					33,700	Capital receipts
HOUSING TOTAL			1,025,700	800,000	800,000	800,000	895,400	4,321,100	
PLANNING & DEVELOPMENT									
Car Parks - Surfacing			323,200					323,200	Capital reserves
PLANNING & DEVELOPMENT TOTAL			323,200	0	0	0	0	323,200	
POLICY AND RESOURCES									
Replacement Programmes									
Vehicle Replacement Programme			778,000	693,900	690,400	849,500	899,000	3,910,800	Revenue contributions, external contributions
Plant Replacement Programme			100,000	80,000	80,000	80,000	80,000	420,000	Revenue contributions
Upgrade Electric Vehicle Infrastructure	50,000	0	50,000					50,000	Revenue contributions
ICT Development Programme			257,300	257,000	440,000	63,600	100,000	1,117,900	Revenue contributions
			1,185,300	1,030,900	1,210,400	993,100	1,079,000	5,498,700	

	Scheme Budget	Spend to 31/03/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total	Funding Source
	£	£	£	£	£	£	£	£	
Operational Buildings									
Civic Offices Improvement Programme			100,000	500,000	2,703,800			3,303,800	Capital reserves
Depot Asset Management Works			177,700					177,700	Capital reserves
			277,700	500,000	2,703,800	0	0	3,481,500	
Property Developments									
Osborn Road Car Park	2,500,000	817,700	1,682,300					1,682,300	CIL
166 Southampton Road Repairs	1,193,500	1,163,500	30,000					30,000	Capital receipts
			1,712,300	0	0	0	0	1,712,300	
Solent Airport at Daedalus									
Daedalus Site Wide			245,000					245,000	External contributions
Aeronautical Ground Lighting System	3,050,000	1,032,800	2,017,200					2,017,200	Capital receipts
Performance Based Navigation	200,000	12,400		187,600				187,600	Capital receipts
Airport Supply Assets	165,000	0	165,000					165,000	Capital receipts
Infrastructure Improvements - Access Road	820,000	0	820,000					820,000	Enterprise Zone receipts
Purchase of Strategic Land at Faraday	200,000	0	200,000					200,000	Capital receipts
New Security Arrangements at Faraday	250,000	0	250,000					250,000	Capital receipts
Infrastructure Investment Plan	800,000	0		800,000				800,000	Enterprise Zone receipts
			3,697,200	987,600	0	0	0	4,684,800	
Other									
Hook Recreation Ground Solar Farm	1,900,000	0		130,000	1,770,000			1,900,000	Borrowing, Rev cont.
			0	130,000	1,770,000	0	0	1,900,000	
POLICY & RESOURCES TOTAL			6,872,500	2,648,500	5,684,200	993,100	1,079,000	17,277,300	
GENERAL FUND TOTAL			15,494,300	5,344,200	8,573,200	3,780,700	1,974,400	35,166,800	

	Scheme Budget	Spend to 31/03/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total	Funding Source
	£	£	£	£	£	£	£	£	
HOUSING REVENUE ACCOUNT									
Improvements to Existing Stock									
Improvements to Existing Stock			1,400,000	1,600,000	1,700,000	1,800,000	1,800,000	8,300,000	Major Repairs, Rev cont.
Improvements to Void Stock			2,100,000	2,000,000	2,000,000	2,000,000	2,000,000	10,100,000	Major Repairs, Rev cont.
Disabled Modifications			600,000	500,000	500,000	500,000	500,000	2,600,000	Major Repairs, Rev cont.
			4,100,000	4,100,000	4,200,000	4,300,000	4,300,000	21,000,000	
Acquisitions and New Builds									
Acquisitions			500,000	500,000	500,000	500,000	500,000	2,500,000	Capital receipts, S106
Assheton Court	20,049,600	649,600	5,000,000	12,400,000	2,000,000			19,400,000	Borrowing, HE grant
51 Bellfield	350,000	40,000	275,000	35,000				310,000	S106
Ophelia Court	1,782,000	22,000	1,520,000	240,000				1,760,000	Borrowing, HE grant
Birks Building	3,000,000	840,700	100,000	200,000	1,700,000	159,300		2,159,300	Borrowing, other tbc
			7,395,000	13,375,000	4,200,000	659,300	500,000	26,129,300	
Other									
Regeneration Feasibility			25,000	50,000	75,000	50,000		200,000	Revenue contributions
Vehicle Replacement Programme			245,000	90,000	135,000	90,000	90,000	650,000	Revenue contributions
			270,000	140,000	210,000	140,000	90,000	850,000	
HOUSING REVENUE ACCOUNT TOTAL			11,765,000	17,615,000	8,610,000	5,099,300	4,890,000	47,979,300	
OTHER (PFSH)									
Local Nutrient Mitigation Fund Land Acquisition	2,703,700	0	2,703,700					2,703,700	External contribution from MHCLG grant.
OTHER TOTAL			2,703,700	0	0	0	0	2,703,700	
TOTAL CAPITAL PROGRAMME			29,963,000	22,959,200	17,183,200	8,880,000	6,864,400	85,849,800	

NEW CAPITAL SCHEMES APPROVED SINCE THE LAST CAPITAL STRATEGY

Scheme	Portfolio	Scheme Budget	Funding Source	Executive Date
Emergency & Temporary Accommodation	HRA	£3,000,000	Borrowing	08/01/2024
Purchase of Strategic Land at Daedalus	Policy & Resources	£200,000	Capital Receipts	08/01/2024
Simpler Recycling – Food Waste Collection	Streetscene	£969,200	Grant	04/03/2024
Solent Enterprise Zone – Infrastructure Investment Plan	Policy & Resources	£37,000,000	Retained Business Rates, Other tbc	18/03/2024
Holly Hill Woodland Park Restoration Project	Streetscene	£2,046,000	Developer Contributions, CIL, Lottery Grant	03/06/2024
Local Nutrient Mitigation Fund – Land Acquisition	Policy & Resources	£2,703,700	Grant	01/07/2024
Holly Hill Leisure Centre Filtration System	Leisure & Community	£281,000	Contributions, Capital Reserves	01/07/2024
New Security Arrangements at Faraday Business Park	Policy & Resources	£250,000	Capital Receipts	07/10/2024
Vehicle Replacement Programme	Streetscene	£4,680,000	Revenue Contributions, Developer Contributions	04/11/2024

FAREHAM BOROUGH COUNCIL PAY POLICY STATEMENT FINANCIAL YEAR 2025 - 26

1. Purpose

This Pay Policy Statement (“Pay Statement”) is provided in accordance with the Localism Act 2011 (“Localism Act”) and this will be updated in each subsequent financial year.

This Pay Statement sets out Fareham Borough Council’s pay policies relating to its workforce for the financial year 2025-26, including the remuneration of its Chief Officers, lowest paid employees and the relationship between its Chief Officers and that of its employees who are not Chief Officers.

2. Definitions

For the purpose of this Pay Statement the following definitions apply:

Pay	includes base salary, charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements and termination payments.
Chief Officers	refers to the following roles within the Council: Statutory Chief Officers: <ul style="list-style-type: none"> • Chief Executive Officer, as Head of Paid Service • Assistant Chief Executive Officer, as Monitoring Officer • Assistant Director (Finance and ICT), as Section 151 Officer Non-Statutory Chief Officers: <ul style="list-style-type: none"> • Director of Planning and Regulation • Director of Housing • Director of Neighbourhoods • Assistant Director (Democracy)
Deputy Chief Officers	Heads of Service who report directly to/or accountable to a statutory or non-statutory Chief Officer in respect of all or most of their duties.
Lowest paid employees	Refers to those employees employed within Grade1 of the Council’s mainstream pay structure. This definition has been adopted because Grade1 is the lowest grade on the Council’s mainstream pay structure.
Employee who is not a Chief Officer	Refers to all employees who are not covered under the “Chief Officer” group above. This includes the “lowest paid employees”. i.e. employees on Grade1.

3. Pay Framework and Remuneration Levels

3.1 General approach

The pay structure and pay scales have been designed to enable the Council to recruit and retain suitably qualified employees at all levels who are dedicated to fulfilling its corporate objectives and delivering services to the public whilst operating within an acceptable financial framework.

With a diverse workforce the Council recognises that its Pay Policy needs to retain sufficient flexibility to cope with a variety of circumstances that may arise that might necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. The decision to apply a market premium or similar mechanism will be approved by the Assistant Chief Executive Officer and endorsed by the Chief Executive Officer.

The Chief Executive Officer, as Head of Paid Service, has delegated power to update the pay policy in line with establishment changes.

3.2 Responsibility for decisions on pay structures

The outcome of reviews into the local pay and grading structures covering all jobs are submitted to a meeting of Full Council for approval.

The Council's locally determined pay structures are based on the outcome of a job evaluated process and were implemented for the Chief Officers, Heads of Service and all other employees in April 2008. This followed a national requirement for all Local Authorities to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer to comply with employment legislation.

The pay structure for the Chief Executive Officer was established in 2008 having regard to the need to be fully competitive in the market and to be confident of attracting and retaining the highest calibre of employee to reflect the high level of organisational and corporate performance which the Council requires its Chief Executive Officer to deliver. Relevant labour market and comparative remuneration data was considered. This was reviewed in 2013.

3.3 Pay scales and grading framework

The **mainstream pay structure** for all employees below the level of Heads of Service was determined through a local process based on the outcome of a job evaluation scheme. The pay structure from 1 April 2024 consists of a pay spine of 44 points, comprising 11 grades containing 5 spinal column points with the exception of grade 1. Grade 1 is the lowest grade and 11 the highest. Each employee will be on one of the 11 grades based on their job evaluated role.

The **Chief Executive's** pay grade reflects the same principles as for all of the Council's pay structures consisting of 5 spinal column points.

The pay structure for **Chief Officers and Heads of Service** was determined through a local process that took into account market alignment with District Councils in Hampshire and the outcome of a job evaluated process. It followed the same principles as applied for the mainstream pay structure and consists of one pay grade for Chief Officers and three pay grades for Heads of Service with all grades containing 5 points (with 4 additional points relating to responsibility for statutory posts).

The National Minimum Wage applies to those under 21 (with effect from 1 April 2024) and the National Living Wages which was introduced in 2016 applies to those aged 21 and over but Fareham's pay scales are not aged biased. Delays to the implementation of pay awards can lead to the lowest scale point being below the NLW. In cases where this delay does occur the minimum rate of pay will match the NLW.

Details of the Council's pay structures are published on the Council's website and a copy as at 1st April 2024 is appended to this Statement (at [Annex A](#)).

3.4 Pay Awards and National Pay Awards

Pay awards are considered annually for all employees. The outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions in relation to the settlement of the annual pay award is normally applied. The pay award for April 2024 was settled in October 2024 with a cash sum of £1,290 applied to each scale point subject to a minimum increase of 2.50%. This resulted in a pay award of between 2.50% and 5.82% on the mainstream grades. The pay award with effect from April 2025 will be negotiated between the employers and the Unions.

The pay award for the Chief Executive and Chief Officers was agreed at 2.50%.

If there is an occasion where the Council believes that the National Pay Settlement would distort the local pay structures alternative proposals will be developed, discussed with the trade unions and brought to Elected Members for formal approval.

4. Remuneration – level and element

4.1 Salaries of Chief Officers and Deputy Chief Officers

“Chief Officers” are identified at 2 above and constitute the Council's Corporate Management Team. They are all paid within the Council's pay structures as follows:

- a) Chief Executive Officer, as Head of Paid Service will be paid a salary within the grade range £128,859 to £148,822.
- b) Statutory and Non-Statutory Chief Officers will be paid a salary within the grade range £81,291 to £105,394 (£109,142 to £121,208 for statutory posts).

“Deputy Chief Officers” who are Heads of Service are all paid within the Council's pay structures and will be paid a salary within grade ranges £61,635 to £81,291.

Typically, Chief Officers and Heads of Service have received the same percentage pay award as for all other employees.

Details of Chief Officer and Heads of Service remuneration have been published since 2010 on the Council's website.

4.2 “Lowest paid employees”

Each lowest paid employee will be paid a salary within the pay scales for Grade 1 mindful of the need to meet the National Living Wage requirements.

A very detailed review of pay and grading was undertaken on this topic along with other parts of the grading structure and the review and recommendations were reported to Full Council in December 2014.

4.3 Bonuses and Performance related pay

There is no provision for bonus payments or performance related pay awards to any level of employee.

There is, however, an honorarium provision which may be awarded where an employee performs duties outside the scope of their post over an extended period or where the additional duties and responsibilities involved are exceptionally onerous. All such payments are subject to approval by a Member of the Senior Leadership Team.

4.4 Other pay elements – Statutory Officers

The pay structure for Chief Officers does not take account of the clearly defined additional responsibilities in respect of the Section 151 and Monitoring Officer roles. Officers undertaking these roles receive payment equivalent to two spinal column points based on the incremental pay progression from the penultimate to maximum point of the pay grade for Chief Officers.

Provision for the recognition of the role of acting Head of Paid Service exists within the Chief Officers pay structure for up to two spinal column points on the same payment principle as for the Section 151 and Monitoring Officers.

These pay arrangements allow for flexibility in the allocation of the additional roles to Chief Officers and for the responsibilities to be rotated.

4.5 Charges, fees or allowances

Allowances or other payments, for example shift working, standby, etc. may be made to employees, below the level of Chief Officer, in connection with their role or the pattern of hours they work in accordance with National or Local collective agreements.

Expenses: The Council recognises that some employees incur necessary expenditure in carrying out their responsibilities, for example travel costs. Reimbursement for reasonable expenses incurred on Council business are paid in accordance with the Council's collective agreement and subsequent amendments to it.

Elections: The Chief Executive Officer has been appointed as the Council's Returning Officer for elections and he has appointed the Assistant Director(Democracy) as his Deputy Returning Officer. For performing elections duties the Returning Officer and Deputy receive a fee payable according to a scale of costs, charges and expenses set by the Hampshire and Isle of Wight Election Fees Working Party and allowed under the Local Government Act 1972.

Professional Subscriptions: The Chief Executive Officer and Chief Officers are entitled to receive payment for one subscription to a relevant professional body.

4.6 Benefits in kind

Benefits in kind are benefits which employees receive from their employer during their employment which are not included as part of their salary. Fareham has a technology scheme and car leasing scheme that employees have a choice to sign up for in lieu of salary. These benefits are reportable to HMRC and taxed accordingly.

4.7 Pension

All employees as a result of their employment are eligible to join the Local Government Pension Scheme (LGPS).

4.8 Severance payments

The Council already publishes its policy on discretionary payments on early termination of employment and flexible retirement as well as publishing its policy on increasing an employee's total pension. These policies are applied in support of efficient organisational change and transformation linked to the need for efficiencies and expenditure reduction.

Details of the Council's policies are published on the Council's website.

Redundancy payments are calculated using the statutory weekly pay calculator which gives the following entitlements:

0.5 week's pay for each full year worked when you are under 22

1.0 week's pay for each full year worked when you are between 22 and 41

1.5 week's pay for each full year worked when you are 41 or older

The council will apply weekly pay to the number of entitled weeks and has a local multiplier of 2.2 which is applied to the overall calculation.

No employee who has left the Council in receipt of a redundancy or severance package will be re-employed by the Council, in any capacity, unless there are exceptional business circumstances in which case approval is required from the Chief Executive Officer.

4.9 New starters joining the Council

Employees new to the Council will normally be appointed to the first point of the salary scale for their grade. Where the candidate's current employment package would make the first point of the salary scale unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a different starting salary point within the grade may be considered by the recruiting manager in consultation with HR Services. The candidate's level of skill and experience should be consistent with that of other employees in a similar position on the salary scale within the grade.

5. Relationship between remuneration of "Chief Officers" and "employees who are not Chief Officers".

This relates to the ratio of the Council's highest paid employee (falling within the definition of "Chief Officers") and the median earnings across the whole workforce as a pay multiple. By definition, the Council's highest paid employee is the Chief Executive Officer. The median average pay has been calculated on all taxable earnings for the financial year 2024-25, including base salary, allowances, etc.

Highest paid employee	£143,832
Median earnings for remainder of workforce	£30,559
Ratio	4.71

ANNEX A (to the Pay Policy Statement)

Fareham Borough Council - Pay Scales as at 01/04/2024

Chief Executive Grades & Salary			Directors Grades & Salary	
Spinal Column Point	Annual Salary		Spinal Column Point	Annual Salary
1	£128,259		1	£92,027
2	£133,851		2	£94,915
3	£138,841		3	£98,2858
4	£143,832		4	£101,774
5	£148,822		5	£105,394

Senior Management Grades & Salary scales								
Grade	Spinal Column Point	Annual Salary	Grade	Spinal Column Point	Annual Salary	Grade	Spinal Column Point	Annual Salary
	1	£81,291		1	£70,765		1	£61,635
	2	£84,065		2	£73,257		2	£63,798
1	3	£86,934	2	3	£75,840	3	3	£66,038
	4	£89,474		4	£78,516		4	£68,359
	5	£92,026		5	£81,291		5	£70,765

Local Pay Scales					
GRADE	SPINAL COLUMN POINT	ANNUAL SALARY (APRIL 2024)	GRADE	SPINAL COLUMN POINT	ANNUAL SALARY (APRIL 2024)
1	3	£23,473			
	4	£23,656			
	5	£24,027			
2	5	£24,027	7	26	£38,460
	6	£24,404		27	£39,462
	7	£24,790		28	£40,498
	8	£25,183		29	£41,562
	9	£25,584		30	£42,648
3	9	£25,584	8	30	£42,648
	10	£25,992		31	£43,777
	11	£26,409		32	£44,929
	12	£26,835		33	£46,127
	13	£27,269		34	£47,254
4	13	£27,269	9	34	£47,254
	14	£28,163		35	£48,417
	15	£29,093		36	£49,559
	16	£30,060		37	£50,824
	17	£30,559		38	£51,948
5	18	£31,586	10	38	£51,948
	19	£32,115		39	£53,154
	20	£32,983		40	£54,435
	21	£33,893		41	£55,737
	22	£34,751		42	£56,041
6	22	£34,751	11	42	£56,041
	23	£35,642		43	£57,632
	24	£36,556		44	£58,879
	25	£37,500		45	£60,155
	26	£38,460		46	£61,467

FAREHAM

BOROUGH COUNCIL

Report to Council **14 February 2025**

Subject: **Gambling – Statement of Principles**

Report of: **Director of Neighbourhoods**

SUMMARY

To consider the draft revised Statement of Principles under the Gambling Act 2005, which the Council is required to review and publish every three years, for use relating to applications/reviews under the Gambling Act 2005.

RECOMMENDATION

It is recommended that the final draft Gambling Act 2005 Statement of Principles 2025 – 2028, as attached as Appendix A to this report, be adopted by the Council.

INTRODUCTION

1. The Gambling Act 2005 introduced significant changes in the regulation of the gambling industry. Most of these changes fell to the Gambling Commission to implement. Local authorities were required to act as the licensing authority in relation to the licensing of premises and the issuing of permits for certain activities:
 - Casinos
 - Betting offices and racetracks
 - Bingo premises
 - Adult gaming centres
 - Family entertainment centres.
2. The Council is required to determine and publish, every three years, a statement of principles in relation to the exercise of its functions under the Gambling Act 2005. The three-year period to which the current Statement of Policy relates ended in January 2025.

REVISION OF STATEMENT OF GAMBLING PRINCIPLES

3. The draft revised Statement of Principles can be seen at Appendix A to this report.
4. The Statement has had no significant amendments.
5. Consultation with the bodies as per the Appendix within the revised draft Statement of Principles was undertaken between September and November 2024.
6. No consultation responses were received during the consultation period.
7. Since the introduction of the Gambling Act 2005 there have been no Panels for Gambling matters for the Council's Licensing Panel.
8. The Licensing and Regulatory Affairs Committee approved the draft Statement on 26 November 2024 for recommendation to the Executive.
9. The Executive approved the draft Statement on 13 January 2025 for recommendation to Council.

RISK ASSESSMENT

10. The Council is required by statute to review and publish every three years a reviewed Gambling Act Statement of Principles under the Gambling Act 2005. In the absence of such a statement it may not be possible to properly consider applications for Premises Licences made under the Act and any decisions the Council may make could open to challenge.
11. This Council must adopt a three-yearly reviewed Gambling Act Statement of Principles issued under the Gambling Act 2005. The reviewed Gambling Act Statement of Principles must be adopted by the Council for the period 2025-2028.
12. The reviewed Gambling Act Statement of Principles has been prepared for adoption in compliance with guidance issued by the Gambling Commission.

Appendices:

Appendix A: [Draft Gambling Act 2005 Statement of Principles](#)

Background Papers: None

Reference Papers: None

Contact: For further information please contact Ian Rickman 01329 824773

FAREHAM
BOROUGH COUNCIL

Gambling Act 2005

Statement of Principles

February 2025 – February 2028

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1. Introduction

- 1.1 This statement of principles was reviewed and updated in August 2024. It is a requirement for the Statement of Principles to be approved by the Executive and the Full Council of Fareham Borough Council and be reviewed every three years.
- 1.2 All references to the Gambling Commission's Guidance for local authorities refer to the Guidance updated in May 2021 available from www.gamblingcommission.gov.uk.
- 1.3 The Gambling Act 2005 has appointed Fareham Borough Council as a Licensing Authority. The Authority will regulate gambling with integrity in the public interest.
- 1.4 The council is committed to avoiding duplication with other legislation and regulatory regimes as far as possible and will not replicate issues in this statement of principles, which are already legal requirements under other legislation such as health and safety and fire precautions.
- 1.5 This statement of principles has been developed after having regard to the statutory guidance from the Gambling Commission and having given appropriate weight to the views of persons and organisations consulted.
- 1.6 The council has delegated all functions under the Act to the Licensing Committee, except those functions, which by law must be dealt with by the council, such as the setting of fee levels and the approval of this policy statement.
- 1.7 Section 349 of the Act requires the licensing authority to publish a statement of principles that we will apply in exercising our functions under the Act. This statement fulfils that statutory requirement.
- 1.8 This statement of Principles will be applied during the 3-year period from when approved in February 2025 until 31st January 2028 and during that time will be kept under review and revised when and if appropriate, during that 3-year period.
- 1.9 This document should be read in conjunction with the Act, Regulations made under the Act and Guidance issued by the Gambling Commission. This statement is designed to be a strategic gambling policy, not an operational guide to the Act.
- 1.10 In exercising our functions under the Gambling Act 2005, Fareham Borough Council as a licensing authority will have regard to the statutory licensing objectives, which are.
 - a) **Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime**

b) **Ensuring that gambling is conducted in a fair and open way**

c) **Protecting children and other vulnerable persons from being harmed or exploited by gambling.**

1.11 It should be noted that the Gambling Commission has stated, “The requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling”.

1.12 The Authority is aware that section 153 of the Act requires it, in making decisions concerning premises licences and temporary use notices, to aim to permit the use of premises for gambling in so far as we think fit-

- In accordance with any relevant code of practice issued by the Gambling Commission
- In accordance with any relevant guidance issued by the Gambling Commission
- Reasonably consistent with the licensing objectives above and
- In accordance with this Statement of Principles

1.13 Previous legislation required that the grant of certain gambling permissions should take account of whether there was an unfulfilled demand for gambling facilities. We acknowledge that under this legislation, unmet demand is not a criterion for a licensing authority in considering an application.

1.14 We appreciate that gambling can be an emotive subject but acknowledge that, in accordance with Gambling Commission Guidance for Local Authorities, “moral objections to gambling are not a valid reason to reject applications for premises licences “except in respect of a Casino resolution in section 13, and that unmet demand is not a criterion for a licensing authority.

1.15 We will therefore consider any application in accordance with the Act, on its individual merits without regard to demand or moral objection to gambling in general.

PART A -The Gambling Act 2005

2. The Statement of Licensing Principles and Consultation

- 2.1 Fareham Borough Council is required by the Gambling Act 2005 to publish a Statement of the Principles, which we propose to apply when exercising our functions. This statement must be published at least every three years. The statement must also be reviewed from “time to time” and any amended parts re-consulted upon. The statement must be then re-published.
- 2.2 This statement of principles has been published following extensive consultation. A list of the persons we have sent this document to is attached at **Appendix A**.
- 2.3 The Gambling Act requires that the following parties be consulted by Licensing Authorities:
- The Chief Officer of Police
 - One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority’s area
 - One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority’s functions under the Gambling Act 2005.
- 2.4 Our consultation took place between 2 September to 8 November 2024 and we have followed the Guidance to Licensing Authorities (GLA) on consultations available at
- <http://www.gamblingcommission.gov.uk/Licensing-authorities/Information-for-licensing-authorities/Guidance-to-licensing-authorities.aspx>.
- 2.5 The full schedule of comments and amendments consequential to these comments will be available by request to the Senior Licensing Officer, Fareham Borough Council.
- 2.6 This statement of principles will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

3. The Licensing Framework

- 3.1 The Gambling Act 2005 brought about changes to the way that gambling is administered in the United Kingdom. The Gambling Commission is the national gambling regulator and has a lead role in working with central government and local authorities to regulate gambling activity.

- 3.2 The Gambling Commission issues operator licences and personal licences. Any operator wishing to provide gambling at a certain premise must have applied for the requisite personal licence and operator's licence before they can approach the council for a premises licence. In this way the Gambling Commission can consider potential applicants and organisations to ensure they have the correct credentials to operate gambling premises.
- 3.3 The council's role is to ensure premises are suitable for providing gambling in line with the three licensing objectives and any codes of practice issued by the Gambling Commission. The council also issues various permits and notices to regulate smaller scale and/or ad hoc gambling in various other locations such as pubs, clubs and hotels.
- 3.4 The council does not licence large society lotteries or remote gambling through websites. These areas fall to the Gambling Commission. The National Lottery is not licensed by the Gambling Act 2005 and from 1st October 2013 the Gambling Commission took over the responsibilities of the National Lottery Commission to regulate the National Lottery Act.

4. Declaration

In producing the final statement of principles, this licensing authority declares that it has had regard to the licensing objectives of the Gambling Act 2005, the guidance issued by the Gambling Commission, and any responses from those consulted on the statement of principles.

5 Responsible Authorities

- 5.1 Fareham Borough Council is required by regulations to state the principles that we will apply in exercising our powers under section 157(h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm.
- 5.2 The principles we will use are:
- the need for the body to be responsible for an area covering the whole of the licensing authority's area
 - the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group etc
- 5.3 In accordance with the Gambling Commission's Guidance for Licensing Authorities, we intend to designate the Hampshire County Council Safeguarding Childrens' Board for this purpose.
- 5.4 This body has countywide responsibility, is subject to democratic accountability and is currently the body that has become a responsible authority under the Licensing Act 2003.

- 5.5 The Responsible Authorities under the Gambling Act 2005 are:
- Fareham Borough Council Licensing Authority
 - The Gambling Commission.
 - The Chief Constable, Hampshire Constabulary
 - Hampshire Fire and Rescue Service
 - Fareham Borough Council Planning and Environmental Services Unit
 - Safeguarding Children’s Board, Hampshire County Council Social Services Section
 - H.M. Revenue & Customs

Subject to any other person being prescribed in Regulations made by the Secretary of State. The contact addresses for these authorities are attached at **Appendix B**.

6 Interested Parties

- 6.1 Interested parties can make representations about licence applications or apply for a review of an existing licence. These parties are defined in the Gambling Act 2005 as follows:
- 6.2 “For the purposes of this Part a person is an interested party in relation to an application for or in respect of, a premises licence if, in the opinion of the licensing authority which issues the licence or to which the applications are made, the person:
- a) lives sufficiently close to the premises to be likely to be affected by the authorised activities,
 - b) has business interests that might be affected by the authorised activities, or
 - c) represents persons who satisfy paragraph (a) or (b)”
- 6.3 We are required by regulations to state the principles we will apply in exercising our powers under the Gambling Act 2005 to determine whether a person is an interested party.
- 6.4 Our principles will be that we will adopt the principles of natural justice and decide each case on its merits. We will not apply a rigid rule to our decision making but will apply local knowledge and integrity to each decision.
- 6.5 We will consider the examples of consideration provided in the Gambling Commission’s Guidance to Licensing. We will also consider the Guidance that “has business interests “is given its widest possible interpretation and should include partnerships, charities, faith groups and medical practices.
- 6.6 The Gambling Commission has recommended that we state that interested parties include trade associations, residents, and tenants’ associations. We will not however generally view these bodies as

interested parties unless they have a member who can be classed as an interested person under the provisions of the Act.

6.7 Interested parties under paragraph 6.2 (c) above can be persons who are democratically elected such as a ward Councillor, M.P. etc. No specific evidence of being asked to represent an interested party will be required as long as the Councillor / MP. etc. represents the ward likely to be affected. Other than this, we will require any other person acting under paragraph 6.2 (c) above to be nominated in writing by the appropriate interested parties at paragraph 6.2 (a) or (b) above.

6.8 When considering whether persons are interested parties in relation to any individual application we will consider:

- the size of the premises.
- the nature of the premises.
- the distance of the premises from the location of the person making the representation.
- the potential impact of the premises (number of customers, routes likely to be taken by those visiting the establishment); and
- the nature of the complainant. This is not the personal characteristics of the complainant, but the interests of the complainant, which may be relevant to the distance from the premises. For example, it could be reasonable for us to conclude that “sufficiently close to be likely to be affected” could have a different meaning for (a) a private resident (b) a residential school for children with truanting problems and (c) a residential hostel for vulnerable adults
- persons with business interests that could be affected

6.9 If individuals wish to approach councillors to ask them to represent their views then care should be taken that the councillors are not part of the Licensing Committee dealing with the licence application. Applicants should contact the Head of Environmental Health, Fareham Borough Council in the first instance rather than approach their councillor directly.

7. Exchange of Information

7.1 We are required to include the principles to be applied by the authority in exercising the functions under sections 29 and 30 of the Act with respect to the exchange of information between ourselves and the Gambling Commission, and the functions under section 350 of the Act with the respect to the exchange of information between it and the other persons listed in schedule 6 to the Act.

7.2 The principle that this licensing authority applies is that it will act in accordance with the provisions of the Gambling Act 2005 in its exchange of information which includes the provision that the Data Protection Act 2018 and the General Data Protection Regulations 2016 will not be contravened.

7.3 We will also have regard to the Guidance issued by the Gambling Commission to Licensing Authorities, as well as any future relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

7.4 Should any protocol on information exchange be established in the future, such protocols will be publicly available.

8. Licensing Authority Functions

8.1 Licensing Authorities are required under the Act to:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences
- Issue Provisional Statements
- Regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits
- Issue Club Machine Permits to Commercial Clubs
- Grant permits for the use of certain lower stake gaming machines at unlicensed Family Entertainment Centres
- Receive notifications from alcohol licensed premises (under the Licensing Act 2003) of the use of two or fewer gaming machines
- Grant Licensed Premises Gaming Machine Permits for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where more than two machines are required
- Register small society lotteries below prescribed thresholds
- Issue Prize Gaming Permits
- Receive and Endorse Temporary Use Notices
- Receive Occasional Use Notices
- Provide information to the Gambling Commission regarding details of licences issued (see section 7 above on 'information exchange')
- Maintain registers of the permits and licences that are issued under these functions

8.2 We as the licensing authority will not be involved in licensing remote gambling. Regulation of such activity will be the responsibility of the Gambling Commission via Operator Licences.

8.3 In accordance with the Act and Guidance, this authority will:

- Refer approval of this three-year licensing policy to Full Council
- Refer any delegated power under forthcoming Regulations to set fees to Executive.

- Delegate all decisions relating to premises licences to the Licensing Committee.
- Invite the Licensing Committee to further delegate decision making to a Sub-Committee or officers in accordance with the law and guidance.

9. Fees

- 9.1 Premises Licence fees are set within the prescribed maximum levels in accordance with The Gambling (Premises Licence Fees) (England and Wales) Regulations 2007 and will be limited to cost recovery. Fees for Permits and other services are set by the Secretary of State.
- 9.2 In accordance with section 193 of the Act, a premises licence will be revoked if the licence holder fails to pay the relevant annual fee (required under section 184), unless the failure to pay can be explained by an administrative error.
- 9.3 Under schedule 13, section 17 of the Act, the council will also cancel any gambling permit if the holder fails to pay the annual fee, unless the failure to pay can be explained by an administrative error.

PART B - Promotion of the Licensing Objectives

10. Preventing Gambling from being a Source of Crime or Disorder, Being Associated with Crime or Disorder or being used to Support Crime

- 10.1 This licensing authority is aware that the Gambling Commission will be taking a leading role in preventing gambling from being a source of crime. Their guidance does however envisage that the licensing authority should pay attention to the proposed location of gambling premises in terms of this licensing objective.
- 10.2 Therefore, where an area has known high levels of organised crime, we will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable, such as the provision of door supervisors. Responsible authorities would however have the right to make representations about such premises.
- 10.3 We are aware of the distinction between disorder and nuisance and will consider factors such as whether police assistance was required and how threatening the behaviour was to those who could see it, to make that distinction. It should be noted that nuisance is not a Gambling Act licensing objective.
- 10.4 In considering licence applications, the council will particularly consider the following:
- The design and layout of the premises.

- The training given to staff in crime prevention measures appropriate to those premises.
- Physical security features installed in the premises. This may include matters such as the position of cash registers or the standard of CCTV that is installed.
- Where premises are subject to age-restrictions, the procedures in place to conduct age verification checks.
- The likelihood of any violence, public order or policing problem if the licence is granted.

11. Ensuring that Gambling is Conducted in a Fair and Open Way

This licensing authority is aware that the Gambling Commission has stated that it would generally not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way as this will be addressed by the operator and personal licensing system.

12. Protecting Children and other Vulnerable Persons from being Harmed or Exploited by Gambling

12.1 We note the Gambling Commission Guidance to Local Authority's states that this objective relates to preventing children from taking part in gambling as well as restriction of advertising so that gambling products are not aimed at, or are particularly attractive, to children.

12.2 We will therefore consider, as suggested by the Gambling Commission's Guidance, whether specific measures are required at individual premises to promote the licensing objectives.

12.3 Appropriate measures may include supervision of access points, segregation of areas etc.

12.4 We will also take account of the Codes of Practice regarding this objective in relation to specific types of premises.

12.5 In reference to the term "vulnerable persons" we note that the Gambling Commission or statute law is not seeking to offer a definition but the Commission states that "it will for regulatory purposes assume that this group includes:

- people who gamble more than they want to.
- people who are gambling beyond their means.
- and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs."

12.6 This licensing authority will consider promotion of this licensing objective on a common sense, case by case basis. Should a practical definition

prove possible in future then this policy statement will be updated with it, by way of a revision.

13. Other Considerations

The licensing authority will not reject applications for premises licenses where relevant objections can be dealt with through the use of conditions. In determining applications for premises licences and permits, we will request as much information as it requires to be satisfied that all the requirements set out at section 153 of the Act are met.

14. Profile of Fareham

14.1 Fareham is in an area of some 30 square miles along the south coast of Hampshire between Portsmouth and Southampton. It is well connected to the M27 motorway, has good rail links to London and other major centres and easy access to the ferry ports and Southampton international airport.

14.2 The population size in Fareham has increased by 2.6% from around 111,600 in 2011 to 114,500 in 2021. This is lower than the overall increase for England (6.6%). The average age in Fareham is currently 47 years of age.

14.3 Within Fareham's boundaries there are 6 nationally important sites of special scientific interest, 92 sites of importance for nature conservation and 4 nature reserves. The Borough has many historic buildings, 13 conservation areas, nearly 600 listed buildings plus 7 historic parks and gardens of regional or local importance.

14.4 Fareham is a thriving business area with 2/780 people in Fareham claiming ESA (Employment and Support Allowance) (as of February 2016). This figure is in line with national trends. Many of Fareham's businesses are of local origin with a high survival rate from start-up. The growth in jobs at Whiteley, Segensworth and the Solent Business Park has reduced the number of residents commuting to work elsewhere. The proportion of Fareham's working age population that are in work is higher than both the regional and national rates and the average annual salary for a full-time worker living in Fareham is significantly higher than national average earnings.

14.5 Fareham is a safe and healthy place compared to many other parts of the country. The total number of recorded crimes in Fareham has been falling in recent years. Based upon the number of crimes recorded, Fareham's Community Safety Partnership is in the top quartile when compared to other similar authorities.

14.6 The health of people living in Fareham is generally good when compared to other areas. Fareham's life expectancy is between 80-84, which is higher than the national average of 79-83. The rate of death from all

causes, and early death rates from cancer and from heart disease and stroke, have all fallen and remain lower than the national average.

14.7 Deprivation levels across the Borough are generally very low, but there are pockets of deprivation where unemployment is much higher and educational achievement is much lower when compared to other parts of the Borough.

14.8 Fareham is not a tourist town. It has no seaside resort or built-up frontage. There have been no applications for bingo halls, amusement arcades or casinos. Its night-time economy consists mainly of restaurants and public houses.

14.9 The majority of Gambling permits in place are for Betting shops and the number of these in the Borough has remained constant in recent years, currently there are 5 in the Borough. These are mainly located within defined commercial centres.

15. Money Laundering

15.1 The council requires applicants and licence holders to assess the risks of their business being used for money laundering and terrorist financing. Such risk assessment must be appropriate and must be reviewed as necessary in the light of any changes in circumstances, including the introduction of new technology, new methods of payment by customers, changes in the customer demographic or any other material changes, and in any event reviewed at least annually.

15.2 As a gambling business you have a responsibility to uphold the three licensing objectives set out in the Act. The first of those licensing objectives is to prevent gambling being a source of crime or disorder, being associated with crime and disorder, or being used to support crime.

15.3 Money laundering in the gambling sector takes two main forms:

- exchanging money acquired criminally for money that appears to be legitimate or 'clean' by gambling on low-risk outcomes; and
- the use of criminal proceeds to fund gambling as a leisure activity (so called criminal or 'lifestyle' spend).

15.4 You should report money laundering to the National Crime Agency and, where appropriate consent is requested, wait for such consent to deal with a transaction or wait until a set period has elapsed before proceeding.

15.5 Further information on how to meet your money laundering responsibilities can be found on the Gambling Commission website.

16. The Proceeds of Crime Act 2002

16.1 POCA creates several principal offences that apply to everyone and criminalise any involvement in the proceeds of any crime if the person knows or suspects that the property is criminal property. These offences relate to the concealing, disguising, converting, transferring, acquisition, use and possession of criminal property, as well as an arrangement which facilitates the acquisition, retention, use or control of criminal property. For example, in the gambling industry, this may involve taking cash, cheque, or card payments, based on funds which are the proceeds of crime, in the form of a bet or wager or holding money on account for a customer.

16.2 The Gambling Commission has produced guidance for operators on duties under the Proceeds of Crime Act.

PART C – Premises Licences

17. General Principles

17.1 Premises Licences will be subject to the permissions/restrictions set out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions that will be detailed in regulations issued by the Secretary of State.

17.2 We, as the licensing authority, will be able to exclude default conditions and also attach other conditions, where we believe it to be appropriate.

17.3 This licensing authority is aware that in making decisions about premises licences we should aim to permit the use of premises for gambling in so far as we think it is:

- in accordance with any relevant code of practice issued by the Gambling Commission
- in accordance with any relevant guidance issued by the Gambling Commission
- reasonably consistent with the licensing objectives and
- in accordance with this statement of licensing policy

17.4 We appreciate that gambling can be an emotive subject but acknowledge that, in accordance with Gambling Commission Guidance for Local Authorities, “moral objections to gambling are not a valid reason to reject applications for premises licences “. Except in respect of a Casino resolution and that unmet demand is not a criterion for a licensing authority.

17.5 Premises are defined in the Act as “any place”. Different premises licences cannot apply in respect of single premises at different times. It is however possible for a single building to be subject to more than one premises licence, providing that each licence is for a different part of the

building and such different parts can reasonably be regarded as different premises.

17.6 We will judge each case on its individual merits to decide as a matter of fact, whether different parts of a building can be properly regarded as being separate premises.

17.7 We note that the Gambling Commission, in their guidance, do not consider that areas of a building that are artificially or temporarily separate can be properly regarded as different premises. We support this view.

17.8 This licensing authority takes particular note of the Gambling Commission's Guidance for Local Authorities which states that:

- Licensing Authorities should take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular, they should be aware that entrances and exits from parts of a building covered by one or more licences should be separate and identifiable so that the separation of different premises is not compromised, and that people do not 'drift' into a gambling area.
- Licensing authorities should pay particular attention to applications where access to the licensed premises is through other premises (which themselves may be licensed or unlicensed). Clearly there will be specific issues that authorities should consider before granting such applications, for example, whether children can gain access; compatibility of the two establishments; and the ability to comply with the requirements of the Act. But in addition, an overriding consideration should be whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the Act.

17.9 We also note that an applicant cannot obtain a full premises licence until the premises in which it is proposed to offer the gambling are constructed. The Gambling Commission has advised that references to "the premises" are to the premises in which gambling may now take place. Therefore, a licence to use premises for gambling will only be issued in relation to premises that are ready to be used for gambling.

17.10 Subject to future case law, we agree with this interpretation that it is a question of fact and degree whether premises are finished to a degree that they can be considered for a premises licence. The Gambling Commission emphasises that requiring the building to be complete ensures that the licensing authority can, if necessary, inspect it fully, as can other responsible authorities, with inspection rights under the Act.

- 17.11 This licensing authority is aware that demand issues cannot be considered in relation to the location of premises but that considerations made in terms of the licensing objectives can be considered.
- 17.12 We will, in accordance with the Gambling Commission's Guidance for Local Authorities, pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder.
- 17.13 This authority has not adopted any specific policy in relation to areas where gambling premises should not be located. Should any such policy be decided upon, as a result of this consultation or otherwise, regarding such areas where gambling premises should not be located, this policy statement will be updated.
- 17.14 It should be noted that any such future policy will not preclude any application being made and each application will be decided on its merits, with the onus upon the applicant to show how any potential concerns can be overcome.
- 17.15 This authority will seek to avoid any duplication with other statutory / regulatory systems where possible, including the statutory planning regime.
- 17.16 This council acting as a licensing authority will not consider whether a licence application is likely to be awarded planning permission or building regulations approval in its consideration of an application for a Premises Licence.
- 17.17 We will though, carefully consider any concerns about licensing conditions which are not able to be met by licensees due to planning restrictions, should such a situation arise.
- 17.18 The Planning Department are a responsible authority under this Act and can make representations should they desire, otherwise the two regimes will be properly separated.
- 17.19 Premises licences granted must be reasonably consistent with the licensing objectives. In promoting these objectives, we have considered the Gambling Commission's Guidance to local authorities and make the following observations:

18. Local Area Risk Assessments

- 18.1 It is a requirement of the Gambling Commission's Licence Conditions and Codes of Practice (LCCP), for licensees to assess the local risks to the licensing objectives posed by the provision of gambling facilities at their premises and have policies, procedures and control measures to

mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in this policy.

18.2 The LCCP goes on to say licensees must review (and update as necessary) their local risk assessments:

- to take account of significant changes in local circumstance, including those identified in this policy.
- when there are significant changes at a licensee's premises that may affect their mitigation of local risks
- when applying for a variation of a premises licence; and
- in any case, undertake a local risk assessment when applying for a new premises licence.

18.3 The council will expect the local risk assessment to consider as a minimum:

- whether the premises are in an area of deprivation
- whether the premises are in an area subject to high levels of crime and/or disorder
- the ethnic profile of residents in the area
- the demographics of the area in relation to vulnerable groups
- the location of services for children such as schools, playgrounds, toy shops, leisure centres and other areas where children will gather.

18.4 In any case the local risk assessment should show how vulnerable people including people with gambling dependencies, are protected.

18.5 A copy of all risk assessments should be available for inspection on the premises.

18.5 Other matters that the assessment may include:

- The training of staff in brief intervention when customers show signs of excessive gambling, the ability of staff to offer brief intervention and how the staffing of premises affect this.
- Details as to the location and coverage of working CCTV cameras, and how the system will be monitored.
- The layout of the premises so that staff have an unobstructed view of persons using the premises.
- The number of staff that will be available on the premises at any one time. If at any time that number is one, confirm the supervisory and monitoring arrangements when that person is absent from the licensed area or distracted from supervising the premises and observing those persons using the premises.
- Arrangements for monitoring and dealing with underage persons and vulnerable persons, which may include dedicated and trained personnel, leaflets, posters, self-exclusion schemes, window displays and advertisements not to entice passers-by etc.

- The provision of signage and documents relating to games rules, gambling care providers and other relevant information to be provided in both English and the other prominent first language for that locality.
- Where the application is for a betting premises licence, other than in respect of a track, the location and extent of any part of the premises which will be used to provide facilities for ambling in reliance on the licence.

18.6 Such information may be used to inform the decision the council makes about whether to grant the licence, to grant the licence with special conditions, or to refuse the application.

18.7 This policy does not preclude any application being made and each application will be decided on its merits, with the onus being upon the applicant to show how the concerns can be overcome.

19. Conditions on Premises Licences

19.1 Any conditions we attach to licences will be proportionate and will be:

- relevant to the need to make the proposed building suitable as a gambling facility
- directly related to the premises and the type of licence applied for.
- fairly and reasonably related to the scale and type of premises: and
- reasonable in all other respects.

19.2 The authority is aware that the mandatory and default conditions imposed by the Gambling Commission will normally be sufficient to regulate gambling premises. In exceptional cases where there are specific risks or problems associated with a particular locality, specific premises or class of premises, the authority may consider attaching individual conditions related to the licensing objectives

19.3 There are specific observations made in this regard under each of the licence types below. This licensing authority will also expect the licence applicant to offer their own suggestions as to way in which the licensing objectives can be met effectively.

19.4 We will, where considered necessary, also consider specific measures for buildings which are subject to multiple premises licences. Such measures may include the supervision of entrances, segregation of gambling and non-gambling areas frequented by children and the supervision of gaming machines in non-adult gambling specific premises to promote the licensing objectives, in accordance with Gambling Commission Guidance.

19.5 We will also ensure that where Category A to C gaming machines are on offer in premises to which children are admitted, other than premises licensed for the supply of alcohol under the Licensing Act 2003.

- All such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance
- Only adults are admitted to the area where these machines are located
- Access to the area where these machines are located is supervised
- The area where these machines are located is arranged so that it can be observed by the staff or the licence holder, and
- At the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18 years of age.

19.6 These considerations will apply to premises including buildings where multiple premises licences are applicable.

19.7 We are aware that tracks may be subject to one or more than one premises licence, provided that each licence relates to a specified area of the track.

19.8 We will, in accordance with the Gambling Commission's Guidance, consider the impact upon the third licensing objective and the need to ensure that the entrances to each type of premises are distinct from each other and that children are excluded from gambling areas where they are not permitted by law or condition, to enter

19.9 It is noted that there are conditions which the licensing authority cannot by law attach to premises licences which are:

- any condition on the premises licence which makes it impossible to comply with an operating licence condition
- conditions relating to gaming machine categories, numbers, or method of operation.
- conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated) and
- conditions in relation to stakes, fees, winning or prizes

20. Door Supervisors

20.1 The Gambling Commission advises in its Guidance that licensing authorities may consider whether there is a need for door supervisors in terms of the licensing objectives of protection of children and vulnerable

persons from being harmed or exploited by gambling, and also in terms of preventing premises becoming a source of crime.

- 20.2 Door supervisors at casinos and bingo premises who are contract staff are required to be licensed by the Security Industry Authority; however, in house supervisors are exempt from this requirement.
- 20.3 This licensing authority therefore has specific requirements for door supervisors working at casinos or bingo premises which are that a book is maintained in which is recorded.
- the identity of the door staff deployed
 - the time they commenced duty and left duty, and
 - any incidents that they dealt with each day, and such a book shall be maintained and available for inspection for a period of 3 months from the date of the record entry.

21 Adult Gaming Centres (AGC)

- 21.1 Adult gaming centres are a category of premises introduced by the Act that are most closely related to what are commonly known as adult only amusement arcades seen in many town centres.
- 21.2 Persons operating an AGC must hold a gaming machines general operating licence from the Gambling commission and obtain a premises licence from the council.
- 21.3 Under the Act a premise holding an adult gaming centre licence will be able to make a number of category B, C and D gaming machines available. No person under 18 will be permitted to enter such premises and no alcohol shall be permitted to be consumed on the premises.
- 21.4 No customer shall be able to access the premises directly from any other (or split) premises in respect of which a licence issued under part 8 of the Act, or a permit issued under schedule 10, 12 or 13 to the Act, has effect.
- 21.5 The council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling in these premises. The council will expect applicants to satisfy the council that there will be sufficient measures to ensure that under 18-year-olds do not have access to the premises.
- 21.6 Where certain measures are not already addressed by the mandatory and default conditions and the Gambling Commission codes of Practice or by the applicant, the council may consider licence conditions to address such issues.

22. Licensed Family Entertainment Centres (FECs)

- 22.1 Licenced family entertainment centres are those premises which usually provide a range of amusements such as computer games, penny pushers and may have a separate section set aside for adult only gaming machines with higher stakes and prizes.
- 22.2 Licenced family entertainment centres will be able to make available unlimited category C and D machines where there is clear segregation in place to children do not access the areas where the category C machines are located.
- 22.3 Where category C or above machines are available in premises to which children are admitted then the council will ensure that:
- all such machines are in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than thorough a designated entrance. For this purpose, a rope, floor markings or similar provision will not suffice, and the council may insist on a permanent barrier of at least 1 metre high.
 - only adults are admitted to the area where the machines (category C are located.
 - access to the area where the machines are located is supervised at all times.
 - the area where the machines are located is arranged so that it can be observed by staff; and
 - at the entrance to, and inside any such area there are prominently displayed noticed indicated that access to the area is prohibited to persons under 18.
- 22.4 The council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that under 18-year-olds do not have access to the adult only gaming machine areas.
- 22.5 The council will expect applicants to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations.
- 22.6 The efficiency of such policies and procedures will each be considered on their merits; however, they may include:
- appropriate measures and training for staff regarding suspected truant children on the premises; measures and training covering how staff would deal with unsupervised very young children being on the premises.
 - measures and training covering how staff would deal with children causing perceived problems on or around the premises.

- the arrangements for supervision of premises either by staff or the use of CCTV. Any CCTV system installed should cover both the interior and the entrance working to latest Home office standards and to the satisfaction of Hampshire police and the council. The system must record images clearly and these recordings be retained for a minimum of 31 days. If the equipment is inoperative the police and local authority must be informed as soon as possible, and immediate steps taken to make the system operative. Notices must be displayed at the entrances advising that CCTV is in operation.

22.7 Due to the nature of these premises, which are attractive to children, applicants who employ staff to supervise the premises should consult with the Disclosure and Barring Service to determine whether their staff need to be DBS checked.

22.8 The council will refer to the Commission's website to familiarise itself with any conditions that apply to operating licences covering the way in which the area containing the category C machines should be delineated. The council will also make itself aware of the mandatory or default conditions and any Gambling commission codes of Practice on these premises' licences.

22.9 We will, in accordance with the Gambling Commission's guidance, refer to the Commission, and be aware of any conditions that apply to operating licences covering the way in which the area containing the Category C or higher machines, should be delineated.

22.10 This licensing authority will also make itself aware of any mandatory or default conditions on these premises' licences, when they have been published.

23 Casinos

This licensing authority does not have an existing licensed casino within the Borough. We have not submitted a proposal for a premises licence for any new type of casino to the Independent Casinos Advisory Panel.

24. Betting machines

24.1 It is desirable that the difference between a gaming machine and betting machine is understood. A machine is not a gaming machine if it is designed or adapted for use to bet on future real events.

24.2 Some betting premises may make available machines that accept bets on live events, such as horse racing, as a substitute for placing a bet over the counter. These "betting machines" are not gaming machines and therefore neither count towards the maximum permitted number of gaming machines, nor have to comply with any stake or prize limits.

- 24.3 Such betting machines merely automate the process which can be conducted in person and therefore do not require regulation as a gaming machine.
- 24.4 However, where a machine is made available to take bets on virtual races, that machine is a gaming machine and does count towards the maximum permitted number of gaming machines and must meet the relevant category limitations for the premises.
- 24.5 Section 181 contains an express power for licensing authorities to restrict the number of betting machines, their nature and the circumstances in which they are made available by attaching a licence condition to a betting premises licence or to a casino premises licence (where betting is permitted in the casino).
- 24.6 In accordance with the Gambling Commission's Guidance for local authorities, when considering the number / nature / circumstances of betting machines that a casino operator wishes to offer, we will consider.
- the size of the premises
 - the number of counter positions available for person-to-person transactions, and,
 - the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable persons."

25. Bingo

- 25.1 This licensing authority notes that that the Gambling Commission Guidance states; "It is important that if children can enter premises licensed for bingo that they do not participate in gambling, other than on category D machines. Where category C or above machines are available in premises to which children are admitted licensing authorities should ensure that:
- all such machines are located in an area of the premises separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance.
 - only adults are admitted to the area where these machines are located.
 - access to the area where the machines are located is supervised.
 - the area where the machines are located is arranged so that it can be observed by staff of the operator or the licence holder; and
 - at the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

- Children will not be admitted to bingo premises unless accompanied by an adult.

25.2 We note that under the Act, children and young persons (anyone up to the age of 18) cannot be employed in providing any facilities for gambling on bingo premises, and children (under 16) cannot be employed, in any capacity, at a time when facilities for playing bingo are being offered. However, young persons, aged 16 and 17, may be employed in bingo premises (while bingo is being played), provided the activities on which they are employed are not connected with the gaming or gaming machines.

25.3 The Gambling Commission has provided Guidance for Licensing Authorities and licence Conditions and Code of Practice which are applied to Operator's Licences. The council will take this into consideration when determining licence applications for bingo premises.

25.4 Where certain measures are not already addressed by the mandatory/default conditions, the Gambling Commission Code of Practice or the applicant, the council may consider licence conditions to address such issues.

26. Betting Premises

We note that the Act contains a single class of licence for betting premises. However, within this single class of licence, there will be different types of premises which require licensing. This section of our policy discusses off-course betting, that is betting that takes place other than at a track in what is currently known as a licensed betting office. Tracks are discussed in the following section. It should be noted that there are also betting offices on tracks, that have a separate premises licence from the track licence.

27. Tracks

27.1 Tracks are sites (including horse racecourses and dog tracks) where races or other sporting events take place. Betting is a major gambling activity on tracks, both in the form of pool betting (often known as the "totalisator" or "tote"), and also general betting, often known as "fixed-odds" betting.

27.2 There is no special class of betting premises licence for a track, but the Act does contain rules which apply specifically to premises licences granted in respect of a track.

27.3 Special rules apply to applicants for a premises licence in relation to a track. Most importantly, as noted above, the applicant need not hold an operating licence. That is because, unless the occupier of the track wishes to offer pool betting (or general betting) facilities himself (for which he will need a licence), the betting that is provided upon the track will not be provided by him but will be provided by other operators who

come on-course. Since those people will require the necessary operating licences, the Act allows the track operator to obtain a premises licence without also having to hold an operating licence. This track premises licences then authorises anyone upon the premises with an operating licence to offer betting facilities.

- 27.4 We are aware that tracks are different from other premises in that there may be more than one premises licence in effect, each covering a specified area of the track. In accordance with the Gambling Commission guidance, this authority will especially consider the impact of the third licensing objective.
- 27.5 There may be some specific considerations about the protection of children and vulnerable persons from being harmed or exploited by gambling and the need to ensure entrances to each type of premises are distinct and that children are excluded from gambling or betting areas where they are not permitted to enter.
- 27.6 We will expect the premises licence applicants to demonstrate suitable measures to ensure that children do not have access to adult-only gaming facilities.
- 27.7 Children and young persons will by law be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/or horse racing takes place, although they are still prevented from entering areas where gaming machines (other than category D machines) are provided.
- 27.8 Appropriate licence conditions may include:
- Proof of age schemes
 - CCTV
 - Door supervisors
 - Supervision of entrances / machine areas
 - Physical separation of areas
 - Location of entry
 - Notices / signage
 - Specific opening hours
 - The location of gaming machines
 - Self-barring Schemes
 - Provision of information leaflets / helpline numbers for organisations such as GamCare

28. Condition on Rules being Displayed

The Gambling Commission has advised in its Guidance for local authorities that "...licensing authorities should attach a condition to track premises licences requiring the track operator to ensure that the rules are prominently displayed in or near the betting areas, or that other measures are taken to ensure that they

are made available to the public. For example, the rules could be printed in the race-card or made available in leaflet form from the track office.”

29. Applications and Plans

This licensing authority awaits regulations setting-out any specific requirements for applications for premises licences but is in accordance with the Gambling Commission's suggestion "To ensure that licensing authorities gain a proper understanding of what they are being asked to licence they should, in their licensing policies, set out the information that they will require, which should include detailed plans for the racetrack itself and the area that will be used for temporary “on-course” betting facilities (often known as the “betting ring”) and in the case of dog tracks and horse racecourses fixed and mobile pool betting facilities operated by the Tote or track operator, as well as any other proposed gambling facilities." and that "Plans should make clear what is being sought for authorisation under the track betting premises licence and what, if any, other areas are to be subject to a separate application for a different type of premises licence."

30. Travelling Fairs

- 30.1 We note that we as the licensing authority are required to decide whether, where category D machines and / or equal chance prize gaming without a permit is to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.
- 30.2 The licensing authority will also consider whether the applicant falls within the statutory definition of a travelling fair.
- 30.3 It has been noted that the 27-day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. This licensing authority will work with other departments of the council and its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

31. Provisional Statements

- 31.1 This licensing authority notes the Guidance for the Gambling Commission which states that “It is a question of fact and degree whether premises are finished to a degree that they can be considered for a premises licence” and that “Requiring the building to be complete ensures that the authority could, if necessary, inspect it fully”.
- 31.2 In terms of representations about premises licence applications, following the grant of a provisional statement, no further representations from relevant authorities or interested parties can be considered unless they concern matters which could not have been addressed at the

provisional statement stage, or they reflect a change in the applicant's circumstances. In addition, the authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

- a) which could not have been raised by objectors at the provisional licence stage; or
- b) which is in the authority's opinion reflect a change in the operator's circumstances.

31.3 This authority has noted the Gambling Commission's Guidance that "A licensing authority should not consider irrelevant matters. One example of an irrelevant matter would be the likelihood of the applicant obtaining planning permission or building regulations approval for the proposal."

PART D – Permits, Notifications and Lottery Registrations

32. Unlicensed Family Entertainment Centre Gaming Machine Permits

- 32.1 Family entertainment centres (FECs) will perhaps be most commonly located at seaside resorts, in airports and at motorway service centres, and will cater for families, including unaccompanied children and young persons.
- 32.2 Unlicensed FECs will be able to offer only category D machines in reliance on a gaming machine permit. Any number of category D machines can be made available with such a permit. Permits cannot be issued to vessels or vehicles.
- 32.3 Where a premise does not hold a premises licence but wishes to provide gaming machines, it may apply to the licensing authority for this permit. It should be noted that the applicant must show that the premises will be wholly or mainly used for making gaming machines available for use as required by section 238.
- 32.4 The application for a permit can only be made by a person who occupies or plans to occupy the premises to be used as an unlicensed FEC and, if the applicant is an individual, he must be aged 18 or over. Applications for a permit cannot be made if a premises licence is in effect for the same premises.
- 32.5 The Gambling Act 2005 states that a licensing authority may prepare a *statement of principles* that they propose to consider in determining the suitability of an applicant for a permit and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Commission under section 25.

- 32.6 The Gambling Commission's Guidance for local authorities also states: "In their three-year licensing policy statement, licensing authorities may include a statement of principles that they propose to apply when exercising their functions in considering applications for permits...., licensing authorities will want to give weight to child protection issues."
- 32.7 The Guidance also states: "...An application for a permit may be granted only if the licensing authority is satisfied that the premises will be used as an unlicensed FEC, and if the chief officer of police has been consulted on the application. Licensing authorities might wish to consider asking applications to demonstrate: a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs;
- that the applicant has no relevant convictions (those that are set out in schedule 7 of the Act); and
 - that staff are trained to have a full understanding of the maximum stakes and prizes. (24.7)
- 32.8 We note that a licensing authority can grant or refuse a licence but cannot attach conditions to this type of permit.
- 32.9 This licensing authority will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations.
- 32.10 The efficiency of such policies and procedures will each be considered on their merits. However, they may include appropriate measures / training for staff as regards suspected truant school children on the premises, measures / training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems on / around the premises

33. Gaming Machine Permits in Premises Licensed for the Sale of Alcohol

- 33.1 There is provision in the Act for premises licensed under the Licensing Act 2003 for the sale of alcohol for consumption on the premises, to automatically have 2 gaming machines, of categories C and/or D. Licence holders merely need to notify the licensing authority.
- 33.2 The licensing authority can remove the automatic authorisation in respect of any premises if:
- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives.
 - gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation

of the machine has been complied with); the premises are mainly used for gaming; or

- an offence under the Gambling Act has been committed on the premises.

33.3 If a premises licence holder wishes to have more than 2 machines, then they need to apply for a permit and the licensing authority must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission under section 25 of the Gambling Act 2005, and “*such matters as they think relevant.*”

33.4 This licensing authority considers that “such matters” will be decided on a case-by-case individual basis, but generally there will be regard to the need to protect children and vulnerable persons from being harmed or exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult-only gaming machines.

33.5 Measures which will satisfy the authority that there will be no access may include the adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18. Notices and signage on the machines or in the premises may also be help. As regards the protection of vulnerable persons, applicants may wish to consider the provision of information leaflets / helpline numbers for organisations such as GamCare.

33.6 It is recognised that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would normally need to be applied for, and dealt with, as an Adult Gaming Centre premises licence.

33.7 It should be noted that we as the licensing authority can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached to a permit.

33.8 It should also be noted that the holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

34. Prize Gaming Permits

34.1 The Gambling Act 2005 states that a licensing authority may “prepare a statement of principles that they propose to apply in exercising their functions under this schedule” which “may specify matters that the licensing authority propose to consider in determining the suitability of the applicant for a permit”.

- 34.2 This licensing authority has prepared a Statement of Principles which is that the applicant should set out the types of gaming that he or she is intending to offer, and that the applicant should be able to demonstrate:
- a) that they understand the limits to stakes and prizes that are set out in Regulations.
 - b) and that the gaming offered is within the law.
- 34.3 In making its decision on an application for this permit the licensing authority does not need to have regard to the licensing objectives but must have regard to any Gambling Commission guidance.
- 34.4 It should be noted that there are conditions in the Gambling Act 2005 with which the permit holder must comply, but that the licensing authority cannot attach conditions. The conditions in the Act are:
- The limits on participation fees, as set out in regulations, must be complied with.
 - all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
 - the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
 - participation in the gaming must not entitle the player to take part in any other gambling.

35. Club Gaming and Club Machine Permits

- 35.1 Bona Fide Members Clubs and Miners' welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Clubs Gaming machines permit.
- 35.2 The Club Gaming Permit will enable the premises to provide 3 gaming machines of categories B, C or D, equal chance gaming and games of chance as set-out in regulations still to be published.
- 35.3 A Club Gaming machine permit will enable the premises to provide 3 gaming machines of categories B, C or D.
- 35.4 Gambling Commission Guidance states: "Members clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming unless the gaming is permitted by separate regulations. It is anticipated that this will cover bridge and whist clubs, which will replicate the position under the Gaming Act 1968.

- 35.5 A members' club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations."
- 35.6 The Commission Guidance also notes that "licensing authorities may only refuse an application on the grounds that:
- a) the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied
 - b) the applicant's premises are used wholly or mainly by children and/or young persons.
 - c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities.
 - d) a permit held by the applicant has been cancelled in the previous ten years; or
 - e) an objection has been lodged by the Commission or the police.
- 35.7 There is also a 'fast-track' procedure available under the Act for premises which hold a Club Premises Certificate under the Licensing Act 2003 (schedule 12 paragraph 10).
- 35.8 The Gambling Commission's Guidance for local authorities' states: "Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which an authority can refuse a permit are reduced." and "The grounds on which an application under the process may be refused are:
- a) that the club is established primarily for gaming, other than gaming prescribed under schedule 12.
 - b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
 - c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled."
- 35.9 There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

36. Temporary Use Notices

- 36.1 Part 9 of the Act sets out the position in relation to temporary use notices. These allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a temporary use notice would include hotels, conference centres, and sporting venues.

- 36.2 There are a number of statutory limits as regards temporary use notices. Gambling Commission Guidance is noted. As with "premises", the definition of "a set of premises" will be a question of fact in the particular circumstances of each notice that is given.
- 36.3 We will apply the Gambling Commission Guidance which states: "In the Act "premises" is defined as including "any place". In considering whether a place falls within the definition of "a set of premises", licensing authorities will need to look at, amongst other things, the ownership/occupation and control of the premises. A large exhibition centre, for example, would be likely to come within the definition as it is properly one premises, and should not be granted a temporary use notice for 21 days in respect of each of its exhibition halls. But in relation to other covered areas, such as shopping centres, the licensing authority will need to consider whether different units are in fact different "sets of premises", given that they may be occupied and controlled by different people. This is a new permission and licensing authorities should be ready to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises." In our consideration of Temporary Use Notice applications.

37. Occasional Use Notices:

We have very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. This licensing authority will, however, consider the definition of a 'track' and whether the applicant is permitted to avail him/herself of the notice.

38. Small Society Lottery Registrations

- 38.1 A lottery generally refers to schemes under which prizes are distributed by chance among entrants who have given some form of value for their chance to take part.
- 38.2 The Act creates two principal classes of lotteries: Licensed lotteries and exempt lotteries. Licensed lotteries are large society lotteries and lotteries run for the benefit of local authorities. These will be regulated by the Gambling Commission. Other exempted lotteries are:
- (a) incidental lotteries – must be held at an event (either commercial or non-commercial), e.g., a charity dinner, exhibition, festival, fete.
 - (b) Private lotteries
 - Private society lotteries – only members of the society and those on the society premises can participate in the lottery
 - Work lotteries – only people who work together on the same premises may participate
 - Residents' lotteries – only people who live at the same premises may participate

(c) Customer lotteries – only customers at the business premises may participate.

38.3 A small society lottery is a lottery promoted on behalf of a non-commercial society as defined in the Act which also meets specific financial requirements set out in the Act. These will be administered by the council for small societies who have a principal office in Fareham district and want to run such a lottery.

38.4 A lottery is small if the total value of tickets put on sale in a single lottery is £20,000 or less and the aggregate value of the tickets put on sale in a calendar year is £250,000 or less.

38.5 To be ‘non-commercial’ a society must be established and conducted:

- For charitable purposes,
- For the purpose of enabling participation in, or supporting, sport, athletics or a cultural activity; or
- For any other non-commercial purpose other than that of private gain.

PART E – Enforcement

39.1 Licensing authorities are required by regulations under the Gambling Act 2005 to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.

39.2 This licensing authority’s principles are that we will be guided by the Gambling Commission’s Guidance for Local Authorities and our policy will endeavour to be:

- Proportionate: regulators should only intervene when necessary: remedies should be appropriate to the risk posed, and costs identified and minimised.
- Accountable: regulators must be able to justify decisions and be subject to public scrutiny.
- Consistent: rules and standards must be joined up and implemented fairly.
- Transparent: regulators should be open, and keep regulations simple and user friendly; and
- Targeted: regulation should be focused on the problem, and minimise side effects

39.3 This licensing authority will also, as recommended by the Gambling Commission’s Guidance for Local Authorities, adopt a risk-based approach. Generally given the profile of the local area this will be a light touch approach; however, the Authority will investigate any complaints or

issues brought to its notice as necessary given the circumstances in each case.

- 39.4 The main enforcement and compliance role for this licensing authority in terms of the Gambling Act 2005 will be to ensure compliance with the Premises Licences and other permissions that it authorises.
- 39.5 The Gambling Commission will be the enforcement body for Operator and Personal Licences. Concerns about manufacture, supply or repair of gaming machines will not be dealt with by the licensing authority but will be notified to the Gambling Commission for investigation.
- 39.6 This licensing authority will also keep itself informed of developments regarding the work of the Better Regulation Executive in its consideration of the regulatory functions of local authorities.
- 39.7 Any prosecution will only be commenced in accordance with the sufficiency of evidence and public interest criteria referred to in the Code for Crown Prosecutors issued in accordance with the Prosecution of Offences Act 1985.
- 39.8 Any such prosecution will be commenced and conducted by the Head of Environmental Health in accordance with the powers delegated to him by the council.

40. Reviews

- 40.1 A premises licence may be reviewed by the licensing authority of its own volition or following the receipt of an application for a review, which is essentially a request by a third party to the licensing authority to review a particular licence.
- 40.2 Section 200 of the Act provides that licensing authorities may initiate a review in relation to a particular class of premises licence or in relation to particular premises. Officers may be involved in the initial investigations of complaints leading to a review, or may try informal mediation or dispute resolution techniques prior to a full-scale review being conducted, but the review itself, if necessary, will be heard by elected members.
- 40.3 Requests for a review of a premises licence can be made by interested parties or responsible authorities, however, it is for the licensing authority to decide whether the review is to be carried-out.
- 40.4 An application for a review may be (but need not be) rejected if the licensing authority thinks that the grounds on which the review is sought:
 - a) are not relevant to the principles that must be applied by the licensing authority in accordance with section 153. If the application

raises issues that are not relevant to the Commission guidance/codes of practice, this policy statement, or the licensing objectives, then we may reject it. In addition, if the application raises general objections to gambling as an activity, that is likely to be irrelevant to the principles in section 153, given that we are required to permit the use of premises for gambling in so far, we think that permission is in accordance with the matters set out in that section. Examples that are likely to be irrelevant include demand for gambling premises, issues relating to planning, public safety, and traffic congestion.

- b) the grounds are frivolous.
- c) the grounds are vexatious.
- d) the grounds “will certainly not” cause the authority to revoke or suspend a licence or to remove, amend or attach conditions on the premises licence.
- e) are substantially the same as the grounds cited in a previous application for review relating to the same premises. In these circumstances we will take into account how much time has passed since the earlier application in reaching a judgement about whether it is reasonable to rely on this as a reason not to review the licence; or
- f) are substantially the same as representations made at the time the application for a premises licence was considered? In these circumstances, we will consider the period of time that has passed since the representations were made, but the underlying requirement is that we should not review the licence on the basis of the same arguments considered on the grant of the premises licence

APPENDIX A

SCHEDULE OF CONSULTEES TO THIS DRAFT POLICY STATEMENT

- All Elected Councillors, Fareham Borough Council
- Director of Planning & Regeneration, Fareham Borough Council
- The Head of Legal Services, Southampton City Council
- The Head of Environmental Health, Fareham Borough Council
- The Gambling Commission Headquarters Policy Section
- The Gambling Commission Regional Inspector (Hampshire)
- The Chief Constable, Hampshire Police
- Hampshire Fire and Rescue Service Authority
- Head of Child Protection, Hampshire County Council
- H.M. Revenue & Customs
- Neighbouring Authorities
- The British Casino Association
- Racecourse Association Limited
- British Amusement Catering Trade Association
- British Holiday & Home Parks Association
- Community Trade Union
- Association of British Bookmakers
- All persons who hold Betting Office and Bookmakers Permits in Fareham Borough
- Representatives of persons who hold Society Lottery Registrations in Fareham Borough
- Clubs and Institute Union
- Gaming Machine Suppliers who regularly apply for Gaming Permits in Fareham Borough
- Society of Independent Brewers
- Representatives of Premises Licence Holders in Fareham
- Representatives of Club Premises Certificate holders in Fareham
- Hampshire County Council Trading Standards
- GamCare
- Responsibility in Gambling Trust
- Gam – Anon
- Residents Associations and Tenant Groups.
- General advertisement on the Council's website.

APPENDIX B

SCHEDULE OF RESPONSIBLE AUTHORITIES GAMBLING ACT 2006

Hampshire Constabulary

Chief Officer of Police
Fareham Police Station
Quay Street
Fareham
PO16 0NA

Tel: 0845 045 45 45 (central number)
www.hampshire.police.uk

Hampshire Fire & Rescue Service

Service Delivery (Community Safety Delivery)
Protection Department
Southsea Fire Station
Somers Road
Southsea
PO5 4LU

Tel: 023 92855180
Email: : Csprotection.admin@hantsfire.gov.uk

Fax: 023 92885175
Website: www.hantsfire.gov.uk

Pollution & Environmental Protection Team

Pollution & Environmental Protection Team
Fareham Borough Council
Civic Offices
Civic Way
Fareham
PO16 7AZ

Tel: 01329 236100
Email: licensing@fareham.gov.uk

Website: www.fareham.gov.uk

Health & Safety Team

Health & Safety Team
Fareham Borough Council
Civic Offices
Civic Way
Fareham
PO16 7AZ

Tel: 01329 236100
Email: ehs@fareham.gov.uk

Website: www.fareham.gov.uk

Planning Authority
Department of Strategic Planning and Environment
Fareham Borough Council
Civic Offices
Civic Way
Fareham
PO16 7AZ

Tel: 01329 236100
Website: www.fareham.gov.uk
planning@fareham.gov.uk

The Local Weights and Measures Authority
Head of Safety & Standards
The Trading Standards Service
Montgomery House
Monarch Way
Winchester
SO22 5PW

Tel 01962 833620

Email: tsadvice@hants.gov.uk
Website: www.hants.gov.uk

Safeguarding Unit Children's' Services
HCC CSD Safeguarding Unit
Falcon House
Monarch Way
Winchester
SO22 5PL

Tel: 01962 876222

Email: child.protection@hants.gov.uk
Website: www.hants.gov.uk

The Licensing Team
Fareham Borough Council
Civic Offices
Civic Way
Fareham
PO16 7AZ

Tel: 01329 236100
Email: licensing@fareham.gov.uk

Website: www.fareham.gov.uk

Public Health Licensing Manager
Public Health Department
1st Floor, Room 153
Elizabeth II Court, South
Hampshire County Council
Winchester
SO23 8TG

Tel: 01329 236100

Email: publichealth.licensing@hants.gov.uk

FAREHAM

BOROUGH COUNCIL

Report to Council

Date: **14 February 2025**

Report of: **Assistant Director (Democracy)**

Subject: **APPOINTMENTS OF COMMITTEES AND ALLOCATION OF SEATS**

SUMMARY

This report provides details of the calculations for political balance relating to the allocation of seats on committees and panels, as required to be determined by the Council at soon as is practicable, following a change to the political group membership.

The report asks the Council to appoint the nominations of the political groups to committees and also to appoint the role of Chairman and Vice-Chairman for each committee.

RECOMMENDATION

It is recommended that the Council approves:

- (a) the committee functions and number of seats on each committee for the remainder of the municipal year ending in May 2025, as listed at paragraphs 5, 6 and 7 of the report;
- (b) the allocation of seats to political groups for the remainder of the municipal year ending in May 2025, as set out in Appendix A to this report;
- (c) the nominations of the political groups to seats on committees, deputies and spokesmen, for the remainder of the municipal year ending in May 2025, as set out in Appendix B to this report; and
- (d) the appointment of a Chairman and Vice-Chairman for each committee for the remainder of the municipal year ending in May 2025, as set out in Appendix B to this report.

INTRODUCTION

1. The Council is required by its Standing Orders to agree the functions and number of seats for its committees as well as the members to be appointed and the Chairman and Vice-Chairman for each committee.
2. Following the resignation of Councillor Lisa Whittle from the Liberal Democrat Group with effect from 18 December 2024, the political balance of the Council has changed and the number of seat allocated to the political groups is affected.
3. Accordingly, the Council is now invited to agree the allocation of seats to its committees along with the nomination of deputies and the appointment of a Chairman and Vice-Chairman for each committee for the remainder of the municipal year ending in May 2025. Such appointments will take effect from 17 February 2025.

FUNCTIONS AND NUMBER OF SEATS

Overview and Scrutiny

4. The Council is required by Standing Order 1.6.1 to appoint such committee or committees to undertake the function of overview and scrutiny as provided for in the Council's Constitution. Standing Order 1.6.3 similarly requires the Council to determine the number of members and standing deputies to be appointed.
5. The Council is therefore invited to confirm that the Scrutiny Panels to be appointed for the remainder of the municipal year, ending in May 2025, will be as set out below and that the number of members to be appointed is also as shown:
 - Policy and Resources Scrutiny Panel: 7 members + deputies;
 - Leisure and Community Scrutiny Panel: 7 members + deputies;
 - Planning and Development Scrutiny Panel: 7 members + deputies;
 - Health and Public Protection Scrutiny Panel: 7 members + deputies;
 - Housing Scrutiny Panel: 7 members + deputies;
 - Streetscene Scrutiny Panel: 7 members + deputies.
 - Daedalus Scrutiny Panel: 7 members with 1 co-opted representative + deputies; and
 - Climate Change Scrutiny Panel: 7 members + deputies.

Appointment of Other Committees

6. The Council is reminded that it is required by the Licensing Act 2003 to appoint a committee to undertake certain licensing functions and that Standing Order 1.7.1 further requires the Council to appoint such committees as it considers necessary to carry out the non-executive functions of the Council. The Council is therefore invited to confirm the following committees to be appointed, the number of members and standing deputies and to allocate to those Committees such terms of reference and delegated powers as are contained in Part Two of the Council's Constitution:
 - Licensing and Regulatory Affairs Committee: 13 members;
 - Planning Committee: 9 members;

- Audit and Governance Committee: 7 members.
7. The Chairman of the Licensing and Regulatory Affairs Committee presides at the meetings of the Licensing Panel, with the Vice Chairman of the Committee deputising as occasion requires.
 8. Each political group shall appoint 2 deputy members to the Planning Committee and 1 deputy member to each of the remaining committees for which a seat has been allocated.
 9. Members are reminded that at its meeting on 26 April 2012, the Council agreed that the Audit and Governance Committee would be formed, from which a Standards Sub Committee could be called, if necessary, to deal with any standards issues referred to it by the Monitoring Officer.

ALLOCATION OF SEATS

10. Section 5 of the Local Government and Housing Act 1989 provides the following principles which apply to the allocation of seats:
 - (a) that not all the seats on the body to which appointments are being made are allocated to the same political group;
 - (b) that the majority of seats on each Committee are allocated to a particular group if the number of persons belonging to that group is a majority of the authority's membership;
 - (c) that, subject to (a) and (b), when allocating seats to a political group, the total number of their seats across all the ordinary committees of the Council, must reflect their proportion of the authority's membership; and
 - (d) subject to (a) to (c), that the number of seats on each committee is as far as possible in proportion to the group's membership of the authority.
11. The Local Government and Housing Act 1989 requires that, once the Council has determined the allocation of Committee places between the political groups, the Council must then appoint the nominees of the political groups to the Committees.

POLITICAL PROPORZIONALITY

12. The political balance of the Council for the remainder of the municipal year, ending in May 2025, is attached as Appendix A to this report.
13. The allocation of seats between the political groups for each committee shall be in accordance with the figures in Appendix A.

ADJUSTMENTS FOLLOWING CALCULATIONS

14. Each of the political groups is entitled to a certain number of seats on committees. This is based upon their percentage representation on the Council as a whole, as detailed in Appendix A.
15. There is a total of 85 seats to be allocated and the strict entitlement to seats on committees for each political group is shown as detailed in Appendix A.

16. Each of the political groups is only entitled to their proportion of seats and once this entitlement has been reached, a manual adjustment may be necessary.
17. Appendix A shows a rounded allocation of seats to each political group. This is then required to be manually adjusted to ensure that the number of seats allocated to a particular political group matches, and does not exceed, the strict entitlement.
18. The manual adjustments required are confirmed in the notes as detailed in Appendix A.

To assist the Council in this matter and in exercise of powers delegated to the Chief Executive Officer, the Assistant Director (Democracy) has consulted with the leaders of the political groups prior to the meeting, with a view to agreeing the allocation of seats for the remainder of the municipal year, ending in May 2025. Group Leaders have provided nominations to the places on committees to which their respective groups are entitled. The nominations of political groups to seats on committees is set out in Appendix B.

19. The Council is invited to confirm the allocation of seats with effect from 17 February 2025. However, if the Council is asked to consider alternative arrangements in appointing the committees and those arrangements do not comply with the provisions requiring political balance, members are reminded that such alternative arrangements would require the support of the Council with no member voting against.

CHAIRMEN AND VICE-CHAIRMEN

20. The Council is required by Standing Order 1.7.4 to appoint a Chairman and Vice-Chairman for each committee appointed.
21. The nominations are set out in Appendix B (indicated by the letters Ch and VC), to this report.

OPPOSITION SPOKESMEN

22. The minority group Leaders may nominate a spokesman for each Executive portfolio area on which a seat is held by that group. The nominations of political groups to seats on committees is set out in Appendix B (marked as Xs), to this report.

Appendices: Appendix A – Allocation of Seats to Committees
Appendix B – Committee Nomination Schedule

Background Papers: None

Reference Papers: Local Government (Committees and Political Groups) Regulations 1990
Local Government and Housing Act 1989

Enquiries: For further information on this report please contact Leigh Usher. (Ext 4553)

Appendix A: Political Balance Calculation

		Conservative 22 68.75%		Liberal Democrat 7 21.88%		Independent 3 9.38%	
Seats to be allocated		Strict Entitlement	Rounded	Strict Entitlement	Rounded	Strict Entitlement	Rounded
	85	58.44	58	18.59	19	7.97	8
Policy & Resources Scrutiny Panel	7	4.81	5	1.53	2	0.66	0
Leisure & Community Scrutiny Panel	7	4.81	5	1.53	2	0.66	0
Planning & Development Scrutiny Panel	7	4.81	5	1.53	2	0.66	0
Health & Public Protection Scrutiny Panel	7	4.81	5	1.53	2	0.66	0
Housing Scrutiny Panel	7	4.81	5	1.53	2	0.66	0
Streetscene Scrutiny Panel	7	4.81	5	1.53	2	0.66	0
Climate Change Scrutiny Panel	7	4.81	5	1.53	2	0.66	0
Daedalus Scrutiny Panel	7	4.81	5	1.53	2	0.66	0
Licensing & Regulatory Affairs	13	8.94	9	2.84	3	1.22	0
Planning Committee	9	6.19	6	1.97	2	0.84	0
Audit & Gov	7	4.81	5	1.53	2	0.66	0
Notional allocation			60		23		0
Adjustment Required			-2		-4		(+6)

Notes:

- (i) Following the calculation rules as set out in the Local Government and Housing Act 1989 (and listed at paragraph 18 of the report) the Licensing & Regulatory Affairs Committee has notionally been allocated 12 seats across the political groups. This is 1 short of its 13 seats and so a manual adjustment of +1 is required for this committee.
- (ii) Similarly, the Planning Committee has notionally been allocated 8 seats across the political groups. This is 1 short of its 9 seats and so a manual

adjustment of +1 is required for this committee.

- (iii) Under the calculation, the Conservative Group has notionally been allocated 60 seats on committees which is 2 more than the strict entitlement of 58 and therefore a manual adjustment of -2 is required.
- (iv) The Liberal Democrat Group has notionally been allocated 23 seats on committees which is 4 more than the strict entitlement of 19 and therefore a manual adjustment of -4 is required.
- (v) There are three independent councillors who do not represent any political group. There is no strict entitlement calculation applicable to an independent member however, following the calculations and allocation of seats to political groups, the Council must appoint the non-group members to any seats not otherwise allocated. In doing this, the Council may allocate seats from those committees requiring a balancing adjustment.

Tabled Appendix B - Committee Nomination Schedule 2024/25

Conservative Group

	<i>Executive portfolio</i>	<i>Policy & Resources Scrutiny Panel</i>	<i>Leisure & Comm Scrutiny Panel</i>	<i>Planning & Dev Scrutiny Panel</i>	<i>Health & Public Protection Scrutiny Panel</i>	<i>Housing Scrutiny Panel</i>	<i>Streetscene Scrutiny Panel</i>	<i>Climate Change Scrutiny Panel</i>	<i>Daedalus Scrutiny Panel</i>	<i>Licensing & Regulatory Affairs</i>	<i>Planning Committee</i>	<i>Audit & Governance</i>
Nominal seats	60	5	5	5	5	5	5	5	5	9	6	5
Bastable, IJ	SS									X	VC	
Bayford, Mrs SM			X						X	X		
Bird, RN		D	X			X	D					Ch
Birkett, FW	H											
Birkett, Mrs LM		Ch		X	VC	D		X				
Bryant, Mrs PM			D		X	X				Ch		
Burgess, Mrs FL		VC	Ch							X		X
Burton, Miss J	H&PP										X	
Clubley, Mrs LE			VC			VC	X					
Daniells, MR	P&D											D
Dugan, S		X		VC					Ch	D	X	
Ellis, Mrs TL				Ch				VC				X
Foot, DG					X						Ch	X
Ford, MJ					Ch				D			
Harper, Miss T		X	X		X		Ch					VC
Hayre, Mrs PK				X			VC		X	X		
Hockley, Mrs CLA	L&C										D	
Ingram, SP					D	X		Ch		X	X	
Mandry, Mrs K		X				Ch	X		X		D	
Martin, SD	P&R											
Murphy, AMJ				X				X		X		
Needham, Mrs J				D			X	D	VC	VC	X	
Nominations	58	5	5	5	5	5	5	4	5	8	6	5
Adjustment	-2							-1		-1		

Conservative Group 58 seats

Tabled Appendix B - Committee Nomination Schedule 2024/25

Liberal Democrat Group

	<i>Executive portfolio</i>	<i>Policy & Resources Scrutiny Panel</i>	<i>Leisure & Comm Scrutiny Panel</i>	<i>Planning & Dev Scrutiny Panel</i>	<i>Health & Public Protection Scrutiny Panel</i>	<i>Housing Scrutiny Panel</i>	<i>Streetscene Scrutiny Panel</i>	<i>Climate Change Scrutiny Panel</i>	<i>Daedalus Scrutiyn Panel</i>	<i>Licensing & Regulatory Affairs</i>	<i>Planning Committee</i>	<i>Audit & Governance</i>
Nominal seats	23	2	2	2	2	2	2	2	2	3	2	2
Bainbridge, C			D	D			X	X		X		
Hamilton, DJ		Xs				Xs				D		X
Nother, PM				Xs		X			D		X	
West, A		D			Xs	D		X		X		
Whittle, PW				X							D	X
Wiltshire, DP		X	Xs		D				X		D	
Wiltshire, K							Xs	D			X	D
Nominations	19	2	1	2	1	2	2	2	1	2	2	2
Adjustment	-4		-1		-1				-1	-1		

Liberal Democrat Group 19 seats

Independent Members:

	<i>Executive portfolio</i>	<i>Policy & Resources Scrutiny Panel</i>	<i>Leisure & Comm Scrutiny Panel</i>	<i>Planning & Dev Scrutiny Panel</i>	<i>Health & Public Protection Scrutiny Panel</i>	<i>Housing Scrutiny Panel</i>	<i>Streetscene Scrutiny Panel</i>	<i>Climate Change Scrutiny Panel</i>	<i>Daedalus Scrutiyn Panel</i>	<i>Licensing & Regulatory Affairs</i>	<i>Planning Committee</i>	<i>Audit & Governance</i>
No of seats>												
Englefield, JM								X	X	X		
Furnivall, Mrs G					X					X	X	
Whittle, LJ			X							X		

Independents 8 seats