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COUNCIL AGENDA

Membership: Councillor Ponsonby (Mayor)

Councillors Bains, Mrs Blackett, Bowerman, Briggs, Branson, Buckley, Carpenter, Cheshire, Cresswell, Davis, Fairhurst, Francis, Guest, Hart, Howard, Hughes, Keast, Kerrin, Lenaghan, Lloyd, Patrick, Perry, Pike, Rees, Quantrill, Satchwell, Seal, Shimbart, Mrs Shimbart, Smith D, Smith K, Thomas, Turner, Wade, Weeks and Wilson

Meeting: Council

Date: Wednesday 22 February 2017

Time: 5.00 pm

Venue: Hurstwood Room, Public Service Plaza, Civic Centre Road,
Havant, Hampshire PO9 2AX

The business to be transacted is set out below:

Nick Leach
Monitoring Officer

14 February 2017

Contact Officer: Penny Milne (023) 92446234
Email: penny.milne@havant.gov.uk

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PART 1 (Items open for public attendance)

1 Apologies for Absence

To receive and record any apologies for absence.

2 Declarations of Interests

To receive any declarations of interests from Members.

3 Minutes

1 - 6

To confirm the minutes of the last meeting held on 7 December 2016.

4 Matters Arising

To consider any matters arising from the minutes of the last meeting.

5 Mayor's Report

7 - 8

6 Public Questions under Standing Order 13.4(f)

To receive questions from, and provide answers to, the public, provided they have been submitted in accordance with the requirements of Standing Order 13.4(f).

7 Provisional Appointment of the Mayor 2017/18

8 Provisional Appointment of the Deputy Mayor 2017/18

9 Leader's Budget Speech

- (1) Budget Speech by the Leader of the Council;
- (2) Reply by the Leader of the Opposition;
- (3) Leader's Reply to the Opposition;
- (4) Questions for Clarification of the Leader of the Council.

10 Revenue and Capital Budget 2017/18

9 - 40

Recommendation from the Cabinet held on 8 February 2017:

Revenue Budget 2017/2018 to 2021/2022

RECOMMENDED That Council:

- (a) that the following be approved, as set out in the report to the Cabinet on 8 February 2017:
 - (1) The proposed Revenue and Capital Budget for 2017/2018 including a Council Tax rate of £192.78 at Band D (0% increase);
 - (2) The Treasury Management Strategy and Prudential Indicators; and
 - (3) Proposed Prices for Services for 2017/2018
- (b) That it be noted that (on 31st January, 2017) the Chief Finance Officer calculated the Council Tax Base 2017/2018 for the whole Council area as 39,937.93 [Item T in the formula in Section 31B(1) of the Local Government Finance Act 1992, as amended, (the "Act")]

and that this Council Tax base be split between the regions of the Environment Agency as follows:

Southern – 39,937.93

(c) That the following amounts be calculated by the Council for the year 2017/2018 in accordance with Sections 31 and 34 to 36 of the Act.

(i) £ 69,303,234 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act;

(ii) £ 61,604,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act;

(iii) £7,699,234 being the amount by which the aggregate at d(i) above exceeds the aggregate at d(ii) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year (Item R in the formula in section 31A(4) of the Act);

(iv) £192.78 being the amount at d(iii) above (Item R), divided by Item T (c above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year;

(e) Valuation Bands

A	B	C	D
£128.52	£149.94	£171.36	£192.78
E	F	G	H
£235.62	£278.46	£321.30	£385.56

being the amounts given by multiplying the amount at d(iv) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

(f) That it be noted that for the year 2017/2018 the Hampshire County Council (see (h) below) and Police and Crime Commissioner for Hampshire and Hampshire Fire and Rescue Authority have stated the following

amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands – Hampshire County Council Basic Charge

A	B	C	D
£755.40	£881.30	£1,007.20	£1,133.10
E	F	G	H
£1,384.90	£1,636.70	£1,888.50	£2,266.20

Valuation Bands – Hampshire County Council Adult Social Care Premium

A	B	C	D
£35.41	£41.32	£47.22	£53.12
E	F	G	H
£64.92	£76.73	£88.53	£106.24

Valuation Bands – Police and Crime Commissioner for Hampshire

A	B	C	D
£110.31	£128.69	£147.08	£165.46
E	F	G	H
£202.23	£239.00	£275.77	£330.92

Valuation Bands – Hampshire Fire and Rescue Authority

A	B	C	D
£42.56	£49.65	£56.75	£63.84
E	F	G	H
£78.03	£92.21	£106.40	£127.68

- (g) That having calculated the aggregate in each case of the amounts at (e) and (f) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby, but subject to Hampshire County Council and Hampshire Fire & Rescue Authority confirming the precept at (f) above on 16th February 2017 and 21st February 2017 respectively, sets the following amounts as the amounts of Council Tax for the year 2017/2018 for each of the categories of dwellings shown below:

Valuation Bands

A	B	C	D
£1,036.79	£1,209.58	£1,382.39	£1,555.18
E	F	G	H
£1,900.78	£2,246.37	£2,591.37	£3,110.36

- (h) If the Precepting Bodies decide a different precept than stated, the Council will be provided with a revised calculation as soon as possible. .

[Note: At the time of the publication of this agenda the figures for the Precepting Bodies are based upon current proposals. If these change before the Council meeting councillors will be advised before the meeting].

11 Cabinet Recommendations

To consider the following recommendations to full Council arising from the meeting of the Cabinet held on 8 February 2017. The Agenda and reports to Cabinet can be viewed via the following link:

[https://havantintranet.moderngov.co.uk/ieListDocuments.aspx?CId=128&MId=10049&\\$LO\\$=1](https://havantintranet.moderngov.co.uk/ieListDocuments.aspx?CId=128&MId=10049&LO=1)

(A) Public Sector Audit Appointments

RECOMMENDED that the Council opts in to the appointing person arrangements made by the Public Sector Audit Appointments (PSAA) for the appointment of external auditors.

(B) CIL Spending 2016/17

RECOMMENDED to Council that

- (1) the Council invests part of the available CIL Pot of £1,250,724.12 in the following capital infrastructure projects:
 - (a) Langstone Flood and Coastal Erosion Risk Management Scheme (FCERM) Feasibility Assessment £75,000.
 - (b) Southmoor Lane, Harts Farm Way Junction Improvements (Short Term) £190,405.
 - (c) Havant Railway Footbridge Detailed Design up to £150,000, subject to negotiation with Hampshire County Council
 - (d) Warblington Station Footbridge – Whilst the funding bid for Warblington Station Footbridge scored very highly using the CIL Protocol, the option of Network Rail

providing this infrastructure will be explored. S106 funds of £647,784 have already been secured until 2025 to support this project. A contribution from CIL will be considered further during the next round of bidding.

The cumulative effect of expenditure on the CIL 123 List of the above bids is illustrated in Table A:

Bid No	Priority	Title	Amount	Cumulative amount
2	Critical	Langstone FCERM Feasibility Assessment	£75,000	£75,000
4	Essential	Southmoor Lane, Harts Farm Way Junction Improvements (Short Term)	£190,405	£265,405
18	Essential	Havant Railway Footbridge Detailed Design	£150,000	£415,405

Table A: Cumulative total of all recommended CIL Pot bids

- (2) that the Council invests part of the available Neighbourhood Portion of £163,305.49 in the following projects:
- a) The Hub – Hayling Island Community Centre Association £42,638
 - b) Northney Coastal Path £90,000 – Funding will be contingent upon other funding opportunities having been exhausted and planning permission being obtained. As there is some uncertainty over the delivery of this project at present it is recommended that a two year time limit is added to this recommendation (that funds be spent by the Council by 31 March 2019).

The cumulative effect of expenditure on the CIL 123 List of the above bids is illustrated in Table B:

Bid No	Priority	Title	Amount	Cumulative amount
26	Desirable	The Hub – Hayling Island Community Centre Association	£42,638	£42,638
15	Desirable	Northney Coastal Path	£90,000	£132,638

Table B: Cumulative total of recommended Neighbourhood Portion bids

- (3) That the Council agrees a Revised CIL Funding Decision Protocol set out at Appendix F to the Cabinet report.

To consider any recommendations arising from the Extraordinary Cabinet meeting held on 22 February 2017.

The agenda and reports for the Cabinet meeting can be viewed via the following link:

[https://havantintranet.moderngov.co.uk/ieListDocuments.aspx?CId=128&MId=10416&\\$LO\\$=1](https://havantintranet.moderngov.co.uk/ieListDocuments.aspx?CId=128&MId=10416&LO=1)

(C) Revenue and Capital Budget 2017/18

12 Leader's Report 41 - 42

13 Cabinet Lead Reports 43 - 58

14 Cabinet Leads and Chairmen's Question Time

(i) the Leader and Cabinet Leads to answer questions on matters within their respective reports.

(ii) Chairmen to answer questions on minutes since the last Council meeting

15 Questions Under Standing Order 23

To receive questions from Councillors in accordance with the requirements of Standing Order 23.4(a).

16 Urgent Questions Under Standing Order 23

To receive urgent questions from Councillors submitted in accordance with the requirements of Standing Order 23.4(b).

17 Notices of Motion

18 Acceptance of Minutes 59 - 76

The Council to receive the following minutes of meetings held since the last meeting of the Council:

Development Management Committee – 8 December 2016

Scrutiny Board – 21 December 2016

Development Management Committee – 12 January 2017

Scrutiny Board – 31 January 2017

PART 2 (Confidential items - closed to the public)

None.

GENERAL INFORMATION

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Internet

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Public Attendance and Participation

Members of the public are welcome to attend the Public Service Plaza and observe the meetings. Many of the Council's meetings allow the public to make deputations on matters included in the agenda. Rules govern this procedure and for further information please get in touch with the contact officer for this agenda.

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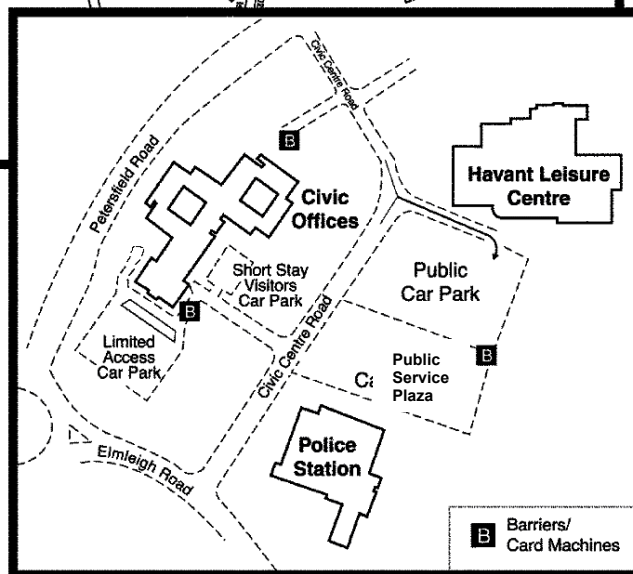
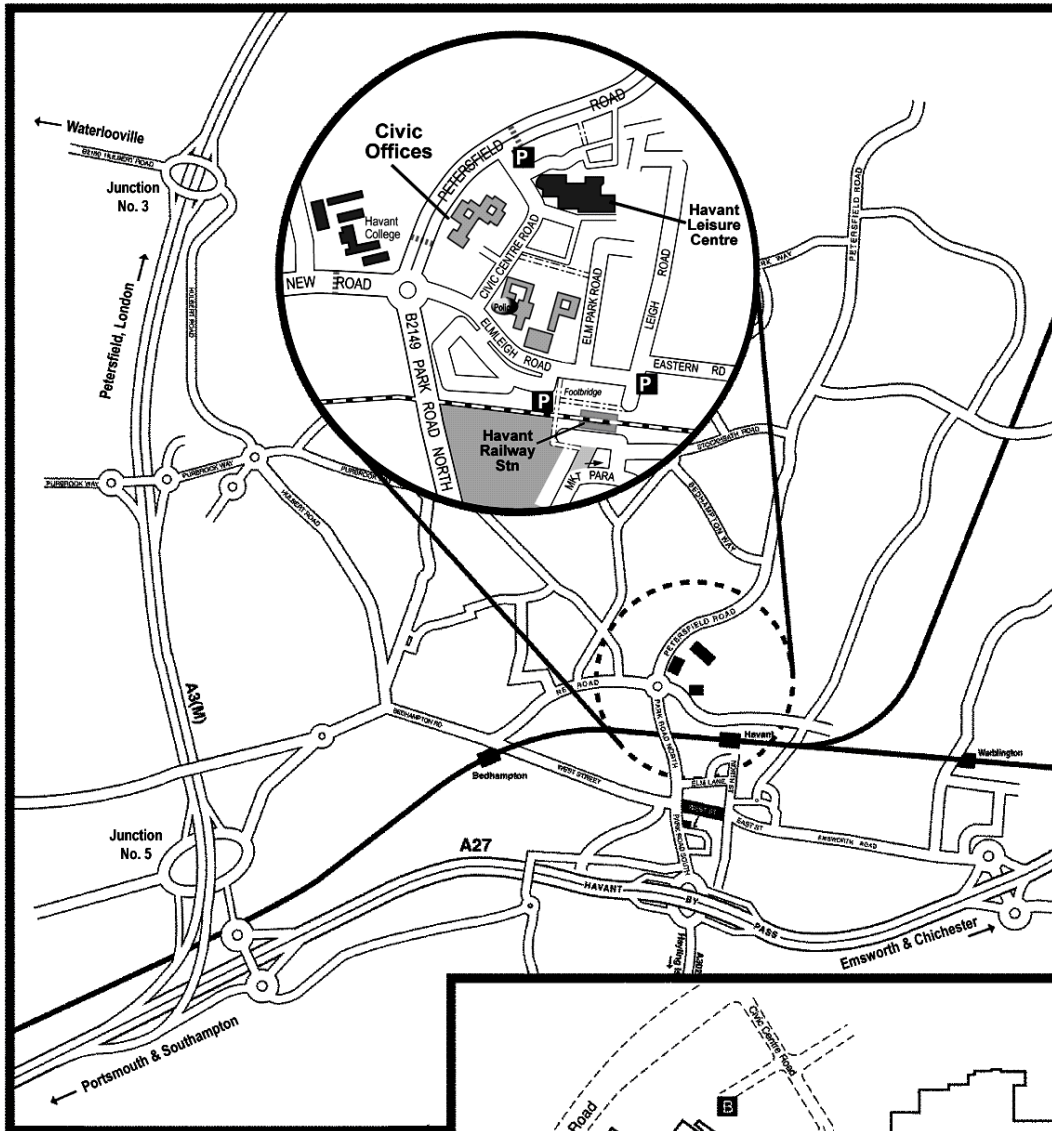
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Havant

BOROUGH COUNCIL

PROTOCOL AT COUNCIL MEETING – AT A GLANCE

Sit or Stand?

Stand to address the Council/Mayor at all times

Rules of Debate

- always address each other as “Councillor ...”
- a motion or amendment has to be proposed and seconded
- once an amendment has been proposed and seconded, it becomes the subject of the debate until it is either accepted or rejected by a vote
- a seconder can choose to make their speech at a later time
- only one Councillor to stand at any one time
- speeches will not exceed 5 minutes (the Council can resolve to allow additional time, which will not exceed a further 3 minutes)
- a Councillor proposing the adoption of a Committee/Board minute has sufficient time to propose and unlimited time to reply to debate
- a Councillor can only speak again on an amendment, to move a further amendment, on a point of order or personal explanation.

Questions and Motions

- Motions must be submitted in writing (or by email) to the Democratic Services Team Leader 6 working days prior to the Council meeting
- Councillors may ask questions, without notice, of the Leader and Cabinet Leads in respect of the Cabinet Lead reports submitted to Council
- Councillors may ask questions of the Leader, Cabinet Leads and Committee Chairmen, on any matter affect the Borough or its residents, providing that:
 - 48 hours written notice is given; or
 - 2 hours written notice in relation to urgent matters

Voting

- Voting may be by a show of hands or by a ballot at the discretion of the Mayor
- Two Councillors may request, before a vote is taken, that the names of those voting be recorded in the minutes
- A recorded vote will always be taken in respect of approval of the Annual Budget
- Councillors may not vote unless they are in the meeting for the full debate on any particular item
- A Councillor may request that his/her vote be recorded in the minutes

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HAVANT BOROUGH COUNCIL

At a meeting of the Council held on 7 December 2016

Present

Councillor Ponsonby (Mayor)

Councillors Bains, Mrs Blackett, Bowerman, Briggs, Branson, Buckley, Carpenter, Cheshire, Cresswell, Fairhurst, Francis, Guest, Hart, Howard, Hughes, Keast, Kerrin, Lenaghan, Lloyd, Patrick, Perry, Pike, Rees, Quantrill, Satchwell, Sceal, Shimbart, Mrs Shimbart, Smith D, Smith K, Turner, Wade, Weeks and Wilson

39 Mayor's Announcements

The Mayor opened the meeting with an outline as to how the meeting would proceed, including a revised Order of Business in order to bring forward those items of interest to the large number of members of the public in attendance.

40 Apologies for Absence

Apologies for absence were received from Councillors Davis and Thomas.

41 Declarations of Interests

There were no declarations of interest from any of the members present.

42 Minutes

The minutes of the meetings held on 26 October and 23 November 2016 were approved as a correct record.

43 Matters Arising

There were no matters arising.

44 Deputations

A list of those requesting to make deputations to the Council in relation to the various items on the agenda had been circulated as supplementary information.

45 Notices of Motion

Councillor Keast presented his Motion to Council, as set out in the agenda, seconded by Councillor Guest.

The Council then received a deputation from Mrs Elaine Davenport on behalf of Women Against State Pension Inequality and a transcript of this deputation has been published with the documentation for this meeting.

Proposed by Councillor Keast and seconded by Councillor Guest, it was

RESOLVED that this Council calls upon the Government to make fair transitional arrangements for all women born on or after 6th April 1951, who have unfairly borne the burden of the increase to the State Pension Age (SPA) with a lack of appropriate notification.

46 Questions Under Standing Order 23

Questions received under Standing Order 23 were circulated as supplementary information. In view of the fact that the questions all related to the Local Plan Housing Statement (see minute 47 below) the Mayor brought this item forward. The questions and a transcript of the responses given can be viewed with the published documentation for this meeting.

47 Cabinet Recommendation - Local Plan Housing Statement

Councillor Guest presented a recommendation to Council arising from the meeting of the Cabinet held on 16 November 2016. Proposed by Councillor Guest and seconded by Councillor Cheshire, it was:

RECOMMENDED to Council that

- (a) The Local Plan Housing Statement, as set out in Appendix 2 to the attached report as amended by Cabinet, be approved and adopted in accordance with 2.1.a to 2.1.f and 2.1.i to 2.1.k of the same report; and
- (b) As the Infrastructure Delivery Statement is produced it becomes a material consideration alongside the Housing Statement.

Council then received the following deputations, transcripts of which have been published with the documentation for this meeting:

Mrs Anne Skennerton – Hayling Residents
Mr Ron Tate – Resident
Mrs Ann Buckley – Havant Residents' Alliance
Mr Charles Ashe – Emsworth Residents' Association
Mr Anthony Walker – Elm Grove Traders' Association
Mr David Parham – Save Hayling Group
Mr Peter Russell – Resident
Mr Andrew Norton – Warblington and Denvilles Residents' Association

As an amendment to the Motion, it was proposed by Councillor Hart and seconded by Councillor Francis, that

“The Local Plan Housing Statement, as set out in Appendix 2 to the attached report as amended by Cabinet be referred back for further consultation”

The Mayor having taken a vote, declared the Amendment lost.

Members were then given an opportunity to debate the original motion to Council as set out above.

In summarising the debate, the Leader was sympathetic to the significant concerns expressed by both Councillors and the Deputies about the need to ensure infrastructure delivery alongside new development, to protect local gaps and to mitigate any potential implications for local wildlife habitats.

The Leader gave an assurance that, on behalf of the Council, he would continue to lobby in the strongest terms the Secretary of State, the Minister for Housing, local MPs, the County Council and other key infrastructure providers, regarding the provision of infrastructure and the five year housing land supply requirement. The Leader gave a further assurance that, subject to approval of the Local Plan Housing Statement by the Council at this meeting, consultations with Councillors and residents would continue prior to bringing forward a new Local Plan for approval by full Council in due course.

Proposed by Councillor Guest and seconded by Councillor Cheshire, it was

RESOLVED that

- (a) The Local Plan Housing Statement, as set out in Appendix 2 to the attached report as amended by Cabinet, be approved and adopted in accordance with 2.1.a to 2.1.f of the same report; and
- (b) As the Infrastructure Delivery Statement is produced it becomes a material consideration alongside the Housing Statement.

At the request of Councillors Perry and Carpenter, and in accordance with Standing Order 22.2, the voting on this Motion was recorded as follows:

For the Motion:

Councillor Quantrill
Councillor Seal
Councillor Bowerman
Councillor Branson
Councillor K Smith
Councillor Weeks
Councillor Howard
Councillor Pike
Councillor Fairhurst
Councillor Hughes
Councillor Patrick

Councillor Buckley
Councillor Cresswell
Councillor Blackett
Councillor Keast
Councillor Wilson
Councillor Wade
Councillor Turner
Councillor Bains
Councillor Ponsonby
Councillor Cheshire
Councillor Guest
Councillor Briggs

Against the Motion:

Councillor Satchwell
Councillor Perry
Councillor Kerrin
Councillor Carpenter
Councillor Francis
Councillor Hart
Councillor Lenaghan

Abstentions:

Councillor Lloyd
Councillor Rees
Councillor D Smith

Not Present:

Councillor Thomas
Councillor E Shimbart
Councillor G Shimbart
Councillor Davis

The Mayor adjourned the meeting from 7.39pm to 7.50pm

48 Mayor's Report

There were no questions from members present in relation to the Mayor's published report.

49 Public Questions under Standing Order 13.4(f)

There were no public questions.

50 Cabinet and Committee Recommendations

(A) Charges for Taxis and Private Hire Licensing

Councillor David Smith presented a recommendation to Council arising from the meeting of the Licensing Committee held on 28 September in respect of charges for Taxis and Private Hire Licensing.

Proposed by Councillor David Smith and seconded by Councillor Ken Smith, it was:

RESOLVED that, there having been no representations to the proposed taxi and private hire licensing charges for 2017/18 following advertising for public comment, the charges be approved for implementation for the financial year commencing 1 April 2017.

(B) Council Tax Support Scheme

Councillor Wilson presented a recommendation to Council arising from the Cabinet meeting held on 16 November 2016 on the Council Tax Support Scheme.

Proposed by Councillor Wilson and seconded by Councillor Buckley, it was:

RESOLVED that

- (1) the 2016/17 Council Tax Support Scheme be retained for 2017/18 but with the following amendments:
 - (i) the Allowances and Premiums used in determining entitlement for working age claims are changed as set out in paragraph 5.3 of the Cabinet report; and
 - (ii) the Non-Dependent deductions used in determining entitlement for working age claims are changed as set out in paragraph 5.4 of the report; and
- (2) the necessary amendments are made to the Council Tax Support Scheme document and that it is then published in accordance with the Local Government Finance Act 1992 Section 13A(2).

51 Leader's Report

There were matters the Leader wished to add to his published report.

52 Cabinet Lead Reports

There were no matters the Cabinet Leads wished to add to their published reports.

Cllr Briggs provided a verbal update on the recent award to NORSE of a 2-year cleaning contract for Havant Academy. Cllr Briggs was reported that NORSE had been awarded a grounds maintenance contract over 18 sites in north Hampshire.

53 Cabinet Leads and Chairmen's Question Time

The Mayor gave members of the Council an opportunity to ask questions of the Cabinet Leads in connection with their published reports. There were no questions for the Committee Chairmen.

54 Urgent Questions Under Standing Order 23

There were no urgent questions.

55 Calendar of Meetings 2017-18

Proposed by Councillor Keast and seconded by Councillor Buckley, it was
RESOLVED that the Calendar of meetings for 2017/18 be approved.

56 Acceptance of Minutes

Proposed by Councillor Sceal and seconded by Councillor Branson, it was
RESOLVED that the minutes of Committees held since the last meeting of the Council be received.

The meeting commenced at 5.00 pm and concluded at 8.17 pm

Mayor's Report to Havant Borough Council - 22nd February 2017

Christmas now seems a long way away, and I hope you all had an enjoyable break with your families. My thanks go to all those who attended the Christmas Ball, especially to Anne and Neill who carefully guarded the secret that our eldest son was going to pay a surprise visit from Japan for the Ball and subsequent festivities. It was also good to see business people and service organisations present too, making it an occasion bringing together a wide range of Havant people.

We had great fun at the Christmas plays and pantos, and even with the lack of sleep in the run-up to Christmas, there has never been the slightest danger of nodding off, so enthralling were the performances. Park Community School's 'Beauty and the Beast' and the Dynamo Youth Theatre's 'Joseph' were both outstanding, and HIADS 'Red Riding Hood' was full of laughs. Among the concerts, the Hayling Singers' and brass band were great fun, as were the Emsworth Community Singers with the Meridian Wind Band. The spectacle of the Chinese New Year Celebrations in Portsmouth was amazing, where I was also delighted to make some excellent links and also saw several residents there from Havant.

Although the pace has lessened since Christmas, some of the events have been edged with sadness, notably the funeral service and memorial service for Cllr Colin Mackey. Our thanks go to Alderman Brendan Gibb-Gray, who ensured that both these services met with the approval of his widow, Diana, while still enabling many of us to hear stories of his working life. It was a real reminder to appreciate each other better while we still may. Appropriately, the weather was bleak for the service on Holocaust Memorial Day at the end of January, a tiny taste of what those living in the concentration camps endured day after day. This was the last event to be organised by one of our long-serving officers, Sarah Flamson, who has left us for the greener grass of East Hampshire. We wish her well in her new role, and she takes with her a small memento of HBC which we presented to her following the HMD service.

It is always a great privilege to present prizes or attend concerts at our local schools. The range of talents shown, as well as hard work and confidence of our young people is amazing. Perhaps one of the most moving occasions was awarding certificates to the senior pupils of Rachel Madocks school, including the son of one of our officers. The young people were exuberant in their pleasure at their achievement and the ceremony will remain as a highlight of their lives, a tribute to the dedication of their teachers and parents. I was also reminded of the perseverance of many disabled people when I met Sonny, who is paralysed from the neck down, but hopes to be part of the paralympian Rugby squad in Tokyo – he and his mother were in tears at a fundraising event when someone attending it generously handed over a cheque for half the cost of the specialist lightweight wheelchair Sonny needs. More recently I was bowled over by the determination of Lorraine Raine Lambert, a paralympian who was the speaker at the Sports Council awards, who narrowly missed out on a shooting medal at Rio – she was injured 7 years ago, but despite constant pain and losing a leg, was not going to let that stop her participating in sport at the highest level. I have immense admiration for all those who still live life to the full, despite all they have to endure.

With only 12 more weeks before I hand over the chain to the Deputy Mayor, I am now finding time will not allow me to achieve all I set out to do. I have now visited 34 places of worship of the 46 in the Borough, and 27 schools, so will not quite complete the mission to visit every one. While there have been fewer formal engagements in this period I have been able to work on plans for the last few weeks of my year in office. The last of my 4 coffee mornings will be on March 15th and the brochure for the first Havant Music Festival (East of the A3(M)) from March 30th – April 9th will shortly be appearing. The Classic Vehicle Run will take place on the morning of April 9th – we hope it is warmer this year! The International Celebration of Spring will be on April 23rd, with Fishbourne Mill Morris already booked. Finally I shall be the oldest of 'the Magnificent 7' – the Lord Mayor of Portsmouth, and 6 other Mayors/Chairmen – abseiling down the Spinnaker Tower on April 30th. I hope to see many of you at some of these events. Statistically, in this 11 week period, I have only averaged nearly 18 hours per week away from home on mayoral duties, with 50 formal engagements, 11 informal – but 26 meetings! I actually had 22 days without any Mayoral

engagements, compared with only 4 days in the 6 week period before the last Council meeting, though these days off were not entirely free, as we had a long weekend looking after our 2 youngest grandchildren, aged just 2 and almost 5! I was also laid low with the 'boomerang cough' like so many others! My last formal engagement this period was to visit the 3rd birthday of a weekly coffee morning held in Cowplain, where I was greeted by 5 or 6 diminutive 'paparazzi', members of a local junior camera club, all busily clicking away during the morning, on instructions to have the Mayor in every picture, with residents both old and young – I shall await their photos with interest!

Spring is thankfully just around the corner, and we should give praise to our colleagues in Norse who have turned out to ensure our roads are safe and our refuse collected even during the bitter cold.

Faith Ponsonby

13/02/17

NON-EXEMPT

HAVANT BOROUGH COUNCIL

Cabinet

8th February 2017

SUBJECT Revenue & Capital Budget 2017/18 to 2021/22

Report Of Head of Finance

FOR DECISION

Portfolio: Leader of the Council

Key Decision: Yes

1. **Purpose of Report**

1.1 To provide Cabinet with the proposed revenue and capital budget, reserves & Balances, Treasury and Prices for Services for 2017/18.

2. **Recommendation**

2.1 That Cabinet recommend to Council:

- The proposed Revenue & Capital Budgets for 2017/18, including a Council Tax rate of £192.78 at Band D, representing a 0% increase on the current charge and continuing the Council's freeze on its portion of the Council Tax since 2009/10..
- The Treasury Management Strategy and Prudential indicators, and the Prices for Services

3. Budget Summary 2017/18

3.1 The 2017/18 summary budget position for next year is as follows:

	Forecast £'000
Estimated service costs for 2017/18	12,956
Other Operating Income & Expenditure	793
Statutory reserve movements	745
Net Budget Requirement	14,491
Council Tax, Business Rates & Grant Funding	(14,491)
(Surplus) / Deficit	-

4. Budget Process for 2017/18

4.1 The approach to the 2017/18 budget process has been focused on the creation of a detailed five year financial projection, using the results of the Accounting Period 7 monthly forecast. The budget process has aligned with the production of business plans during the Autumn to ensure that all business plan activities are costed within the budget.

4.2 Draft Business Plans have been agreed and signed off by the relevant Service Heads. The draft budget figures presented have been challenged by the Head of Finance and Directors and represent the cost of delivering those plans.

4.3 The total net cost of delivering business plans in 2017/18, in Appendix A, has been estimated at £12,956,000. After wider, unavoidable corporate costs are added, and contributions to and from statutory reserves are accounted for, the net budget requirement is £14,491,000. The resources available to fund the business plans are £14,491,000.

4.4 It should be noted that the budget is still draft at this stage, and is subject to change. Any material changes will be reported at Council in February.

4.5 The following issues have impacted on the budget process for 2017/18:

- In the provisional settlement announced in December 2016, the provisional reduction in New Homes Bonus was an overall increase in grant funding of £185,000.
- The impact of the financial model of the 5 Councils outsourcing
- Uncontrollable costs such as increases to the cost of pension provision

- Building in more challenging income and cost reduction targets across services

5. Funding estimates for 2017/18

- 5.1 **Council Tax:** The budget proposals assume that there will be no increase in Council Tax over the period of the financial strategy. The impact of the freeze is partially offset by an increase in taxbase resulting from housing growth and a slight reduction in the number of Council Tax support claimants.
- 5.2 **Revenue Support Grant and New Homes Bonus:** The provisional settlement announced in December 2016 confirmed anticipated reduction in Revenue Support Grant in line with MTFs projections.
- 5.3 The Government has announced that the support grant mechanism will be replaced by extending the retention of business rates within local government. This is subject to ongoing consultation and the medium term financial strategy will be updated when the results of the consultation are confirmed.
- 5.4 The New Homes Bonus scheme came into effect in April 2011. The provisional settlement suggests Havant will receive estimated grant of £2.01m in 2017/18. This represents an increase of £185,000 over expectation, and results from higher than anticipated property growth. This is despite a change in the scheme design to ensure reward only for exceptional growth and not the natural year on year growth in properties.
- 5.5 **Retained Business Rates:** Since 2013/14, the Council has been allowed to retain a proportion of Business Rates. The budget estimate of £3.6m is based on the Council's final NDR1 return which will be submitted by 31st January.
- 5.6 Measures included in previous autumn statements designed to attract new business, and currently being funded by s31 grant, will continue for 2017/18 are assumed to continue and grant of £656,000 is currently anticipated.

6. Medium term projections to 2019/20

- 6.1 The Council's Medium Term Financial Strategy has been updated using the results of the budget process as a revised base. The medium term projections in Appendix A demonstrate the Council's ambitions for maintaining council tax at current levels and generating income.

7. Addressing the Long Term position

- 7.1 The MTFS is produced on the basis of a commercialisation strategy which includes an investment strategy amounting to £50m over the life of the MTFS.
- 7.2 The financial strategy is based on savings assumptions relating to the 5 Councils outsourcing project and Norse joint venture.
- 7.3 The Council has historically underspent its budget (£1.7m in 2015/16, and current forecast £0.4m anticipated in 2016/17). There is an assumption that the Council will underspend in 2017/18 built into the MTFS.
- 7.4 The combination of the above will ensure that the Council maintains a growing surplus over the period of the medium term strategy.

8. Capital Projections 2016/17 to 2018/19

- 8.1 The capital projections are shown in Appendix B.
- 8.2 Budget managers have been asked to complete outline capital appraisal forms for new projects identified. It is proposed that a Capital Appraisal panel will consider the outline business cases for each new proposal. Those projects that the Capital panel support will be subject to a detailed business case prior to consideration by Cabinet.
- 8.3 The projections also include projects likely to be brought forward from 2016/17's capital programme.

9. Use of Reserves 2017/18 to 2021/22

- 9.1 Appendix C shows the proposed use of reserves between 2016/17 and 2021/22.

10. Treasury Management Strategy

- 10.1 The Treasury Management Strategy has been reviewed and will apply from 1st April 2017. The main change to the Treasury Strategy has been to update the borrowing limits to ensure the longer term ambitions of the Council's financial strategy can be met.

11. Next steps

11.1 Following discussion at Cabinet, the budgets will be formally approved, with the Council Tax resolution, at Council in February.

12 Appendices:

- **Appendix A – 5 Year Financial Strategy 2017/18 to 2020/21**
- **Appendix B – Capital programme 2017/18 – 2019/20 and new capital bids**
- **Appendix C – Reserves projection 2016/17 to 2020/21**
- **Appendix D – Business Rates projections 2017/18**
- **Appendix E – Treasury Management Policy 2017/18**
- **Appendix F – Prices for Services 2017/18**
- **Appendix G – CFO Statement**

Appendix A – Financial Projections 2017/18 to 2021/22

2017/18 PROPOSED BUDGET

	Operations Directorate	Strategy & Governance Directorate	Commercial Directorate	Whole Council
	£M	£M	£M	£M
Sales - fees and charges	(5.916)	(0.061)	(0.656)	(6.633)
Sales - commercial enterprises	(0.110)	-	(1.246)	(1.356)
Income - specific grants	(1.539)	-	(0.010)	(1.549)
Investment Income & Expenditure			(1.525)	(1.525)
Total Service income	(7.565)	(0.061)	(3.437)	(11.063)
Employees	6.151	1.867	1.317	9.335
Supplies and services	2.770	(0.153)	1.980	4.597
Contract costs	1.848	3.245	4.603	9.696
Agency/Third party costs (net)	(0.313)	-	-	(0.313)
Capital costs	0.152	0.382	0.170	0.704
Total Service costs	10.608	5.341	8.070	24.019
Contribution / (surplus) / deficit	3.043	5.280	4.633	12.956
Other Operating Income & Expenditure				0.791
Minimum Revenue Provision				0.650
Movement in Reserves to Grants & Contributions Unapplied				0.798
Movements in Statutory Reserves				(0.704)
Total other costs and movement in reserves				1.535
Total net expenditure				14.491
Council tax				(7.699)
Council Tax prior year Surplus				(0.025)
Retained business rates				(3.626)
Retained Business Rates prior year Deficit				0.301
Revenue Support Grant				(0.771)
New Homes Bonus				(2.015)
Section 31 Grants				(0.656)
Total Grant, Council Tax & Business Rates Funding				(14.491)
(Surplus) / Deficit				-

Appendix A – Financial Projections 2017/18 to 2021/22

2017/18 PROPOSED BUDGET					
	2017/18	2018/19	2019/20	2020/21	2021/22
	£M	£M	£M	£M	£M
Sales - fees and charges	(6.633)	(6.582)	(6.725)	(6.707)	(6.777)
Sales - commercial enterprises	(1.356)	(1.206)	(1.276)	(1.347)	(1.419)
Income - specific grants	(1.549)	(1.543)	(1.493)	(1.443)	(1.393)
Investment Income & Expenditure	(1.525)	(2.516)	(3.033)	(3.549)	(4.065)
Total Service income	(11.063)	(11.847)	(12.527)	(13.046)	(13.654)
Employees	9.335	9.231	9.309	9.532	9.600
Supplies and services	4.597	3.817	3.908	3.832	3.841
Contract costs	9.696	10.848	10.368	10.190	9.968
Agency/Third party costs (net)	(0.313)	(0.313)	(0.313)	(0.313)	(0.313)
Capital costs	0.704	0.704	0.704	0.704	0.704
Total Service costs	24.019	24.287	23.976	23.945	23.800
Contribution / (surplus) / deficit	12.956	12.440	11.449	10.899	10.146
Other Operating Income & Expenditure	0.791	0.854	0.923	0.999	1.083
Minimum Revenue Provision	0.650	0.563	0.553	0.524	0.486
Movement in Reserves to Grants & Contributions Unapplied	0.798	0.798	0.798	0.798	0.798
Movements in Statutory Reserves	(0.704)	(0.704)	(0.704)	(0.704)	(0.704)
Total other costs & mvmt in reserves	1.535	1.511	1.570	1.617	1.663
Total net expenditure	14.491	13.951	13.019	12.516	11.809
Council tax	(7.699)	(7.746)	(7.784)	(7.824)	(7.862)
Council Tax prior year Surplus	(0.025)				
Retained business rates	(3.626)	(3.748)	(3.768)	(5.618)	(5.624)
Retained Business Rates prior year Deficit	0.301	-	-	-	-
Revenue Support Grant	(0.771)	(0.290)	-	-	-
New Homes Bonus	(2.015)	(1.643)	(1.450)	-	-
Section 31 Grants	(0.656)	(0.524)	(0.546)		
Total Grant, Council tax and Business Rates Funding	(14.491)	(13.951)	(13.548)	(13.442)	(13.486)
(Surplus) / Deficit	-	-	(0.529)	(0.926)	(1.677)

HAVANT BC Capital Programme Estimates 2017/18 to 2019/20

APPENDIX B

Proposed Capital Programme

Project	Brief Description of the project	Contact Officer	Business Case Agreed by Cabinet?	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20
				Project Cost £000	Project Cost £000	Project Cost £000	Internal Funding £000	Internal Funding £000	Internal Funding £000	External Funding £000	External Funding £000	External Funding £000	Borrowing £000	Borrowing £000	Borrowing £000
2017/18 New Schemes identified															
Replacement of Noise Monitoring Equipment	Equipment allows the Council to serve legal notices and undertake criminal prosecutions. The current equipment is nearly life expired	David Fitzgerald	N	22			(22)								
Business Hub	Development of phase one of the commercial premises. Site investigation works are required to determine the extent of the site that is developable	Dan Grindey	N	1,000	1,000	1,000							(1,000)	(1,000)	(1,000)
Havant Leisure Centre - Lifecycle works 2017/18	Various capital works as determined annually based on the latest information and need.	Peter Gammage	N	285			(285)								
Processing and Management System	Replacement of HBC Accolaid system to provide a new IT system for the planning team that will enable the service to realise its ambitions for future working.	Andrew Biltcliffe	N	200			(200)								
Asset Maintenance management system	Asset Survey Database - ability to keep records of assets that need maintenance to enable clear and consistent live tracking of works completed and outstanding	Stuart Wood	N	75			(75)								
Neighbourhood Quality Fleet Replacement	Replacement of three life expired vehicles with two new ones.	Tim Pointer	N	23			(23)								
				1,605	1,000	1,000	(605)	0	0	0	0	0	(1,000)	(1,000)	(1,000)
Schemes Brought Forward from 2016/17															
DFGs	To fund adaptations in homes	Nicky Thomas	Y	800	800	800				(800)	(800)	(800)			
Animal warden vehicle	Animal Welfare and Licensing vehicle is life expired and requires replacement.	Nicky Thomas	N	21			(21)								
Acolaid	Acolaid / Lalpac database replacement for HBC to improve Environmental Health and Licensing Function	Lorna Palmer	TBC	58			(58)								
New allotments	To identify suitable land and construct new allotment(s).	Claire Hughes	Y	135						(135)					
Refurbishment of HBC equipped play areas	To refurbish HBC owned equipped playgrounds that are coming to the end of their useful life.	Claire Hughes	Y	75						(75)					
New Cemetery in MDA	To provide a new cemetery on land allocated within the MDA west of Waterlooville	Andrew Pritchard	Y	418						(418)					
Replacement DMS solution – Community, Transport, Property	DMS solution to replace meridio and provide DMS services for small services such as community, transport, property and Information Management.	Craig Richards & Andrew Biltcliffe	N	60			(60)								
Personalisation	Capital element of the transformation of the delivery of services to customers.	Dawn Adey	N	150			(150)								
External poster frames	Purchase and installation of 36 poster frames across Havant Borough, as a medium for the circulation of campaign content to residents.	Sandy Wilson	N	61			(61)								
Front Lawn	Redevelopment of sports pitches at Front Lawn	Richard Wood	Y	800						(800)					
				2,578	800	800	(350)	0	0	(2,228)	(800)	(800)	0	0	0
Total				4,183	1,800	1,800	(955)	0	0	(2,228)	(800)	(800)	(1,000)	(1,000)	(1,000)
Capital Requiring Financing							4,183	1,800	1,800						
External Funding							(2,228)	(800)	(800)						
Amount to be internally borrowed							0	0	0						
Use of non S106/CIL HBC Reserves							(77)	0	0						
S106/CIL funding							(878)	0	0						
External Borrowing							(1,000)	(1,000)	(1,000)						
Total Funding							(4,183)	(1,800)	(1,800)						

Analysis of Reserve Balances

	Projected 1718 Opening Balance £'000	Capital Grants and Cont'n Received £'000	Cont'n to Capital Programme 2017/18 to 2019/20 £'000	Expected use of reserves 2017/18 £'000	Expected use of reserves 2018/19- 2021/22 £'000	Closing Balance 2021/22 £'000
General Fund	(6,668)	-	-	-	(3,132)	(9,800)
Statutory Reserves						
Capital Receipts Reserve	(99)	-	77	-	-	(22)
Capital Grants and Contributions Unapplied	(622)	-				(622)
Community Infrastructure Levy & Developer Contributions Unapplied	(2,873)	(3,800)	878	-	-	(5,795)
Earmarked Reserves						
General Fund Earmarked	(1,123)	-	-	-	-	(1,123)
Insurance Reserve	(653)	-	-	-	-	(653)
Capital Reserve	(1,007)	-	-	-	-	(1,007)
Transformation Reserve	(1,114)	-	-	-	-	(1,114)
Total	(14,159)	(3,800)	955	-	(3,132)	(20,136)

Analysis of Business Rates Income & Expenditure

	Projected Outturn 2016/17 £'000	Budget Estimate 2017/18 £'000
Business Rates Yield		
Base Yield	(34,623)	(35,626)
Transitional protection payment	290	925
Business Rates Yield	(34,333)	(34,701)
Distribution		
Central Government (0.50)	17,375	17,351
Hampshire County Council (0.09)	3,127	3,123
Hampshire Fire (0.01)	347	347
Havant Borough baseline (0.4)	13,899	13,880
Total	34,748	34,701
Reallocation of prior yr balance – HBC	167	(301)
Reallocation of prior yr balance – Other major preceptors	250	(450)
Total Distribution	35,165	33,950
Collection Fund (Surplus)/Deficit B/Fwd	(81)	751
In year movement on collection fund	832	(751)
Collection Fund C/Fwd	751	-

Havant Borough Council		
	Actual £'000	Actual £'000
Retained Business Rates Calculation		
Havant Borough Council baseline	(13,899)	(13,880)
Tariff paid to Central Government	9,844	9,167
Levy for safety net paid to Central Government	740	1,087
Retained Business Rates	(3,315)	(3,626)
Section 31 Grants	(504)	(656)
Retained Business Rates prior year deficit	(167)	301
Total Business Rates Retention	(4,369)	(3,981)

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Treasury Management Strategy, Minimum Revenue Provision Strategy and Annual Investment Strategy

- 1. The CIPFA Treasury Management Code of Practice**
 - 1.1 The Treasury Management and Investment Strategy has been set in accordance with the CIPFA Treasury Management Code of Practice 2011 and the revised Prudential Code for Capital Finance 2011.
 - 1.2 The Council is required to approve a Treasury Management Strategy which establishes the investment and borrowing activities for the Council. The Council's approach to Treasury Management is in accordance with the CIPFA Code of Practice, which requires a 3 year strategy to be agreed annually.
 - 1.3 The Prudential Code for Capital requires the Council to set Prudential Indicators for Treasury Management and Capital Expenditure. These are linked to the Strategy and are set out at the end of this document.
 - 1.4 The Council is also required to make an annual Policy statement on making Minimum Revenue Provision (MRP) for borrowing, together with the consideration of prudent provision in future financial years. The Council has not formally adopted an MRP Policy to date.
 - 1.5 The Council delegates responsibility for the monitoring and scrutiny of treasury activity to the Governance & Audit Committee, and delegates responsibility for implementing and administering the strategies, policy and procedures to the Chief Finance Officer. The Council also seeks external advice from Capita on management of long term investments. Future provision of treasury and property advice is under review as the Finance function is outsourced in 2017 and as part of the property strategy review.
- 2. Treasury Management Policy 2017/18**
 - 2.1 The Council's ambition to acquire property sites for strategic, operational and investment purposes will move the Authority into a net borrowing position during 2017/18. The proposed policy for managing borrowing to finance such expenditure is to borrow short term, and monitor interest rates closely in order to switch to longer term fixed rate borrowing where analysis of market rates suggests this may be appropriate. The Council will also investigate the use of the Public Works Loan Board for operational asset investments, to reduce exposure to interest rate increases in the future.
 - 2.2 Property acquisitions prior to 2017/18 have been financed through surplus cash. However, this cash is intended to support reserves and General Fund in the longer term and the minimum liquidity has now been reached.

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- 2.3 Current market indications suggest that there will be no base rate increases in the short term as the Bank of England seek to mitigate the impact of the UK's exit from the European Union. However, the swap rates on which bank borrowing will build in expectations of future increases and therefore the borrowing rates achieved may be greater than the base rate.

Economic Factors

- 2.4 Factors that influence the Council's Treasury Management Strategy include the Council's overall level of resources, medium term spending plans and the need to finance the future cost of services. It is also influenced by the state of the economy in general, the outlook for interest rates and the credit risk environment.
- 2.5 The Treasury strategy is linked to the Council's medium term financial plans, and are reflected in a net interest cost or yield in the Council's budget. The net cost/yield estimates are updated regularly through the budget setting process and in year forecasting.
- 2.6 The Council's investment strategy gives scope to invest in approved instruments outlined in the approved lending/borrowing list (Schedule 3), but investments in banks and building societies are limited to high quality counterparties only.

Prudential Indicators

- 2.7 The Prudential Indicators were established as part of the Local Government Act 2003 through the Prudential Code. The Code requires the Council to produce indicators to demonstrate that capital financing is prudent, sustainable and affordable. The indicators are set out at the end of this document.

MRP Policy

- 2.8 The Council is required to calculate an amount in relation to its borrowing, and charge this amount as Minimum Revenue Provision to its Income & Expenditure Account in respect of borrowing repayment. The Policy is set out at Schedule 4 to the Treasury Management Strategy.

Officer Approval Limits

- 2.9 The Chief Financial Officer, in consultation with the Executive Board, Asset Management Group Leader, and the Leader/Deputy Leader, will have authority to sign off property purchases up to the value of £10m, in line with a framework approved by Cabinet..

Risk Management

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- 2.10 Minimising risk is a key aspect of treasury management activity. Risk is proactively managed with advice from Capita and property investment decisions are subject to detailed business cases. As the Council moves towards a net borrowing position, interest rate exposure is an emerging risk and the timing of any move from short to long term borrowing is closely monitored.
- 2.11 The Finance Team carry out their duties in accordance with internal controls to ensure any day to day investment decisions are made in accordance with the Treasury Management Strategy.
- 2.12 The CFO reports on Treasury activity as part of the monthly financial monitoring.
- 2.13 The Governance & Audit Committee will be responsible for the scrutiny of Treasury Management activity & practises.

SCHEDULE 1 – TREASURY MANAGEMENT STRATEGY

The Authority has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2011 Edition (the CIPFA Code), which requires the Authority to approve a treasury management strategy before the start of each financial year. In addition, the Department for Communities and Local Government (CLG) issued revised Guidance on Local Authority Investments in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.

This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Guidance. The Authority is proposing to borrowed substantial sums of money and, as a result, may be exposed to financial risks arising from changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

Havant Borough Council's context

Havant Borough Council anticipates that, by 31 March 2017, £5m will be invested short term, and no long term deposits maturing beyond 12 months There was external borrowing in place as at January 2017 of £3.7m, which represents the balance of PWLB borrowing for the refurbishment of the Plaza.

The underlying need to borrow is measured by the Council's Capital Financing Requirement (CFR). The CFR is anticipated to increase as a result of the Council's desire to build its investment property portfolio over the period of the Medium Term Financial Strategy. The Prudential Code recommends that total debt should be lower than the CFR and the Prudential Indicators at schedule 2 demonstrates that this recommendation has been complied with.

Borrowing Strategy

The Council will adopt a flexible approach to borrowing in consultation with Treasury Management advisors, and will keep under review the following borrowing sources:

- Internal borrowing (borrowing against future revenue budgets)
- PWLB
- Other Local Authorities
- Finance Leasing
- Brokers for short term borrowing

Exposure to short dated/variable rate borrowing will be reviewed by reference to the difference between variable rate and longer term borrowing costs. A significant change in this difference will trigger a review of borrowing strategy to

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determine whether a switch to longer term rates is made or whether exposure to short term rates is maintained.

Capital Finance can also be raised through other debt liabilities, including Finance Leases, Private Finance Initiatives, Sale & Leaseback, or LGA Bonds. Any decision to raise finance through these methods will be subject to appraisal and a separate report to Cabinet.

The Council may take advantage of debt rescheduling (the repayment of loans before maturity to allow replacement with new loans) where it is expected to create a cost saving or significantly reduce interest rate risk to the Council.

Investment Strategy

The Council's overriding objective in relation to the investment of cash is the security of the capital invested, followed by the liquidity of investment. The Council aims to maximise yield given these parameters.

Investments are categorised as specified or non specified investments. Specified investments are sterling denominated investments maturing under 1 year, and non specified investments are effectively anything else.

The CFO has discretion to make investments outside of the Lending list on the advice of Capita. Institutions may be added or removed from the list if credit ratings improve or deteriorate below the thresholds outlined on the List.

Overnight funds are held in an overnight fund provided by the Council's bank. Consideration will be given to Money Market Funds in 2017/18 as an alternative to the overnight account, and may be utilised if the CFO is satisfied with the level of risk.

The Council will arrange short term investments through brokers, in order to ensure transactional security and to promote competition to enhance returns. The approved brokers are:

- ICAP Europe Ltd
- Prebon Marshall Yamane UK Ltd
- Tradition UK
- RP Martin

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Interest Rate Forecasts

The Council formulates a view on interest rates as part of the budget setting process. This view is formulated on the basis of the Office for Budgetary Responsibility forecasts used for the Autumn Statement. The view is that interest rates are likely to remain static for at least one year, and that increases beyond this would be incremental. Although there are inflationary pressures, there is also uncertainty as to how Brexit negotiations will affect the wider economy. This view is supported by forecasts obtained from the Centre for Economics and Business Research, who anticipate no base rate increases until the end of 2017. The table below details interest rate forecasts provided.

	2017/18				2018/19			
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
OBR Forecast	0.25%	0.25%	0.25%	0.25%	0.5%	0.5%	0.75%	0.75%
Centre for Economics & Business Research	0.25%	0.25%	0.25%	0.25%	0.25%	0.5%	0.5%	0.75%

It is important to note that although the base rate has reduced, the rates that we can get on our investments are based on the London Inter bank Offer rate, which fluctuates depending on other market factors. This explains the differing rates of return of our current investment portfolio.

Creditworthiness Policy

The Council monitors the creditworthiness of the counterparties used. The Council's lending list contains only counterparties of high credit quality. Credit quality is assessed through the size of the asset base of the counterparty, and the credit ratings awarded by independent credit rating agencies such as Fitch.

The asset base of counterparties is monitored on an annual basis when the Statement of Accounts for each counterparty is issued. Credit ratings are regularly monitored and are verified prior to investments being made.

Credit ratings of counterparties are available from credit agencies (Fitch, Standard & Poor, and Moody's). Advice on the credit worthiness of counterparties is also obtained from the Council's Treasury advisors.

If a counterparty on the current lending list is found to be of insufficient credit quality, the Council will not engage with that counterparty until it is satisfied that credit quality has improved. Treasury officers continue to monitor counterparties

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that are not currently on the lending list, and will add counterparties of high credit quality to the lending list in consultation with the Portfolio Holder for Finance.

The Council has not invested outside the United Kingdom since 2006, and currently no foreign counterparties are contained within the list (with the exception of Santander UK Plc, which is a UK bank under Spanish ownership). Foreign counterparties are monitored, and if sufficient credit quality is proved, may be added to the list in consultation with the Portfolio Holder for Finance.

Sole reliance will not be placed on credit ratings. The Council will continue to monitor reports in the press, market data and information on government support when reviewing credit worthiness. All counterparties on the long term lending list are also covered by the government's Credit Guarantee Scheme.

All Long Term Investments will be carried out in consultation with the Finance Portfolio Holder and the S151 Officer.

Treasury Limits and Prudential Indicators 2015/16 to 2021/22

The revised CIPFA Code of Practice on Treasury Management and the Prudential Code for Capital Finance, in accordance with Section 3 of the Local Government Act 2003, require the Council to determine and review the level of borrowing that it can afford.

The Codes require a number of indicators to be formally set, on a rolling basis, for 2016/17 and the following two years. The Council must have regard to the following when setting these indicators:

- Service Objectives
- Stewardship of Assets
- Value for Money
- Prudence and Sustainability
- Affordability and Practicality

The purpose of these indicators is to ensure that total capital investments and, in particular, the effect of these investments on the Council Tax level is 'acceptable'.

The Prudential Indicators set for 2017/18 are shown in Schedule 2 below. An explanation is provided for each indicator.

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SCHEDULE 2 - PRUDENTIAL INDICATORS

1) Ratio of Financing Costs to Net Revenue Stream

The actual ratio for 2015/16, and estimated ratios for 2016/17 to 2021/22 are provided below.

2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
£000s	£000s	£000s	£000s	£000s	£000s	£000s
5.98%	5.19%	3.64%	6.77%	10.17%	13.35%	16.40%

The ratio is calculated by comparing the financing cost of all borrowing with the revenue stream through Council Tax, general grants and Retained Business Rates. It turns positive as the level of borrowing increases by £10m year on year while government and tax revenues reduce. The cost of finance associated with this borrowing is more than covered by the revenues attached to investment income at an expected net yield of 5%.

2) Estimated Incremental Impact of Capital Investment Decisions on Council Tax

Capital expenditure will impact on revenue expenditure in a number of ways, for example, new buildings requiring maintenance that was not previously budgeted. The main impact is on interest returns, as investments are used up and interest income falls. The purpose of this indicator is to show the potential annual impact on a Band D Council Tax bill of the proposed Capital Programme for 2017/18 onwards.

2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
£000s	£000s	£000s	£000s	£000s	£000s	£000s
£1.57	£1.68	£2.82	£3.95	£4.94	£2.09	£2.18

3) Approved Capital Expenditure

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The Capital Expenditure estimates are summarised below. The estimates come from approved schemes in the Capital Budget, which is to be agreed by Council in February 2017.

2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
£000s	£000s	£000s	£000s	£000s	£000s	£000s
1,393	2,227	4,183	1,800	1,800	1,500	1,500

4) The Capital Financing Requirement

The Capital Financing Requirement (CFR) is used to assist in deciding whether capital expenditure is affordable, by measuring the underlying need to borrow. The indicator is calculated by matching fixed assets and projected capital expenditure to capital resources applied. The difference between the two, if positive, represents unfinanced capital expenditure to be financed by borrowing. The definition of unfinanced capital expenditure includes finance leases and PFI arrangements. Long Term borrowing should not exceed the CFR.

2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
£000s	£000s	£000s	£000s	£000s	£000s	£000s
10,500	9,100	19,500	29,900	40,200	49,500	58,700

The Capital Financing Requirement (CFR) increases significantly in the next five years as a result of investment property purchases.

Appendix E

5) Authorised Limit for External Debt

To ensure good cashflow management, there is occasionally a need to borrow in the short term. Authority for any such borrowing is delegated to the S151 Officer. There are some circumstances where long term borrowing to support the Capital Programme is required to finance major capital projects or investment property purchases. The long term limits set in this report are based on the projected Capital Financing requirement over the period of the Medium Term strategy, and will be the maximum permissible amount of borrowing.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Authorised limit - borrowing	10,000	10,000	19,500	29,900	40,200	49,500	58,700
Authorised limit - long term liabilities	500	500	500	500	500	500	500

TREASURY MANAGEMENT INDICATORS

1) Operational Boundary for External Debt

The purpose of this indicator is to serve as a warning that the authorised limit for external debt is close. It has been set at £200,000 below the authorised limit.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Operational boundary for external debt	8,000	8,000	19,300	29,700	40,000	49,300	58,500
Operational boundary - long term liabilities	300	300	300	300	300	300	300

Appendix E

2) Interest Rate Exposures

Setting upper limits for variable and fixed interest rates provides a range in which the authority manages exposure to fixed and variable interest rates. Although fixed rates bring security to long term returns, variable rate investments can give the flexibility to maximise returns when interest rates are expected to increase. The indicators set will allow this flexibility.

Upper Limit for Fixed Rate Exposure

2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
100%	100%	100%	100%	100%	100%	100%

Upper Limit for Variable Rate Exposure

2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
100%	100%	100%	100%	100%	100%	100%

Appendix E

Schedule 3 - Borrowing and Lending List 2017/18

Sector Credit Rating	Institution	Maximum duration	Maximum amount (applies to group as well as individually)
	RBS Group		
Green	Royal Bank of Scotland	100 Days	Lower of £3 million or half of total investments
Green	National Westminster Bank	100 Days	Lower of £3 million or half of total investments
	Lloyds Group		
Red	Bank of Scotland	6 months	Lower of £5 million or half of total investments
Red	Lloyds Bank	6 months	Lower of £5 million or half of total investments
	Other Institutions		
Red	HSBC Bank	6 months	Lower of £5 million or half of total investments
Red	Standard Chartered Bank	6 months	Lower of £5 million or half of total investments
Red	Barclays	6 months	Lower of £5 million or half of total investments
Green	Santander	100 Days	Lower of £3 million or half of total investments
Blue	Close Brothers	364 Days	Lower of £5 million or half of total investments
	Building Societies		
Green	Nationwide Building Society	100 days	Lower of £3 million or half of total investments
Red	Coventry Building Society	6 months	Lower of £5 million or half of total investments
Red	Leeds Building Society	6 months	Lower of £5 million or half of total investments
Green	Abbey National Treasury Services	100 Days	Lower of £3 million or half of total investments
Red	Clydesdale Bank	6 months	Lower of £5 million or half of total investments
Green	Co-operative Bank	100 Days	Lower of £3 million or half of total investments
Blue	Goldman Sachs International Bank	364 Days	Lower of £5 million or half of total investments
Blue	UBS	364 Days	Lower of £5 million or half of total investments
Red	Nottingham	6 months	Lower of £5 million or half of total investments
Blue	Principality	364 Days	Lower of £5 million or half of total investments
Green	Skipton	100 Days	Lower of £3 million or half of total investments
Blue	West Bromwich	364 Days	Lower of £5 million or half of total investments
Blue	Yorkshire	364 Days	Lower of £5 million or half of total investments

Supplementary to the above, investments may be placed under the following criteria:

NatWest Call Account - Up to £5 million may be invested in the National Westminster SIBA account subject to the group maximum and the 50% rule (BLUE rated)

Central Government - Unlimited investments may be placed in the government's Debt Management Office

Local Authorities - Up to £5 million may be invested with any other Local Authority subject to the group maximum and 50% rule (assuming a RED rating for all LAs)

NO INVESTMENT IS CURRENTLY UNDERTAKEN WITH FOREIGN BANKS.

Schedule 4 – Minimum Revenue Provision Policy 2017/18

MRP on Finance Leased assets prior to 2017/18

The Council holds assets which are financed through a Finance Lease, as defined by International Financial Reporting standards. Where assets are financed in this way, MRP is charged over the life of the asset or, where this is not practical, over the life of the lease.

Prudential Code debt incurred prior to the year 2017/18 and onwards in relation to operational assets

The Council will calculate the amounts for existing external borrowing using the annuity method, and for existing internal borrowing using the Depreciation method, whereby provision is made in accordance with the standard rules for depreciation accounting, until provision made equals the original amount of debt

Prudential Code debt incurred in the year 2017/18 and onwards in relation to income generating property acquisitions

The Council will calculate the amounts for MRP for 2017/18 by applying a annuity formula incorporating a PWLB long-term borrowing rate, commensurate in duration to the estimated life of the item purchased/built to the apportionment of the value attributed to each financial year's opening CFR in relation to such income generating capital expenditure where the item purchased/built is expected to have a life of up to 50 years or more.

Prudential Code debt incurred in the year 2017/18 onwards in relation to Operational assets

The Council will apply the following methodology for MRP in relation to operational assets:

- Borrowing where capital receipts are expected to repay borrowing prior to the project becoming operational; MRP will be charged in the year in which capital receipts are received
- Annuity method Asset life - Annuity method, which works on the basis of a mortgage type repayment. (MRP Commencement on operational properties can be postponed until the financial year after asset becomes operational)
- Internal Borrowing; MRP repayment on internal borrowing will be offset against savings or income generated in the Income & Expenditure Account as a direct result of the investment. Repayment schedules will be confirmed prior to internal borrowing commencing.

Havant Borough Council

Schedule of Fees 2017/18

	Price 16/17 £	Price 17/18 £	% Change
Customer Services			
Elections			
Basic Electoral Register Edited Data	1.50	1.50	0.0%
Basic Electoral Register Full Data	1.50	1.50	0.0%
Marked Electoral Register - Data	1.00	1.00	0.0%
Basic Electoral Register Edited Paper	5.00	5.00	0.0%
Basic Electoral Register Full Paper	5.00	5.00	0.0%
Marked Electoral Register - Paper	2.00	2.00	0.0%
Certificate of Residency	5.00	5.00	0.0%
Electoral Register - Monthly updates	38.00	38.00	0.0%
Environmental Services			
Allotments			
Allotment - Replacement key	10.50	10.50	0.0%
Allotment per Sq Metre	0.36	0.37	2.8%
Allotment per Sq Metre - non resident	0.72	0.74	2.8%
Beach Huts			
Beach Hut Let (non-Resident)	1,600.00	1,700.00	6.3%
Beach Hut Let (Resident)	800.00	850.00	6.3%
Beach Hut Plot Licence Fee (Non-Resident)	1,050.00	1,200.00	14.3%
Beach Hut Plot Licence Fee (Resident)	525.00	600.00	14.3%
Beach Hut Plot Transfer of Licence	-	1,200.00	NEW
Sports			
Bowls - per person	7.20	7.30	1.4%
Bowls - per person senior citizen	5.60	5.60	0.0%
Cricket Pitch (Senior 18+) full facilities with attendant	194.00	194.00	0.0%
Cricket Pitch (Senior 18+) full facilities without attendant	133.00	133.00	0.0%
Football Pitch (Senior 18+) full facilities with attendant	84.00	84.00	0.0%
Football pitch - Professional Clubs or non residents	POA	POA	
Football, rugby & cricket pitch (Junior <18) full facilities with attendant	44.00	44.00	0.0%
Hockey/Volleyball (Senior 18+)	-	-	
Rugby Pitch (Senior 18+) full facilities with attendant	84.00	84.00	0.0%
Slipway - Key Deposit (Refundable)	-	75.00	
Parks & Grounds			
Non profit making charitable events	Free	Free	
All other events and uses of public open spaces	POA	POA	
Pavilion/Clubhouse for non-match occasions	16.00	16.00	0.0%
Circuses and funfairs non-trading day	300.00	300.00	0.0%
Circuses and funfairs trading day	600.00	600.00	0.0%
Refuse & Recycling			
Garden Waste Licenses (applied for before 28 February 2017)			
Early Bird - per sack (70 litre)	30.00	30.00	0.0%
Early Bird - 1 bin (140 Litre)	40.00	40.00	0.0%
Early Bird - 1 bin (240 Litre)	60.00	60.00	0.0%
Garden Waste Licenses (applied for after 1 March 2017)			
Garden Waste Licence - 1 sack	32.00	32.00	0.0%
Garden Waste licence 140 litre wheeled bin - full yr, 1 bin	42.00	42.00	0.0%
Garden Waste licence 240 litre wheeled bin - full year, 1 bin	62.00	62.00	0.0%
Bins & Sacks			
Purchase of additional or replacement wheeled bins- 140 litre	27.00	35.00	29.6%
Purchase of additional or replacement wheeled bins- 240 litre	32.00	40.00	25.0%
Replacement Garden Waste sack	5.00	5.00	0.0%
Bulky Waste			
Hire of bulk waste bin for domestic use - 660l	145.00	150.00	3.4%
Hire of bulk waste bin for domestic use - 940l	150.00	155.00	3.3%
Hire of bulk waste bin for domestic use - 1100l	160.00	165.00	3.1%
Household Bulky Waste Price per item	29.00	30.00	3.4%
Household Bulky Waste oversized item	39.00	45.00	15.4%
Household Bulky Waste - per cubic metre (Max 4 Cubic Metres)	52.00	55.00	5.8%

	Price 16/17 £	Price 17/18 £	% Change
Cemeteries			
1. Person under 12 years.	No charge	No Charge	
2. Persons of 12 years and over		-	
a. New grave (single or double)	785.00	850.00	8.3%
b. Re-open existing double depth grave	585.00	610.00	4.3%
3. Children's Section			
Exclusive Right of Burial/earthen grave(including certificate):	-	-	
a. 30 years	250.00	250.00	0.0%
b. Five-year top-up fee	35.00	35.00	0.0%
4. Adult Section			
Exclusive Right of Burial/earthen grave (including certificate)	-	-	
a. 30 years	550.00	650.00	18.2%
b. Five-year top-up fee	70.00	100.00	42.9%
5. Interment of cremated remains	225.00	250.00	11.1%
6. To transfer exclusive right of burial.	40.00	40.00	0.0%
7. Right to erect a memorial in accordance with regulations including inscription, additional inscription, wedges, books, kerbs etc, for 10 years	120.00	150.00	25.0%
8. Right to place a stone vase - one per interment (maximum of two) or other approved additions to existing memorial	55.00	60.00	9.1%
9. Memorial + full kerb set (Havant Cemetery only)	150.00	175.00	16.7%
10. Replacement of existing kerbing / memorial in traditional areas	125.00	125.00	0.0%
11. Exhumation of remains	At cost	At cost	
12. Interment of cremated remains	225.00	250.00	11.1%
13. In Old Garden of Rest (Tablets only area/max. two interments)			
a. Interment of Cremated remains (First Casket) + 30 year Exclusive Right of Burial.	315.00	400.00	27.0%
b. Exclusive Right of Burial for 30 years (where no interment takes place)	180.00	200.00	11.1%
c. Five-year top-up admin fee	35.00	50.00	42.9%
d. Right to place a plaque/cut an additional inscription	35.00	50.00	42.9%
e. Interment of additional casket in an occupied space	190.00	250.00	31.6%
14. New Garden of Rest (Section 3, max. four interments)			
a. Exclusive Right of Burial (including certificate) for burial of four caskets of cremated remains – 30 years	220.00	250.00	13.6%
b. Right to erect a memorial for ten years (including certificate) in accordance with regulations - 10 years	120.00	150.00	25.0%
c. Burial of subsequent cremated remains up to a maximum of four in any one plot	225.00	250.00	11.1%
15. Natural Burial Area (Warblington Extension Only)			
a. Persons under 16 (see previous)	No charge	No Charge	
b. Single depth grave only (includes chip for identification)	735.00	735.00	0.0%
c. Interment of Ashes no casket	225.00	250.00	11.1%
d. Contribution to planting in natural burial area (not for specific burial	-	-	
Memorial Cleaning	-	20.00	NEW
Memorial Plaques	-	200.00	NEW

	Price 16/17 £	Price 17/18 £	% Change
Neighbourhood Support			
Enforcement			
Littering fines	75.00	80.00	6.7%
Littering fine - failure to give name and Address	75.00	80.00	6.7%
Flytipping fine	-	200.00	NEW
Flyposting fines	75.00	80.00	6.7%
Graffiti fines	75.00	80.00	6.7%
Abandoned Vehicles fine	200.00	200.00	0.0%
Nuisance Parking fine		100.00	NEW
Failure to produce waste transfer note fine	300.00	300.00	0.0%
Domestic Waste receptacle offences fines	75.00	80.00	6.7%
Industrial and commercial waste receptacle offences fines	75.00	80.00	6.7%
Licensing			
Hackney Carriage & Private Hire Vehicles			
Accessories - Number plate bracket	11.00	11.00	0.0%
Accessories - Pair of pouches	3.00	3.00	0.0%
Accessories - Universal bracket	5.50	5.50	0.0%
Committee grant of 1 year Operator licence	125.00	137.00	9.6%
Exemption Certificate	50.00	50.00	0.0%
Hackney Carriage Licence/transfer (inc Plate)	205.00	170.00	-17.1%
Hackney Carriage Meter Test	12.00	12.00	0.0%
Hackney/PHV Drivers Licence - Committee Grant	186.00	-	
Hackney/PHV Drivers Licence Initial 3 Year	110.00	107.00	-2.7%
Knowledge Test	40.00	45.00	12.5%
Operator Licence additional Address	435.00	448.00	3.0%
Operator Licence Initial/5 Year renewal	435.00	448.00	3.0%
Pre application vehicle mechanical inspection	89.00	90.00	1.1%
Private Hire Vehicle Licence (Inc Plate)	150.00	150.00	0.0%
Replacement - Copy Licences(where permitted)	15.00	12.00	-20.0%
Replacement - Identification Card	17.00	15.00	-11.8%
Replacement - Vehicle Licence Plate	20.00	18.00	-10.0%
Special vehicles and limousines mechanical inspection	134.00	135.00	0.7%
Vehicle Inspection failure to keep appointment	45.00	45.00	0.0%
Vehicle Mechanical inspection on application	89.00	90.00	1.1%
Vehicle Mechanical subsequent re-inspection	48.00	50.00	4.2%
Gambling Act 2005			
Adult gaming centre	800.00	800.00	0.0%
Betting premises (non track)	480.00	480.00	0.0%
Bingo premises	800.00	800.00	0.0%
Family Entertainment Centre	400.00	400.00	0.0%
Social Lotteries – new	40.00	40.00	0.0%
Social Lotteries – renewal	20.00	20.00	0.0%
Licensing Act 2003			
Personal licence		Statutory fees; see	
Premises licence		www.havant.gov.uk/law-and-licensing/licence-fees	
Temporary event notice			
Street Trading consents			
Street Trading Licence 6 month consent (Min £600)	5.00	5.00	0.0%
Street Trading Licence annual consent (Min £1000/Max £1800)	5.00	5.00	0.0%
Temporary Street trading - Daily	120.00	120.00	0.0%
Temporary Street trading - Mon-Sat	550.00	550.00	0.0%
Other licence fees			
Control of Sex Establishments Licence Fee	4,400.00	4,400.00	0.0%
Dangerous Wild Animals Licence	96.00	96.00	0.0%
Animals boarding Establishment Act 1963	115.00	115.00	0.0%
Breeding of Dogs Act	115.00	115.00	0.0%
Pet Animals Act 1951	100.00	100.00	0.0%
Riding establishments Licence	167.00	167.00	0.0%
Skin Piercing Registration	115.00	115.00	0.0%
Zoo Licences Act 1981	272.00	272.00	0.0%

	Price 16/17 £	Price 17/18 £	% Change
Scrap Metal dealer Act 2013			
Collectors Licence	110.00	110.00	0.0%
Site Licence	260.00	260.00	0.0%
Vary from Collectors to Site Licence	180.00	180.00	0.0%
Other variations (Site to Collectors, change of name or address)	30.00	30.00	0.0%
Pest Control			
Agricultural	84.00	84.00	0.0%
Bed Bugs - Domestic	52.00	52.00	0.0%
Bed Bugs - Domestic Concessionary	-	-	
Cockroaches - Commercial	84.00	84.00	0.0%
Cockroaches - Domestic	52.00	52.00	0.0%
Cockroaches - Domestic Concessionary	-	-	
Rats - Commercial and Other Premises	84.00	84.00	0.0%
Rats - Commercial and other Premises - Additional re-visits as required.	84.00	84.00	0.0%
Rats - Domestic	38.00	38.00	0.0%
Rats - Domestic Concessionary	-	-	
Fleas - Commercial and Other Premises	84.00	84.00	0.0%
Fleas - Domestic (1-3 bedrooms)	52.00	52.00	0.0%
Fleas - Domestic (4-6 bedrooms)	84.00	84.00	0.0%
Fleas - Domestic Concessionary (1-3 bedrooms)	26.00	26.00	0.0%
Fleas - Domestic Concessionary (4-6 bedrooms)	42.00	42.00	0.0%
Wasps - Commercial and Other Premises	72.00	72.00	0.0%
Wasps - Domestic	68.00	68.00	0.0%
Wasps - Domestic Concessionary	34.00	34.00	0.0%
Private Sector Housing			
British Entry Clearance (Housing Inspections)	110.00	112.00	1.8%
HMO Licence (5 or less occupants)	504.00	504.00	0.0%
HMO Licence (6 to 10 occupants)	629.00	629.00	0.0%
HMO Licence (11 to 15 occupants)	754.00	754.00	0.0%
HMO Licence (16 to 20 occupants)	880.00	880.00	0.0%
HMO Licence (Over 20 occupants)	1,007.00	1,007.00	0.0%
Car Parking fees			
No changes to car parking charges proposed for 2017/18. Parking fees available at: http://www.havant.gov.uk/parking/car-parks			
Traffic Management			
Emergency Road Closure by Order	467.00	600.00	28.5%
Misc - Provision of Access Protection Lines	60.00	60.00	0.0%
Misc - Traffic Cone Hire up to 5 cones	-	25.00	
Misc - Traffic Cone Hire up to 10 cones	-	35.00	
Misc - Traffic Cone Hire up to 20 cones	-	55.00	
Parking Bay Suspension by Notice; per bay, per day	50.00	50.00	0.0%
Section 115 Consent	450.00	450.00	0.0%
Single Permanent Traffic Regulation Order (for a developer, standard parking restriction in a single road. (Additional TRO types to be charged separately at same rate)	3,000.00	3,000.00	0.0%
Temporary Road Closure by Notice	215.25	400.00	85.8%
Temporary Road Closure by Order	252.15	450.00	78.5%
Tourism/Private Signing - Administration (including signing scheme design and documentation)	20% of cost	20% of cost	
Tourism/Private Signing - Formal application (including vetting and definitive response)	125.00	125.00	0.0%
Tourism/Private Signing - Maintenance (including cleaning and removal if no longer required)	10% of cost	10% of cost	
Tourism/Private Signing - Provision of signs (including manufacture, supply and erection)	At cost	At cost	
Tourism/Private Signing - Replacement (if costs cannot be recovered following accident, damage or theft)	At cost	At cost	
Tourism/Private Signing - Supervision (including ordering work and inspection)	10% of cost	10% of cost	

	Price 16/17 £	Price 17/18 £	% Change
Animal welfare & environmental protection			
Dog Kennelling	10.00	10.00	0.0%
Drain Clearing - rodding method only	86.00	86.00	0.0%
Environmental Searches - Commercial	Free	Free	
Environmental Searches - Domestic	Free	Free	
Local Air Pollution Control (LAPC)	<u>Prices set by Defra and</u>		
Local Authority Integrated Pollution Prevention and Control	<u>available on their website</u>		
Return of Stray Dog (Statutory Fee)	25.00	25.00	0.0%
Safer Food Better Business	28.20	28.20	0.0%
Planning			
Planning Development			
Planning application fees are available through the planning portal http://www.planningportal.gov.uk/planning/usefultools <u>Pre Planning advice - see http://www.havant.gov.uk/planning-and-environment/planning-services/pre-application-advice-and-charges</u>			
Planning Performance Agreements	-	POA	
Accredited Agent subscription	-	250.00	
COMMUNITY INFRASTRUCTURE LEVY (CIL)	-	-	
DEVELOPMENT CONSULTATION FORUM	2,500.00	2,625.00	5.0%
Hampshire Highways Pre-Application Charges	-	-	
Havant Borough Local Plan (Core Strategy)	44.00	44.00	0.0%
Havant Borough Local Plan (Core)	33.00	33.00	0.0%
Planning Application Validation Check	40.00	50.00	25.0%
Local Plan Policies Map Booklet	33.00	33.00	0.0%
HIGH HEDGES LEGISLATION - Submission of Complaint	550.00	550.00	0.0%
Section 106 Agreements			
i) Unilateral Agreements - Bespoke	275.00	275.00	0.0%
i) Unilateral Agreements - Template	POA	POA	
ii) Bi-Lateral Agreements - Major Applications	137.5 per hour	137.5 per hour	
ii) Bi-Lateral Agreements - Minor Applications	731.00	731.00	0.0%
ii) Bi-Lateral Agreements - Other Applications	283.00	283.00	0.0%
The Council charges a fee to monitor all planning obligations and this is decided at a cost per head of term contained within the obligation and is in addition to the legal charge for drafting and checking the obligation.			
	POA	POA	
Civil Engineering & Landscape			
Memorial Seat (applicant to pay cost of seat)	Cost of Seat	Cost of Seat	0.0%
Cost of Plaque (applicant to pay cost of plaque)	Cost of Plaque	Cost of Plaque	0.0%
Memorial Seat & Plaque installation	-	60.00	
Administration Charge - Memorial seats & plaques	-	150.00	

	Price 16/17 £	Price 17/18 £	% Change
Programmes			
Facilities			
Additional hire charge (Saturday)	34.15	34.15	0.0%
Additional hire charge (Sunday)	50.75	50.75	0.0%
Additional hire charge after 8.00pm (Mon-Fri)	34.15	34.15	0.0%
Copying price - Per A0 / A2 page	0.10	0.10	0.0%
Copying Price - Per A3 / A4 page	0.10	0.10	0.0%
Data Protection Act Subject Access request	10.00	10.00	0.0%
Hire of Council Chamber/Hurstwood Room - Community Group	40.00	40.00	0.0%
Hire of Council Chamber/Hurstwood Room - Standard	50.00	50.00	0.0%
Hire of Hollybank Room - Community Group	30.00	30.00	0.0%
Hire of Hollybank Room - Standard	40.00	40.00	0.0%
Hire of Newlease Room/Tournerbury Room - Community Group	25.00	25.00	0.0%
Hire of Newlease Room/Tournerbury Room - Standard	30.00	30.00	0.0%
Other rooms = on request from	10.00	10.00	0.0%
Provision of tea and biscuits	-	-	
Land Charges			
Note - certain Con 29 fees will be subject to VAT in 2017/18. Fees are currently under review and any revised fees will be agreed with the relevant portfolio holder.			
Combined search and CON 29R by post First parcel of land	£130.00	£130.00	0.0%
Combined search and CON 29R by post Each additional parcel	£20.00	£20.00	0.0%
Combined LLC1 and CON 29R Search by post First parcel of land	£160.00	£160.00	0.0%
Combined LLC1 and CON 29R Search by post Each additional parcel	£20.00	£20.00	0.0%
Official Search of whole register by post First parcel of land	£80.00	£80.00	0.0%
Official Search of whole register by post Each additional parcel	£2.00	£2.00	0.0%
First parcel of land - Residential by post	£112.00	£112.00	0.0%
First parcel of land - Commercial by post	£142.00	£142.00	0.0%
Each additional parcel by post	£20.00	£20.00	0.0%
Each printed enquiry by post	£15.00	£15.00	0.0%
Each printed enquiry 19, 20 or 22 by post	£30.00	£30.00	0.0%
Each additional enquiry in applicant's own words by post	£20.00	£20.00	0.0%
Combined search and CON 29R Online First parcel of land	£110.00	£110.00	0.0%
Combined search and CON 29R Online Each additional parcel	£20.00	£20.00	0.0%
Combined LLC1 and CON 29R Search Online First parcel of land	£140.00	£140.00	0.0%
Combined LLC1 and CON 29R Search Online Each additional parcel	£20.00	£20.00	0.0%
Official Search of whole register Online First parcel of land	£15.00	£15.00	0.0%
Official Search of whole register Online Each additional parcel	£2.00	£2.00	0.0%
First parcel of land - Residential Online	£95.00	£95.00	0.0%
First parcel of land - Commercial Online	£125.00	£125.00	0.0%
Each additional parcel Online	£20.00	£20.00	0.0%
Each printed enquiry Online	£15.00	£15.00	0.0%
Each printed enquiry 19, 20 or 22 Online	£30.00	£30.00	0.0%
Each additional enquiry in applicant's own words Online	£20.00	£20.00	0.0%
Property Name Additions/Amendments - rename a road	-	300.00	NEW
Property Name Additions/Amendments - rename a house	-	100.00	NEW
Street Naming - Change of Address one property	90.00	90.00	0.0%
Street Naming - Change of Address 2-10 property	67.00	67.00	0.0%
Street Naming - Change of Address 11+ property	46.00	46.00	0.0%
Development			
Building Control			
Building controlfees are based on an hourly rate of:		£52.69 P/Hr	

STATEMENT ON THE GENERAL FUND BUDGET PROPOSALS BY THE CHIEF FINANCIAL OFFICER

1. Background

- 1.1. Section 25 of the Local Government Act 2003 requires Chief Financial Officers to report to their authorities about the robustness of estimates and the adequacy of reserves when determining their precepts. Authorities are required to consider their Chief Financial Officer's report when setting precepts.

2. Summary Opinion

- 2.1. Having taken into account the issues detailed in the report, I am able to give a positive opinion on the robustness of the estimates and the adequacy of financial reserves for 2017/18. This opinion is based on the budget scenario presented to Cabinet on 8th February 2017. Should any of the assumptions change which require the identification of significant additional savings then this opinion will be reviewed.
- 2.2. The inclusion of property investment income and savings achieved through service transformation that have been captured in the budget are both innovative and challenging. There is a risk that, should these targets not be achieved, the Council will need to draw on its reserves during 2017/18, although this is not anticipated. The Council has sufficient reserves to mitigate this risk in 2017/18 but use of reserves would not be sustainable in the medium term.
- 2.3. The medium term financial plans of the Council have been prepared on the basis of estimates for retained Business Rates income and the Council Tax Support Scheme. These assumptions will need to be monitored throughout the year.

Robustness of the Estimates

3. Estimates Procedures and Processes

- 3.1. The Annual Audit letter for 2015/16 reports the Council is performing well and is effective in managing its finances. It has a robust budget setting process and a financial strategy that is comprehensive including future financial pressures and an analysis of key risks.
- 3.2. In giving a positive opinion on the robustness of the Estimates and Council Tax procedures I have relied on the factors summarised in the Budget report. These include well established and tested procedures and the identification of risk. I confirm that in my view the Council has robust procedures in place. These procedures will need to be reviewed and revised for future years particularly in the light of continuing public sector spending constraints and the strategy to invest in property.

4. Determination of the level of resources available.

- 4.1. The 2017/18 Revenue Support Grant settlement, announced in December 2016, was, in line with expectation, and New Homes Bonus for 2017/18 exceeded expectation by £185,000. Indicative settlement figures for 2018/19 to 2019/20 have been provided and these figures inform the Medium Term strategy.

5. Affordability of Spending Plans.

- 5.1. In assessing this issue the following factors have been taken into account:
- The level of Council Tax considered acceptable both locally and nationally - the Government has confirmed that increases in Council Tax deemed to be excessive will be subject to a local referendum. Although the Government has assumed 2% increases in Council Tax in its settlement, the Council has made an assumption in its medium term strategy to maintain 0% Council Tax increases over the period of the MTFS.
 - The budget process for 2017/18 has been based on costed business plans to ensure the estimates are robust.

6. Advice on the level and use of reserves

- 6.1. The estimated level of the General Fund Balance at 31 March 2016 is £6.6m. The General Fund Balance is set aside to mitigate the impact of unexpected events and emergencies. In order to assess the adequacy key financial risks have been identified. It should however be noted that this is not a precise science and that local circumstances, the strength of financial reporting arrangements and the Council's track record in financial management will also be a key influence on the actual potential of any individual risk materialising.
- 6.2. An analysis of earmarked reserves held by the Council has revealed that the level of individual reserves is appropriate. The reserves are adequate to meet the commitments and forecast expenditure facing the Council.

7. Key Budget Risks

- 7.1. There are two key risks to which attention should be drawn. The first relates to the income streams that have been anticipated against borrowing funds to purchase investment properties of up to £10m per annum at 5% yield. The Council will have a significant amount of work to undertake to build resource and knowledge to support this income. The second relates to cost reduction challenges and efficiency savings that have been assumed within MTFS cost base.

- 7.2. The Government is consulting on the 100% localisation of business rates by 2020/21. Full local retention of business rates scheme will place a higher risk for Havant Borough Council because it will leave us more vulnerable to fluctuations in rateable value, business rate appeals and the sustained growth of our local businesses in the future.
- 7.3. In summary, therefore, it is my view the estimates presented are robust for 2017/18 and that all reasonable steps are being taken to mitigate the associated risks. The medium term financial position of the Council is challenging and will require concerted effort in the current climate to achieve.

8. **Conclusion**

- 8.1. Based on the assessment included in this report I have concluded that the 2017/18 budgets as proposed and the associated systems and processes are sound. The level of the General Fund Balance and other reserves are adequate to meet the Council's medium term financial commitments as I see them today. However, as the risks in section 7 explain, it will be necessary to closely monitor the achievement of income challenges and service efficiencies during the course of 2017/18 and the potential impact on the General Fund Balance during future years as these matters become clearer. My conclusion is subject to no amendments being made to the budget proposals that would impact on this assessment.

Craig Smith
Section 151 Officer
Havant Borough Council

Cabinet Lead Reports – Full Council 22 February 2017

Councillor Mike Cheshire: Leader's Report

Corporate Strategy, Finance and Devolution, PUSH, Councillor's 1:1 discussion

Finance

The Budget speech will be delivered on the day of the Full Council meeting.

Devolution and the Combined Authority

At the time of writing this report, "Devolution" remains on the Government's Agenda, but the expected announcement of a Combined Authority between Portsmouth City Council, Southampton City Council and the IOW has not yet happened. It is firmly believed by all relevant Local Authority Leaders that this proposal is unlikely to be ratified in the near future.

On the 25th January I attended a meeting in Westminster with a number of other Hampshire Local Government Leaders and Hampshire MP's to discuss Devolution and Combined Authorities. It was a robust discussion that lasted for 1 ½ hours where each Authority and Hampshire MP had a chance to discuss the current Devolution issue.

I stated that as far as Havant was concerned we will be looking at all options moving forward and that the Cabinet and the Council's mind is not closed to any proposals, but we will always make whatever decisions we need to, based upon the best deal (whatever that is) for the residents of Havant Borough.

I also had a 1:1 political meeting with the Leader of Hampshire to explore how more "Service integration" as well as "HCC/HBC co-location" of staff might be reviewed to affect more savings through economies of scale. Although this offer was favourably received, the outcome was that to move this initiative forward, HBC should provide a full Business Plan. I intend re-visiting this initiative after the County Council elections in May 2017.

PUSH

The planned PUSH meeting for February was cancelled – the next PUSH meeting is planned for the middle of March 2017, so there is nothing to report.

SOLENT LEADERS MEETING

The only thing to report to Council on this meeting has been articulated in my Devolution/CA piece above. Suffice to say that over the last 18 months or so,

the CA/Devolution debate has dominated all the Solent Leaders attention at these meetings.

INTERNAL COMMUNICATIONS

Over the last two weeks, I have had a number of 1:1 meetings with my Conservative Member colleagues, and I am grateful for the open and frank debates we have had in private session.

Notwithstanding all of the individual issues that have been discussed with my colleagues, one theme appears to remain the focus of some concern; and that is the subject of internal communications.

You will be aware that the CEO, Directors, myself and all members of the Cabinet are available for discussion at any time. However, it appears to me that I need to do more.

As a result, in addition to the regular Councillor seminars that are arranged over the course of a year, on the days that our Full Council meetings are planned, both the CEO and myself will arrange for a no agenda time for Councillors to discuss any subject (between 1600 and 1645) on that afternoon.

I will ask the CEO to invite any Directors that might be available to join us as well.

If this is successful then we can review how often we might continue these meetings. Both the CEO and myself have this type of meeting with opposition members, (which I understand are still welcome, although on one occasion only two opposition members turn up!). Meetings are also held with members of staff.

On the same theme of Internal Communications, the Cabinet's regular meeting with the Havant County Councillors will continue next municipal year and will start after the County Council elections in May 2017.

Cabinet Lead Reports – Full Council 22 February 2017

Councillor Narinder Bains - Cabinet Lead for Marketing, Business Development and 5 Councils

Six Councils

South Oxfordshire District Council and Vale of White Horse District Council have gone live with all services in the contract. The work to move the services from old ways of working to new ways of working is in progress. The next big milestone for them is a new Finance system due launch in April. In December, 8 of the 9 KPIs that can be reported were on or exceeding target. Performance on PIs has been good with all 25 that have baselines and a further 5 without baselines on or exceeding targets.

Havant Borough Council and East Hampshire District Council continue to work towards joining our services into the contract, the majority of which join in October 2017.

The Programme Management Office has set up a new internal work programme to support the services moving into the contract.

Marketing and communications

Serving You: The council's magazine is currently being designed and written by the marketing and communications team and will be distributed to homes in the borough in March.

Approximately 56,600 copies will be delivered through letterboxes and approximately 1,000 will be sent to community centres and information points.

Press releases: There have been numerous press releases. These have ranged from publicising consultations (including views on dogs using public spaces), the signing of the community covenant to the agreement of the Local Plan Housing Statement.

Local Plan communications: A communications plan has been developed to help ensure that infrastructure is delivered hand-in-hand with new homes. The communications and marketing team has been working closely with colleagues in the planning department to ensure that decisions relating to the local plan have been publicised as widely as possible.

A bespoke webpage has been set up which aims to be as user-friendly as possible <http://www.havant.gov.uk/localplan>

Website:

The Havant website has had 38,338 sessions (engaged users) accessing 121,208 service pages.

When compared to November 2016, the website has increased engagement by 16%.

50% of residents view the website using a desktop and the additional 50% use a mobile or tablet device. Most residents find the website using a search engine (organic search) and the most popular browser used is Chrome.

The website is mainly visited from Portsmouth accounting for over 25% of total visits. Havant is ranked in 4th with 10% of total visits.

Social media:

December is generally a quiet month for social media activity and this is reflected in the average numbers for Twitter – but Facebook has outperformed expectations. All three top performing Facebook posts were ‘awareness’ related, so tens of shares have helped increase impressions for our Page in this month.

Twitter: Havant has also passed the 2,500 follower milestone.

I would appreciate feedback relating to the content/structure of the Councillor’s newsletter. What can be improved to ensure you are kept up to date.

Customer Services

Renewal letters (9,000) for the Garden Waste service have been posted w/c 30/01/17 and 06/02/17. This is an increase of 1,000 customers from last year. As at 07/02/17 over 1,300 payments had been received.

Cabinet Lead Reports – Full Council 22 February 2017

Councillor Tony Briggs: Deputy Leader and Cabinet Lead for Operations, Environmental Services and NORSE.

Norse South East – Havant Borough Council Partnership Update

PARTNERSHIP PERFORMANCE REPORT FOR COUNCILLOR TONY BRIGGS

FINANCIAL OVERVIEW

Income Management

The partnership is managing the following income streams on behalf of HBC that constitute the £1.855m (financial income Anchor) that forms part of the Councils overall budget to deliver the services.

Beach Huts
Grounds (open spaces and cemeteries)
Refuse
Green Collection
Vehicle Maintenance (workshop)

Processes for income collection and reconciliation between NSE/HBC are improving, and work will continue to establish changes to payment processes/connectors to allow payments from public to go directly to NSE.

Positive progress has been made on debt recovery as demonstrated by the Beach Huts. Assuming the defaulting on instalments is minimal the current actual debt is around £5k and we expect this to come down further before year end. This is set against 284 total invoices with a value of £282,604. This is a significant improvement on the £40k 2015/16 unrecovered HBC debt that we were anecdotally informed of.

Sales and Marketing

Marketing and promotional activity includes:

New mixed-media marketing plan for 2016/17 now live. CSR and PR opportunities also now being recorded
E-shot sent re: trade waste and grounds sent to schools, parish councils and commercial properties
New “easy quote” tool for trade waste for website has just gone live alongside Google analytics campaigns, as well as data purchased for telemarketing programme through to March
Grounds Maintenance e-shot sent Oct
Multi-service brochure sent to all schools and targeted commercial organisations
MOT/Vehicle and Fleet services marketing delivered since November

Business Growth being pursued includes:

We are tracking and targeting local businesses as well as schools for trade waste with marketing messaging that we are a high quality alternative to national competition.

Business Gained:

SERVICE UPDATES:

Waste Management

Strategic Waste: Officers continue to attend Project Integra meetings as this provides an opportunity to discuss issues and opportunities affecting all Hampshire Local Authorities.

Hampshire County Council have reviewed their decisions relating to Household Waste Recycling Centres (HWRC). Operating hours will now not be reduced in January 2017 and the current charge for certain materials (Soil, Rubble, Plasterboard, and Cement Bonded Asbestos) is being reconsidered.

NSE plans to capitalise on this by advertising its chargeable Bulky Waste and garden waste services at HWRC sites. Also using the sites for advertising Vehicle Maintenance Workshop services.

Refuse: currently processing requests for green bin subscription for 2017/18. Customer base for 2016/17 was approx. 9,200 customers, with 1,406 new customers having joined the scheme.

New/replacement bin deliveries are within 10 day agreed target figure.

Number of missed bins per 100,000 is averaging 38, slightly above target of 35.

Assistant Managers continue to remind crews and monitoring collections in an effort to improve service delivery.

Trade Waste: the new NSE commercial trade waste service has continued to grow steadily. Our customer base has increased to almost 60 businesses.

NSE officers continue to work closely with their Business Development Manager and have put in place a strategy for the ongoing medium to long term growth of the trade waste service. Competition from national service providers is challenging the core strength of our service offering comes from our public sector credentials and our commitment to the highest possible professional standards.

NSE has secured its first schools waste contract at Havant Academy, and as well as saving the school money this contract has since led to further work with the same customer and elsewhere within the Academy chain.

Cleansing and Cleaning

We have now recruited to all vacant posts within street cleansing as of November 2016.

During October and November the team experienced a very busy period dealing with autumn leaf fall throughout the Borough, especially outside schools, pedestrianised routes and shopping areas.

We have started a regular programme of works to clean the inside/outside of Havant Bus Station and it is going well. The first couple of cleanses made a remarkable difference to the inside paved area and this will only get better with the ongoing quarterly visits we have planned. We have also replaced the old ageing litter bins with new ones.

Cleaning: whilst outside of this reporting period NSE have secured its first significant cleaning contract worth £67k p.a. for a 2+2 year contract at Havant Academy, starting from January 2017. Up to 9 staff including a supervisor will be transferring under TUPE into NSE. This will give us a nice start to build more cleaning business in the area and launches the cleaning element of the NSE business portfolio.

Grounds and Open Spaces

Highway Grass Verges - after coping with the early flush of growth grass cutting went well, we completed 7 cuts during the season (April - October).

Weed spraying: it was a very difficult season as we insourced this work instead of using contractors. The weather conditions resulted in rapid weed growth which got ahead of the resources we had allocated, however complaints remained controlled and the team will learn from this so we can flex our arrangements in future.

NSE recently completed its first formal bid for Hampshire County Council grounds maintenance work. Our officers and Business Development Manager collaborated to produce a detailed tender document for two separate packages of work, 1) Petersfield & Alton 2) Horndean to Hayling Island. We were successful in winning the Petersfield & Alton work. We were just 8 marks short of the winning bid for the larger work package, which bodes well for future working with HCC.

Hampshire Farm Meadows: were formally handed over to HBC at the start of November 2016. This forty-acre site lies between Westbourne and Emsworth. It is an important area, not only does it bring two communities together, but it also provides an important recreational area for local residents. Work has been done to improve the wildlife biodiversity of the area and this will be continued with a management plan along with a newly created conservation volunteer group. NSE supplied tools to the newly formed volunteer group to enable the group to provide conservation focused work within the area.

HCC Highways: HCC have now concluded their full tender process for their highways services contract. For the current financial year, 2016/17, HCC is paying HBC a total cost of £222,407 for urban grass cutting, shrubs and hedge maintenance and £30,450 for weed treatment. These figures are based on a minimum of 6 urban grass cuts and 2 weed treatments.

The payment for 2017/18 is £215,735 for urban grass cutting, shrubs and hedge maintenance and £17,661 for weed killing. These figures are based on a minimum of 4 urban grass cuts and 1 single weed treatment per year.

The new allocations from HCC are likely to remain in place for a minimum of two financial years (2017/18 and 2018/19), and subject to future budgetary pressures that may be applied to local authorities, further changes and reductions may be required after the two year period has lapsed. The combined cost pressure is around £20,000 p.a. to HBC/NSE which NSE will be seeking to absorb whilst still delivering acceptable public perceived outcomes for this service

Arboriculture: tree inspections and resulting works have been slightly behind schedule, and we will continue to adjust resources to catch up and ensure resident enquiries are dealt with in a timely manner.

There is continued interest in our arboriculture expertise from a private and commercial customers. In December the NSE's arborist completed a job on an ancient yew tree within the grounds of St Mary's Church, Hayling. Currently undertaking a significant project for Horizon Leisure at Waterlooville.

Beach Huts: HBC Scrutiny Panel continue to oversee the Hayling Island Beach Hut project, they have identified a suitable location to increase the number of beach huts. NSE officers continue to support this project as required. As previously mentioned bad debts are now being effectively controlled.

Cemeteries: Officers continue to provide support to HBC in regards to a proposal for a new cemetery.

NSE have created a new ashes interment plot within Havant Cemetery

We introduced some additional services: memorial wall plaques, memorial rose garden and memorial cleaning services.

Allotments: The waiting list changes weekly depending on demand, peaking Feb - April and following regular allotment inspections. Historically plots had been left a long time before re-letting, becoming overgrown and unattractive to prospective tenants. This has then been compounded by delays in clearing the plots and the admin process to re let them. The “undesirable” plots relate to the ones that required clearances, weed-kill and strimming before they could be let. Some maps had been sent out but as they remained unpopular we then arranged and waited for them to be cleared.

The number of people on waiting lists differs for each area, currently we are able to offer a plot to those on waiting lists;
Immediately for sites in Emsworth.
Within 12 months for sites in Havant and Waterlooville.
Within 4 years for sites on Hayling Island

Sports Grounds: Football and Rugby teams are now playing on HBC pitches and invoices are being sent out on a monthly basis (pay and play) and on a 2 monthly basis for clubs that have taken on self-management.

Beachlands: The team worked hard throughout last summer including work to ensure West Beach (Blue Flag) was clean, tidy and safe. Work continues throughout the winter months which will include maintenance to the SSSI areas.

Fleet

Vehicle Replacement: 4 new 26t Refuse Collection Vehicles were delivered in early December, these vehicles are now in service. An order for a new mechanical sweeper will be placed during February for expected delivery May/June

MOT Centre: since October we have had a fully operational independent MOT Station for Cars, Vans, Motorhomes, Fleet Vehicles, Mini Buses and Motorbikes. We can also undertake repairs and servicing and marketing of the centre is ongoing.

Training and Development: All of our Fitters have gained IMI Accreditation in Light Vehicles, Transport Manager has gained MOT Managers qualification. All of our fitters are now qualified MOT Testers.

Staff

Sickness Rates: Managers are working with Norse HR which has led to ongoing steady improvements in sickness rates;

CONCLUSION

NSE has continued its positive start to business. The team has continued to flexibly approach taking on new challenges and opportunities.

Positive to date include; opening the MOT test centre, employing our first 2 apprentices, i delivery of our first four new refuse freighters, establishing our trade waste business, winning our first school cleaning contract and winning grounds work with HCC.

There are still challenges to refine back office processes and IT systems, and by March we would like to have moved the whole team into a single open plan work space on the ground floor, rather than be fragmented across both floors.

As well as time spent commercialising and Norsifying the services, officers have continued to work closely with HBC colleagues and maintain strong working relationships.

Housing Enforcement (Including DFGs)

New Home Improvement Agency

The current contract for the Home Improvement Agency (HIA), the private body that partner the council in the administering the Disabled Facilities Grants scheme, comes to an end on 31st March 2017. Unfortunately our current partner, Family Mosaic, have decided not to continue in the role so HBC have been searching for a new HIA to partner with.

The DFG team, in conjunction with colleagues in the Capita Procurement team, have worked very hard to find and secure the services of a new HIA and the process has proved to be a great success. Subject to the final contract being signed, Millbrook Healthcare have agreed to become our partner for the next 3 years and both parties are looking forward to working together and forging a positive and productive working relationship.

Millbrook Healthcare are a family owned south Hampshire based business who specialise in community equipment, wheelchairs, assistive technology, and they also provide HIA services to a number of other local authorities.

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Cabinet Lead Reports – Full Council 22 February 2017

Councillor Time Pike: Cabinet Lead for Cabinet Lead for Strategic Innovation, Infrastructure and Projects

Innovation and New approaches to Service Delivery

This Council already has a strong record of service commissioning and thinking differently. I have met with the MP for Havant to discuss his report on the 4th Industrial Revolution, and in particular how local Councils can contribute to achieving the suggested actions. We have a good number of high-tech businesses within the Borough, and we wish to see these succeed and expand.

Infrastructure Improvement: Cycling and Walking, Public Transport, Roads, Traffic and Parking

The Civil Engineering and Landscape Team remain busy delivering improvements to infrastructure, in particular those that promote walking and cycling. Members in Bedhampton Ward have been consulted about potential improvements that will be funded by the S106 money from the Scratchface Lane development. The proposals for cycling improvements on the west side of Langstone Road will also be taking place this calendar year.

I would like to see a step-change in cycling for commuting and leisure purposes, and have met with representative of cycling organisations to gather further suggestions. Contributions from members are welcome.

Alongside the improvement plans, there is also the need to ensure our existing infrastructure continues to perform well, and I have discussed recent issues with Langstone Road with the HCC Highways Department. The Hayling Island Infrastructure Advisory Committee has had its first meeting, and I am working with residents to bring forward suggestions for modal shift, rather than just managing an ever increasing number of vehicle movements.

Strategic Projects & Town Centre re-generation

Our town centers need to continue to evolve to meet changing shopping

habits and increased interest in eating and drinking establishments. I have met with a number of members whose Wards cover our town centres, and would welcome any further 'guided tours' before bringing forward proposals.

The strategic plan for Hayling Beachlands is currently in development, and members representing Hayling East and Hayling West have been to visit potential improvement sites. A dedicated project manager is in place, and member engagement will continue as plans are brought forward.

Development of Strategic Sites

I am working alongside Cllr Guest to ensure our Local Plan can not only deliver the much needed housing that our Borough requires, but the physical and community infrastructure that residents, businesses and visitors need. A comprehensive communications plan is in place, and residents have been invited to participate in workshops in March regarding the Strategic Site between Denvilles and Emsworth. There are also online methods to return your views.

Cabinet Lead report for Council on 22/2/17

Councillor Leah Turner: Cabinet Lead for Communities and Housing

Havant Locality Board

The Safer Havant Partnership has been absorbed within the new Havant Locality Board. This has been established over the last six months to co-ordinate and deliver on the Havant Transformation Agenda. The board is made up of the following attendee's:-

Chair..Chief Fire Officer

Vice Chair.Chief Inspector of Police.

HCC. Children's Services Manager

HBC. Communities and Communications Service Manager

Chair of Local Children's Partnership

DWP- District Operation's Manager

Public Health- Senior Practitioner

Head of Commissioning and Partnerships-Office of the Police and Crime Commissioner for Hampshire

Interchange Manager-Community Rehabilitation Company

Head of Communications and Engagement-Clinical Commissioning Group

Southern Domestic Abuse Service-CEO

Havant and East Hants Mind- Business Development Manager

Victim Support-Regional Lead

Motiv8-Director

Citizen's Advice Havant-CEO

Community First-CEO

What is Transformation?

Transformation is a local "cross public service" approach to developing a new way of working that benefits both local services and residents. When organisations work together to solve problems, issues can be dealt with more efficiently, reducing the time and cost involved.

What does this mean for local residents?

Most may not notice any difference in service but may see things such as places looking neater and more support being offered to local families. The first role of the new Board is to oversee the Delivering Differently pilot in Wecock. This programme of work will address the needs of local residents by empowering and enabling services in Wecock Farm to work more effectively together.

The aim is to target all areas of society, such as Health, Crime and Education. To make lasting positive changes to benefit our Communities. By improving the contact between services it will help identify missed opportunities where issues could be dealt with earlier, preventing further escalation and greater costs to services.

The programme is already showing a better working relationship between services, meaning issues are dealt with more effectively.

We have also amalgamated our Health and Wellbeing Strategy into the Locality Board, believing that many separate meetings involving the same people are a waste of time and limited resources.

On Wednesday 1st February, Clare Hughes and I hosted representatives from HCC and Public Health England at The Plaza. We discussed our Health and Wellbeing Strategy and the new Havant Locality Board. They offered assistance if we felt it was needed for which we thanked them.

Housing

I know that members are always keen to hear details of any homelessness in our Borough. Our Housing Team have many successful outcomes for which I must congratulate them.

12 households went into B&B during Q 3 with 5 still remaining at the time I have written this report. One couple has been classed as intentionally homeless and our duty to them will cease shortly. The remaining 4 are awaiting alternative forms of temporary accommodation to become available. The team have been working with Two Saints during the recent cold spell, however no rough sleepers approached us for emergency accommodation. Can I reiterate that unless we are approached we cannot help, during though of course we are concerned for anyone sleeping rough in very cold weather.

The team attended court and have been successful in resolving a number of emergency cases ensuring the families were not made homeless. A total of 232 successful preventions were carried out during Q3 meaning that 232 households were helped and did not have to go into B&B or temporary accommodation. We are on track to hit the annual target this year of 1050 cases helped. On 15/2/17 the Team are attending a workshop hosted by JobCentre Plus for anyone impacted by the Benefit Cap. Portsmouth City Council, Guinness Hermitage and the Roberts Centre are also attending.

The Lockerley Road partnership project in conjunction with Havant Housing Association and EHDC, using Affordable Housing Developer's Contributions, will we hope have Phase 1 ready for completion in May/June 2017. This will provide 6 much needed units for single homeless. With potential for this to be extended when proved to be successful and additional funds allow.

Sport

The Front Lawn Recreation Ground project continues to develop. Final tender submissions were due on 6/2/17 following an extensive value engineering exercise. It is anticipated that additional finance will be required to meet a shortfall of funding at this stage. Officers are currently exploring all possible options to achieve this and develop the project on time and budget.

Playing Pitch Strategy

The Senior Leisure Officer has been working with Planning Policy to procure a consultant to develop a PPS, Built Leisure Facilities Strategy and Open Spaces Strategy. This documents are a requirement of the NPPF and will also help shape the future direction of HBC's approach to improving the provision of sport and leisure in our Borough.

Sport England Active Ageing Project

An expression of interest in Sport England's first funding stream to tackle inactivity is being prepared to be submitted by 13/2/17. This stream is aimed at those over 55 who are considered inactive.

Play Park Conditions Survey

A Play Park conditions survey has now been completed. It covered the 29 Play Parks maintained by Norse across the Borough. It included play value and condition of existing equipment, comments on surfacing, and recommendations for replacement or additional items. The report is being finalised by Officers in order for it to be shared with Councillors and relevant partners. The

document will then become part of the open space and play strategy, which itself becomes part of the wider Playing Pitch Strategy.

Events

There is now a "Planning an Event" page under the Community heading on the HBC website. This includes a link to download an application form to hold an event on HBC land.

Councillor's Devolved Budgets,

I am sorry to say that less than £10,000 of a possible £38,000 in grants have been made by members since the scheme started. Applications must be made to the Communities Team by 10/3/17. Any monies not spent can not be rolled over into the following year. If however a larger community project in your ward would benefit by you and fellow ward Councillors amalgamating your monies, please speak to the Communities Team who will try to help.

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Cabinet Lead Reports – Full Council 22 February 2017

Councillor Michael Wilson: Cabinet Lead for Governance and Organisational Development

Democratic Services

The Democratic Services team have been continuing their work to streamline the Scrutiny process and have made further progress with this work. The recommendations from the review of cemetery provision have now been agreed by Cabinet, while reviews into the shared management arrangements and the transfer of IT services to Capita have been completed and agreed by the Scrutiny Board. The Budget Scrutiny process for 2017/18 has also been completed and the process has been endorsed by both the Scrutiny Board and the Cabinet.

Topics that are currently being scrutinised include the provision of public toilets in the Borough, the Troubled Families Programme, a review of the Economic Development Service, a review of the Assets of Community Value Policy and a review of the Standing Orders in the Constitution relating to meetings. Councillors who wish to take part in any of these reviews are encouraged to speak to Democratic Services.

The Councillor Development Panel is now meeting regularly and considering the corporate training priorities for the coming municipal year. A training needs analysis survey was recently completed and received a good response, with the results now being put into the training programme for the coming year. The Panel will also consider the draft self-assessment and action plan for achieving accreditation under the South East Employers Charter for Elected Member Development. Furthermore, the Panel will take the lead on implementing the Councillor Development Strategy in seeking to ensure that all Councillors are equipped to deliver the Councils statutory and corporate objectives and priorities.

Elections

The Electoral Services Team is progressing well with the arrangements for the County council elections on 4 May. It has been rather more complicated than usual with regard to polling stations, partly due to the Boundary changes. Polling District DA will be voting at a new temporary station at the Ex servicemen's Club in Brockhampton Lane; DD and DE will be split rather than in a joint station, with DD voting at Warblington School and DE voting at The Stride Centre; the new LF will temporarily be voting at Hart Plain Church. Other changes are FA will be back at Sharps Copse Primary School, FB at St Albans School and for the first time we will be using the sports hall at Crookhorn College due to the Meeting Place being dilapidated and beyond repair.

The Minister for the Constitution, Chris Skidmore MP, visited South Region on 9 February. A meeting was hosted at Leigh Park Community Centre and was attended by various people from Housing Associations, tenants and 3 HBC councillors. Feedback was that it was a very useful exercise.

HR, Learning and Development

The Human Resources team is supporting a number of key corporate projects. In particular planning for the transfer of staff members to third party contractors, within the TUPE transfer regulations. An overarching Organisational Development Strategy has been developed to support the Councils in their strategic aspirations, with a detailed action plan to bring the Strategy to life. This is a living document and will evolve with the direction of the Councils. For example, the Strategy currently includes a 'Fit for Future' programme which supports the transition to manager and employee self service operating for services due to be outsourced. This will be a considerable piece of work for the remainder of 2017.

Following a review of terms and conditions of employment in 2016, the team are ensuring the agreed changes are embedded. A revised pay strategy is being discussed with senior leaders and UNISON representatives, to generate a pay and reward model which is fit for purpose in a modern public service organisation, and which is financially sustainable.

The team continues to provide transactional services to all staff and line managers across the Councils, including recruitment, liaison with payroll and general 'employee lifecycle' administrative support. Support to line managers in dealing with employee relations matters also continues to be a key feature of the HR teams' work. For example, disciplinary and conduct matters, performance issues, sickness absence cases and family leave events such as maternity leave, paternity leave and parental leave.



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HAVANT BOROUGH COUNCIL

At a meeting of the Development Management Committee held on 8 December 2016

Present

Councillors Buckley, Hughes, Keast, Patrick, Perry, Quantrill and Satchwell

58 Appointment of Chairman

RESOLVED that Cllr Clare Satchwell would be chairman for the meeting.

59 Apologies for Absence

There were no apologies for absence.

60 Minutes

It was RESOLVED that the minutes of the meeting held on 20 October 2016 be approved as a correct record and signed by the Chairman.

61 Matters Arising

There were none.

62 Site Viewing Working Party Minutes

The committee received the minutes of the meeting held on the 1 December

63 Declarations of Interest

There were no declarations on interest relating to matters on the agenda.

64 Chairman's Report

The Chairman reported that the Havant Borough Council Local Housing Statement 2036 had been approved by Full Council on the 7 December 2016 and it was important for officers and members to work together to deliver the most positive developments possible for the benefit of the residents in the Borough.

65 Matters to be Considered for Site Viewing and Deferment

There were none.

66 Deputations

The following deputation requests were noted by the committee:

- (1) Cllr Edward Rees (Ward Councillor) – APP/16/00928 Aura House, New Road, Havant

67 APP/16/00928 - Aura House, New Road, Havant, PO91DE

(The site was viewed by the Site Viewing Working Party)

The Committee considered the written report and recommendation from the Head of Planning Services to refuse permission.

The Committee received supplementary information, circulated prior to the meeting which:

- (1) Detailed the level of occupation of Aura House
- (2) Detailed the number of separate business operating at Aura House

The Committee was addressed by the following depute:

- (1) Cllr Edward Rees who objected to the officers recommendation and supported the proposal for the following reasons:

- a) The proposal would provide space for businesses and employment in a ward that has a need.
- b) The initial build of Aura House was very successful and the proposal would seek to increase economic growth.
- c) The grounds for refusal were a subjective judgement and the proposal would seek to add variety and character to the area.
- d) The proposal had not generated any objections from members of the public or ward Councillors
- e) The proposal was in line with Havant Borough Council's parking policy and had not received objections from the Highways Authority
- f) The proposal was supported by a strong business case for further development of the site

The committee discussed the application in detail together with the views raised during the deputation.

Members of the committee considered the economic benefits of the proposal to the local businesses and prosperity of the Borough. Although there were some perceived projected benefits to employment and business in the area, the committee also considered the significant environmental impacts of the proposal and its location. It was considered that the proposal constituted an overdevelopment of the site and was, due to its bulk and prominent location, unsympathetic to the character of the area and an incongruous feature to the street scene. It was therefore

RESOLVED that the Head of Planning be authorised to refuse permission for application APP/16/00928 for the following reason:

1. The proposed Office Extension would by reason of its prominent siting, design, size, materials, height, mass and bulk have a harmful impact on the character and appearance of the area, detract from the appearance⁴ of the existing building and represent an overdevelopment of this shallow and constricted site. The proposal would therefore conflict with policy CS16 of the Havant Borough Local Plan (Core Strategy) 2011, the Havant Borough Council Borough Design Guide Supplementary Planning Document 2011 and the National Planning Policy Framework.

**68 APP/16/01110 - Boundary Wall in front of 101 - 109 North Street
Emsworth, PO10 7PH**

The Committee considered the written report from the Head of Planning to grant permission.

In response to questions raised by the committee, officers advised that:

1. The variation to the original planning approval was due to further investigation into the retaining wall revealing that part of the wall was safe to repair.

The Committee discussed the application in detail and found no reasons for refusal. It was therefore

RESOLVED that Head of Planning be authorised to grant permission for APP/16/01110 subject to the following conditions:

1. The development must be begun not later than three years beginning with the date of this permission
reason: to comply with the requirements of Section 91 of the Town and Country Planning Act 1990 as amended by Section 51 of the Planning and Compulsory Purchase Act 2004.

- 2. The development hereby permitted shall be carried out in accordance with the following approved plans:

- Diversion plan – 001
 - Retaining wall replacement plans and long section – DN 11/003B
 - Materials arrangement – DN: 11/002A
 - Site compound arrangement – DN: 11/003A

reason: to ensure provision of satisfactory development

- 3. The areas of land required to be altered to construct the wall at the front of No's 101-109 North Street shall be reinstated to the previous ground level unless otherwise agreed with the Local Planning Authority.

reason: in the interests of the amenities of the properties and having due regard to policy CS16 of the Havant Borough Local Plan (Core Strategy) 2011 and the National Planning Policy Framework 2012.

69 Nomination of Chairman

It was RESOLVED that Cllr Gary Hughes be nominated as Chairman for the next meeting of the Development Management Committee.

The meeting commenced at Time Not Specified and concluded at 6.15 pm

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Chairman

HAVANT BOROUGH COUNCIL

At a meeting of the Scrutiny Board held on 21 December 2016

Present

Councillor Buckley (Chairman)

Councillors Carpenter, Francis, Hughes, Patrick, Pike, Shimbart, Wade and Ponsonby

10 Apologies

Apologies for absence were received from Councillors Branson, D Smith and Fairhurst.

11 Declarations of Interests

There were no declarations of interest.

12 Review of the Budget 2017/18

The Board was given the opportunity to consider and comment upon the Review of the Budget 2017/2018 Report. The Scrutiny Lead for the Budget Scrutiny Panel introduced the report and answered any questions raised. The Leader of the Council, the Chief Finance Officer and the Business, Economy and Town Services Manager were also invited to join the meeting and answer any questions in relation to the report.

The discussion highlighted the potential gains that could be realised by a Funding Officer within the Community Team, and the need for smart objectives to clarify the outputs of the economic development service.

The budget scrutiny process was also endorsed by members, though it was recognised this process could have closer links with the financial planning process of officers in future years.

RESOLVED that

- a) The Scrutiny Board recommend to Cabinet:
 - i) To agree to the transfer of the responsibilities and associated budgets for all current economic development events and the responsibility for the mayoral service to the Community Team;
 - ii) To consider the appointment of a full or part time Funding Officer within the Community Team with the aim that this post be self funding and to enable the Council to take greater advantage of external funding;

- iii) To consider committing the Council to a major investment scheme in 2017/18 that will act as a catalyst for town centre regeneration; and
 - iv) The regular economic status reports be reinstated
- b) The budget scrutiny process undertaken this year be adopted as a model for future budget scrutiny projects.

13 Appointment of Scrutiny Lead for Marketing, Business Development and Five Councils

The Chairman nominated Councillor Quantrill as the Scrutiny Lead for the Marketing, Business Development and Five Councils Scrutiny and Policy Development Panel.

RESOLVED that Councillor Lance Quantrill be appointed as the Scrutiny Lead for the Marketing, Business Development and Five Councils Scrutiny and Policy Development Panel.

The meeting commenced at 5.00 pm and concluded at 5.56 pm

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Chairman

HAVANT BOROUGH COUNCIL

At a meeting of the Development Management Committee held on 12 January 2017

Present

Councillors Buckley (Chairman), Hughes, Keast, Patrick, Perry, Quantrill and Satchwell

70 Appointment of Chairman

RESOLVED that Cllr Gary Hughes be appointed as Chairman for the meeting.

71 Apologies for Absence

There were no apologies for absence.

72 Minutes

RESOLVED that the minutes of the meeting held on 8 December 2016 be approved as a correct record and signed by the Chairman.

73 Matters Arising

There were no matters arising.

74 Site Viewing Working Party Minutes

The committee received the minutes of the meeting held on 5 January 2017.

75 Declarations of Interest

There were no declarations of interest

76 Chairman's Report

The Chairman advised there was nothing to report to the committee at the time.

77 Matters to be Considered for Site Viewing and Deferment

No matters were considered for site viewing or deferment.

78 Deputations

The following deputation requests were noted by the committee:

(1) Martin Critchley (applicant's agent) – APP/16/01113 23 South Street, Emsworth.

(2) Cllr Rizka Cresswell (Ward Councillor) – APP/16/01113 23 South Street, Emsworth.

79 APP/16/01200 - 19 The Parchment, Havant, PO9 1HD

(The Site was viewed by the Site Viewing Working Party)

The Committee considered the report from the Head of Neighbourhood support to grant permission.

In response to questions raised by the committee it was advised that there were no policies that allowed for the rolling consent for maintenance of the tree that were subject to the application.

The Committee discussed the application in detail and found no reasons for refusal. It was therefore

RESOLVED that the Head of Neighbourhood Support be authorised to raised no objection to application APP/16/01200.

80 APP/16/01199 - Tree at The Parchment, Havant

(The Site was viewed by the Site Viewing Working Party)

The Committee considered the report from the Head of Neighbourhood support to grant permission.

The Committee discussed the application in detail and found no reasons for refusal. It was therefore

RESOLVED that the Head of Neighbourhood Support be authorised to raise no objection to application APP/16/01199.

81 APP/16/01113 - 23 South Street Emsworth PO10 7EG

(The Site was viewed by the Site Viewing Working Party)

The Committee considered the written report and recommendation from the Head of Planning Services to refuse permission.

The Committee received supplementary information circulated at the meeting which outlined the detail of the materials to be used in the roof proposal.

The Committee was addressed by the following deputees:

- (1) Mr Martin Critchley, the Applicants agent, who objected to the officers recommendation and spoke in support of the proposal for the following reasons:
 - a. The officer's recommendation to refuse the application was based on a subjective aesthetic assessment;
 - b. The proposal would have economic benefit to the area of Emsworth;
 - c. The addition to the area would add character and interest and not detract from the street scene;
 - d. The Mansard roof design was replicated in nearby areas of Emsworth and would not be out of character;
 - e. The different style of building would increase tourist interest to the area and supply employment opportunities, therefore further benefiting the local economy;
- (2) Cllr Rivka Cresswell, a Ward Councillor, who objected to the officers recommendation and supported the proposal for the following reasons:
 - f. The site was unoccupied and this proposal would provide a use for the site.
 - g. The mansard roof was integral to the design of the proposal to allow for the site to reach it's full economic potential.
 - h. The proposal would add variety to South Street and therefore character and interest to the area.
 - i. Examples of the roof style could be seen in other parts of the area and was therefore not boldly out of character.
 - j. The proposal would add employment, business and tourism to the area.

In response to questions raised by the committee it was advised that:

1. The proposal would have a visible gap on the East frontage from the adjacent building to the south, however this gap would meet toward the rear of the building, providing a corridor access between the adjacent property.

2. The previous application proposed a total of 7 bedrooms. The application to be determined proposed 6.

The Committee discussed the application together with the views raised by the deputies.

Some members of the committee agreed that there would not be a significant impact on the character of the area and the mansard roof was agreeable to the design and fit of South Street. It was also commented that the use of the site was beneficial for the economic prosperity of the local area. However the majority of the committee agreed that the style of the property would have a significant detrimental impact on the street scene and would be unsympathetic to the area. Although the committee were in support of the proposed use of the site, the style was inappropriate and by reason of its height, scale, bulk and prominence on the streetscene. It was therefore

RESOLVED that the Head of Planning Services be authorised to refuse permission for application APP/16/01113 for the following reasons:

1. The proposed mansard style roof extension on a building which sits in between No. 25 South Street and the Coal Exchange Public House, by reason of its height, scale, bulk, detailed design and prominence in the street scene and wider roofscape of the conservation area, would have an intrusive impact on the setting of the adjacent Listed Building at No. 25 South Street and the character of the Emsworth Conservation Area and streetscene, by unbalancing the unity of the architectural composition of this section of South Street and further breaking the original and unique integrity of this historic design. For this reason, the proposal would fail to comply with policies CS11 and CS16 (1a) of the Havant Borough Local Plan (Core Strategy) 2011, policy DM20 of the Havant Allocations Plan 2014 and national guidance contained in the National Planning Policy Framework.

82 Nomination of Chairman

RESOLVED that Cllr Buckley be nominated as Chairman for the next meeting of the Development Management committee.

The meeting commenced at 5.02 pm and concluded at 6.10 pm

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Chairman

HAVANT BOROUGH COUNCIL

At a meeting of the Scrutiny Board held on 31 January 2017

Present

Councillor Buckley (Chairman)

Councillors Branson, Carpenter, Fairhurst, Francis, Hughes, Patrick, Quantrill, Shimbart, Smith D, Wade and Ponsonby

14 Apologies

There were no apologies for absence.

15 Minutes

The Minutes of the meetings of the Scrutiny Board held on 22 November and 21 December 2016 were agreed as a correct record and signed by the Chairman.

16 Matters Arising

There were no matters arising.

17 Declarations of Interests

There were no declarations of interests.

18 Chairman's Report

The Chairman advised the Committee that as part of their review of the Council's Standing Orders, the Budget Scrutiny and Policy and Development Panel were undertaking a survey of all Councillors to find out how they thought standing orders could be improved, particularly in relation to public access, participation in council meetings and accountability for decision-making. The Chairman requested the members of the Board to submit a return.

19 Budget 2017/18

The Board was given an opportunity to consider and comment upon the draft Revenue and Capital Budget 2017/18 to 2021/22. The Leader of the Council, the Director for Strategy and Governance, the Chief Finance Officer and the Corporate Accountancy Team Leader answered members' questions in connection with the report.

The Board discussed in detail the proposed property investment proposals which formed a part of the Council's budget and the Medium Term Financial Strategy. The Board expressed concern that the Budget Scrutiny and Policy Development Panel had not been consulted on these proposals and that insufficient time and information had been given for members of the Board or

other Councillors to give proper consideration to these proposals. The Leader of the Council offered a number of options to the Board including:

- (i) holding a seminar; and
- (ii) rearranging the Cabinet timetable

to enable the Board to scrutinise these proposals prior to the Council meeting and/or all Councillors to consider the proposals and submit comments to the Cabinet via the Scrutiny Board Chairman and the Scrutiny Lead for the Budget Scrutiny and Policy Development Panel prior to the Council to be held on 22 February 2017.

The Chairman requested that a briefing paper on the property investment proposals be circulated to all Councillors, to allow all members the opportunity to comment and submit concerns to the Scrutiny Board Chairman and the Scrutiny Lead of the Budget Scrutiny and Policy Development Panel to raise these concerns at Cabinet.

The following points were also raised during the course of the discussion:

1. it was not proposed to increase the fee for removal of rats and mice in 2017/18;
2. if the Council did not include the property investments proposals within the 2017/18 budget the shortfall could be met from using General Funds;
3. a failure to agree to the investment proposals would have detrimental impact on the Council in the long term which could only be avoided by making efficiencies and cuts and/or a rise in Council tax;
4. the Council did not accept an offer from the Government for a four year grant settlement as this would have required the Council to increase Council tax contrary to its policy and for the Council to publish information which would have a detrimental impact on the Council's competitiveness;
5. paragraph 5.2 of the submitted report should be amended by the deletion of the words "and an increase in";
6. Appendix A of the submitted report was correct; and
7. the Business rate figures set out in Appendices A and D were correct; Appendix D of the submitted would be amended to clarify the reasons for the difference between the two figures in these appendices.

RESOLVED that

- (A) That the Cabinet be requested to recommend to Council:

- (a) The proposed Revenue & Capital Budgets for 2017/18, including a Council Tax rate of £192.78 at Band D, representing a 0% increase on the current charge and continuing the Council's freeze on its portion of the Council Tax since 2009/10.
- (b) The Treasury Management Strategy and Prudential indicators, and the Prices for Services subject to (i) to (iv) below,

Subject to:

- (i) paragraph 2.9 of Appendix E of the submitted report being amended to require the approval of the Cabinet on all property purchases and to provide clarification on how much may be invested in this scheme any one year;
 - (ii): the questions attached as Appendix A to these minutes being referred to the relevant Heads of Services to provide the answers to these questions to all members of the Scrutiny Board;
 - (iii) a briefing paper on the property investment proposals being sent to all Councillors to enable these Councillors to submit their concerns to the Chairman of the Scrutiny Board and Scrutiny Lead for the Budget Scrutiny and Policy Development Panel prior to the Cabinet Meeting to be held on 8 February 2017; and
 - (iv) the Chairman of the Scrutiny Board and the Scrutiny Lead for the Budget Scrutiny and Policy Development Panel being given an opportunity to present the comments received in response to (iii) above to the meeting of the Cabinet to be held on 8 February and/or the Chairman of the Scrutiny Board calling in the property investment proposals for scrutiny with the intention of presenting the findings of this scrutiny to Council on 22 February 2017.
- (B) That the Cabinet be requested to ensure that in future years the Budget Scrutiny and Policy Development Panel be given ample opportunity to consider the budget prior to finalisation of the draft proposals

20 Scrutiny Board Work Programme

The Board was given an opportunity to review progress made by the Crime and Disorder Panel and the scrutiny and policy development panels since the last meeting.

RESOLVED that

- (a) The progress reports of the Crime and Disorder Panel and the Scrutiny and Policy Development **Page 73** noted;

- (b) The following topics be added to the Scrutiny Board Work Programme
- Encouraging Investments in the Borough through Business Rates Incentives
 - Business Rates Revaluations and their impact on local businesses

21 Review of Shared Management Arrangements with East Hampshire District Council

The Board was given the opportunity to consider and comment upon the Review of the Shared Management Arrangements with East Hampshire District Council Report. The Scrutiny Lead for the Marketing Business Development and Five Councils Scrutiny and Policy Development Panel presented the report and answered any questions raised. The Chief Executive was invited to join the meeting and answer any questions in relation to the report.

RESOLVED that the Cabinet be recommended to consider offering consultancy services to aspiring Councils on successful partnership work.

22 Review of the Transfer of IT under the Five Council's Contract

The Board was given the opportunity to consider and comment upon the Review of the transfer of the IT systems under the Five Councils' Contract Report. The Scrutiny Lead for the Marketing Business Development and Five Councils Scrutiny and Policy Development Panel presented the report and answered any questions raised. The Cabinet Lead for Strategic Innovation, Infrastructure and Projects was invited to join the meeting and answer any questions in relation to the report.

RESOLVED that the Cabinet Leads be recommended to note the contents of the report.

The meeting commenced at 5.00 pm and concluded at 7.24 pm

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Chairman

Questions to Be Referred to the Relevant Heads of Service

1. Appendix B of the submitted report - Row 2 'Business Hub' (proposed by Economic Development). During all of our lengthy discussions with Julia Potter and Dan Grindey, no mention was made of this Project. Where has this arisen from, what are the costs for and how will it be used?
2. Appendix E of the submitted report – **Schedule 1** - 3rd Paragraph. Question: 'There was external borrowing in place as at January 2017 of £3.7M' – for what?
3. Appendix F of the submitted report – **Environmental Services** - Allotments: What is the rationale for increasing the cost (per Sq Metre) by 1p? How much will this increase generate? How much officer time will be taken up adjusting the charges? Quite simply, is it necessary/beneficial?
4. Appendix F of the submitted report – **Refuse and Recycling**: What is the rationale for increasing (yet again) the cost of garden waste by a further 10% (year on year)? Supplementary – have letters already been sent out informing residents of this intent?
5. Appendix F of the submitted report – **Neighbourhood Support** - Cemeteries: It is assumed that these increases in charges are to bring them in line with other local authorities. Is this the case?
6. Appendix F of the submitted report – **Planning** - Planning Development: During the Budget Scrutiny – the Head of Planning intimated that there was a desire to increase the costs of holding a DCF. Why has this not been carried into the 2017/2018 budget?
7. Page 32 of the submitted report– is a duplicate of Page 26.
8. Appendix F of the submitted report – **Customer Services** - Elections – Are these charges set by legislation?
9. Appendix E of the submitted report – Para 1.4 indicates that the Council 'has held no external borrowing'. Question – Does this mean we are debt free on all of our current property investments?

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