



Notice is hereby given that a **MEETING** of the **COUNCIL OF THE BOROUGH OF GOSPORT** will be held in the **TOWN HALL, GOSPORT** on **WEDNESDAY** the **EIGHTH DAY** of **FEBRUARY 2017** at **6PM**, **AND ALL MEMBERS OF THE COUNCIL ARE HEREBY SUMMONED TO ATTEND TO CONSIDER AND RESOLVE THE FOLLOWING BUSINESS –**

1. To receive apologies from Members for their inability to attend the Meeting.
2. To confirm the Minutes of Meeting of the Council held on 14<sup>th</sup> December 2016 (copy herewith) and the Minutes of the Extraordinary Meeting of the Council held on Monday 30 January 2017 (To follow).
3. To consider any Mayor's Communications.
4. To receive Deputations in accordance with Standing Order No 3.4 and to answer Public Questions pursuant to Standing Order No 3.5, such questions to be answered orally during a time not exceeding 15 minutes.

(**NOTE:** Standing Order No 3.4 requires that notice of a Deputation should be received by the Borough Solicitor **NOT LATER THAN 12 O'CLOCK NOON ON MONDAY, 6 FEBRUARY 2017** and likewise Standing Order No 3.6 requires that notice of a Public Question should be received by the Borough Solicitor **NOT LATER THAN 12 O'CLOCK NOON ON MONDAY, 6 FEBRUARY 2017**).

5. Questions (if any) pursuant to Standing Order No 3.3.

(**NOTE:** Members are reminded that Standing Order No 3.3 requires that Notice of Question pursuant to that Standing Order must be received by the Borough Solicitor **NOT LATER THAN 12 O'CLOCK NOON ON TUESDAY, 7 FEBRUARY 2017**).

## **PART I**

6. Consideration of recommendations by Boards of the Council:

### **BOARD**

### **DATE**

Community Board

25 January 2017

7. To receive the following Part II minutes of the Boards of the Council:

<b>BOARD</b>	<b>DATE</b>	<b>Minute No.</b>
Community Board	25 January 2017	
Policy and Organisation Board	7 February 2017	To follow

8. Council Budget 2017/18

To consider the report of the Borough Treasurer.

9. Appointment Of Deputy Electoral Registration Officer

For Council to agree an appointment to the role of Deputy Electoral Registration Officer.

10. Constitution – Responsibility for Functions and Delegations

To review the existing delegation of functions and propose new arrangements for the delegation of functions

11. Election of Mayor and Deputy Mayor 2017/18

In accordance with Standing Order No 2.4 the Borough Solicitor and Deputy Chief Executive has written to Group Leaders and Members of the Council inviting them to submit Member nominations for the selection of Mayor-Elect and Deputy Mayor-Elect for the next Municipal Year. One nomination has been received by the Borough Solicitor and Deputy Chief Executive, Councillor L M Batty for Mayor-Elect and one nomination has been received by the Borough Solicitor and Deputy Chief Executive, Councillor D H Furlong for Deputy-Mayor Elect for the 2017/2018 Municipal Year.

**DAVID WILLIAMS**  
**CHIEF EXECUTIVE**

**TOWN HALL**  
**GOSPORT**

31 January 2017

### **FIRE PRECAUTIONS**

(To be read by the Mayor if members of the public are present)

**In the event of the fire alarm being activated, please leave the Council Chamber and Public Gallery immediately. Proceed downstairs by way of the main stairs or as directed by GBC staff, follow any of the emergency exit signs. People with disability or mobility issues please identify yourself to GBC staff who will assist in your evacuation of the building.**

**This meeting may be filmed or otherwise recorded. By attending this meeting, you are consenting to any broadcast of your image and being recorded.**

**MEMBERS ARE REQUESTED TO NOTE THAT:**

**(1) IF THE COUNCIL WISHES TO CONTINUE ITS BUSINESS BEYOND 9.30PM THEN THE MAYOR MUST MOVE SUCH A PROPOSITION IN ACCORDANCE WITH STANDING ORDER 4.11.18**

**(2) MOBILE PHONES SHOULD BE SWITCHED OFF OR SWITCHED TO SILENT FOR THE DURATION OF THE MEETING**

**MINUTES OF THE MEETING OF THE COUNCIL  
HELD ON 14 DECEMBER 2016 AT 6.00pm**

Attendance:

The Mayor (Councillor Mrs Hook) (P) (in the Chair);

Councillors Allen , Ms Ballard (P), Bateman (P), Mrs Batty (P), Beavis (P), Bergin (P) , Burgess (P), Carter (P), Chegwyn (P), Mrs Cully (P), Ms Diffey (P), Earle (P), Edgar (P), Farr (P), Mrs Forder (P), Foster-Reed , Mrs Furlong (P) Hicks (P), Hook (P), Mrs Huggins (P), Hylands (P), Jessop (P), Mrs Jones (P), Miss Kelly (P), Mrs Morgan (P), Murphy (P), Philpott, Mrs Prickett (P), Raffaelli (P), Ronayne(P), Scard (P), Mrs Wright (P) and Wright (P).

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**APOLOGIES**

Apologies for inability to attend the meeting were submitted on behalf of Councillors Allen, Foster-Reed, Philpott and Honorary Freeman O'Neill and Honorary Alderman Foster

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**MINUTES**

The Mayor and Councillors Hook and Edgar left the room at the point Gosport Borough Football Club was discussed and took no part in the voting or discussion thereon.

The Mayor and Councillors Hook and Edgar left the room at the point Gosport Borough Football Club was discussed and took no part in the voting or discussion thereon.

It was requested that a named vote be taken and that names of Members voting for and against the conformation of the Minutes be recorded.

**Voting was thereupon taken and the names Members voting for and against the recommendation and those abstaining were read to the Council.**

**FOR THE APPROVAL:** Councillors Bateman, Mrs Batty, Beavis, Bergin, Burgess, Carter, Mrs Forder, Huggins, Jessop, Mrs Jones, Mrs Morgan, Murphy, Philpott, Rafaelli, Ronayne, Scard **(16)**

**AGAINST THE APPROVAL:** Councillors Ms Ballard, Chegwyn, Mrs Cully, Ms Diffey, Earle, Farr, Hicks, Hylands, Miss Kelly, Mrs Prickett, Mrs Wright, Wright **(12)**

**COUNCIL RESOLVED:** That the Minutes of the meeting of the Council held on 12 October 2016 be confirmed and signed.

## **MAYOR'S COMMUNICATIONS**

The Mayor advised that The Alverstoke Trust trustees had nominated Mr Gillett as the Gosport Borough Council representative on the Alverstoke Trust.

**RESOLVED:** That Mr Gillett be appointed as the Gosport Borough Council representative on the Alverstoke Trust.

The Mayor advised that she would be taking part in the GAFIRS New Year's Day charity swim, and welcomed Members to the Parlour for Christmas drinks following the Council meeting.

## **DEPUTATIONS**

There were no deputations received.

## **QUESTIONS PURSUANT TO STANDING ORDER 3.4**

There were none.

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## **PART II MINUTES**

**Councillor Mrs Cully declared that she was a Member of the Allotment Association; Councillor Miss Kelly declared that her partner was a Member of the Allotment Association**

**COUNCIL RESOLVED:** That the following Part II Minutes be received.

- Community Board: 16 November 2016.
- Economic Development Board: 23 November 2016

## **EXTERNAL AUDIT ARRANGEMENTS AFTER 2017/18**

Consideration was given to a report of the Borough Treasurer explaining the latest position in relation to the requirement in the Local Audit and Accountability Act 2014 for the Council to appoint its own auditor.

It was recommended that The Council accepts 'Public Sector Audit Appointments' (PSAA) invitation to 'opt in' to the sector led option for the appointment of external auditors for five financial years commencing 1 April 2018 (paragraph 2.4)

**COUNCIL RESOLVED:** That the recommendations be approved

The meeting concluded at 6.37pm

The Mayor.

## **COUNCIL – AGENDA ITEM 6**

**DATE OF MEETING: 8 FEBRUARY 2017**

**REPORT BY: COUNCILLOR BURGESS (CHAIRMAN OF THE COMMUNITY BOARD)**

At its meeting on 25 January 2017 the Community Board considered a joint report and addendum of the Borough Treasurer and Housing Services Manager on the following item and made the following recommendation to Full Council.

**BUSINESS PLAN UPDATE AND COUNCIL DWELLING RENTS 2017/2018  
(ATTACHED AS APPENDIX 1)**

RECOMMENDATION:

That the Community Board recommend to Council that:

- The revised HRA Business Plan extract (Appendix A) and associated 2016/17 Revised Budget and 2017/18 Budget (Appendix B) is agreed.
- That Council Dwelling rents decrease by 1% (an average of £0.83 per week), continuing the four year reduction programme as detailed in the new national rent policy introduced in April 16.
- The rent for older style garages is increased in line with inflation, as agreed in the Garage Renewal strategy.
- To increase the presently approved HRA Capital Programme by £875k (as in 2.3b).

<b>Board/Committee:</b>	COMMUNITY BOARD
<b>Date of Meeting:</b>	25 <sup>th</sup> JANUARY 2017
<b>Title:</b>	BUSINESS PLAN UPDATE AND COUNCIL DWELLING RENTS 2017/2018
<b>Author:</b>	BOROUGH TREASURER AND HOUSING SERVICES MANAGER
<b>Status:</b>	FOR RECOMMENDATION TO FULL COUNCIL

### **Purpose**

This report considers the Housing Revenue Account (HRA) Business Plan including the revised 2016/2017 budget and the 2017/2018 budget including recommendations on rent levels for next year.

It also provides updates for members on the latest information with regard to policy changes that impact on local authority housing services.

### **Recommendation**

That the Community Board recommend to Council that:

- The revised HRA Business Plan extract (Appendix A) and associated 2016/17 Revised Budget and 2017/18 Budget (Appendix B) is agreed.
- That Council Dwelling rents decrease by 1% (an average of £0.83 per week), continuing the four year reduction programme as detailed in the new national rent policy introduced in April 16.
- The rent for older style garages is increased in line with inflation, as agreed in the Garage Renewal strategy.
- To increase the presently approved HRA Capital Programme by £875k (as in 2.3b) .

## **1.0 Background**

- 1.1 2016 was another year of significant change in Local Authority Housing. The Housing and Planning Act 2016 brought a number of challenges with each policy having its own set of cost implications including being The High Value Voids Levy postponed for a year. The principle of lifetime tenancies has been brought to an end and the Social rent policy of reducing rents for 4 years from April 2016 continues.
- 1.2 In the short term it is possible to maintain key repair programmes and everyday housing services.
- 1.3 GBC has gone through a period of significant change with the shared management arrangement with PCC coupled with the Housing Services Review and these have both cost and savings implications in the revised 16/17 and 17/18 budgets.

The 'Taking Housing Forward' change programme and report includes provisional

1.4 full year savings to the HRA for 2017/18 of £255,000 and further savings to the General Fund of £124,000, making a total of £379,000 – this sum includes the Energy Services initiative reported to Economic Development Board on 23 November 2016.

1.5 The final costings of the review are anticipated to be available by 31 March 2017 and the additional impact to that included in the draft budget will be reported to members and reported to the relevant Board.

## 2.0 **Report**

2.1 The HRA Business Plan financial model has been updated and an extract detailing the predicted income and expenditure levels for the next 5 years has been included for reference at appendix A. Items that warrant specific mention are detailed in Paragraph 2.3.

- 2.2
1. The Revised HRA budget for 2016/17 shows an overall increase in expenditure of £496,000 and a small increase in budgeted income of £61,000 leading to an increase in net expenditure of £435,000.
  2. An Increase in expenditure on disabled aids of £150,000 helped to reduce waiting times. This resulted in an additional 12 level access showers and 15 over bath showers being fitted and a reduction in waiting time from 19 months to 4 months.

2.3 Below is a summary of some of the major changes in spending plans for the coming and future financial years.

- a) The impact of the 1% rent reduction will be a net loss of income of £6,068,000 between 2017/18 and 2020/21. The total rent loss over the 30 years of the model is £40,000,000.
- b) The postponement of the High Value Voids levy for 2017/18 has enabled an increase in capital investment on HRA stock of £875,000.
- c) A significant increase to the contingent major repairs budget, from £150,000 in 2016/17 to £600,000 in 2017/18 has been incorporated to allow for anticipated repairs to cantilevered balconies and access decks emerging from a recent structural survey carried out by an independent specialist.
- d) A predicted surplus of £878,000 to transfer to the Major Repairs Reserve to provide funding for major repairs, new build and Special Debt Repayment. With deficits budgeted within the HRA for 2019/20 and 2020/21 and the requirement to fund 70% of our 1-4-1 receipts expenditure it is essential that balances are maintained within this reserve.
- e) It is proposed to defer setting aside sums for debt repayment (as allowed by regulation) until such time as the HRA can return to surplus on the cessation of the 1% rent decrease obligation in 2020/21.



- 2.4 Two properties were purchased off the open market exercising delegated Authority under Paragraph 2.7 of Part 3, Schedule 10 of the Council's Constitution. A 3 bedroom house at 6 Sycamore Close and a 2 bedroom maisonette at 36 Baronsmere totalled £280,000 and were funded 30% by 1-4-1 retained receipts and 70% from reserves. Both properties were deemed as meeting our current Housing Needs.

### **3.0 Housing Revenue Account (HRA) (see Appendix B)**

- 3.1 The HRA revised council house Repairs and Maintenance budget for 2016/2017 is £4,365,000 an increase of £94,000 on the original budget. The council house Repairs and Maintenance budget for 2017/2018 is £4,163,000.
- 3.2 It is anticipated that the HRA balance level will remain at its current level of £991,000 for 2016/17, with an additional sum of £193,000 set aside to the Major Repairs Reserve/New Build/Debt Repayment Reserve (2.3b above).
- 3.3 It is anticipated that the HRA balance will continue to remain at £991,000 for 2017/18. A surplus of approximately £878,000 is budgeted to be transferred to the Major Repairs/New Build/Debt Repayment Reserve in 2017/18. The 1% rent reduction for the next 3 years coupled with the sale of high value assets initiative necessitates the need for reserve levels to be maintained.

### **4.0 HRA Capital Programme**

- 4.1 The revised HRA Capital Programme for improvements to housing stock in 2016/17 is £3,640,000 and is £3,375,000 for 2017/18.
- 4.2 The revised HRA Capital programme has also set aside £1,350,000 in 2016/17 for the completion of the St Vincent Road development.

### **5.0 Rent Level Proposals**

- 5.1 A 1% reduction in rents annually for 4 years commenced in April 2016.
- 5.2 The 1% reduction in rents equates to £0.83 a week on average. This will constitute an average saving of £43 per annum for the tenants of Gosport. It is proposed that service charges for tenants will continue to be determined at a level that enables the Council to recover the cost of the services provided.
- 5.3 The average rent is currently £81.24 per week (excl hostels) and this is set to reduce to £80.41 for 2017/18. An analysis of the numbers of different stock types and corresponding new rental levels is detailed in Appendix C.
- 5.4 It is proposed to increase rent levels for older style garages in line with inflation which is currently 1% as previously agreed in the Garage Renewal strategy. New style garages will remain at their current rent level for GBC tenants due to their higher rental costs.

## **6.0 Capital Improvements/Repairs and Maintenance**

A breakdown of the expenditure on capital improvements and repairs and maintenance is included at appendix D to this report.

- 6.1 The table included at appendix D splits the expenditure into its capital and revenue headings and details the main areas of expenditure under each heading. The work priorities have been identified by the stock condition surveys undertaken.

## **7.0 Risk Assessment**

- 7.1 Self-financing means that much of the risk involved with the upkeep, maintenance and management of council housing has moved from Central Government to Local Authorities. Therefore the maintenance of the Major Repairs/New Build/Debt Repayment Reserve is considered essential.

This reserve provides for the future funding of HRA projects, including new build programmes, safeguarding non-insurable risks and allowing the Council to take the opportunity to carry out any special debt repayment (potentially leading to discounts) should the economic conditions favouring such measures arise; and is in addition to the HRA Working Balance.

- 7.2 The government's decision to reduce rents in social housing for 4 years from 2016/17 has had a significant impact on the budgeted reserve levels previously anticipated in the HRA business plan. Revenue account balances will continue to be maintained at their current levels but funds that had been budgeted to be transferred to the Major Repairs/New Build/Debt Repayment reserve will be amended by the amounts as detailed in Appendix A.

- 7.3 A further risk is the sale of high value assets. GBC along with all other stock holding local authorities has forwarded details of the value of each individual property it currently holds, in addition to its void levels for the last 3 years to Central Government. This data was amended in December 2016 to reflect changes in stock numbers during the last 18 months. Precise details of the nature of this scheme have yet to emerge.

## **8.0 Other Properties**

- 8.1 There is one other property (Park Lodge) where the rent level is assessed in line with HRA properties. The proposal is to decrease the rent of this property in line with HRA properties.

## **9.0 Conclusion**

- 9.1 Social rent policy guidance was introduced from April 2016 and is discussed in paragraph 5.1.

- 9.2 As outlined above, the proposal is to now, in accordance with the legislation, reduce rents by 1%. This reduces the average rent per property per week by £0.83.

The Housing and Planning Act 2016 has impacted on the financial viability of the

- 9.3 HRA business plan. The assumptions used to update the financial model show that there are still sufficient funds available for GBC to update ,manage and maintain it's stock over the 30 year period of the business plan.

Surpluses and transfers to the Major Repairs, New Build and Loan Repayment Reserve will be less than previously thought and management and maintenance costs will have to be carefully monitored, particularly between the years 2019/20 - 2023/24 to ensure that balances are maintained at sufficient levels to allow for future commitments.

Much will depend upon the High Value Voids Levy and on whether there will be any further restrictions to future rent increases. Rent increases have been assumed from 2020/21 at CPI +1% for the 30 year business plan as the business plan provides for servicing of the HRA's debt portfolio and repayments will be made as finances allow.

- 9.4 Work is currently being undertaken to update the financial model and this should be complete within the next 4/5 weeks.

<b>Financial Services comments:</b>	As set out in the report
<b>Legal Services comments:</b>	The Council is under a duty to set a budget which prevents a debit balance arising on the Housing Revenue Account
<b>Crime and Disorder:</b>	Not applicable
<b>Equality and Diversity:</b>	No direct implications
<b>Service Improvement Plan implications:</b>	The HRA Business Plan is a Service Improvement Plan item
<b>Corporate Plan:</b>	More effective performance management, which includes making the best use of our assets, is a strategic priority in the Corporate Plan.
<b>Risk Assessment:</b>	As detailed in paragraph 7.
<b>Background papers:</b>	Garage Strategy (June 2009) /HRA Business Plan 2012-2042(Jan 2012) Business Plan Update Council Dwelling Rents 2016/17.
<b>Appendices/Enclosures:</b>	
Appendix A	HRA 30 Year Business Plan extract
Appendix B	HRA Budget
Appendix C	Rent Analysis Extract

Appendix D	Repairs budget
<b>Report author/ Lead Officer:</b>	Tim Hoskins Group Accountant Housing

## APPENDIX A

HRA 30 YEAR BUSINESS PLAN EXTRACT						
	2016/17	2017/18	2018/19	2019/20	2020/21	Totals
<b>Rental income</b>	13,201,000	12,980,000	12,890,000	12,930,000	12,980,000	64,981,000
<b>Other Income</b>	1,353,000	1,360,000	1,445,000	1,485,000	1,510,000	7,153,000
<b>HVA Receipts</b>	0	0	775,000	775,000	775,000	2,325,000
<b>RTB receipts</b>	0	0	338,000	339,000	346,000	1,023,000
<b>Total Income</b>	14,554,000	14,340,000	15,448,000	15,529,000	15,611,000	75,482,000
<b>General</b>	2,380,000	1,966,000	2,085,000	2,140,000	2,190,000	10,761,000
<b>Special</b>	1,772,000	1,756,000	1,805,000	1,850,000	1,900,000	9,083,000
<b>Repairs</b>	4,365,000	4,163,000	4,221,000	4,312,000	4,405,000	21,466,000
<b>Other Expenditure</b>	335,000	325,000	300,000	300,000	300,000	1,560,000
<b>Total Expenditure</b>	8,852,000	8,210,000	8,411,000	8,602,000	8,795,000	42,870,000
<b>Capital Expenditure</b>	-3,640,000	-3,375,000	-2,780,000	-2,850,000	-2,860,000	15,470,000
<b>Net Operating Income</b>	2,062,000	2,755,000	4,257,000	4,147,000	3,955,000	17,177,000
<b>Loan Interest</b>	1,818,000	1,840,000	1,905,000	1,950,000	1,990,000	9,503,000
<b>HVV Levy</b>	0	0	2,115,000	2,100,000	2,087,000	6,302,000
<b>Debt management</b>	49,000	38,000	40,000	40,000	40,000	207,000
<b>MRR/New Build</b>	195,000	877,000	197,000	-13,000	-162,000	1,094,000
<b>Total Appropriations</b>	2,062,000	2,755,000	4,257,000	4,147,000	3,955,000	17,177,000
<b>Annual Cashflow</b>	0	0	0	0	0	
<b>Opening Balance</b>	991,000	991,000	991,000	991,000	991,000	
<b>Closing Balance</b>	991,000	991,000	991,000	991,000	991,000	

## APPENDIX B

### COMMUNITY BOARD

	BUDGET 2016/17 £000	REVISED 2016/17 £000	BUDGET 2017/18 £000
<b>HOUSING REVENUE ACCOUNT</b>			
<b>Expenditure</b>			
Repairs & Maintenance	4,272	4,365	4,163
Supervision & Management	3,789	4,152	3,722
Rents ,Rates,Taxes and Other Charges	310	336	325
Depreciation,Impairment and Revaluation	3,640	3,640	3,375
Debt Management Costs	40	49	38
<b>Total Expenditure</b>	<b>12,051</b>	<b>12,542</b>	<b>11,623</b>
<b>Income</b>			
Dwelling Rents	(13,845)	(13,879)	(13,702)
Non Dwelling Rents	(248)	(244)	(248)
Charges For Services and Facilities	(399)	(430)	(390)
<b>Total Income</b>	<b>(14,492)</b>	<b>(14,553)</b>	<b>(14,340)</b>
<b>Net Cost Of Services</b>	<b>(2,441)</b>	<b>(2,011)</b>	<b>(2,717)</b>
Interest Payable & Similar Charges	1,837	1,841	1,860
Interest & Investment Income	(24)	(23)	(21)
Loan Repayments			
<b>NET HRA SURPLUS FOR YEAR</b>	<b>(628)</b>	<b>(193)</b>	<b>(878)</b>
<b>HRA Balance</b>			
Balance B/fwd	991	991	991
Transfer to from HRA			
<b>Balance C/F</b>	<b>991</b>	<b>991</b>	<b>991</b>
<b>MAJOR REPAIRS,NEW BUILD AND LOAN REPAYMENT RESERVE</b>			
Balance B/Fwd	2,689	2,992	2,429
Transfer (to)or from HRA	628	193	878
St Vincent and House Purchases		(756)	(364)
Balance C/Fwd	3,317	2,429	2,943

## Appendix C

Type	Bedrooms					
Stock nos	1	2	3	4	5	Grand Total
Bedsit	12					12
Bungalow	316	64	10			390
Flat	938	58	17			1013
House	10	304	861	81	1	1257
House with Extra Ground Floor bedroom		2	13			15
Maisonette	23	104	57	2		186
Sheltered Bedsit	13					13
Sheltered Bungalow	38					38
Sheltered Flat	125	6				131
Grand Total	1475	538	958	83	1	3055

### Decrease Amount in Numbers

Type	Bedrooms	£1 and Under	£2 and Under	Grand Total
Bedsit	1	12		12
Bungalow	1	316		316
Bungalow	2	64		64
Bungalow	3	10		10
Flat	1	938		938
Flat	2	58		58
Flat	3	17		17
House	1	10		10
House	2	290	14	304
House	3	847	14	861
House	4	41	40	81
House	5	1		1
House with Extra Ground Floor bedroom	2	2		2
House with Extra Ground Floor bedroom	3	10	3	13
Maisonette	1	23		23
Maisonette	2	103	1	104
Maisonette	3	57		57
Maisonette	4	2		2
Sheltered Bedsit	1	13		13
Sheltered Bungalow	1	38		38
Sheltered Flat	1	125		125
Sheltered Flat	2	6		6
Grand Total		2983	72	3055

# Average Rent by Bedroom Size

Type	Bedrooms					
	1	2	3	4	5	Grand Total
Bedsit	60.42					60.42
Bungalow	75.81	84.28	91.82			84.28
Flat	70.19	82.58	85.61			79.45
House	76.29	84.66	92.28	98.63	97.04	89.77
Maisonette	72.57	81.15	84.41			79.38
Sheltered Bedsit	59.23					59.23
Sheltered Bungalow	71.59					71.59
Sheltered Flat	63.76					63.76
Grand Total						

Stock Numbers Excludes Barclay and Agnew as at 30/11/2016



## APPENDIX D

<b>Ref</b>	<b>Revenue</b>	<b>Budget 16/17</b>
<b>1</b>	Responsive Repairs (including Gas and Major Responses)	1991,000.00
<b>2</b>	Voids (inc Garage & Misc Demolition)	660,000.00
<b>3</b>	Bulk Waste	60,000.00
<b>4</b>	Structural (inc Garage & Misc Demolition)	20,000.00
<b>5</b>	Estate Improvements (inc Tennant Led Fencing & OAP Redecs)	278,000.00
<b>6</b>	Cyclical (inc Gas Servicing, Ext Painting, Compliance, PET)	615,500.00
	<b>Total</b>	3,624,500.00
<b>Ref</b>	<b>Capital</b>	<b>Budget 16/17</b>
<b>7</b>	Asbestos (Survey & Removals)	190,000.00
<b>8</b>	Fire Risk Assessments ( inc Associated Work)	30,000.00
<b>9</b>	Disabled Aids & Adaptions inc Major Repairs	300,000.00
<b>10</b>	Contingent Major Repairs (inc Professional Repairs)	625,000.00
<b>11</b>	Energy Efficiency (inc External Wall Insulation)	110,500.00
<b>12</b>	Estate Capital (Inc Additional Parking & Env Improvements	240,000.00
<b>13</b>	Roof Works (inc Gutters & Fascias)	205,000.00
<b>14</b>	Window and Doors	55,000.00
<b>15</b>	Kitchens and Bathrooms	995,000.00
<b>16</b>	Electrical Upgrades	100,000.00
<b>17</b>	Heating Upgrades	400,000.00
<b>18</b>	Sheltered scheme Improvements	125,000.00
	<b>Total</b>	3,375,500.00
	<b>Total Budget</b>	7,000,000.00

## **PART I**

### **27. BUSINESS PLAN UPDATE AND COUNCIL DWELLING RENTS 2017/2018**

Consideration was given to a report of the Borough Treasurer and Housing Services Manager which considered the Housing Revenue Account (HRA) Business Plan including the revised 2016/2017 budget and the 2017/2018 budget including recommendations on rent levels for next year.

The report also provided Members with an update on the latest information with regard to policy changes that impacted on local authority housing services.

In response to a question from a Member regarding the Council purchasing further properties this year, the Chairman of the Board confirmed that the Council had purchased two ex-council houses and were looking at the budget to possibly purchase more going forward.

A Member raised concerns with the proposed rent increase of garages in line with inflation and stated that garages were not being let due to the high costs. It was further advised that the same garages were featured on the choice based letting scheme.

A Member raised concerns with regards to the Council no longer having an income recovery team and the potential escalation of arrears and debt. The Housing Services Manager clarified that the income recovery function would still be retained but undertaken by housing officers working more generically.

A Member welcomed proposals for funds to be transferred to the major repairs reserve and asked that balconies in need of repair be made a priority. The Chairman advised that the surveying of balconies was currently being undertaken.

**RESOLVED:** That the Community Board recommend to Council that:

- a) The revised HRA Business Plan extract (Appendix A) and associated 2016/17 Revised Budget and 2017/18 Budget (Appendix B) is agreed
- b) That Council Dwelling rents decrease by 1% (an average of £0.83 per week), continuing the four year deduction programme as detailed in the new national rent policy introduced in April 2016.
- c) The rent for older style garages be increased in line with inflation, as agreed in the Garage Renewal Strategy.
- d) To Increase the presently approved HRA Capital Programme by £875k (as in 2.3b).

**A MEETING OF THE COMMUNITY BOARD  
WAS HELD ON 25 JANUARY 2017 AT 6PM**

The Mayor (Councillor Mrs Hook) (ex-officio), Councillor Hook (ex-officio), Councillors Mrs Batty (P), Bateman (P), Burgess (P), Earle (P), Mrs Huggins (P), Hylands (P) Mrs Jones (P), Miss Kelly (P), Mrs Morgan (P), Murphy (P), Ronayne (P), Scard (P), Mrs Wright, Wright (P)

It was reported that in accordance with Standing Order 2.3.5, Councillor Mrs Cully had been nominated to replace Councillor Mrs Wright for this meeting.

**PART II**

**28. HOUSING SERVICES REVIEW**

Consideration was given to a verbal update from the Housing Services Manager.

The Chairman welcomed Julie Smith and Members were advised that Julie would be managing Housing Services when James resumed his role back in Portsmouth.

The Housing Services Manager advised Members that on the 15<sup>th</sup> November 2016 he presented a set of proposals to the Housing Services Teams. For clarity it was advised that the Housing Service teams affected were Housing Options, Housing Management (operational services) and Property/Asset Management Services.

Members were advised that the proposals achieved three key outcomes:

- 1) The shared management arrangement between GBC and PCC for the Housing Services,
- 2) A revised structure for the Housing Services, and
- 3) Some shared specialist services

Members were advised that the core housing services remained in Gosport whilst exploiting shared specialist services. The proposals provided strong strategic and operational leadership. The proposals would achieve a stronger, resilient and flexible structure, with no reduction in services to customers, and at a reduced cost.

It was proposed that a Head of Housing would be in practical terms be full time and based in Gosport.

Members were advised that a key feature of the new structure was the movement towards greater generic working to support improved customer contact.

Members were advised that a formal consultation had been entered into from 18<sup>th</sup> November 2016 which ended on the 3<sup>rd</sup> January 2017.

The Housing Services Manager advised Members that the timing of the Board had meant that only a verbal update could be provided however a briefing had been arranged for Members next week to discuss the proposal in further detail.

Members were advised that the broad feedback themes that emerged were for example:

- Concern about the movement from specialism towards generic working
- Feedback on the proposals
- Service development ideas
- Process questions
- Structure/roles

Members were advised that once the End of Consultation document was presented the focus would turn to the implementation of the change and supporting the service to embed the new structure.

Members were advised that there was a significant level of change and would require careful planning and change management to ensure that the core services continued to be delivered and customer service was maintained.

Members were advised that an implementation plan with the key steps would be published in early February 2017 and the officers were confident that the key structural changes could be implemented within this financial year.

The Housing Services Manager advised that there would be a continued commitment to clear communications with stakeholders and ward members to ensure that everyone was helped to navigate to the contact points as they change.

Following a question from a Member the Housing Services Manager clarified that there were changes to the services arising from the feedback but that these were not fundamental changes to the original proposals.. It was further advised that these changes would be discussed at the briefing meeting arranged for Members, but that this information could not be given until the service had been informed.

Following a question regarding how the shared responsibility would benefit customers who had previously been passed from pillar to post between the departments. The Housing Services Manager advised that there would be more generic working and that roles were being designed to deal with the typical demands from customers of the service and having one point of contact would reduce the issue of being passed from pillar to post.

Members welcomed the changes proposed and felt that the review undertaken had been conducted professionally and openly, with staff having been given the opportunity to share ideas and relay their fears.

## **29. ANY OTHER ITEMS**

There was no other business.

The meeting concluded at 18:17

CHAIRMAN

<b>Board/Committee:</b>	<b>FULL COUNCIL</b>
<b>Date of Meeting:</b>	<b>8 FEBRUARY 2017</b>
<b>Title</b>	<b>BUDGET &amp; COUNCIL TAX 2017/18 &amp; MEDIUM TERM BUDGET FORECAST 2018/19 TO 2020/21</b>
<b>Author:</b>	<b>BOROUGH TREASURER</b>
<b>Status:</b>	<b>FOR DECISION</b>

## **1. PURPOSE OF REPORT**

- 1.1 The Council is required to set a "Balanced Budget" and to maintain adequate levels of Reserves. The primary purpose of this report is to set the Council's overall Budget for the forthcoming year 2017/18 and the associated level of Council Tax necessary to fund that Budget.
- 1.2 The report also considers the overall financial position for 2017/18 and forecasts for future years considering the future outlook for both spending and funding and the likely consequences for Council Services moving forward.
- 1.3 In that context, wider recommendations are made regarding the levels of reserves to be maintained in order to maintain the overall financial health of the Council in the medium term.
- 1.4 In particular, this report sets out the following:
  - (a) The challenging financial climate facing the Council in 2017/18 and beyond and the consequential budget deficits that result
  - (b) A brief summary of the Medium Term Financial Strategy for achieving the necessary savings
  - (c) The Revised Revenue Budget for the current year 2016/17
  - (d) The Local Government Finance Settlement for 2017/18 to 2019/20
  - (e) The Business Rate income for 2017/18 and future years
  - (f) The Council Tax Base and recommended Council Tax for 2017/18
  - (g) The proposed Revenue Budget for 2017/18
  - (h) The forecast Revenue Budget for 2018/19, 2019/20 and 2020/21
  - (i) Estimated Reserves over the period 2016/17 to 2020/21
  - (j) The forecast Collection Fund balance as at 31 March 2017 for both Council Tax and Business Rates
  - (k) The statement of the Section 151 Officer on the robustness of the budget in compliance with the requirements of the Local Government Act 2003.
  - (l) The proposed Capital Programme 2016/17 to 2019/20
- 1.5 In summary, the report outlines the overall current and medium term financial position of the Council's General Fund, recommends a Budget for 2017/18 that

maintains the financial health and resilience of the Council and proposes an associated increase in Council Tax for 2017/18 of £5 for a Band D property and equating to 7pence per week for the average Gosport property (Band B).

- 1.6 To assist the Council in their consideration of the Budget proposals, all Members have been issued with a draft Budget Book for 2017/18 which incorporates all General Fund, Housing Revenue Account and Capital budgets and provides an analysis by Board, Service and Capital Scheme.

## 2. RECOMMENDATIONS

It is recommended that the following be approved:

- 2.1 A Revised Budget for 2016/17 of £10,610,380 as set out in Appendix A
- 2.2 A Budget for 2017/18 of £10,876,940 as set out in Appendix A
- 2.3 Any variation arising from the final Local Government Finance Settlement be accommodated by a transfer to / from the Stability & Resilience Reserve.
- 2.4 That the level of Council Tax be increased by £5 per annum for a Band D property
- 2.5 It be noted that the Borough Treasurer has determined that the Council Tax Base for the financial year 2017/18 will be 26,409.7 [item T in the formula in Section 31 B(1) of the Local Government Finance Act 1992, as amended (the "Act")].
- 2.6 That the following amounts be now calculated by the Council for the financial year 2017/18 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992:

(a)	£ 50,147,428	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£ 44,527,180	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£5,620,248	Being the amount by which the aggregate at 2.6 (a) above exceeds the aggregate at 2.6(b) 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 31B(1) of the Act.
(d)	£212.81	Being the amount at 2.6 (c) above (Item R), all divided by Item 2.5 above (Item T), 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 (Gosport Borough Council)

<b>A</b> <b>£</b>	<b>B</b> <b>£</b>	<b>C</b> <b>£</b>	<b>D</b> <b>£</b>	<b>E</b> <b>£</b>	<b>F</b> <b>£</b>	<b>G</b> <b>£</b>	<b>H</b> <b>£</b>
141.87	165.52	189.16	212.81	260.10	307.39	354.68	425.62

Being the amounts given by multiplying the amount at 2.6 (d) 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 in different valuation bands.

- 2.7 That it be noted that for the financial year 2017/18 Hampshire County Council is consulting upon the following amounts for the precept to be 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)

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

- 2.8 That it be noted that for the financial year 2017/18 the Hampshire Police & Crime Commissioner is consulting upon the following amounts for the precept to be 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 Police & Crime Commissioner)

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

- 2.9 That it be noted that for the financial year 2017/18 Hampshire Fire and Rescue Authority are recommending the following amounts for the precept 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 Fire & Rescue Authority)

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

- 2.10 That having calculated the aggregate in each case of the amounts at 2.6(e), 2.7, 2.8 and 2.9 above, the Council, in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992 as amended, hereby sets the following amounts as the amounts of Council Tax for the financial year 2017/18 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

<b>A</b> <b>£</b>	<b>B</b> <b>£</b>	<b>C</b> <b>£</b>	<b>D</b> <b>£</b>	<b>E</b> <b>£</b>	<b>F</b> <b>£</b>	<b>G</b> <b>£</b>	<b>H</b> <b>£</b>
1,050.14	1,225.16	1,400.19	1,575.21	1,925.26	2,275.30	2,625.35	3,150.42

- 2.11 The Borough Treasurer be given delegated authority to implement any variation to the overall level of Council Tax arising from the final notification of the Hampshire County Council, Hampshire Police & Crime Commissioner and Hampshire Fire and Rescue Authority precepts.
- 2.12 Members have had regard for the Statement of the Section 151 Officer in accordance with the Local Government Act 2003 as set out in Section 12.
- 2.13 The Capital Programme 2016/17 to 2019/20 as set out in Appendix D is approved.
- 2.14 The Pay Policy Statement (Appendix E) and Member's Allowance Scheme (Appendix F) for 2017/18 set out in section 14 of the report.



### **3. ECONOMIC & FINANCIAL CONTEXT**

- 3.1. The national public finances continue to be a challenge for Central Government. The economic forecasts from the Office for Budget Responsibility (OBR) which informs Government's tax and spending parameters have worsened since the national Budget in March 2016. Central Government have responded to this in the Autumn Statement on 23rd November 2016 by relaxing the previous fiscal rules requiring a Budget Surplus by the end of this parliament and to return to a Budget Surplus "as early as possible in the next parliament.....but should be below 2% by the end of this parliament".
- 3.2. The Autumn Statement did not seek any further reductions in Government Departmental Spending limits which implies that the 4 year Government Finance Settlement that the Council applied for (and has now been approved by Government) will remain intact.
- 3.3. Over the past 6 years (since 2011/12), Central Government funding to Councils has reduced by over 40% in real terms with further reductions planned for the next 3 years at least. The future outlook for both funding and spending for this Council is summarised below and described in more detail later in the report.

#### Funding Outlook - 2017/18 to 2020/21

- Government Grants (Local Government Finance Settlement) - Expected to reduce from £2.6m currently to £0.8m by 2020/21 as a consequence of reductions in Revenue Support Grant (£1.2m), New Homes Bonus (£0.5m) and Benefits Administration Grant (£0.1m)
- Business Rates - Forecast to increase from £2.5m currently to £3.4m in 2020/21 relating mainly to an anticipated overall increase in the multiplier (linked to inflation) of 12.3% over the period
- Council Tax - Assumed to increase from £207.81 currently to £227.81 in 2020/21 based on a £5 increase in Band D Council Tax per year; additionally natural growth in the Council Tax Base of 4.8% is forecast

#### Spending Outlook - 2017/18 to 2020/21

- Inflation is assumed to increase as follows:
  - Pay award and major contracts – 1% for 2017/18 through to 2019/20 based on the public sector pay cap, and then the estimated increase in the Consumer Price Index (CPI) for 2020/21
  - Other main spending heads, including premises and supplies and services expenditure, based on actual inflation experienced for 2017/18 and then CPI thereafter
- Key Financial Pressures - Other key financial pressures relate mainly to an increase in pension obligations over the period of £0.3m

- The on-going savings (after all associated costs) arising from the Senior Management arrangement with Portsmouth City Council amounting to £0.3m per annum (representing a total saving of £0.6m offset by the management fee from Portsmouth City Council of £0.3m)

3.4. In overall terms, the reduction in funding coupled with the increased costs to the Council are expected to result in an overall budget deficit of £0.6m by 2020/21. The overall strategy to meet this deficit is outlined below.

#### **4. MEDIUM TERM FINANCIAL STRATEGY - 2016 to 2021**

4.1. The Policy & Organisation Board considered the Medium Term Financial Strategy 2016-21 in September 2016. The strategy is characterised by the following:

- Efficiency - operating zero based budgeting and pursuing service reviews
- Partnership Working - to realise savings and improve service resilience
- Income Generation - including a policy of a £5 per annum increases in Council Tax per Band D Tax payer (equating to £3.89 per annum for the average Gosport Band B Taxpayer) and regular reviews of fees and charges
- Invest to Save - relating to both revenue schemes and capital investment

4.2. Other considerations for the Council as further measures to contribute towards the Council's forecast future deficits include a stronger focus on:

- Regeneration to stimulate employment and as a consequence increase funding by improving the Business Rate Base and the Council Tax Base for the Council; this will also positively improve prosperity for the Borough generally and reduce the dependency on Council Services
- Entrepreneurial activities (such as commercial property investment) and optimising the use of the Council's land and property asset base
- Opportunities to both lower (in real terms) and re-phase the Council's debt obligations to further spread the necessary savings that the Council will need to achieve, allowing more time for all other initiatives to take effect to contribute towards the necessary savings and ultimately avoid service cuts

Such opportunities will be explored, including the associated risk being mindful of the Council's overall responsibility to safeguard public funds. Any appropriate proposals will be presented in due course as a further measure to contribute towards the Council's forecast future deficits.

## 5. REVISED BUDGET 2016/17

- 5.1. The Budget for 2016/17 as set out in Appendix A has been revised downwards from £10,794,360 to £10,610,380 and is recommended for approval.
- 5.2. The key changes between the Original Budget 2016/17 and the proposed Revised Budget 2016/17 are as follows:

### Expenditure 2016/17

Board and service expenditure has been revised upwards from £10,936,610 to £11,322,100, an increase of £385,490.

The key increases in spending include:

- Slippage from 2015/16 including for Open Spaces, Play Areas and Flower and Shrub Bed maintenance £107,320
- An increase in net Homelessness budgets of £39,860
- The "one-off" costs of the Senior Management arrangement and other restructuring changes £861,320

The key reductions in spending / increases in income include (*brackets indicate a saving*):

- A saving in the amount required to be set aside for the eventual repayment of the Council's debt by changing the method (and therefore the profile) of annual "repayments" from an asset life basis to an annuity basis (£226,400). Savings will be made annually at a reducing amount for approximately 20 years and then rise gently thereafter but at a time when the real value of the debt would have been eroded by inflation
- Savings in debt interest costs amounting to £120,900
- The continuation of the Register of Electors IER transition saving the cost of a full canvas in 2016/17 (£119,050)
- A reduction in net of subsidy Benefits budgets which includes a reassessment of the provision for bad debts (£190,620)
- Additional Car Parking income (£53,240)

## Funding 2016/17

Funding has been revised downwards from £10,794,360 to £10,610,380, a reduction of £183,980.

The key change is:

- A reduction in Business Rate income of £204,190 mainly as a result of a partial release of the provision held for appeals – this is effectively reversed in 2017/18

- 5.3 The overall increase in spending (£385,490) plus the overall reduction in funding (£183,980) for the Revised Budget 2016/17 totalling £569,470 is proposed to be funded by increasing the draw down from the Revenue Financing Reserve by £365,300 and the Stability and Resilience Reserve by £204,170.

## **6. LOCAL GOVERNMENT FINANCE SETTLEMENT 2017/18**

- 6.1. The Council resolved to accept the Government's 4 year Settlement in September 2016 which has now been accepted by Government. Whilst providing some certainty of future Government Funding, the funding reductions for the Council remain significant and challenging.
- 6.2. The Government published the provisional Local Government Finance Settlement 2017/18 in December 2016 and it is in line with the accepted 4 Year Settlement.
- 6.3. In overall terms, the Council expects a further reduction in Government Funding over the three year period 2017/18 to 2019/20<sup>1</sup> of £1.9m, representing a funding reduction of some 73%.
- 6.4. Of most significance are the reductions in Revenue Support Grant and the New Homes Bonus, which combined amount to a reduction of £1.9m. For the period to 2019/20, the Revenue Support Grant will reduce by £1.3m (becoming negative at minus £0.1m in 2019/20) and the New Homes Bonus by £0.5m. This is set out in the table below:

<b>Funding Stream</b>	<b>2016/17 (Current Year)</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Total Reduction</b>
Revenue Support Grant	£1.2m	£0.6m	£0.3m	£(0.1)m	<b>£1.3m</b>
New Homes Bonus	£1.0m	£0.8m	£0.5m	£0.5m	<b>£0.5m</b>
Other Grants	£0.4m	£0.4m	£0.4m	£0.3m	<b>£0.1m</b>
<b>Total Government Grants</b>	<b>£2.6m</b>	<b>£1.8m</b>	<b>£1.2m</b>	<b>£0.7m</b>	<b>£1.9m</b>

- 6.5. For 2017/18 alone, total Government Grants will reduce by £0.8m and this has been factored into the 2017/18 Budget proposed as part of this report.

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<sup>1</sup> The remainder of the current Spending Review period

- 6.6. Whilst the Revenue Support Grant forms part of the 4 Year Settlement, the New Homes Bonus and Other Grants do not and therefore these funding streams will remain a risk for the Council in future years. The New Homes Bonus is significant and currently represents 37% of all Government Grants received by this Council and 9% of all Council funding<sup>2</sup>. The Government's response to the consultation on the New Homes Bonus has been announced as part of the provisional settlement and, as expected, has had a negative impact on the Council with a reduction of £0.2m between the current year and 2017/18 and an overall expected reduction between now and 2019/20 of £0.5m.
- 6.7. The new scheme for the New Homes Bonus was intended to "sharpen the incentive" to build new homes whilst also reducing the overall amount available by £593m nationally and re-directing funding towards Adult Social Care. The proposed scheme announced is summarised below:
- A threshold of a 0.4% increase in new homes (or "deadweight") before any New Homes Bonus (NHB) will be paid (i.e. 0.4 % growth will need to be achieved before any NHB funding will be paid)
  - A reduction in the length of time payments will be made from 6 years to 5 in 2017/18 and then a further reduction to 4 years from 2018/19 and thereafter
  - From 2018/19 payments will not be made for residential development that was allowed on appeal thus increasing the impetus for local councils to permit new housing development
- 6.8. Other key announcements as part of the provisional Local Government Settlement are:
- Overall Funding - There is no new money in the settlement compared with that announced in the Comprehensive Spending Review in December 2015
  - Revenue Support Grant - There is no change to the distribution methodology for 2017/18
  - Council Tax - The basic referendum principle of a 2% increase is confirmed (or a higher limit of either 2% or £5 for all shire District Councils). Government will not introduce referendum principles for parish and town councils in 2017/18
  - The Government will publish a response to the Fair Funding review consultation (i.e. the review of the 'needs element' embedded with the Revenue Support Grant and the Business Rates Retention system). This is to be implemented in 2019/20 as part of the overall move to the 100% business rates retention system. This also is a key uncertainty for the Council's funding levels.

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<sup>2</sup> Including Council Tax, Business Rates and Benefits Administration Grant

- 6.9. Whilst the Local Government Finance Settlement is a significant factor in determining the Council's overall financial position and therefore any necessary savings, other significant factors that will affect the Council's future savings requirements include Business Rates income, Council Tax income, inflation, interest rates and any new unfunded burdens passed down from Government.
- 6.10. The final grant settlement figures should be available by early February and it is recommended that any variation should be accommodated by a transfer to / from the Stability & Resilience Reserve.

## **7. BUSINESS RATES - 2017/18 & FUTURE FORECASTS**

- 7.1. The Retained Business Rates system is extremely complex and subject to a significant degree of inherent risk.
- 7.2. In broad terms, the Council currently retains 21% of all Business Rates received and this is characterised by a complex formula which includes the following:
- i) An initial starting point of 40% retention of all business rates received
  - ii) Reduced by a fixed amount "tariff" which increases annually by the rate of inflation
  - iii) Any growth in Business Rates (above a pre-determined baseline<sup>3</sup>) is reduced by a "levy" of 50%.
  - iv) A "safety net" set at 7.5% below a pre-determined baseline<sup>4</sup> below which retained Business Rates will not fall (set at £2,163,828 for 2017/18)
  - v) A General Fund grant reimbursement under Section 31 of the Local Government Act 2003 to compensate local authorities for business rates foregone as a result of the government's nationally determined additional business rate reliefs

In overall terms therefore, the Council retains 21% of Business Rates<sup>5</sup> amounting to £3,359,590, with any additional Business Rates received above this being received at 20% (i.e. the Council's 40% share reduced by the levy of 50%)

- 7.3. For 2017/18 the National Non Domestic Rate system will be subject to a re-valuation. This revised both the rateable values and the multiplier. The entire re-valuation is financially neutral at a national level with the increase in rateable values overall offset by a reduction in the multiplier.
- 7.4. The Retained Business Rates system for Local Authorities is likewise intended to be financially neutral. This however, will not be the case and there will inevitably be "winners" and "losers" across the country. The key risk is the extent to which successful appeals are greater or less than the assumed allowance for appeals contained within the new multiplier set by Government.

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<sup>3</sup> Known as the Business Rates Baseline, set in 2013/14 and increased by inflation each year

<sup>4</sup> Known as the Business Rates Baseline, set in 2013/14 and increased by inflation each year

<sup>5</sup> After deducting the "tariff"

- 7.5. For 2017/18, Retained Business Rates are estimated at £3.4m which includes a surplus relating to previous years of £0.5m. Future estimated Business Rates have been assumed to increase by the rate of inflation only (as estimated by the Office for Budget Responsibility)
- 7.6. As previously mentioned, the estimation of business rate receipts is extremely complex, with the potential to be volatile and with many of the factors outside this Council's control. In particular, the Valuation Office Agency will both determine whether a rating appeal is successful and the level of reduction granted with the Council having no right of challenge.
- 7.7. A Stability and Resilience Reserve was established in order to help mitigate against the risks outlined above. This reserve helps safeguard against the significant volatility associated with the Business Rate Retention Scheme and provides the Council with a degree of funding stability in the event of significant fluctuations between years.

## **8. COUNCIL TAX - 2017/18 & FUTURE FORECASTS**

### Council Tax Amount 2017/18

- 8.1. Council Tax currently represents almost 52% of the Council's total revenue funding and as Government funding has reduced this has become an increasingly more important and dependent funding source for the Council.
- 8.2. Council Tax for the average Council Tax payer in Gosport (Band B) currently amounts to £1,174.56, of which £161.63 (13.8%) is the Gosport Borough Council element. The provisional Local Government Finance Settlement for 2017/18 confirmed a Council Tax increase limit (i.e. referendum threshold) of either 2% or £5 for all shire District Councils, whichever is the higher. For Gosport Borough Council, any increase beyond the £5 threshold can only be implemented following a "Yes" vote in a local referendum.
- 8.3. The proposals for the 2017/18 Budget are based on increasing the Council Tax by £5 for a Band D taxpayer which represents an additional 7 pence per week for the average Band B taxpayer in Gosport. At present, 52% all residents pay the full amount of Council Tax with 48% being entitled to some form of discount, exemption or Local Council Tax Support.
- 8.4. The Council's future forecasts for the period 2018/19 to 2020/21 have been estimated on the basis of a £5 increase per annum for a Band D Taxpayer (£3.89 for the average Gosport Band B Tax payer).

### Council Tax Base 2017/18

- 8.5. The Council Tax Base (i.e. the number of Band D equivalent properties paying the full Council Tax) has been determined as 26,409.7 for 2017/18, having taken account of the Council decisions relating to the Local Council Tax Support Scheme on 30<sup>th</sup> January and all estimated changes in properties, discounts and exemptions for the coming year.

### Collection Fund Balance (Council Tax Element) 2016/17

8.6. The Collection Fund is the account into which are paid amounts collected in respect of Council Tax and out of which are paid the Council Tax precepts to:

- Hampshire County Council (71% share)
- Gosport Borough Council (14% share)
- Hampshire Police & Crime Commissioner (11% share)
- Hampshire Fire and Rescue Authority (4% share)

In the event that actual Council Tax income receivable is different from the estimated income (informed by the calculation of the Council Tax Base) upon which the precepts are based, then a surplus or deficit will arise.

8.7 For 2016/17, it is estimated that there will be a surplus on the Collection Fund of £400,000 which will be shared in proportion to the 2016/17 precepts and distributed to the preceptors as follows:

<b>COLLECTION FUND SURPLUS - 2016/17</b>		
<b>Preceptor</b>	<b>Distribution</b>	
	<b>£</b>	<b>%</b>
Hampshire County Council	285,900	71%
Gosport Borough Council	55,000	14%
Hampshire Police & Crime Commissioner	42,500	11%
Hampshire Fire and Rescue Authority	16,600	4%
<b>Total Surplus 2016/17</b>	<b>400,000</b>	

The Gosport Borough Council Share of the surplus of £55,000 is factored into the overall Council Tax income for 2017/18.

### Total Council Tax Income 2017/18 & Future Years

8.8 Considering the Council Tax increase, Council Tax Base and surplus on the Collection Fund, the total Council Tax income for 2017/18 is estimated at £5,675,290

8.9 As Government funding reduces, even modest rises in Council Tax income are fundamental to the Council's future financial position and therefore the future sustainability of Council services. The Council's Medium Term Financial Forecast assume that Council Tax Income will rise to £6.2m by 2020/21 and is based on the following assumptions:

- Annual increases in the amount of Council Tax of £5 per annum for a Band D Tax payer
- Growth in the Council Tax Base of circa 1% per annum over the period



## 9. REVENUE BUDGET 2017/18

- 9.1 The overall aim of the Council's Medium Term Financial Strategy is to match "In Year" spending with "In Year" income and funding over the medium term with the use of the Revenue Financing Reserve and the Stability and Resilience Reserve being used to "smooth out" any significant fluctuations between years. It is vital that these Reserves are maintained and used wisely so that the Council has the ability to respond to any potential "financial shocks" without resorting to quick and severe services reductions but also has the financial capacity to be able to fund spend to save initiatives that support the delivery of the future savings necessary to ensure continued financial viability and delivery of good quality Council services.
- 9.2 The proposed Budget for 2017/18 has been prepared to accommodate the necessary savings required as a consequence of the following:
- The funding reductions from Government of £780,000
  - Inflationary costs and other cost pressures amounting to over £400,000; but offset by:
    - An increase in Council Tax of £5 per annum for a Band D Tax payer amounting to £130,000
    - Increase in Retained Business Rates of £651,000, although much of this is represented by a "one-off" release of funding previously set aside for business rate appeals which are now not likely to occur
- 9.3 The key changes between the Original Budget 2016/17 and the proposed Budget 2017/18 are as follows:

### Expenditure 2017/18

Board and service expenditure is estimated at £9,920,840 - a reduction of £1,015,770 from the Original Budget for the current year of £10,936,610

Key increases in spending include:

- An increase in net Homelessness budgets, which include an estimate for the new DCLG temporary accommodation management fee, of £98,290
- The requirement to provide for an early inspectorate review of the Local Development Plan in 2017/18 amounting to £65,000
- Additional employers pension obligations that are common to all Hampshire authorities of £42,620

Key reductions in spending and additional income include (*brackets indicate a saving*):

- The ongoing savings resulting from both the shared senior management initiative with Portsmouth City Council and other restructuring and staffing

changes (£448,150), of which the shared senior management arrangement including all associated costs amounts to (£274,000)

- A saving in the amount required to be set aside for the eventual repayment of the Council's debt by changing the method (and therefore the profile) of annual "repayments" from an asset life basis to an annuity basis (£296,180)
- An overall reduction in the cost of Housing Benefits of £200,310, of which £134,700 relates to a re-assessment of the provision for bad debts
- Additional Car Parking income (£104,860)
- The continuation of the Register of Electors IER transition saving the cost of a full canvas in 2017/18 (£117,080)

### Funding 2017/18

Total funding for the Council is estimated at £10,876,940, an increase of just £82,580 from the Original Budget for the current year of 10,794,360

Reductions in Funding include:

- A reduction of £782,550 in government grants – mainly Revenue Support Grant and New Homes Bonus

Increases in Funding include:

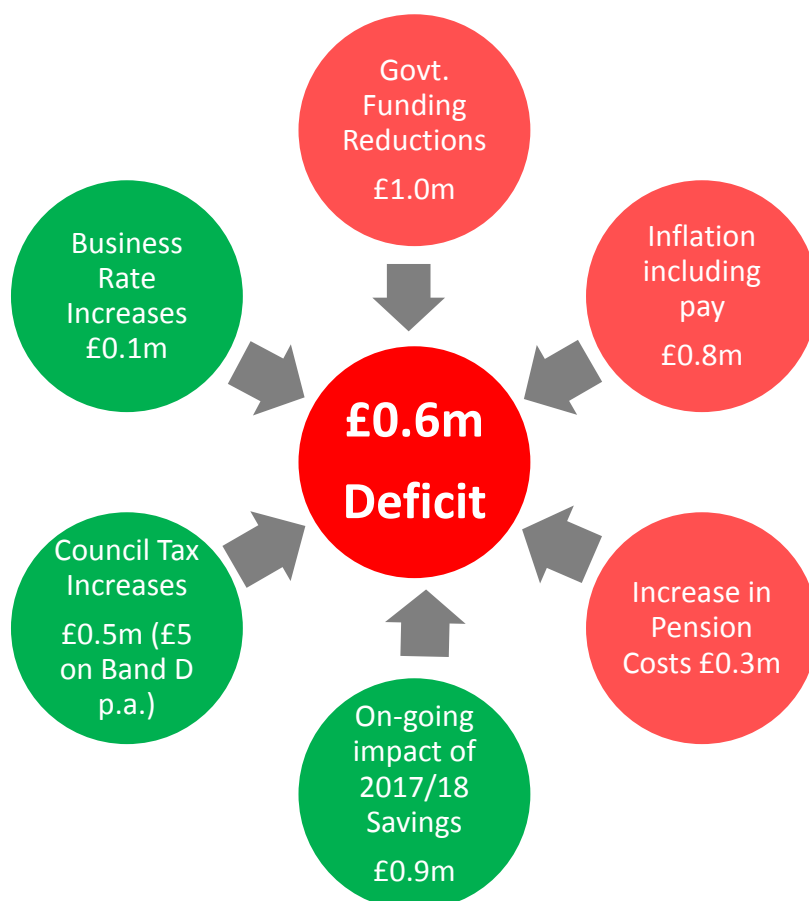
- An overall increase in Council Tax income of £213,990 arising from an increase in the forecast Council Tax Base of 463.8 Band D properties, a £5 increase in the Band D Council Tax and a reduction of £14,440 in the estimated year on year surplus arising in the Collection Fund from Council Tax income collection
- An increase in retained Business Rates income of £651,140 although much of this is represented by a "one-off" release of funding previously set aside for business rate appeals which are now not likely to occur

9.4 Strong financial management by the Council has led to an overall reduction in spending of £1,015,770 largely driven by the shared senior management arrangements and the change to the way in which the Council's debt is provided for. This has enabled the Council to make contributions to the Revenue Financing Reserve and the Stability & Resilience Reserve of £956,100 in total, off-setting the total withdrawal of £711,720 in the current year and restoring them to levels that are consistent with maintaining the continued financial health of the Council. Reserves are described in more detail in Section 11 of the report.

9.5 A summary of the proposed Budget 2017/18 is set out in Appendix A and the Budgets for each of the Boards are included at Appendix C.

## 10. REVENUE FORECASTS 2018/19 TO 2020/21

- 10.1 A new medium term forecast has now been completed to cover the period 2018/19 to 2020/21 (i.e. after the savings relating to 2017/18 have been made and incorporating the further financial year of 2020/21). All of the financial assumptions have been comprehensively revised and a savings requirement for the new period has been estimated at £0.6m and is summarised below:



- 10.2 The most significant assumptions in the medium term future forecasts for the period 2018/19 to 2020/21 are described below:

- Reductions in overall general Government funding of 35.9% in 2018/19, a further 24.3% in 2019/20 and a 4.8% increase in 2020/21
- Reductions in the New Homes Bonus of £0.3m over the whole period
- An increase in the Council's pension obligations amounting to £0.3m over the period
- The on-going financial impact of the efficiency savings proposed in the 2017/18 Budget amounting to £0.9m
- A Council Tax increase of £5 increase per annum for a Band D property for 2018/19 to 2020/21 plus an increase in the Council Tax Base of circa 1% per annum

- An underlying zero growth assumption for changes in Business Rates from 2018/19 onwards, to reflect the uncertainty relating to appeals and mandatory reliefs
- Indexation uplifts on retained Business Rates of 3.2% for 2018/19, a further 3.6% for 2019/20 and a further 3.0% for 2020/21
- An overall composite inflationary provision covering all pay and prices amounting to 1.7% for 2018/19, a further 1.7% for 2019/20 and a further 1.9% for 2020/21
- Interest rates on any new borrowing of 2.1% for 2018/19, 2.2% for 2019/20 and 2.5% for 2020/21
- Investment rates on any new lending of 0.6% for 2018/19, 0.7% for 2019/20 and 0.8% for 2020/21
- An assumption of a steady state for all budgets

10.3 The estimated 3 Year Savings Requirement of £0.6m is recommended to be phased evenly over the next 3 years (see table below). This provides for a managed reduction in spending, giving good opportunity for alternative income / efficiency initiatives to take effect and balanced with a financially responsible approach to achieving the necessary savings over the period.

	<b>Revised Underlying Budget Deficit £m</b>	<b>In Year Target £m</b>	<b>Revised Cumulative Saving £m</b>
2018/19	0.2	0.2	0.2
2019/20	0.5	0.2	0.4
2020/21	0.6	0.2	0.6

10.4 The overall Budget Deficit over the next 3 years at £0.6m represents circa 7%<sup>6</sup> of the Council's net controllable spending. Against a backdrop of significant reductions in Government funding and associated savings over the past 6 years, this will be a challenge for the Council. Nevertheless, with a proposed even profile of savings of circa £200,000 per annum for the next 3 years, there is confidence that this can be achieved with minimal impact of front line services and through additional income opportunities, service reviews and further integrated working with partners.

10.5 Further analysis of the Council's Medium Term Financial Forecasts is set out in Appendix B.

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<sup>6</sup> Total net spending less pension and debt obligations

## **11. RESERVES**

- 11.1. In General, maintaining adequate reserves is a measure of responsible financial management and strong financial health. They are required in order to be able to respond to "financial shocks" without having to revert to the alternative of quick and severe reductions in services. Equally, they can be a vehicle to take advantage of any opportunities that may arise which are in the financial interests of the Council (for example, matched funding opportunities which could lever in additional funding for Gosport or 'spend to save schemes). Importantly as described in Section 9, they also enable differences between expenditure and funding levels to be "smoothed out" and managed in a planned way over time.
- 11.2. The General Fund Working Balance is the minimum level of balances, on a risk basis, that the Council should not breach. The Working Balance is set at a level that is consistent with the Council's level of potential financial risks and enables the Council to meet unexpected demands on its resources such as increased inflation or demand for statutory services, therefore providing a cushion against uneven cash flows.
- 11.3. The Revenue Financing Reserve (RFR) is the Council's primary vehicle for driving through savings initiatives of both a Revenue and Capital nature and remains a critical part of the Council's overall Medium Term Financial Strategy. The RFR is also used to ensure that fluctuations in annual maintenance requirements can be met, to underwrite any uninsured risks and meet any necessary redundancy costs.
- 11.4. Following a withdrawal of £508,000 from the RFR in the current year, the proposed Budget for 2017/18 includes a contribution of £305,000, bringing the total estimated balance on the Reserve to £2.865m.
- 11.5. The Stability and Resilience Reserve (SRR) was established in 2014/15 to help safeguard against the significant increase in risk and volatility arising from the introduction of the Business Rate Retention Scheme and the Council Tax Support Scheme together with the uncertainties in future levels of Central Government support.
- 11.6. Whilst there is relative stability of core Government funding until 2019/20, this amounts to just £0.6m and 6% of all funding.
- 11.7. Council Tax income carries a low to medium financial risk, it amounts to £5.7m and comprises 52% of all funding. Risks associated with Council Tax relate mainly to the cost of the Local Council Tax Support Scheme and the level of exemptions and discounts awarded.
- 11.8. The New Homes Bonus at £780,000 is a particular risk and dependent on the delivery of additional homes over and above 0.4% each and every year.
- 11.9. The most significant financial risk to the Council's funding is Retained Business Rates. This amounts to £3.4m in 2017/18 and 31% of all funding. With the introduction of the new Business Rate re-valuation from April 2017, Business Rate Retention income has never been more uncertain. Historically 80% of each new

valuation list is appealed and whilst a "safety net" mechanism is in place for a reduction in income<sup>7</sup> of more than 7.5%, this area of funding is particularly uncertain.

- 11.10. As described, with the exception of just 6% of the funding base, the majority of Council funding is exposed to some risk with the Business Rate Retention Scheme and the New Homes Bonus (representing 38% of the Council's funding base) being subject to the most potential volatility.
- 11.11. Because of this, it is vital that the SRR is maintained at healthy levels to guard against the real and significant funding risks facing the Council over the medium term. The proposed Budget for 2017/18 makes a contribution of £651,140 to the SRR, restoring it to £1.786m which represents 16% of total annual funding.
- 11.12. In view of the need to continue to make savings over the next 3 year period and the particular funding uncertainties, it is both financially responsible and prudent to maintain these reserves at the proposed levels.

## **12. Statement of the Section 151 Officer in Accordance with the Local Government Act 2003**

- 12.1. Section 25 of the Local Government Act 2003 ("the Act") requires the Chief Financial Officer to report to the Council on the following matters:
- The robustness of the estimates included in the budget made for the purposes of setting the Council Tax; and
  - The adequacy of proposed financial reserves
- 12.2. Section 25 of the Act concentrates on uncertainties within the budget year rather than the greater uncertainties in future years. In the current economic climate, there continue to be uncertainties in both the current and future years i.e. beyond 2017/18. Particular uncertainties exist regarding the extent of successful appeals and mandatory reliefs which affect Retained Business Rates and the level of the New Homes Bonus. All of these uncertainties increase the need for adequate reserves and balances to be maintained in current and future years.
- 12.3. A minimum level of revenue reserves must be specified within the Budget. The Local Authority must take full account of this information when setting the Budget Requirement.
- 12.4. Should the level of reserves fall below the minimum approved sum of £890,000 as proposed in this report, either arising from an overspend in the previous year or the current year, the S.151 Officer has a duty to report this to the Council with recommendations as to the actions that should be taken to rectify the shortfall. In the most extreme of circumstances, the S.151 Officer can impose a spending freeze until a balanced budget is approved by the Council.

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<sup>7</sup> The reduction is measured against the Business Rate Baseline of £2,339,274 rather than Retained Business Rates of £3,359,590

### **(a) Robustness of the Budget**

- 12.5. In setting the Budget, the Council should have regard to the strategic and operational risks facing the Council. Some of these risks reflect the current economic climate and the national issues surrounding local authority funding levels.
- 12.6. Estimates and forecasts have been prepared to include all known significant financial factors over the medium term in order to inform spending decisions.
- 12.7. Assumptions for the Budget and forecasts for future years are considered to be sound and based on the best available information. These are set out in detail in Sections 9 and 10 and use the following sources as their evidence base:
- Government funding as set out in the provisional settlement for 2017/18 to 2019/20.
  - A "no growth" assumption for Retained Business Rates on the basis that any income arising from growth will be offset by both appeals and reliefs
  - An assumption that the current rateable value will be reduced by 4.9% arising from appeals against the 2017 rating list and based on Government estimates of the likely national cost of appeals
  - Increases in Council Tax within the likely referendum limits set out in the Comprehensive Spending Review
  - Inflation on Retained Business Rates and prices in accordance with inflation estimates from the Office for Budget Responsibility
  - Prudential borrowing requirements based on approved Capital schemes
  - Balances and contingencies based on a risk assessment of all known financial risks
- 12.8. Savings contained within the Budget are those where Board Chairmen and Senior Management assess the confidence level of achievement is medium and above. Responsibility and accountability for delivering the savings rests with Board Chairmen and Senior Management and progress will be monitored throughout the year as part of the Budget Monitoring process.
- 12.9. The most volatile budgets are Housing Benefits, Homelessness, Interest Payable and Receivable and General Maintenance. Budget provision has been made available to cover these risks both directly within Service budgets as well as maintaining an adequate Revenue Financing Reserve and Stability and Resilience.
- 12.10. The forecasts prepared for the forthcoming and future years are robustly based and illustrate the expected costs the Council will incur in order to deliver current levels of service.
- 12.11. Board Chairmen and Senior Managers will be given regular budget updates to ensure that action to address any potential over or underspend is taken promptly.

## **(b) The Adequacy of Proposed Financial Reserves**

- 12.12. The Council's General Fund Working Balance, Revenue Financing Reserve (RFR) and Stability & Resilience Reserve (SRR) have been proposed at levels that are consistent with the Council's financial risks over the medium term.
- 12.13. The Working Balance at £890,000 represents 1.8% of gross annual spending<sup>8</sup>, which whilst relatively small is supplemented by the RFR and SSR for the Council's highest financial risks.
- 12.14. The RFR is appropriately set to ensure adequate financial capacity exists to support the cost of implementing the necessary savings required for future years. The SRR has been set at 16% of annual funding and is sufficient to accommodate funding volatility over the next 2 to 3 years.
- 12.15. The Council maintains a number of other Earmarked Reserves for specific purposes and known future liabilities, all of which are fully committed.
- 12.16. At the proposed levels, the Council reserves are sufficient to accommodate the Council's financial risks and maintain the Council's overall financial health.

## **13. CAPITAL PROGRAMME 2016/17 TO 2019/20**

- 13.1. The Council's Capital Programme for the 4 years to 2019/20 was considered by the Policy & Organisation Board on 21 September 2016. This programme has now been revised to take account of any under and overspendings as well as any re-phasing of expenditure across years. The Capital Programme amounts to £23.3m and is funded primarily funded from the Major Repairs Reserve, HRA revenue contributions and borrowing.
- 13.2. Since consideration by the Policy & Organisation Board, the areas of main change relate to anticipated repairs to cantilevered balconies and access decks (£600,000) which have emerged from a recent structural survey plus kitchen and bathroom works (£275,000) across the housing stock.
- 13.3. There can be a direct impact on revenue budgets arising from the Capital Programme both positive and negative. All revenue implications arising from the Capital Programme have been taken into account in the proposed Budget 2017/18 and forecasts for future years.
- 13.4. In the current climate, it is important that the Council directs its available capital resources in a balanced way towards both essential service provision as well as regeneration activities and invest to save schemes. Investing in regeneration and schemes that stimulate employment is likely to improve overall prosperity within the Borough, reducing the need for Council services which better enables savings to be made. Additionally, increased employment has a positive financial impact on the Council's funding from Business Rates which will support the Council's future viability and the sustainability of high quality services to residents.

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<sup>8</sup> General Fund Revenue Expenditure plus General Fund Capital Expenditure



- 13.5. The amount of capital expenditure funded through borrowing continues to be strictly controlled since it must be demonstrated that the revenue consequences are affordable in line with the Prudential Code.

#### **14. OTHER ISSUES**

- 14.1 The Council is required to consider and publish its Pay Policy and Members Allowance Scheme that will apply next financial year before the end of March. They are attached as appendix E and F for approval by Council. The financial consequences of these are included in the proposed budget.

#### **15. CONCLUSION**

- 15.1. The proposed Budget 2017/18 of £ 10,876,940 is balanced, has been prepared on the basis of a reduction in spending of 9.3% amounting to £1.0m and a Council Tax increase of £5 for a Band D property. It is also consistent with the need to balance spending with income and funding over the medium term.
- 15.2. The Council's future forecasts require that savings of £0.6m, either through reduced costs or additional income will be required over the next 3 years. It is proposed that these savings be phased at £0.2m in 2018/19, £0.2m in 2019/20 and £0.2m in 2020/21 in order to provide for an evenly managed programme to be implemented over the period. There is confidence that the Council can deliver these savings through income generation opportunities, service reviews and continued joint working with partners.
- 15.3. Significant risks to the Council's future funding still remain over the next 3 years, particularly relating to Retained Business Rates and the New Homes Bonus. Beyond 2019/20, the Government have committed to changing the funding system to one which is based on retaining 100% of Business Rates. As part of that, Government will assess the amount of Business Rates the Council need to sustain its services (known as the Fair Funding review) and this will be the baseline at which Business Rate funding will be retained. This therefore is a funding risk in the longer term.
- 15.4. The proposed Budget for 2017/18 is financially balanced, robustly based and provides sufficient cover for anticipated and potential financial risks within the year. Furthermore, the overall financial health of the Council currently remains sound providing a good degree of resilience against an uncertain future.

Financial Implications:	Council's General Fund Budget and Council Tax level for 2017/18
Legal Implications:	The Council has to set a balanced budget and is also under an obligation to carry out its functions effectively, efficiently and economically
Service Improvement Plan implications:	The budget submissions reflect both service improvement plans and the corporate plan.
Corporate Plan:	The budget submissions reflect both service improvement plans and the corporate plan. The report includes an assessment of the risks in the Council's budget and forward projections as described in Section 12.
Risk Assessment:	
Background papers:	Budget Book

	Budget working papers Capital Programme 2016/17 to 2019/20
Appendices/Enclosures:	A. General Fund Budget 2017/18 B. General Fund Forecast to 2020/21 C. Summary of Service Board Budgets 2017/18 D. Capital Programme 2016/17 to 2019/20 E. Pay Policy Statement 2017/18 F. Members Allowance Scheme

# APPENDIX A

## GENERAL FUND BUDGET

### Summary of Revised 2016/17 and Estimate 2017/18

	ORIGINAL 2016/17 £	REVISED 2016/17 £	ESTIMATE 2017/18 £
<b>GENERAL FUND BUDGET</b>			
COMMUNITY BOARD	5,500,140	5,811,500	5,368,410
ECONOMIC DEVELOPMENT BOARD	752,630	810,000	842,030
POLICY AND ORGANISATION BOARD	4,683,840	4,700,600	3,710,400
<b>Total Net Expenditure</b>	<b>10,936,610</b>	<b>11,322,100</b>	<b>9,920,840</b>
<b>Transfer to/(from) Balances &amp; Reserves</b>			
General Fund Working Balance	0	0	0
Revenue Financing Reserve	(142,250)	(507,550)	304,960
Stability and Resilience Reserve	0	(204,170)	651,140
<b>BUDGET TOTAL</b>	<b>10,794,360</b>	<b>10,610,380</b>	<b>10,876,940</b>
<b>FINANCED BY</b>			
<b>Council Tax</b>	<b>(5,461,300)</b>	<b>(5,461,300)</b>	<b>(5,675,290)</b>
<b>Government Grants</b>	<b>(2,624,610)</b>	<b>(2,644,800)</b>	<b>(1,842,060)</b>
<b>Business Rates</b>	<b>(2,708,450)</b>	<b>(2,504,280)</b>	<b>(3,359,590)</b>
	<b>(10,794,360)</b>	<b>(10,610,380)</b>	<b>(10,876,940)</b>
<b>BALANCES</b>			
<b>General Fund Working Balance</b>			
B/Fwd	890,000	890,000	890,000
Change	0	0	0
C/Fwd	890,000	890,000	890,000
<b>Revenue Financing Reserve (RFR)</b>			
B/Fwd	2,501,340	3,067,422	2,559,872
Change	(142,250)	(507,550)	304,960
C/Fwd	2,359,090	2,559,872	2,864,832
<b>Stability and Resilience Reserve</b>			
B/Fwd	1,338,830	1,338,830	1,134,660
Change	0	(204,170)	651,140
C/Fwd	1,338,830	1,134,660	1,785,800

## APPENDIX B

GENERAL FUND FORECAST TO 2020/21			
	2018/19 £'000	2019/20 £'000	2020/21 £'000
<b>A 2017/18 Base Budget</b>	<b>9,921</b>	<b>9,921</b>	<b>9,921</b>
<b>B Budget Increases / (Decreases)</b>			
Pensions	94	195	271
Inflation	270	542	849
MRP	(10)	(5)	(30)
Leisure Centre	(50)	(59)	(67)
Interest	(10)	(70)	40
Elections	60	0	60
Registration of Electors	120	0	0
	<b>474</b>	<b>603</b>	<b>1,123</b>
<b>C PROJECTED BUDGET TOTALS (A+B)</b>	<b>10,395</b>	<b>10,524</b>	<b>11,044</b>
<b>D FUNDING</b>			
Council Tax (see below)	(5,807)	(5,996)	(6,192)
Government Grants (see below)	(1,180)	(733)	(822)
Business Rates	(3,203)	(3,317)	(3,416)
Contribution to / (from) Reserves	0	0	0
	<b>(10,190)</b>	<b>(10,046)</b>	<b>(10,430)</b>
<b>E BUDGET DEFICIT (C+D)</b>	<b>206</b>	<b>478</b>	<b>613</b>

<b>Council Tax</b>			
Council Tax Base	26,659.7	26,911.7	27,182.7
Council Tax - Band D	£217.81	£222.81	£227.81
<b>Council Tax Income</b>	<b>(5,807)</b>	<b>(5,996)</b>	<b>(6,192)</b>

<b>Government Grants</b>			
Revenue Support Grant	(264)	124	0
New Homes Bonus	(532)	(511)	(511)
Benefits Administration Grant	(384)	(346)	(311)
<b>Government Grants</b>	<b>(1,180)</b>	<b>(733)</b>	<b>(822)</b>

Savings to meet budget requirement	Revised Underlying Deficit	In Year Target 0	Revised Cumulative Saving
Year 1 (2018/19)	206	200	200
Year 2 (2019/20)	478	200	400
Year 3 (2020/21)	613	213	613

## **APPENDIX C**

### **OVERVIEW OF GENERAL FUND BOARD REVENUE BUDGETS 2017/18**

1. All members have been issued with a draft budget book for 2017/18 that while primarily containing the Council's General Fund (GF) budgets by Board and Service also contains the Housing Revenue Account (HRA) budgets within Community Board and a summary of the Capital Programme by scheme. This Appendix provides an overview of the GF budgets
2. Each of the three Board budgets comprise a number of services, each service in turn comprises of a number of managerial 'cost centres' which facilitate the management and delivery of services by budget holders and managers
3. Board budgets may be presented by the individual services (eg Parking, Waste etc.) as in the budget book and may also be presented by the type of service expense that are incurred (eg Premises, Transport etc). These types of service expense are set down nationally for local authorities to follow.
4. The tables below show the each of the Council's spending Boards (Community, Economic Development and Policy and Resources), firstly by their services as contained in the budget book and secondly by the type of expense

COMMUNITY BOARD - BY SERVICE	Orig Budget 16/17	Revised Budget 16/17	Original Estimate 17/18	Variance		
				Org to Rev	Rev to Est	Orig to Est
TOTAL	5,500,140	5,811,500	5,368,410	311,360	(443,090)	(131,730)
LEISURE & CULTURE	2,014,610	2,265,400	2,100,470	250,790	(164,930)	85,860
WASTE	1,447,400	1,359,250	1,351,420	(88,150)	(7,830)	(95,980)
STREETSCENE	476,770	483,530	310,700	6,760	(172,830)	(166,070)
COMMUNITY SAFETY	335,550	324,730	300,360	(10,820)	(24,370)	(35,190)
ENVIRONMENTAL SERVICES	441,490	456,710	449,070	15,220	(7,640)	7,580
MISC ENVIRONMENTAL & TRANSPORT	503,230	578,350	493,760	75,120	(84,590)	(9,470)
CEMETERY	15,090	20,160	26,940	5,070	6,780	11,850
HOME ADAPTATION GRANTS	7,220	7,080	7,300	(140)	220	80
PRIVATE SECTOR HOUSING	96,040	75,830	95,110	(20,210)	19,280	(930)
HOMELESSNESS	198,360	278,520	273,150	80,160	(5,370)	74,790
OTHER GENERAL FUND HOUSING	(35,620)	(38,060)	(39,870)	(2,440)	(1,810)	(4,250)
COMMUNITY BOARD BY TYPE OF EXPENSES	Orig Budget 16/17	Revised Budget 16/17	Original Estimate 17/18	Variance		
				Org to Rev	Rev to Est	Orig to Est
TOTAL	5,500,140	5,811,500	5,368,410	311,360	(443,090)	(131,730)
EXPENDITURE	10,204,390	11,185,300	9,735,420	980,910	(1,449,880)	(468,970)
EMPLOYEES	106,770	88,520	87,070	(18,250)	(1,450)	(19,700)
PREMISES	725,520	1,760,110	736,630	1,034,590	(1,023,480)	11,110
TRANSPORT	9,320	9,510	9,000	190	(510)	(320)
SUPPLIES & SERVICES	2,458,570	2,227,030	2,103,210	(231,540)	(123,820)	(355,360)
THIRD PARTY PAYMENTS	3,970,450	3,968,120	3,948,880	(2,330)	(19,240)	(21,570)
TRANSFER PAYMENTS	22,950	21,980	21,980	(970)		(970)
SUPPORT SERVICES	2,173,510	2,303,300	2,021,920	129,790	(281,380)	(151,590)
CAPITAL/FINANCING	737,300	806,730	806,730	69,430		69,430
INCOME	(4,704,250)	(5,373,800)	(4,367,010)	(669,550)	1,006,790	337,240
FEES & CHARGES	(1,709,830)	(2,822,490)	(2,155,270)	(1,112,660)	667,220	(445,440)
NON FEES & CHARGES	(2,994,420)	(2,551,310)	(2,211,740)	443,110	339,570	782,680

ECONOMIC DEVELOPMENT BOARD BY SERVICE	Orig Budget 16/17	Revised Budget 16/17	Original Estimate 17/18	Variance		
				Org to Rev	Rev to Est	Orig to Est
TOTAL	752,630	810,000	842,030	57,370	32,030	89,400
ECONOMIC PROSPERITY	228,740	265,310	240,850	36,570	(24,460)	12,110
MARKET	(51,880)	(40,550)	(37,800)	11,330	2,750	14,080
TOWN HARBOUR FORESHORE	213,470	215,190	216,670	1,720	1,480	3,200
EVENTS	68,030	69,930	67,330	1,900	(2,600)	(700)
PROPERTIES	118,110	105,720	106,840	(12,390)	1,120	(11,270)
MARKETING AND TOURISM	141,160	154,400	143,140	13,240	(11,260)	1,980
LOCAL DEVELOPMENT FRAMEWORK	35,000	40,000	105,000	5,000	65,000	70,000
ECONOMIC DEVELOPMENT BOARD BY TYPE OF EXPENSES	Orig Budget 16/17	Revised Budget 16/17	Original Estimate 17/18	Variance		
				Org to Rev	Rev to Est	Orig to Est
TOTAL	752,630	810,000	842,030	57,370	32,030	89,400
EXPENDITURE	1,077,840	1,124,310	1,141,820	46,470	17,510	63,980
EMPLOYEES	36,850	36,750	37,450	(100)	700	600
PREMISES	159,800	174,480	166,320	14,680	(8,160)	6,520
TRANSPORT	100	0	0	(100)		(100)
SUPPLIES & SERVICES	277,040	299,150	338,000	22,110	38,850	60,960
THIRD PARTY PAYMENTS	66,870	67,260	69,480	390	2,220	2,610
SUPPORT SERVICES	365,900	370,100	354,000	4,200	(16,100)	(11,900)
CAPITAL/FINANCING	171,280	176,570	176,570	5,290		5,290
INCOME	(325,210)	(314,310)	(299,790)	10,900	14,520	25,420
FEES & CHARGES	(243,890)	(226,600)	(214,840)	17,290	11,760	29,050
NON FEES & CHARGES	(81,320)	(87,710)	(84,950)	(6,390)	2,760	(3,630)

POLICY AND ORGANISATION BOARD BY SERVICE	Orig Budget 16/17	Revised Budget 16/17	Original Estimate 17/18	Variance		
				Org to Rev	Rev to Est	Orig to Est
TOTAL	4,683,840	4,700,600	3,710,400	16,760	(990,200)	(973,440)
REGISTRATION OF ELECTORS	329,720	229,640	196,760	(100,080)	(32,880)	(132,960)
LOCAL LAND CHARGES	3,120	11,020	23,220	7,900	12,200	20,100
HOUSING BENEFITS	1,019,940	820,120	774,430	(199,820)	(45,690)	(245,510)
LOCAL TAXATION	291,650	350,460	280,710	58,810	(69,750)	(10,940)
DEVELOPMENT SERVICES	791,530	849,700	643,000	58,170	(206,700)	(148,530)
LICENSING & REGISTRATION	21,670	5,930	5,750	(15,740)	(180)	(15,920)
ASSISTANCE TO VOLUNTARY ORGS	208,790	210,990	210,630	2,200	(360)	1,840
CORPORATE & CIVIC EXPENSES	1,205,990	1,493,650	1,022,480	287,660	(471,170)	(183,510)
MISCELLANEOUS SERVICES	904,660	1,188,250	1,015,160	283,590	(173,090)	110,500
OTHER CORPORATE AREAS	(93,230)	(459,160)	(461,740)	(365,930)	(2,580)	(368,510)

POLICY AND ORGANISATION BOARD BY TYPE OF EXPENSES	Orig Budget 16/17	Revised Budget 16/17	Original Estimate 17/18	Variance		
				Org to Rev	Rev to Est	Orig to Est
TOTAL	4,683,840	4,700,600	3,710,400	16,760	(990,200)	(973,440)
EXPENDITURE	37,355,180	35,749,270	34,156,950	(1,605,910)	(1,592,320)	(3,198,230)
EMPLOYEES	630,790	689,540	700,510	58,750	10,970	69,720
PREMISES	2,250	14,120	8,750	11,870	(5,370)	6,500
TRANSPORT	8,470	6,910	8,330	(1,560)	1,420	(140)
SUPPLIES & SERVICES	1,202,750	1,109,680	993,110	(93,070)	(116,570)	(209,640)
THIRD PARTY PAYMENTS	311,810	308,250	313,500	(3,560)	5,250	1,690
TRANSFER PAYMENTS	29,290,330	27,405,080	26,897,450	(1,885,250)	(507,630)	(2,392,880)
SUPPORT SERVICES	4,058,360	4,785,690	3,773,700	727,330	(1,011,990)	(284,660)
CAPITAL/FINANCING	1,850,420	1,430,000	1,461,600	(420,420)	31,600	(388,820)
INCOME	(32,671,340)	(31,048,670)	(30,446,550)	1,622,670	602,120	2,224,790
FEES & CHARGES	(447,520)	(462,940)	(436,950)	(15,420)	25,990	10,570
NON FEES & CHARGES	(32,223,820)	(30,585,730)	(30,009,600)	1,638,090	576,130	2,214,220





**CAPITAL PROGRAMME 2016/17 TO 2019/20**  
**COMMUNITY BOARD - HOUSING (HRA)**

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Estimate 2019/20 £,000	Local Resources			
								2016/17	2017/18	2018/19	2019/20
								£,000	£,000	£,000	£,000
1	LA Tenants Disabled Persons Grant	E	-	50	50	50	50	50	50	50	50
2	Improvements to Housing Stock	E	-	3,590	3,325	2,250	2,250	3,590	3,325	2,250	2,250
3	St Vincent Road Development	P	2,224	1,350				1,350			
4	Purchase of Properties	E		359	520			359	520		
Board Total				5,349	3,895	2,300	2,300	5,349	3,895	2,300	2,300

**CAPITAL PROGRAMME 2016/17 TO 2019/20**  
**COMMUNITY BOARD - HOUSING (GENERAL FUND)**

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Estimate 2019/20 £,000	Local Resources			
								2016/17	2017/18	2018/19	2019/20
								£,000	£,000	£,000	£,000
1	Disabled Facilities	E	-	684	617	617	617				
2	Housing Renewal	E	-	116	60	60	60	116	60	60	60
Board Total				800	677	677	677	116	60	60	60

**KEY TO PROGRESSION CATEGORIES**

I - Inception

D - Design

P - Progressing

C - Complete

F- Final

E. Exempt from progression categories

E. Exempt from progression categories

**CAPITAL PROGRAMME 2016/17 TO 2019/20**  
**COMMUNITY BOARD - NON HOUSING**

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Estimate 2019/20 £,000	Local Resources			
								2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
1	Alver Valley Country Park	P	1,040	752				312			
2	Gosport BMX National Centre	P	152	152				2			
3	River Hamble to Portchester CFERM Strategy	E	-	12							
4	Car Park resurfacing & upgrading	E	-	107	40	40	40	107	40	40	40
5	Provide lighting to pathways within Leisure Parks, Gardens & Open Spaces	P	197	25	144						
6	Privett Park - Replacement 2nd Pavilion & paths (this scheme is subject to both S.106 developer contribution and equivalent match funding [each £350k] being identified - the capital programme funding projections currently assume that this will be the case or the scheme will not proceed )	I	700		700						
7	Lee Promenade resurfacing	P	45	45				45			
8	Public Conveniences refurbishment	E	-	156	80	80	80	156	80	80	80
9	Transfer of Play Areas at Priddys Hard	P	21	7							
10	Privett Park-Provision of High Protective Fence	P	35	10				10			
11	Playgrounds - improvements to existing facilities	E	-	77	20	20	20	77	20	20	20
12	Kerbside & Glass Collection service	I	134		134				134		
13	Essential Paving Improvements & Upgrades	E	-	40	30	30	30	40	30	30	30
14	Stokes Bay - Wet & Dry Play Area	E	-		25				25		
15	Stanley Park - phased refurbishment	P	80	63				63			
16	Renew interpretation boards across the Borough	P	39	39				39			
17	Ice Rink refurbishment & improvement	P	100	100				100			
18	Stokes Bay Golf Club - drainage works	P	35	35				35			
19	Ann's Hill Cemetery Waiting Room	P	20	20				20			
20	Bridgemary Skate Park (to include BMX & Scooters)(subject to match funding of £90k)	P	180	180				90			
21	Cockle Pond - water circulation scheme	P	100	100				100			
22	Cockle Pond - footway repairs	I	100		100				100		
23	Community Space - Manor Way	P	100	100				100			
24	Parham Road - flood measures	P	25	25				25			
25	Crown House - conversion to two flats	P	90	90				90			
26	Forton Lake Opening Bridge - Mechanical and Electrical upgrade	I	275	185	90			185	90		
27	Chilworth Grove Footpath renewal	I	26		26				26		
28	Alverbank East and West Car Parks, Stokes Bay Road - drainage upgrade	I	40		40				40		

CAPITAL PROGRAMME 2016/17 TO 2019/20  
COMMUNITY BOARD - NON HOUSING continued

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Estimate 2019/20 £,000	Local Resources			
								2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
29	Car Park Ticket Machines - phased upgrade of all machines	I	131		33	33	33		33	33	33
30	Walpole Car Park resurfacing and upgrading	I	80		80				80		
31	Leesland Road Play Area - refurbishment	I	81			81				81	
32	Fitness Suite and Studio Facilities Extension to Leisure Centre	D	1,185	185	1,000			185	1,000		
	<b>Board Total</b>			<b>2,505</b>	<b>2,542</b>	<b>284</b>	<b>203</b>	<b>1,781</b>	<b>1,698</b>	<b>284</b>	<b>203</b>

ECONOMIC DEVELOPMENT BOARD

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Estimate 2019/20 £,000	Local Resources			
								2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
1	Waterfront Masterplanning	D	220	27				27			
	<b>Board Total</b>			<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>

## CAPITAL PROGRAMME 2016/17 TO 2019/20

## POLICY &amp; ORGANISATION BOARD

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Estimate 2019/20 £,000	Local Resources			
								2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000
1	CCTV - Replacement & Upgrades	E	-	46	15	15	15	46	15	15	15
2	IT - PC Replacement Programme	E	-	10	10	10	10	10	10	10	10
3	IT - Server Replacement	E	-	73	40	80	40	73	40	80	40
4	IT - Microsoft Licence	E	-	64	50	50	50	64	50	50	50
5	IT - System Upgrades	E	-	40	10	10	10	40	10	10	10
6	Town Hall Major Repairs - Electrics	E	-	51	10	10	10	51	10	10	10
7	Town Hall Major Repairs - Internal Decorations	E	-	29	15	15	15	29	15	15	15
8	Town Hall Major Repairs - Health & Safety	E	-	31	10	10	10	31	10	10	10
9	Town Hall Major Repairs - Adaptions	E	-	54	15	15	15	54	15	15	15
10	Town Hall Passenger Lift - major refurbishment / renewal	E	-	79				79			
11	Financial Management System V.5 Upgrade	P	-		70				70		
Board Total				477	245	215	175	477	245	215	175

Total Capital Programme			9,158	7,359	3,476	3,355	7,750	5,898	2,859	2,738
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SUMMARY FINANCING STATEMENT	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	Total £'000
<b>External Resources</b>					
Specific Capital Grants - GF	684	617	617	617	2,535
Developer Contributions - Open Spaces - GF	365	494			859
Other Grants and Contributions - GF	359	350			709
<b>Local Resources</b>					
Major Repairs Reserve - HRA	2,450	2,450	2,300	2,300	9,500
Revenue Contribution - HRA	1,190	925			2,115
Reserves - HRA	1,709	520			2,229
Capital Receipts - GF	930	492	621	625	2,668
Capital Funding Requirement - GF	1,471	1,511	(63)	(187)	2,732
<b>Total Funding</b>	<b>9,158</b>	<b>7,359</b>	<b>3,476</b>	<b>3,355</b>	<b>23,347</b>

## **GOSPORT BOROUGH COUNCIL**

### **PAY POLICY STATEMENT** **2016/17**

#### **1. Purpose**

This statement is produced in accordance with Section 38(1) of the Localism Act 2011, and sets out the Council's policies relating to the pay of its workforce for the financial year 2016/17, and in particular:

- the remuneration of its Chief Officers/highest paid employees
- the remuneration of its "lowest paid employees"
- the relationship between the remuneration of its Chief Officers and those who are not Chief Officers.

#### **2. Shared working arrangements**

With effect from 1 October 2016 an arrangement was implemented with Portsmouth City Council to share management and leadership arrangements with both councils retaining their clear identities as individual councils. Under this arrangement Gosport Borough Council pays a contribution to Portsmouth City Council which amounts to £247,652 per annum. As a consequence there is no longer a Chief Executive as Head of Paid Service, Borough Solicitor and Deputy Chief Executive or Borough Treasurer employed directly by Gosport Borough Council. This arrangement was also extended further to other posts including the Housing Services Manager, Head of Economic Prosperity, Tourism and Culture and Head of Personnel.

#### **3. Definitions**

For the purpose of this pay policy statement, the following definitions apply.

**3.1 Pay**, in addition to salary, includes any charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements, and termination payments.

**3.2 Chief Officer**, prior to 1 October 2016, referred to the following roles within the Council:

- Chief Executive, as Head of Paid Service,
- Borough Solicitor and Deputy Chief Executive (who is also the Council's Monitoring Officer),
- Borough Treasurer,
- Housing Services Manager

In addition, in accordance with the definition set out in the Localism Act and the Government's statutory guidance, this term for this purpose also refers to those officers who report directly to the statutory or non-statutory officers, i.e. the following Section Heads:

- Head of Policy and Community Safety,
- Head of IT,
- Head of Accountancy,
- Head of Pay and Central Services,
- Head of Local Taxation,
- Head of Benefits Services,
- Head of Internal Audit,
- Head of Housing Operational Services,

- Head of Property Services,
- Head of Housing Finance,
- Head of Housing Options,
- Head of Legal and Democratic Services,
- Head of Electoral Services,
- Head of Conservation and Design,
- Head of Development Control,
- Head of Planning Policy,
- Head of Building Control,
- Head of Economic Prosperity, Tourism and Culture
- Head of Personnel
- Head of Streetscene, Transport and Traffic Liaison Officer.

3.3 **Lowest paid employees** refers to those employees employed at the lowest grade level (scp 6) of the Council's pay framework. This definition has been adopted because this is the lowest pay level in the Council.

3.4 **Employees who are not Chief Officers** refers to all employees who are not covered by the Chief Officer group indicated at 3.2.

3.5 **Highest paid employee** will refer to the highest paid individual in Gosport Borough Council following the introduction of the shared working arrangement from 1 October 2016. This reflects the individual not responsible for directing the organisation but who receives the highest remuneration, due to the specialist skills or expertise held.

#### 4. Pay framework and remuneration levels

##### 4.1 General Approach

The Council recognises the need to exercise the greatest care in managing scarce public resources. The level of remuneration is a very important factor in both recruitment and retention of high quality employees dedicated to fulfilling the Council's business objectives and delivering services to the public, but this has to be balanced by ensuring remuneration is not, nor seen to be, unnecessarily excessive. Each council faces its own unique challenges and retains flexibility to cope with various circumstances.

Gosport Borough Council is aware that its pay levels for the Chief Executive and statutory and non-statutory Chief Officers are low in comparison with the other authorities in the region, and nationally. The situation is kept under regular review. The Government considers that large salary packages for new appointments, which should be considered by full Council, are those above the threshold of £100,000. In accordance with the revised guidance issued in February 2013, a lower threshold of £95,000 is used for this Council.

##### 4.2 Responsibility for decisions on remuneration

Statutory and non-statutory Chief Officers of this Council are covered by the Joint National Council for Local Authorities' Conditions of Service for Chief Executives and Chief Officers; the JNC terms and conditions are incorporated in contracts of employment.

Any corporate changes to pay or grading for these officers are considered by the Council's Policy and Organisation Board.

Section Heads as listed at 3.2 and employees who are not Chief Officers are covered by the NJC for Local Authorities' Services Conditions of Service. The level of pay is determined in accordance with national pay scales. Any changes to the formally agreed terms or conditions for all staff are considered by the Council's Policy and Organisation Board.

#### 4.3 Salary Grades and Grading Structure

The Council's grading structure for Section Heads and all employees who are not Chief Officers consists of one spot point salary and 12 grades – grades within the pay scales are allocated to posts through the national job evaluation scheme, thus ensuring fairness and equality in the application of pay. The allocation of a spot salary or grade depends on the nature and complexity of the job and the consequent need for a learning curve, and progression within grades is normally by annual increments, subject to satisfactory performance.

Section Heads listed at 3.2, who report directly to statutory and non-statutory Chief Officers also listed in that paragraph, are responsible for a particular function, with some employees at a lower level (e.g. secretarial) also reporting direct to statutory or non-statutory Chief Officers. Grades for Section Heads vary from grade 10 to grade 12 within the structure (attached), depending on the level of duties and responsibilities of each post and as evaluated in accordance with the national scheme.

Grade	Salary with effect from 1 April 2016
1	£14,514 - £14,771
2	£14,975 - £16,241
3	£16,481 - £17,572
4	£17,891 - £19,939
5	£20,456 - £22,434
6	£23,166 - £25,694
7	£26,556 - £29,854
8	£30,480 - £35,093
9	£36,019 - £39,660
10	£40,619 - £43,387
11	£44,299 - £47,035
12	£47,972 - £50,907

The lowest paid employees within the authority, i.e. those whose posts have been evaluated at the lowest grade, which is grade 1. The Council has for several years been involved in apprenticeships, providing the work experience element rather than directly employing apprentices.

The highest direct paid employees, prior to 1 October 2016, were the Chief Executive (£92,821 to £101,957), Deputy Chief Executive and Borough Solicitor/Monitoring



Officer (£69,403 to £80,421) and Borough Treasurer (£63,619 - £73,713). The comparison between the lowest paid salary and the highest paid was 7:1.

The highest paid employee post 1 October 2016 is a Section Head (£47,972 to £63,634). Additional supplements are applicable for any employees managing other employees from other local authorities, see section 8 below. The comparison between the lowest paid and the highest paid is 4.4:1.

Prior to 1 October 2016 the highest paid salary, at the top of the grade, is 4.5 times the median average salary of the whole workforce. After 1 October 2016 the highest paid salary, at the top of the grade is, 2.8 times the median average salary of the whole workforce. This is considered to be a fair and reasonable pay multiple, striking an appropriate balance which recognises the need to adequately recompense the different levels of duties and responsibilities. The reduction in the pay multiple is reflective of the removal of several senior posts within the Council and the introduction of shared working practices.

Increases in pay are made consequent on national negotiations; there are separate negotiations for statutory and non-statutory Chief Officers. Section Heads pay will be increased with any pay increase agreed nationally in line with national negotiations.

#### **4.4     Remuneration – level and elements**

In considering pay, the Council takes into account market rates, individual performance and the need for equality and consistency in the way grades are applied.

### **5.0     Chief Officers**

Prior to 1 October 2016, reviews of statutory and non-statutory Chief Officer salaries (i.e. Chief Executive, Deputy Chief Executive and Borough Solicitor, Borough Treasurer and Housing Services Manager) were carried out from time to time by the Council's Policy and Organisation Board; a review was undertaken in 2014 (the first since 2003) by the Policy and Organisation Board, for which purpose information was collected on the pay and benefits package across the South East region, and in other councils across the country of a similar size.

Statutory and non-statutory Chief Officers are not covered by the Council's job evaluation scheme and do not therefore receive any increase in grade where duties and responsibilities increase. Given the significant reduction in the size of the Council's Management Team over recent years, there have been considerable increases in duties and responsibilities for all these officers.

Following the implementation of the shared working arrangement from 1 October 2016 changes in pay for Chief Executive or Chief Officers are no longer applicable.

#### **5.1     Performance Appraisal**

The Chief Executive's performance was appraised by senior Members of the Council. The performance of Chief Officers was appraised by the Chief Executive and of all other officers by their managers; the performance appraisal system is not linked to pay/reward.

## **6.0 Other Officers**

The salaries of Section Heads and other employees who are not Chief Officers are in accordance with the national tables, with increases applied following national negotiations.

The only other pay increases occur where employees are progressing contractually through a grade, or where a job is re-evaluated to recognise substantial additional duties/responsibilities. The majority of the Council's staff are on the top of their grade and have not therefore received incremental progression.

## **7.0 Grading Structure and Progression**

The Council's grades consist of 4 incremental points, other than a few spot point salaries. The use of a grade recognises and allows for employees to gain knowledge and expertise in the job. Appointments are made on merit and on the appropriate point of the grade, taking into account the level of skills and knowledge of the successful applicant. The decision is made by the Appointment Panel; the salary applied on appointment is subject to regular monitoring, and formally reviewed through the Equal Pay Audit.

All the Council's employees are subject to the same performance management process. Whilst there is no formal performance related pay for any of the Council's officers, increments can be withheld where performance is unsatisfactory, and enhanced incremental progression or one-off honorarium payments can also apply to recognise and reward exceptional performance. The scheme covering merit increments/honoraria provides clear guidance relating to the circumstances in which such payments can be made, and the size of the payment, which must be commensurate with the work being rewarded. Such awards can only be approved by the Chief Executive, following corporate consideration, and they are centrally monitored for fairness and consistency. Any such award for the Chief Executive is subject to approval of the appropriate Council Board.

## **8.0 Additions to Salary**

Prior to 1 October 2016, the Chief Executive and statutory and non-statutory Chief Officers (Deputy Chief Executive and Borough Solicitor, Borough Treasurer, Housing Services Manager) received very few additions to their salary. Where additional duties and responsibilities, in excess of those normally required of a statutory or non-statutory Chief Officer, were applied, a percentage supplement could have been agreed by the Council's Policy and Organisation Board.

A supplement was applied for the Deputy Chief Executive and Monitoring Officer roles, and for the Section 151 Officer responsibility. The size of any such supplement was determined taking into account the level of duties and responsibilities, ensuring consistency and fairness.

The responsibility of Local Returning Officer attracts an additional payment once every two years on completion of the work, this being the frequency of local elections. The payment is made in accordance with the Hampshire scale of fees, and is made to whichever officer undertakes that responsibility.

The only supplements applied to the salaries of Section Heads are where a Section Head requires a practising certificate or professional membership by law in order to fulfil their contractual duties, and where a Section Head is managing the functions

across more than one Council; in the latter case, a 15% supplement is applied for managing the function (and staff within it) in one additional council, and 25% where this applies to two or more councils. The former supplement currently applies to the Head of Internal Audit, and the latter to the Head of Building Control. A supplement of 7.5% applies currently to the post of Head of Electoral Services for covering the emergency planning role. The only other additional payments applying to Section Heads or other employees are those recognising work out of normal hours, overtime or stand-by, in accordance with National and Local Conditions of Service.

All officers are entitled to claim an allowance for attendance at evening committee meetings, in accordance with the Council's formal Local Agreement, which depends on the amount of time involved. All officers who are nominated as "Essential" or "Casual" car users can apply for a loan from the Council to purchase a vehicle, the interest rate currently being 3.25%, in accordance with the formal Local Agreement. Car user designations are reviewed annually to consider whether there is sufficient justification to continue the allowance. All officers of the Council have the option to join the Hampshire County Council pension scheme, which is a contributory scheme with varying rates dependent on salary level.

The Council has not introduced market supplements, having so far been able to recruit and retain essential staff as needed.

The Council does not make any bonus payments.

The Council operates a Salary Sacrifice Scheme in respect of childcare vouchers, and car park charges, although the car parking scheme will cease on 31.3.18.

## **9.0 Payments on Termination of Employment**

There are no additional payments made on termination of employment, other than in situations of redundancy or early retirement. The provisions relating to such payments are set out in the Council's Statement on Early Retirement and Discretionary Payments, and the Redundancy Policy, which are approved by Policy and Organisation Board. Were there to be any severance packages beyond the threshold of £95,000, they would be subject to approval by the Council.

The provisions relating to flexible retirement, whereby an officer with sufficient service and of the appropriate age can request to take immediate payment of pension but remain in employment on less hours or in a lower graded role, are also included in the Statement referred to. Where any additional payments are required in accordance with pension provisions, these applications are subject to approval by Policy and Organisation Board. The provisions are exercised where appropriate savings can be made whilst still retaining the necessary knowledge and experience.

Early payments of pension on compassionate grounds are considered by Policy and Organisation Board and approved in very exceptional circumstances only.

Early payments of pension on medical grounds are considered in accordance with the requirements of the Pension Regulations, with advice from an independent Occupational Health Physician.

## **10. Re-employment of Officers**

Where an officer has been made redundant or taken early retirement, they do still have the right to make application for any posts which may arise after they have left.

Before agreeing to any such termination, a full search is always made for any possible suitable alternatives to avoid the situation arising, but there are times when redundancies/early retirements cannot be avoided.

Should suitable vacancies arise after such staff have left the Council, any applications for employment from these staff would be given full consideration together with all other applicants. The Council will in such cases, as in any recruitment exercise, take the necessary action to ensure that the appointment is made on merit, selecting the best person for the relevant post. Any necessary adjustments to pension (or payments made) would be made in accordance with the relevant Regulations.

## **11. Publication of Information**

The Council publishes information relating to senior employees (those earning £58,200 and above as defined by the Government's transparency agenda), number of staff whose remuneration was at least £50,000, the organisation structure and grading structure, vacant posts, the pay multiple, and a range of equality data, on its website.

## **12. Review**

This statement is reviewed on an annual basis, as required by legislation, and approved by full Council.

### **Associated Documents**

The following documents also relate to pay, grading and retirement provisions:

Grading Structure  
Statement on Early Retirement and Discretionary Payments  
Redundancy Policy  
Guidance on the Award of Merit Increments and Honoraria  
People Management Strategy  
Hampshire Election Fees 2015/16 and 2016/17

## Appendix F

### **MEMBERS' ALLOWANCE SCHEME 2017/18** (Scheme last revised Nov 15)

<b>Allowance</b>	<b>£ per Annum</b>
Basic Allowance	5920.68
Leader of the Council	13756.20
Chairmen of Service Boards and Regulatory Board	4405.68
Opposition Group Leader (Liberal Democrat)	3655.20
Opposition Group Leader (Labour)	1624.56

## AGENDA ITEM NO.9

<b>Board/Committee:</b>	COUNCIL
<b>Date of Meeting:</b>	WEDNESDAY, 8 FEBRUARY 2017
<b>Title:</b>	APPOINTMENT OF DEPUTY ELECTORAL REGISTRATION OFFICER
<b>Author:</b>	DEPUTY CHIEF EXECUTIVE & BOROUGH SOLICITOR
<b>Status:</b>	FOR DECISION

### **Purpose**

For Council to agree an appointment to the role of Deputy Electoral Registration Officer

### **Recommendation**

Council agree to appoint Graeme Jesty (Head of Electoral Services), pursuant to Section 8 of the Representation of the People Act 1983, as the Council's Deputy Electoral Registration Officer.

#### **1.0 Background**

- 1.1 The Electoral Registration Officer (ERO) is the person with statutory responsibility for the creation and maintenance of the register of electors and the absent voters list. This person takes responsibility for publishing a revised electoral register and issuing monthly alteration notices.
- 1.2 The Electoral Registration Officer is an officer of the Council and has a personal responsibility, independent and separate from their duties as an employee of the Council. This Council appointed Michael Lawther to that role from 1 October 2016 at Full Council on 20 July 2016.
- 1.3 The Council (and not the ERO) may appoint a deputy. A Deputy ERO has the same responsibilities and duties as the ERO (Section 52(2) Representation of the People Act 1983).
- 1.4 If the ERO is 'incapacitated', and no deputy has been appointed, the Proper Officer of the Council takes on his/her responsibilities (Section 52(3) Representation of the People Act 1983). A Proper Officer of the Council is the person appointed for a particular purpose by that Local Authority (Section 270(3) Local Government Act 1972).

## **2.0 Report**

- 2.1 One of the roles of the Electoral Registration Officer is to hold a hearing in respect of any reviews of registration or any objections received for an application to be included on the Register of Electors. Reviews and objections can be made at any time during the life of the Register. The objections may be in relation to an existing elector as well as new applications. For objections, the legislation provides that these hearings must be held no earlier than the third day and no later than the seventh day after the notice of objection was received. If a hearing is not held within this timescale then the Council will be in breach of the legislation.
- 2.2 Since the Council does not currently have a Deputy Electoral Registration Officer then there is a risk the Council could be in breach of the legislation if the Electoral Registration Officer is absent for a period when a hearing needs to take place. Therefore it is recommended that a permanent appointment is made to this post in order to remove that risk.
- 2.3 The previous Head of Electoral Services (Peter Lister) was appointed as the Council's Deputy Electoral Registration Officer, but following his death, the Council has not appointed anyone.

## **3.0 Risk Assessment**

- 3.1 The efficient conduct of the electoral registration process and elections is one of the highest-profile functions that the Council undertakes. Any challenge to these processes could result in adverse publicity and legal sanction against the Electoral Registration Officer and/or Returning Officer personally and the Council.
- 3.2 The appointment of the Deputy Electoral Registration Officer will mitigate risks in the event that the Electoral Registration Officer is unavailable as his deputy will be able to undertake his duties.

<b>Financial Services comments:</b>	None
<b>Legal Services comments:</b>	Pursuant to Section 8 of the Representation of the People Act 1983
<b>Crime and Disorder:</b>	Not applicable
<b>Equality and Diversity:</b>	Section 149 of the Equality Act 2010 requires that each decision-maker considers the need to promote equality with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. There is no equality impact arising from this appointment.
<b>EIA:</b>	Not required. There is no equality impact identified
<b>Service Improvement Plan implications:</b>	Not applicable
<b>Corporate Plan:</b>	Not applicable
<b>Risk Assessment:</b>	See Section 3 contained in the report
<b>Background papers:</b>	Shared Management – Appointment of Officers report to Council on 20 July 2016.
<b>Appendices/Enclosures:</b>	
<b>Report author/ Lead Officer:</b>	Michael Lawther





## AGENDA ITEM NO. 10

<b>Board/Committee:</b>	Council
<b>Date of Meeting:</b>	8 February 2017
<b>Title:</b>	Constitution – Responsibility for Functions and Delegations
<b>Author:</b>	Borough Solicitor and Deputy Chief Executive
<b>Status:</b>	FOR DECISION

### **Purpose**

To review the existing delegation of functions and propose new arrangements for the delegation of functions

### **Recommendation**

COUNCIL RESOLVES TO:

1. Approve the revised Scheme of Delegation to Officers set out in Appendix 1 of this Report and with immediate effect to delegate to Officers those functions.
2. To delegate authority to the Borough Solicitor and Deputy Chief Executive to make changes to the Constitution and any other document to give effect to the Council's resolutions in respect of this Report.

### **1 Background**

- 1.1 The Council does not operate executive arrangements under the Local Government Act 2000 and is what is known as an Alternative Arrangement Authority.
- 1.2 This means that the Council must have arrangements for discharging its functions by Members at Board meetings or by officers to whom its functions are delegated.
- 1.3 The Council's arrangements must also be ones likely to ensure decisions are taken in an efficient way.

### **2 Report**

- 2.1 With the mounting pressures on the Council's resources it is important to ensure going forward that the arrangements for the delegation of functions and decision making in the Council are as efficient as they can be.

- 2.2 Appendix 1 of this Report sets out the proposed revised Scheme of Delegation of Functions to Officers and the opportunity has been taken to update the delegations to reflect the changes in staff and responsibilities for services. There are some new delegations of functions to Chief Officers and Section Heads which reflect current practise and deal with changes of circumstances.

### **3 Risk Assessment**

- 3.1 The Council, as a matter of law, has to adopt a Constitution which sets out its delegation of functions. The changes set out in this Report are intended to ensure that the Council's arrangements more are efficient.

<b>Financial Services comments:</b>	None
<b>Legal Services comments:</b>	See report.
<b>Service Improvement Plan implications:</b>	None
<b>Corporate Plan:</b>	None
<b>Risk Assessment:</b>	Refer to the relevant paragraph.
<b>Background papers:</b>	Constitution
<b>Appendices/Enclosures:</b>	
Appendix '1'	Revised Scheme of Delegations
<b>Report author/ Lead Officer:</b>	Michael Lawther

# **SCHEME OF DELEGATION TO OFFICERS AND STATUTORY (PROPER) OFFICER APPOINTMENTS**

## **CONTENTS**

### Section Page

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- 3.0 Delegations to Chief Executive
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- 5.0 Delegation to the Section 151 Officer
- 6.0 Delegations to the Borough Treasurer
- 7.0 Delegations to the Head of Planning Services
- 8.0 Delegations to the Building Control Manager
- 9.0 Delegations to the Housing Services Manager
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- 11.0 Delegations to the Head of Streetscene
- Statutory Officer Appointments
- Appendix 1 - Sealing of documents

# GOSPORT BOROUGH COUNCIL

## SCHEME OF DELEGATION TO OFFICERS

### 1.0 General

- 1.1 Chief Officers in this Scheme of Delegations means Chief Executive, Borough Treasurer, Section 151 Officer, Borough Solicitor and Housing Services Manager.
- 1.2 Delegated powers shall at all times be exercised fully in accordance with any statutory requirements for the time being in force; any policy or decision of the Council or appropriate Board; and in accordance with the Constitution; Financial Regulations for the time being of the Council; and Contract Procedure rules; and within any approved budgetary limits and also have regard to the Council's equalities duties and duty under Section 17 of the Crime and Disorder Act 1998.
- 1.3 Any Officer having delegated powers may, before making any decisions under those powers, consult with such other Officers or Members as he considers appropriate and may, if he considers it necessary, refer the matter to the relevant Board for determination.
- 1.4 Any Officer having delegated powers under this Scheme may authorise any other suitably qualified Officer to exercise their delegated powers except where prohibited by statute or law and powers relating to any statutory officer appointment. Such authorisation must be made in writing. The officer authorised by the other shall act in the name of the original officer who received the original delegation.
- 1.5 Any powers delegated by this Scheme to any Officer shall include a delegation to any other officer to whom the function in respect of which those powers may be exercised has passed either by re-designation, reorganisation or otherwise.
- 1.6 Any powers delegated by this Scheme in respect of any statutory provision shall include a delegation in

respect of any other statutory provision, which re-enacts or remakes the same with or without amendments.

- 1.7 In any case, where particular powers have been delegated by this Scheme to an Officer, if at any time that post is not currently filled the delegation will automatically be to the line manager of that Officer unless, for some reason the line manager is not qualified (e.g. through professional qualification) to carry out a particular function, in which case the duty will temporarily be delegated to the next most senior officer who is so suitably qualified.
- 1.8 Any powers delegated to an officer under this Scheme shall also include the delegation of that function to that Officer's line manager and Chief Officers providing the line manager and/or Chief Officer holds any statutory qualification necessary for undertaking that function.
- 1.9 The powers delegated to Chief Officers include the powers to manage their staff and services including the appointment, promotion and dismissal of staff within any other specific provision approved by Council and the power to purchase necessary equipment and other items, provided budget provision has been made for the purpose.
- 1.10 Chief Officers will undertake all and any functions and tasks necessary in support of or related to supporting approved partnerships and joint working. For the avoidance of doubt, this should include joint working with other public bodies and agencies, including NHS Trusts and associated bodies, other local authorities and other appropriate bodies, including those with representatives of the private sector. This would include Partnership for Urban South Hampshire (PUSH) Transport for South Hampshire (TfSH), and Solent Local Enterprise Partnership.

## **2.0 Delegations to Chief Officers**

### **2.1 Management Powers**

- 2.1.1 Authority to carry out the day-to-day administration of any Service Unit, Section, staff or other matter under the control of the Chief Officer or within their Terms of Reference.

Staff

- 2.1.2 Authority to pay loans or advances to staff within the terms of any Council scheme for the time being in force.
- 2.1.3 Authority within the law to recruit and terminate the employment of staff within their Units.

NOTE: For the avoidance of doubt, the appointment of a Chief Officer shall be the responsibility of Members of the Council.

- 2.1.4 Authority, in respect of staff employed within the Service Unit or Section of the Chief Officer concerned, to take all relevant action under the Council's Disciplinary and Grievance Codes of Practice save that the power to issue a final written warning (including the conduct of any associated interview) or the suspension or dismissal of any member of staff shall be exercised in accordance with the Council's disciplinary procedures, and in addition the provisions of Paragraph 1.3 of this Scheme shall not apply.
- 2.1.5 Authority to arrange and approve the training of staff including attendance at meetings, conferences, day release courses and the like.
- 2.1.6 Authority to grant special leave, paid or unpaid.
- 2.1.7 Authority to approve the payment of overtime within the limits of any approved national or local scheme.
- 2.1.8 Authority, subject to approval by the Chief Executive and the Borough Treasurer, to award merit increments and honoraria to staff for exceptional performance.

Assets

- 2.1.9 Authority to dispose of obsolete or worn out plant and equipment by sale or otherwise in the Council's best financial interests and so that value for money is received.
- 2.1.10 Authority within the individual scope of each Officer's Terms of Reference to carry out the day-to-day management, maintenance and repair of any land and premises for the time being under their control.

- 2.1.11 Authority in consultation with the Borough Treasurer and the Borough Solicitor to grant and renew trading concessions for terms not exceeding one year on or in any land or property under the day-to-day control of the Officer concerned.

#### Payments

- 2.1.12 Authority with the approval of the Borough Treasurer to write off debts to the Council deemed to be irrecoverable within any limits for the time being imposed by the Council's Financial Regulations.
- 2.1.13 Authority where this is in the best interests of the Council and in order to settle or resolve any claim or dispute and with the approval of the Borough Treasurer and Borough Solicitor to make ex gratia payments not exceeding £1,000.

#### General

- 2.1.14 Authority to take all necessary action to implement Council, Board, Committee, strategies, policies, and decisions including actions that commit resources, within an agreed budget in the case of financial resources, as necessary and appropriate.
- 2.1.15 Subject to the approval of the Borough Solicitor and Borough Treasurer Officer to enter into any lawful contract for the provision of services, goods or materials for another body where to do so is considered beneficial to the Council.
- 2.1.16 To take any consequential action necessary or expedient in respect of a bid or tender involving funding or assistance from central government, the European Commission or from any other source.
- 2.1.17 To determine the procurement route for any procurement governed by the EU Procurement Regime or any other legislation and make all subsequent decisions in relation to such procurement whether governed by the EU Procurement Regime or not.

## 2.2 Statutory and Enforcement Powers

- 2.2.1 Authority within the individual scope of each Chief Officer's terms of reference but subject to limitations



imposed by law, any decision of the Council or its Boards or by this Scheme to take any and all action necessary to carry out the functions of the Council including the issue of any necessary licence or consent required under any statutory provision or local Byelaw or Order.

2.2.2 Authority within the individual scope of each Chief Officer's terms of reference and within the scope of any statutory authority for the time being in force to do any or all of the following:-

- (a) To serve notices and to rescind any notice served and to determine the existence of any relevant state of affairs necessary for the service or rescission of any notice;
- (b) To obtain information by requisition or any other means;
- (c) To enter premises and, where necessary, to apply for warrants of entry to premises;
- (d) To require the execution of works to premises or on or under land including the power to require the removal of any substance or deposit from premises or land;
- (e) To require the cessation of a particular use of premises or to impose conditions for the continuation of that use including the imposition of any limit on or other requirement relating to the numbers of occupants;
- (f) Where necessary, to carry out works in default;
- (g) To recover costs by any and all relevant legal means;
- (h) To investigate offences;
- (i) To consult with any other individual or body or organisation;
- (j) To authorise and appoint any member of his staff, provided that member of staff is in possession of any necessary qualifications, to act as an Inspector or otherwise for any of the above purposes and for the purposes of enforcing the provisions of any enactment

which it is the power or duty of the Council to enforce.

- 2.2.3 Authority within the individual scope of each Chief Officer's terms of reference, and in consultation with the Borough Solicitor, to take any and all action necessary to satisfy any duty or requirement imposed on the Council by any new or amending legislative provision or case law in respect of which power has not been delegated by this Scheme.
- 2.2.4 Authority to give a formal caution as an alternative to the taking of criminal proceedings in those cases where the Borough Solicitor has so authorised.
- 2.2.5 To authorise appropriate Officers to administer formal cautions in respect of any criminal offence.
- 2.2.6 To grant authorisations under Sections 28 and 29 of the Regulation of Investigatory Powers Act 2000.
- 2.3 Powers With Regard to Land (except Council housing)

Note: Any action taken under the following delegated powers shall except in the case of a temporary lease or licence under 3.3.3, or in the case of a lease or licence to a sporting club, voluntary group or similar organisation granted under Board authority at a nominal or concessionary rental be at a price which, in the opinion of the Council's valuer, represents the best price which can reasonably be obtained and upon such other terms and conditions as he has recommended.

- 2.3.1 Authority, in consultation with the Borough Treasurer, to agree any rent increase which may be due under the terms of any lease or licence.
- 2.3.2 Authority, in consultation with the Borough Solicitor and with the Borough Treasurer, to authorise on terms recommended by the Council's Valuer:-
  - (i) the renewal of or variation of leases and licences; and/or
  - (ii) the grant of a licence to enter upon and carry out works on under or over land owned by the Council.

### **3.0 Delegations to the Chief Executive**

- 3.1 Authority to require that any Officer having delegated powers under this Scheme shall not exercise those powers either generally or in such circumstances as the Chief Executive may specify.
- 3.2 Authority to require that any decision which may be taken under delegated powers shall be submitted to the relevant Board or Committee for determination.
- 3.3 Authority to make any decision which may be made under delegated powers in substitution for the Officer to whom the relevant power has been delegated except where that decision relates to a statutory officer appointment or can only be taken by an Officer having any necessary qualifications or statutory authority.
- 3.4 Authority in the event of the illness, incapacity or absence of any Officer having delegated powers under this Scheme to appoint another Officer or Officers for the purposes of the exercise of any or all of those powers.
- 3.5 Authority to attest the Council's seal and to sign documents in accordance with the provisions of Appendix I.
- 3.6 Authority, in consultation with the Leader of the Council and Ward Councillors, to make Public Spaces Protection Orders under Part 4, Chapter 2 of the Anti Social Behaviour, Crime and Policing Act 2014.
- 3.7 Authority to take any action on urgent matters which would otherwise require reference to or consultation with the Council, a Board or Committee, if there is no such time for such reference or consultation to be made provided the Section 151 Officer and Monitoring Officer agree to the proposed course of action before it is decided. All such decisions shall be reported to the next meeting of the Council, Board or Committee.
- 3.8 To respond to any consultation or request for information from the Government; another local authority, or other body following consultation with the Chairman of the relevant Board or Committee.
- 3.9 To edit and publish the Council's external communications including Coastline in accordance with the Council's Editorial Policy.

- 3.10 To make any decisions about the sale of advertising or sponsorship in Council (or Council-related) publications or on Council property subject to legal, and other constraints and Council policy.
- 3.11 To appoint external agents or consultants to provide specialist services in respect of the Council's major development schemes, subject to compliance with Financial Regulations and Contract Procedure Rules.
- 3.12 To liaise with economic partnerships and other economic bodies to represent the Council's interests on economic issues.
- 3.13 To lead on and contribute to the PUSH Business Plan and oversee the implementation following consultation with the Chairman of the Economic Development Board.
- 3.14 To take any decisions or actions necessary in relation to economic development and regeneration including but not limited to the submission of funding bids, approving projects to meet agreed targets in the Corporate Plan and any projects relating to poverty, deprivation, employability, worklessness, tourism, international and European relations and economic development.
- 3.15 To sign on behalf of the Council Members' Declaration of Interest forms and to arrange for the maintenance of any statutory or voluntary registers of Members' interests.
- 3.16 To undertake all functions and responsibilities associated with emergency planning.
- 3.17 To undertake the discharge of any of the Council's functions relating to the welfare of civilians under the Civil Defence Acts 1937 – 1948 and under Section 138 of the Local Government Act 1972 as amended by the Civil Contingency Act 2004.
- 3.18 Authority to establish and maintain civil and military emergency plans in accordance with legal or government requirements and to maintain liaison with the relevant civil and military bodies.

- 3.19 Authority to enter into agreements with other local authorities or third parties to deal with matters relating to community safety, crime and disorder and crime reduction.
- 3.20 To take any decisions or actions necessary in relation to community safety and anti-social behaviour including the submission of funding bids, approving projects related to community safety and anti-social behaviour; approving specific projects to meet targets in corporate plans and strategies; subject to 2.6 above including under Part 4 of the Anti-Social Behaviour, Crime and Policing Act 2014 excluding those provisions relating to the setting of fixed penalties (Section 52(7) & (8) and Section 68(6) & (7)).

#### **4.0 Delegations to Borough Solicitor**

##### **4.1 General**

- 4.1.1 Authority to act as the Council's Solicitor in all legal matters and to accept service on behalf of the Council of any legal document or process.
- 4.1.2 Authority (where this has not been delegated to any other Officer or is not within the Terms of Reference of any other Officer for the purposes of clause 3.2.2) to sign issue and serve all statutory notices in consultation with the relevant Chief Officer.
- 4.1.3 Authority to arrange for the sealing and/or signing of documents in accordance with the provisions of Appendix I.
- 4.1.4 Authority to seal mortgage discharges and other miscellaneous documents including all deeds and documents necessary to give effect to any decision of the Council or one of its Boards or Committee or an Officer exercising delegated powers under this scheme.
- 4.1.5 Authority to approve the use of the Borough Crest.

- 4.1.6 Authority to commence and/or defend any criminal proceedings on behalf of the Council.
- 4.1.7 To provide or arrange for the provision of legal advice to the Council, including obtaining Counsel's opinion and instructing external solicitors as appropriate either on a case by case, or in any other appropriate manner or form as determined by the Borough Solicitor.
- 4.1.8 To act as the Council's data protection officer and take all necessary steps under the Freedom of Information Act and all relevant secondary legislation and guidance.,
- 4.1.9 To determine all matters arising from the Commission for Local Administration in England (the Local Government Ombudsman) in whatever manner is appropriate, including the making of local settlements in consultation with the relevant Chief Officer and the Borough Treasurer in respect of financial settlements.
- 4.1.10 To settle any claim whether proceedings have been initiated or not where this is in the best interests of the Council following consultation with the Chief Executive, Section 151 Officer and relevant Chief Officer.
- 4.1.11 To amend the Constitution pursuant to any lawful decision of the Council where that decision warrants a change to the Constitution.
- 4.1.12 To amend the Constitution where any change in the law requires a consequential change in the body of the Constitution, provided such change is not so substantial as to warrant reporting to the Council for approval including, but not limited to typographical and structural changes.
- 4.1.13 To sign or endorse any documents on behalf of the authority where so requested by a citizen, eg authentication details.

- 4.1.14 To certify as a true and correct record any documents.
  - 4.1.15 Following consultation with the Section 151 Officer and Chief Executive, to grant indemnities for Members and Officers within the terms of the Council's approved policy.
  - 4.1.16 The Council's powers in consultation with the Head of Planning Services in relation to the making of Tree Preservation Orders and the confirmation of Tree Preservation Orders where no objections or observations have been received.
  - 4.1.17 Power to correct clerical mistakes pursuant to Regulation 33 of the Licensing Act (Hearing) Regulations 2005 where the determination was made by the Licensing Sub-Board in consultation with the Chairman of that Sub-Board and where the determination was made under the Scheme of Delegation in consultation with the Officer making the determination.
- 4.2 Administration of the Council's complaints procedure.
- 4.2.1 To undertake negotiations on behalf of the Council in respect of proposed special events in the Borough

## **5.0 Delegations to the Section 151 Officer**

- 5.1 Authority to arrange the borrowings necessary to finance the Council's Capital Development, to defray payment to be met from Revenue Funds pending the receipt of sums due in respect of the same period, or to replace debts paid.
- 5.2 Authority to invest or deposit any temporary surplus funds on the Wholesale Money Market.

NOTE: Transactions under 5.1 and 5.2 are to be in accordance with the Council's Treasury Management Strategy.

- 5.3 Authority to make all payments of money due from the Council.
- 5.4 Authority to write off debts due to the Council which he deems to be irrecoverable or uneconomic to pursue, other than debts in excess of any limit from time to time set by the Council.
- 5.5 Authority, after consultation with any other relevant Chief Officer, to approve the amount and period for repayment of any loan or mortgage within the limits of any scheme from time to time approved by the Council.
- 5.6 Authority in consultation to take proceedings for the collection of all money due to the Council under any statutory scheme of local taxation.
- 5.7 Authority to keep the statutory account, under the Local Government Act 1986, of the Council's expenditure on publicity and to make arrangements to enable persons to exercise their right to inspect and make copies of the account or any part of it.
- 5.8 The power to determine changes to the rate of interest on mortgage loans etc in accordance with any relevant statutory provisions.
- 5.9 To act as the Council's Anti Money Laundering Officer

## **6.0 Delegations to Borough Treasurer**

- 6.1 To exercise all the powers and duties of the Council in relation to:
  - Housing Benefit and Local Council Tax Support Scheme
  - National Non-Domestic Rates; and
  - Council Taxsave for those functions specifically excluded from delegation or by legislation.
- 6.2 To review annually or at such other periods as is considered necessary all risks and insurances following consultation with appropriate Chief Officers and make arrangements and agree terms with insurers for those risks considered to be economic to transfer to the Council's insurers.



- 6.3 To indemnify / insure directly or indirectly persons, other than Members / Officers, involved in Council activities.
- 6.4 The central procurement of furniture, equipment, stationery and other goods not delegated to other Officers.

## **7.0 Delegations to the Head of Planning Services**

### **7.1 Planning Matters**

7.1.1 The determination of planning applications relating to the following types of proposals, including applications made by or on behalf of the Council but excluding applications from Officers of the Council; Members of the Council; or any member of their family, provided that:

- (i) in the case of any application approved under these delegated powers the proposals comply with the Borough Local Plan, and
  - (ii) where objections have been received, or where supporting representations have been received for an application that is proposed to be refused, no Member has given written notice (within 5 working days of being notified in writing of a proposal to determine an application under this paragraph) that such an application must be referred to the Regulatory Board for determination
- (a) Householder applications including:-
    - Private Garages,
    - Extensions and other ancillary structures;
  - (b) Boundary walls, fences etc;
  - (c) Vehicular accesses;
  - (d) All applications for advertisement consent;
  - (e) Submission of reserved matters;
  - (f) Applications for temporary consents;
  - (g) The erection of extensions to non-residential premises;

- (h) Changes of use or sub-division of existing premises including A1 to A2; A1 to residential;
- (i) Protected trees and trees in Conservation Areas;
- (j) Non Material, and Minor Material Changes to permissions, consents, approvals, approved plans and details;
- (k) The erection of extensions and alterations to Listed Buildings;
- (l) Variation of Conditions;
- (m) Applications for development classified as Minor including new shop fronts; alterations to existing shop fronts save that the limit for residential units shall be 6;
- (n) Extension of Time

7.1.2 Responding to the following notifications and minor consultations from:-

- (a) Hampshire County Council;
- (b) Fareham Borough Council;
- (c) Portsmouth City Council.

7.1.3 Determination of Lawful Development Certification applications (Sections 191 and 192 of the Town and Country Planning Act 1990 as amended) and Certificate of Lawfulness of Proposed Works applications under Section 26H of the Planning (Listed Buildings and Conservation Areas) Act 1990.

7.1.4 Authority, in accordance with Article 4 of the Town and Country Planning (Development Management Procedure) (England) Order 2010 to request the submission of such further detail as he considers necessary to enable an application for outline planning permission to be determined.

7.1.5 Authority to respond to any notification or application made to the Council under the terms of any Development Management Procedure Order or General Permitted Development Order for the time being in force.

- 7.1.6 The approval of conditions (including, in consultation with the Borough Treasurer, for the assessment of any commuted sum payable) for the future maintenance by the Council of any land which is proposed to be dedicated or transferred to the Council for use for open space or public amenity purposes.
- 7.1.7 Applications to discharge conditions.
- 7.1.8 The functions and powers of the Council in relation to High Hedges under Part 8 of the Anti-Social Behaviour Act 2003 (the Act) excluding the function of setting the level of fee and refunding fees in Sections 68 (1) (b) and (8), of the Act.
- 7.1.9 On receipt of a Hedgerow Removal Notice, authority to determine whether the hedge is “important” in accordance with the Hedgerow Regulations 1997 except in respect of hedgerows owned by the Council.
- 7.1.10 Authority to enter into agreements or obligations which arise from applications decided under delegated powers and power to discharge or modify such agreements or obligations in consultation with the Borough Solicitor.
- 7.1.11 Without prejudice to the general authority contained in paragraph 3.2 of this Scheme of Delegation all the Council’s powers to take all enforcement action authorised under the Town and Country Planning Act 1990, the Planning Hazardous Substances Act 1990 and the Planning (Listed Buildings and Conservation Areas) Act 1990 and the Planning and Compensation Act 2004 including (but without prejudice to the generality of the foregoing) the issue, variation and withdrawal of enforcement notices and listed building enforcement notices, stop and temporary stop notices, planning contravention notices, breach of condition notices, completion notices, hazardous substances contravention notices, building preservation notices, urgent works notices and the carrying out of works in default and the recovery of expenses in connection therewith and in the case of legal proceedings subject to the requirements of paragraphs 4.1.10, 4.1.12 and 4.1.13
- 7.1.12 Authority to issue a notice under Section 215 of the Town and Country Planning Act 1990 (proper maintenance of land).

7.1.13 Authority to decide whether an Environmental Assessment or Environmental Statement is required for any planning application to be determined.

7.1.14 Authority to deal with all future applications for screening and scoping opinions under the Town and Country Planning (Environmental Impact) (England and Wales) Regulations 1999.

7.1.15 To decline to determine:

- (a) subsequent applications under Section 70A of the Town and Country Planning Act 1990;
- (b) overlapping applications under Section 70B of the Town and Country Planning Act 1990;
- (c) subsequent applications under Section 81A of the Listed Buildings Act 1990; and
- (d) overlapping applications under Section 81B of the Listed Buildings Act 1990.

7.1.16 Authority in consultation with the Borough Solicitor where an appeal is pursued following a refusal of any application whether determined under delegated powers or by the Regulatory Board or against non determination by the Local Planning Authority to enter into or accept planning obligations where these would overcome a reason for refusal and then to withdraw the reason for refusal.

7.1.17 Authority to determine applications under the Conservation of Habitats and Species Regulations 2010.

7.2 The erection of any notice or the taking of any other action to promote road safety.

7.3 To seek planning permission, Conservation Area consent and Listed Building consent in accordance with the Town and Country Planning Act 1990 and the Planning (Listed Buildings and Conservation Areas) Act 1990, subject to:

- i the Head of Development Management being given 14 days to comment on the proposal prior to the submission of the formal application, and

- ii the Head of Development Management agreeing that the proposal is not in conflict with any planning policy of the Council

7.4 To publish the Annual Monitoring Report to the Local Development Framework.

7.5 Local Land Charges

7.51 To carry out all functions and responsibilities associated with the Local Land Charges Act 1975 including maintaining and operating the Register of Local Land Charges; and authority, so far as such charges are not prescribed, to agree the scale of charges for responding to Land Charges Searches and replying to Supplemental Enquiries.

7.6 Transport and Traffic

7.6.1 Power to authorise temporary road closures or prohibitions or restriction of traffic in accordance with any relevant statutory provisions including to grant permission for the closure of any highway for celebrations such as street parties provided the Police do not object and the Council are indemnified against any third party claims.

7.6.2 Authority to make vary or rescind Traffic Regulation Orders.

7.6.3 Authority to approve road openings for private purposes.

7.6.4 Authority to issue and refuse any permit, licence, approval or consent (including the power to impose conditions and to rescind any permit, licence etc granted) under the Highways Act 1980.

## **8.0 Delegations to the Building Control Manager**

Note: The Council has delegated its Building Control functions to Fareham Borough Council and Portsmouth City Council as part of the joint provision of Building Control Services. Fareham Borough

Council and Portsmouth City Council have delegated their Building Control functions to Gosport Borough Council.

- 8.1 The approval and disapproval of all plans submitted for building control purposes.
- 8.2 All the Council's powers under any Building Regulations for the time being in force.
- 8.3 All the Council's powers in relation to dangerous structures and buildings under Sections 77, 78, 81 and 82 of the Building Act 1984.
- 8.4 All the Council's powers under Sections 11, 12 and 13 of the Hampshire Act 1983.
- 8.5 All the Council's powers in relation to the naming and numbering of streets and properties and the alteration of street names and property numbers.

Note: this power shall not be exercised until the Ward Members within whose Ward the street or property concerned is situated have been consulted in writing by the Building Control Manager and none has, within a period of seven days from the date of the written consultation, objected. If any Ward Member does so object the matter shall be considered by the relevant Board.

- 8.6 All the Council's powers under the Building Act 1984 in respect of a breach of building regulations, enforcement, defective premises and demolition, supervision of building work other than by Local Authorities.
- 8.7 All the Council's powers to act as a third surveyor under the Party Wall etc., Act 1996.

## **9.0 Delegations to the Housing Services Manager**

- 9.1 The day-to-day management of the Council's housing stock and associated land including setting the terms of any tenancy agreement, the collection of rents, the prioritisation and selection of tenants, the grant, transfer, assignment and exchange of tenancies of Council houses and garages and the acceptance of surrenders.

- 9.2 Authority, within the context of the Council's relationship with any Registered Provider registered under the Housing Act 1996 or Housing and Regeneration Act 2008:-
- (a) To agree the terms of and enter into Nomination Agreements;
  - (b) To select and nominate applicants for accommodation under the terms of any Nomination Agreement;
  - (c) To enter into reciprocal arrangements with any Registered Provider for the housing of tenants;
  - (d) To respond to and agree proposals received from the Homes and Communities Agency in relation to grant funding for affordable housing to Registered Providers of Social Housing.
- 9.3 The issue and signing of all Notices to Quit and Notices Seeking Possession and Notices of Possession Proceedings where the form of the Notice has been approved by the Borough Solicitor.
- 9.4 Authority to issue landlord's offer notices under any Right-to-Buy legislation.
- 9.5 Authority to take whatever action is necessary to provide, in accordance with statutory requirements, accommodation for persons who are homeless under Part VII of the Housing Act 1996 or threatened with homelessness including authority to enter into leases or licences in respect of private housing accommodation and authority to make payments to third parties for such accommodation or under any damage deposit or similar scheme.
- 9.6 Authority to issue and represent the Council in County Court proceedings for the recovery of rent arrears.
- 9.7 All matters relating to the issue and signing of applications for Warrants of Possession including authority to attend and represent the Council in any associated County Court hearing.
- 9.8 All matters relating to the determination of applications for accommodation under Part VI of the Housing Act 1996 including arranging temporary accommodation whilst enquiries are made.

- 9.9 The grant or refusal of any consent to proposed works to former Council owned properties under the terms of any relevant restrictive covenant.
- 9.10 Authority to make Home Loss Payments under the provisions of Section 29 of the Land Compensation Act 1973 (as amended), Discretionary Home Loss Payments under the provisions of Section 32(7) of the Act and disturbance payments under the provisions of Section 37 of the Act where he is satisfied in each case that all relevant statutory requirements have been complied with.
- 9.11 All matters relating to the determination and payment of applications for financial assistance under the terms of any Cash Incentive, Right to Compensation for Improvements and Right to Repair or other scheme for the payment of money to secure tenants of Council owned residential accommodation.
- 9.12 The determination of service charges payable by leaseholders of former Council flats and maisonettes.
- 9.13 The Council's functions under the Home Energy Conservation Act 1995
- 9.14 Management of the Council's non-housing portfolio.
- 9.15 Management of any Council-owned permanent residential caravan site

Note: The Council has delegated its Environmental Health and Licensing functions to Fareham Borough Council as part of the joint provision of Environmental Health and Licensing Services including all enforcement powers set out in Paragraph 2.2 of this Scheme but excluding 2.2.6 and subject where specified in paragraph 2.2.2 to consultation with the Borough Solicitor and also subject to paragraphs 3.10, 3.12, 3.13, 3.15 and 3.18 of this Scheme of Delegations. Fareham Borough Council has delegated its Environmental Health and Licensing functions to Gosport Borough Council.

**NOTE: For the following delegations the whole Act/Regulations as appropriate are delegated unless specifically stated otherwise**



9.16 Authority, in respect of any Council-owned land or property which is currently vacant and unused and is not currently required for Council purposes, and after consultation with the relevant Board Chairman and the Borough Solicitor, and in the interests of good management, to authorise the grant and renewal of leases and licences subject to the following conditions:-

- (a) The lease or licence shall not exceed three years in duration;
- (b) There are no plans for the use of the land or property for any Council purpose within that period;
- (c) The terms of the proposed lease/licence have been approved by the Borough Solicitor in consultation with the Council's valuer; and
- (d) The arrangement is intended to be a temporary arrangement and the Borough Solicitor is reasonably satisfied that the Council will be able to recover possession of the land at the end of the agreed term or if it is required for redevelopment.

9.17 Authority to authorise the disposal of small areas of Council-owned land within the day-to-day control of the relevant Chief Officer subject to the following conditions:-

- (a) The value of the land shall not exceed £20,000 and the land shall not form part of a larger area having a value in excess of £20,000;
- (b) The land has no current use and is, in the opinion of the Officer, surplus to the Council's requirements;
- (c) The Head of Property Services has consulted all relevant Service Unit Managers, the Head of Development Management and other relevant Officers and none has objected to the disposal;

9.18 The Head of Property Services has consulted the Ward Members within whose

Ward the land is situated and none have objected to the disposal.

Note: In a case where an Officer has objected under (c), or a Ward Member under (d) and it has not been possible to resolve that objection, the matter shall be considered by the relevant Board.

9.19 Authority to consent to the assignment, surrender, or novation of any lease, licence, contract or other similar obligation where he/she is satisfied that such action is in the Council's best interests and, in the case of any assignment or novation, that this is on terms no less favourable to the Council than those contained in the original agreement.

9.20 Authority to dispose of the reversionary interest in any leasehold land and property in respect of which the original term was not less than 99 years and the rent payable is a Ground Rent and any other leasehold land and property where the sale is in pursuance of any lessees' rights of enfranchisement under the Leasehold Reform Acts.

9.21 Authority, after consultation with the relevant Chief Officer, to grant or refuse any application for consent under the terms of any lease or licence.

Note: An application for consent for a change of the permitted use of any land or property shall not be exercised until the Ward Members within whose Ward the land is situated have been consulted in writing by the Borough Solicitor and none have, within a period of seven days from the date of the written consultation, objected. If any Ward Member does so object the matter shall be considered by the relevant Board.

9.22 Authority, after consultation with any other relevant Chief Officer, to consent to the grant, renewal or variation of any easement covenant or wayleave upon such terms as have been recommended by the Council's valuer.

- 9.23 To appear and to authorise officers including those not within the managerial control of the Borough Solicitor to appear on behalf of the Council in proceedings in the County Court, pursuant to Section 60 of the County Courts Act 1984, as amended by 125(7) of the County and Legal Services Act 1990, and in the Magistrates' Court pursuant to Section 223 of the Local Government Act 1972.

### **Licensing Matters**

- 9.24 Subject to the policies of the Council the Council's powers and duties in relation to the grant, suspension and renewal of the following Licences under the Town Police Clauses Act 1847 and the Local Government (Miscellaneous Provisions) Act 1976:-
- Private Hire Vehicle Licences;
  - Private Hire Driver's Licences;
  - Private Hire Vehicle Operator's Licences;
  - Hackney Carriage Driver's Licences; and
  - Hackney Carriage Licences.
- 9.25 All the Council's powers relating to Licences and permits for Street Collections and House-to-House Collections (Police Factories etc (Miscellaneous Provisions) Act 1916 and the House-to-House Collections Act 1939).
- 9.26 All the Council's powers under the Lotteries and Amusements Act 1976 and the Lotteries Act 1976.
- 9.27 Determination of applications for registration under the Vehicles (Crime) Act 2001.
- 9.28 Determination of the following applications under the Licensing Act 2003 where no representation is made:-
- Personal Licence excluding applications where the applicant has unspent convictions;

- Premises Licence;
- Club Premises Certificate;
- Provisional Statement;
- Variation to Premises Licence;
- Variation to Club Premises Certificate;
- Variation to Designated Premises Supervisor excluding applications where there is an objection from the Police;
- Transfer of Premises Licence excluding applications where there is an objection from the Police; and
- Interim authorities excluding applications where there is an objection from the Police.

9.29 The Council's functions and powers under the Licensing Act 2003 and to regulations made thereunder to:-

- Determine requests to be removed as a Designated Premises Supervisor;
- Determine whether a complaint is irrelevant, frivolous or vexatious;
- Issue notices of hearing pursuant to the Licensing Act 2003 (Hearing) Regulations 2005 ('the Regulations') and information to accompany that notice including any particular points of which the authority considers that it will want clarification of at the hearing from a party (pursuant to Regulation 7);
- Extend time limits pursuant to Regulation 11 of the Regulations;
- Carry out the administration of applications, the issuing of licences (including those determined on appeal) by the Magistrates' Court and the compilation and maintenance of registers.

9.30 Licensing Act 2003 Section 179- Right of Entry to investigate Licensable offences.

9.31 To authorise Officers as required by Section 304(3)(b) of the Gambling Act 2005.

9.32 Determination of the following applications under the Gambling Act 2005 where no representation has been received or such representation has been withdrawn:-

- Premises Licence;
- Variation to a Licence;
- Transfer of a Licence;
- Provisional Licence; and
- Club gaming/club machine permits.

9.33 Determination of the following matters under the Gambling Act 2005:-

- Applications for other permits;
- Cancellation of licensed premises gaming machine permits;

and

- Consideration of temporary use notices.

9.34 To initiate enforcement action, save in respect of legal proceedings and subject to any other provisions within the Council's Scheme of Delegation, under the Gambling Act 2005.

9.35 Renovation Grants- All the Council's powers relating to the administration, approval, refusal and to payment of Grants for the renovation and improvement of residential properties under any relevant statutory provision including, in consultation with the Borough Treasurer, the determination of hardship status.

9.36 Without prejudice to any general authority contained in Paragraph 3.2.2 of this Scheme of Delegation, all the Council's powers subject, in the case of legal proceedings to the requirements of paragraphs 4.1.10 and 4.1.12 of this Scheme, under the following statutory provisions which includes any regulations made under the Statute or the European Communities Act 1972:-

### **Housing Act 1985**

The relevant Sections of the Act, remaining in force, dealing with powers concerning private dwellings including Section 265 (Demolition Orders) and Section 289 (Clearance Areas)

### **Housing Act 1996**

Part II – registration of houses in multiple occupation

**Local Government and Housing Act 1989**

Part VII – renewal areas

Part IX – miscellaneous

Part XIII – administration, approval, refusal and payment of grants

**Housing Grants, Construction and Regeneration Act 1996**

Part I – grants

Part II – group repair

Part III – Home Repair Assistance

Part IV – deferred action

**Housing Act 2004**

Part 1 – Housing Conditions

Section 4 – Including appointment as Proper Officer and carry out inspections

Section 11 – To serve an Improvement Notice for Category 1 hazard

Section 12 – To serve an Improvement Notice for Category 2 hazard

Section 14 – To suspend an Improvement Notice

Section 16 – To revoke or vary an Improvement Notice

Section 17 – To review a suspended Improvement Notice and give notice of the decision on a review

Section 20 – To make and serve a Prohibition Order in respect of Category 1 hazards

Section 21 – To make and serve a Prohibition Order in respect of Category 2 hazards

Section 23 – To suspend a Prohibition Order

Section 25 – To revoke or vary a Prohibition Order

Section 26 – To review a suspended Prohibition Order and to serve notice of the decision of any review

Section 28 – To serve a Hazard Awareness Notice relating to a Category 1 hazard

Section 29 – To serve a Hazard Awareness Notice for a Category 2 hazard

Section 31 and Schedule 3 – To take action in respect of an Improvement Notice

Sections 40 and 41 – To take emergency remedial action where there is a Category 1 hazard and to serve the requisite notices.

N.B. subject to consultation with Hampshire Fire and Rescue Authority in respect of a fire hazard, in accordance with Section 10.

Section 43 – To serve an Emergency Prohibition Order for Category 1 hazard

Section 49 – To make a charge for enforcement action

## Part 2 – Licensing of Houses in Multiple Occupation

The Council's functions of licensing Houses in Multiple Occupation ('HMO') as set out below excluding the setting of the fee to accompany the application

Section 62 – To serve a temporary exemption from the licensing requirement for HMOs

Sections 64, 69 and 70 – To grant or refuse a licence for an HMO, to vary or revoke the licence

Section 73 – to apply for a rent repayment order, and to serve the requisite notices

## Part 3 – Selective Licensing of Other Residential Accommodation

Section 96 – To apply for a rent repayment order and to serve the requisite notices

## Part 4 – Additional control provisions in relation to Residential Accommodation

Sections 102, 111 and 112 – To make, vary and revoke interim management orders

Sections 113, 121 and 122 – To make, vary and revoke final management orders

Section 131 – Power of entry to carry out works where a management order is in force, and to appoint, in writing, persons to enter the premises to carry out work

Section 133 – To make an interim empty dwelling management order

Section 136 – To make a final empty dwelling management order

Section 139 – To serve an overcrowding notice

Section 144 – To revoke and vary overcrowding notices

Section 235 – To serve notice requiring documents to be produced

Section 239 – To enter premises for purposes of carrying out a survey or examination

Section 239 – To be the Proper Officer for determining if a survey or examination is necessary

Section 255 and 256 – To serve, and to revoke, an HMO Declaration Notice

### **Environmental Protection Act 1990**

The whole Act excluding the Council's functions and powers:-

- To specify fixed penalties and make provision for treating it as having been paid if a lesser amount is paid before the end of a period specified by the Council.
- To enter into arrangements with persons to exercise the Council's function of giving fixed penalty notices.
- To designate land under paragraph 2 of Schedule 3A and set fees under paragraph 4 of Schedule 3A of the Act.

But including the authorisation of authorised officers to give fixed penalty notices.

### **Clean Neighbourhoods and Environment Act 2005**

Enforcement of provisions relating to Alarm Notification Areas designated under Section 69.

Authorisations of authorised officers to give fixed penalties under Section 73.

### **Environment Act 1995**

Part II – contaminated land

Part IV – air quality

Section 108 – powers of enforcing authority and persons authorised by them

Section 109 – power to deal with cause of imminent danger of pollution



Schedule 18 – supplementary provisions in respect of powers of entry

**Noise Act 1996**

The whole Act excluding Section 8A but including the authorisation of authorised officers to give fixed penalty notices under Section 8A

**Noise and Statutory Nuisance Act 1993**

**Control of Pollution Act 1974**

Part III – Noise, Section 73 power to obtain information

**Clean Air Act 1993**

**Motor Cycle (Noise) Act 1987**

**Pollution Prevention and Control Act 1999**

**Prevention of Damage by Pests Act 1949**

**The Environmental Damage (Prevention and Remediation) Regulations 2009**

**Health and Safety at Work etc Act 1974**

The whole Act including appointing appropriately qualified Inspectors and the Proper Officer for the signature and issue of any Licence, Registration, Certificate, Order, Notice or other document under :-

- Section 18 – enforcement
- Section 19 - appointment of Inspectors (including authority to define the powers of any Inspector under Section 20)
- Section 21 – Improvement Notices
- Section 22 – Prohibition Notices
- Section 25 – Power to deal with causes of imminent danger

**Factories Act 1961**

**Offices Shops and Railway Premises Act 1963**

**Food Safety Act 1990**

The whole Act including appointment as the Proper Officer for the signature and issue of any Licence, Registration, Certificate, Order, Notice or other document under the Act including :-

- Section 5 – Appointment of authorised officers

- Section 6 – Enforcement of the Act
- Section 9 – Inspection and seizure of suspected food
- Section 10 – Improvement Notices
- Section 12 – emergency Prohibition Notices and Orders

#### **Food Act 1984**

The whole Act including appointment as the Proper Officer for the signature and issue of any Licence, Registration, Certificate, Order, Notice or other document under the Act

#### **Food & Environment Protection Act 1985**

The whole Act including appointment as the Proper Officer for the signature and issue of any Licence, Registration, Certificate, Order, Notice or other document under Part III of the Act

#### **Game Act 1831**

#### **The Food Safety and Hygiene (England) Regulations 2013**

#### **The General Food Regulations 2004**

#### **Regulation (EC) no. 178/2002**

#### **Regulation (EC) no. 852/2004**

#### **Regulation (EC) no. 853/2004**

#### **Regulation (EC) no.854/2004**

#### **The Products of Animal Origin (Import and Export) Regulations 1996**

#### **The Trade in Animals and Related Products Regulations 2011**

#### **Official Feed and Food Control (England) Regulations 2006**

#### **Contaminants of Food (England) Regulations 2003**

#### **European Communities Act 1972**

Any Orders or Regulations made thereunder or relating to the foregoing or having effect by virtue of the European Communities Act 1972; and any modification or re-enactment to the foregoing

#### **Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998**

Power to appoint Officers of Police and Solent Sea Fisheries for enforcement purposes

**Public Health Act 1961**

Section 17 – summary power to remedy stopped up drains

Section 22 – power to cleanse or repair drains

Section 34 – removal of rubbish

Section 36 – power to require the vacation of premises for fumigation

Section 37 – prohibition for sale of verminous articles

Section 73 – derelict petrol tanks

Section 74 – power to reduce numbers of pigeons and other birds in built-up areas

**Public Health Act 1936**

Part II – Sanitation and Buildings

**Health Act 2006**

**Animal Boarding Establishments Act 1963**

**Animal Welfare Act 2006**

**Breeding of Dogs Act 1973**

**Breeding and Sale of Dogs (Welfare) Act 1999**

**Breeding of Dogs Act 1991**

**Dangerous Wild Animals Act 1976**

**Pet Animals Act 1951**

**Riding Establishments Acts 1964 & 1970**

**Zoo Licensing Act 1981**

**Animal Health Act 1981**

**Animal Welfare Act 2006**

**Dangerous Dogs Act 1991**

**Guard Dogs Act 1975**

**Local Government (Miscellaneous Provisions) Act 1976**

Section 16 – Requisition for information

Section 20 – Provision of sanitary appliances at places of entertainment

Section 35 – removal of obstruction from private sewers

Section 33 – restoration of water supply

**Local Government (Miscellaneous Provisions) Act 1982**

Part II – control of sex establishments

Part III – Street trading

Part VIII – Acupuncture, tattooing, ear-piercing and electrolysis

Part XI – Public Health etc

Part XII – Section 37 – temporary markets

Schedule IV – issue of trading consents and licences

**Building Act 1984**

Part III (except Sections 77, 78, 81 and 82)

**The Control of Pesticides Regulation 1986**

**The Control of Pesticides (Amendment) Regulations 1997**

**The Plant Protection Products (Sustainable Use) Regulations 2012**

Regulations 18, 19, 20, 21, 22 and Schedule 3

**Caravan Sites and Control of Development Act 1960**

Part I (except Section 24)

**Caravan Sites Act 1968**

**Anti-Social Behaviour, Crime and Policing Act 2014**

Part 4 Chapters 1, 2 and 3 excluding those matters covered by paragraph 2.6 of this Scheme of Delegation and the setting of fixed penalties (Section 52(7) & (8) and Section 68(6) & (7))

**Scrap Metal Dealers Act 1964**

**Town and Country Planning Act 1990**

Section 224 and Section 225

**Wildlife and Countryside Act 1981**

Part I-Wildlife

**The Private Water Supplier Regulations 1991**

**Water Industry Act 1991**

**Water Industry Act 1999**

**Lotteries and Amusements Act 1976**

**Lotteries Act 1993**

**Sunday Trading Act 1994**

**Theatres Act 1968**

**Sunbeds (Regulation) Act 2010**

**Hampshire Act 1983**

Section 4-Hairdressers and Barbers

**Highways Act 1980**

Part V11A – Provision of Amenities on Certain Highways

9.29 Authority to enter into reciprocal enforcement arrangements relating to the detention, examination and seizure of food with other local authorities in England and Wales.

9.30 Power to appoint officers of the Health Authority to undertake the Council's duties with respect to infectious diseases.

9.31 The Council's powers under Section 7 of the Hampshire Act(touting on the highway).

**Delegation to Head of Streetscene**

10.01 Authority to determine any fee or charge for special events and irregular lettings of recreational facilities and to fix a scale of charges for the use of recreational facilities so far as such charges are not included in the scale of fees and charges approved by the Council.

10.02 The fixing of charges for consumable items sold at the Council's recreational facilities.

10.03 The management of the Council's moorings.

10.04 Responsibility for the management of the Council's parks and service facilities.

- 10.05 Responsibility for the management of the Council's leisure facilities, and development of recreation facilities.
- 10.06 Responsibility for the operation and management of all car parks covered by the Council's car parking order including enforcement.
- 10.07 The issue and transfer of Grants of Exclusive Rights of Burial.
- 10.08 The exercise of Council's powers and duties under Section 46 of the Public Health (Control of Disease) Act 1984 (burial and cremation where no other arrangements have been made).
- 10.09 The maintenance of any street furniture and amenity lighting.
- 10.10 Authority to deal with the removal and disposal of abandoned vehicles.
- 10.11 All the Councils powers under the Refuse Disposal (Amenity Act) 1978 excluding the setting of fixed penalties (Section 2A(8), (9) & (10).
- 10.12 Authority to deal with waste, refuse, litter, fly tipping and graffiti excluding the setting of fixed penalties.

Note: The following delegations may only be exercised where the decision relates to a matter which, in the opinion of the Officer, is wholly within or affecting one particular Ward only of the Borough and then only after the Ward Members for that Ward have been given written notice of the proposed exercise of the delegation and none of them has, within seven days of such notice, objected to the exercise of the delegation in which case, unless the objection can be resolved, the matter will be referred to the Community Board.

### **Delegation to Head of Information Technology**

- 11.0 Management of all matters relating to information technology for the Council.

# STATUTORY OFFICER APPOINTMENTS

## **Chief Executive**

Head of the Paid Service - Section 4 Local Government and Housing Act 1989.

## **Borough Treasurer**

1. Responsibility for the proper administration of the Council's financial affairs - Section 151 Local Government Act 1972.
2. Receipt of all monies and banking arrangements - Section 115(2) of the Local Government Act 1972.
3. Registrar of loan instruments - Section 46 of the Local Government and Housing Act 1989.
4. Maintenance of an adequate and effective system of internal audit of the Council's accounting records and control systems - Regulation 5 of the Accounts and Audits Regulations 1996.

NB: The Head of Accountancy is appointed to act as Proper Officer in the absence of the Borough Treasurer.

## **Borough Solicitor**

1. The Council Solicitor with full power to serve and accept service of any legal document or process except where authority has been specifically delegated to any other Officer.
2. Monitoring Officer - Section 5 of the Local Government and Housing Act 1981.

NB: The Head of Legal Services is appointed to act as Deputy in the absence of the Borough Solicitor. The Head of Legal Services may appoint a Deputy to cover in his absence when acting as Monitoring Officer.

3. Appointment of Proper Officer in relation to:-

- (a) Any reference in any enactment passed before or during the 1971/72 session of Parliament other than the Local Government Act 1972 or in any instrument made before 26 October 1972 to the Town Clerk of a Borough which, by virtue of any provisions of the said Act was to be construed as reference to the Proper Officer of the Council.
- (b) Any reference in any local statutory provision to the Town Clerk of Gosport which, by virtue of an Order made under Section 254 of the Local Government Act 1972, was to be construed as a reference to the Proper Officer of the Council.
- (c) Any reference in the Local Government Act 1972 to the Proper Officer of the Council other than Section 115(2).
- (d) Any reference in any enactment passed after the 1971/72 session of Parliament or to be passed to the Proper Officer of the Council unless or until a specific appointment of another Officer has been made by the Council.

5. The Proper Officer for the following provisions of the Local Government Access to Information) Act 1985:-

Section 100B(2) - excluding reports from public agendas;

Section 100B(7) - Supplying additional documents to the Press;

Section 100C(2) - making written summary of confidential proceedings;

Section 100D(1) - compiling list of background papers;

Section 100D(5) - defining background papers; and

Section 100F(2) - restricting disclosure of exempt information to Members.

NB: The Head of Legal Services is appointed to act as Proper Officer in the absence of the Borough Solicitor.



6. The Proper Officer for the grant of any consent or licence and the giving of any notice under the Highways Act 1980.

### **Housing Services Manager**

**NOTE: The Council has delegated these functions to Fareham Borough Council**

1. The Proper Officer in relation to the signature of all operators, drivers and vehicle licences in respect of Hackney Carriage and private hire vehicles under the provisions of the Local Government (Miscellaneous Provisions) Act 1976 and the Town Police Clauses Act 1847.
2. The Proper Officer for the signature and issue of any licence, registration, certificate, order, notice or other document under the following :-

Public Health (Control of Disease) Act 1984;  
Public Health (Infectious Disease) Regulations 1968;  
Local Government (Miscellaneous Provisions) Act 1982:-

Part I-licensing of public entertainments;

Part II - control of sex establishments;

Part III - street trading;

Part VIII - Acupuncture, tattooing, ear piercing and electrolysis;

Part XI - public health etc;

Schedule IV- issue of street trading consents and licences;

Highways Act 1980 Part VIIA – Provision of Amenities on Certain Highways.

3. Signature of any consents, orders, demands or other documents under the Building Act 1984 Sections 59-76, 79, 84 and their authentication as provided by Section 93.

### **Head of Development Services**

1. Registrar of Local Land Charges.

The Proper Officer in relation to the receipt of any application and the issue of any permission or refusal of permission under the Town and Country Planning Act 1990.

**Building Control Manager**

The Proper Officer in relation to any notice, approval or other matter under the Building Act 1984.

# APPENDIX 1

## GOSPORT BOROUGH COUNCIL SCHEME OF DELEGATION TO OFFICERS

### SEALING OF DOCUMENTS

- (a) The Common Seal of the Council shall not be affixed to any document unless the sealing has been authorised by a resolution of the Council or of any Board or Officer having delegated powers in that behalf or where the sealing of any document is necessary to give effect to any lawful decision of the Council or of any Board or of any decision properly made under delegated powers.
- (b) The Common Seal shall be attested by the Chief Executive or the Borough Solicitor or the Head of Legal Services or Senior Solicitor (Litigation) and an entry of every sealing of a document shall be made and consecutively numbered in a book to be provided for that purpose and shall be signed by the person who attested the Common Seal. The Common Seal may also be attested by the Mayor or the Deputy Mayor when affixed to any document which is, in the opinion of the Borough Solicitor or of the Head of Legal Services, used for any ceremonial purpose. No document used for such purpose shall, however, be invalidated by the failure of the Mayor or the Deputy Mayor to attest the Common Seal.
- (c) The Chief Executive, the Borough Solicitor, the Head of Legal Services or Senior Solicitor (Litigation) shall be authorised to sign on behalf of the Council any agreement or other document not required to be executed under seal, provided that the subject matter has been approved by the Council or a Board or Sub-Board of the Council or is to put into effect a decision made by an Officer acting under delegated powers.