



BOROUGH OF RUSHMOOR

To the Mayor and Members of the Council,

YOU ARE HEREBY SUMMONED to attend a Virtual Meeting of the Council on ***Thursday, 22nd April, 2021 at 7.00 pm*** for the transaction of the business set out on the Agenda given below.

A G E N D A

1. **MINUTES –** (Pages 1 - 10)

To confirm the Minutes of the Ordinary Meeting of the Council held on 25th February, 2021 (copy attached).

2. **MAYOR'S ANNOUNCEMENTS –**

3. **STANDING ORDER 8 - QUESTIONS –**

To receive any questions by Members submitted in pursuance of Standing Order 8 (3).

4. **RECOMMENDATIONS OF THE CABINET AND COMMITTEES –**

To consider the recommendations of the Cabinet and Committees in relation to the following items:

1) **Rushmoor Homes Ltd - Business Plan 2021 - 2026 –** (Pages 11 - 70)

To receive a report from the Chief Executive (copy attached – Annex 1) which recommends the approval of a five year business plan for the Council's local housing company, Rushmoor Homes Limited. The Chief Executive, Paul Shackley, will introduce this item.

2) **Code of Conduct for Members –** (Pages 71 - 96)

To receive a report from the Licensing, Audit and General Purposes Committee, (copy attached – Annex 2) which recommends an updated Members Code of Conduct for adoption by the Council. Cllr S.J. Masterson, Chairman of the Licensing, Audit and General Purposes Committee will introduce this item.

3) **Future arrangements for the Licensing, Audit and General Purposes Committee –** (Pages 97 - 112)

To receive a report from the Licensing, Audit and General Purposes Committee, (copy attached – Annex 3) which sets out proposals for future arrangements for the Committee. Cllr S.J. Masterson, Chairman of the Licensing, Audit and General Purposes Committee will introduce this item.

4) **Extension of term of office for Designated Independent Person –** (Pages 113 - 116)

To receive a report from the Licensing, Audit and General Purposes Committee, (copy attached – Annex 4) which recommends a two year extension to the term of office for the Council's Designated Independent Person (DIP), Mrs Mary Harris. Cllr S.J. Masterson, Chairman of the Licensing, Audit and General Purposes Committee will introduce this item.

5. **QUESTIONS FOR THE CABINET –**

To receive any questions by Members to Cabinet Members submitted in accordance with the Procedure Note.

6. **OVERVIEW AND SCRUTINY COMMITTEE - ANNUAL REPORT 2020/21 –** (Pages 117 - 120)

To receive and ask questions on the Annual Report of the Overview and Scrutiny Committee (copy attached – Annex 5) for the 2020/21 Municipal Year. A procedure note for asking questions has been circulated to Members.

7. **REPORTS OF CABINET AND COMMITTEES – (Pages 121 - 156)**

To receive and ask questions on the Reports of the following Meetings (copy reports attached):

Cabinet

16th February 2021
23rd February 2021
16th March 2021

Committees

Development Management
Development Management
Licensing, Audit and General Purposes

17th February 2021
17th March 2021
29th March 2021

8. **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE AND POLICY AND PROJECT ADVISORY BOARD – (Pages 157 - 168)**

To note the Reports of the following meetings (copy reports attached):

Policy and Project Advisory Board
Overview and Scrutiny Committee

24th March 2021
25th March 2021

A.E. COLVER
Head of Democracy and Community

Council Offices
Farnborough
Hampshire GU14 7JU

Wednesday 14 April 2021

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BOROUGH OF RUSHMOOR

MEETING OF THE BOROUGH COUNCIL held on Thursday, 25th February, 2021 at 7.00 pm via Microsoft Teams and streamed live.

The Worshipful The Mayor (Cllr M.S. Choudhary (Chairman))
The Deputy Mayor (Cllr B.A. Thomas)

Cllr Gaynor Austin
Cllr T.D. Bridgeman
Cllr Sue Carter
Cllr A.K. Chowdhury
Cllr R.M. Cooper
Cllr P.I.C. Crerar
Cllr K. Dibble
Cllr C.P. Grattan
Cllr A.J. Halstead
Cllr Prabesh KC
Cllr J.H. Marsh
Cllr S.J. Masterson
Cllr Marina Munro
Cllr A.R. Newell
Cllr M.L. Sheehan
Cllr C.J. Stewart
Cllr M.J. Tennant
Cllr Jacqui Vosper

Cllr Mrs. D.B. Bedford
Cllr J.B. Canty
Cllr Sophia Choudhary
Cllr D.E. Clifford
Cllr A.H. Crawford
Cllr P.J. Cullum
Cllr Veronica Graham-Green
Cllr Christine Guinness
Cllr L. Jeffers
Cllr Mara Makunura
Cllr Nadia Martin
Cllr T.W. Mitchell
Cllr K.H. Muschamp
Cllr M.J. Roberts
Cllr M.D. Smith
Cllr P.G. Taylor

Apologies for absence were submitted on behalf of Cllr Sophie Porter.

Before the meeting was opened, the Mayor led the Council in a period of silence in memory of those who had lost their lives during the period of the pandemic, including Captain Sir Tom Moore.

35. MINUTES

It was MOVED by Cllr D.E. Clifford; SECONDED by Cllr K.H. Muschamp and

RESOLVED: That the Minutes of the Ordinary Meeting of the Council held on 3rd December, 2020 (copy having been circulated previously) be taken as read, approved and signed as a correct record.

36. MAYOR'S ANNOUNCEMENTS

- (1) The Mayor reported that, on 22nd February 2021, it had been the 49th anniversary of the IRA bombing of the officers' mess at 16 Parachute Brigade Headquarters, which had killed seven people and injured a further nineteen.

- (2) The Mayor stated that, earlier that evening, the Council had respected a period of silence for those who had lost their lives to the coronavirus. The Mayor expressed his wish, when the time was right, for the Council to be able to join together as a community to remember and pay their respects.

He considered that a glimmer of hope had appeared through the creation of a vaccine against Covid-19 and its roll-out to all adults in the UK. Although it was early days, the Mayor hoped that the vaccination of people around the world would mean that the process of slowly returning to normal life could be commenced.

The Mayor reported that he would be visiting Rushmoor's vaccination centres and the Covid-19 testing centre to thank all the volunteers and staff running the centres.

37. STANDING ORDER 8 - QUESTIONS

The Mayor reported that no questions had been submitted under Standing Order 8.

38. NOTICES OF MOTION

The Council was asked to consider two Motions which had been submitted in accordance with the provisions of Standing Order 9 (1).

(1) Commonwealth and Gurkha Veterans

Cllr Nadia Martin introduced her Motion and said that, since submitting her Motion she had been honoured to have inspired the Leader of the Council to take action and write that day to relevant Members of Parliament on the issues raised within her Motion. Cllr Martin stated that she felt that this was a great step in the right direction not only for Commonwealth and Gurkha soldiers and veterans in Rushmoor, but also for all those who had served across the country. Cllr Martin then proposed an Amendment to her Motion.

It was MOVED by Cllr Martin and SECONDED by Cllr T.W. Mitchell – That the Motion be amended as follows:

“Rushmoor Borough Council are aware of the difficulties experienced by Commonwealth and Gurkha veterans, many of whom live in Aldershot, Home of the British Army, and wish to ensure that those who are currently experiencing problems, whether financial or immigration, are not disadvantaged whilst their applications for visas are ongoing.

To that end, Council records its thanks to the Leader of the Council for writing to the Prime Minister, the Minister of State for Immigration, and the Parliamentary Under-Secretary of State (Minister for Defence People and Veterans) outlining the Council's cross-party support for all Commonwealth and Gurkha veterans who have served a minimum of 4 years being granted the automatic, free-of-charge right to remain in

the UK and for any veteran who completes 12 years of service being automatically given British Citizenship.

We further hope that the above press the Government for a change in the legislation on visas and citizenship that affects Commonwealth and Gurkha veterans who have served Her Majesty The Queen and this country diligently and honourably.”

With the consent of the Council, the Amendment then became the Substantive Motion. During discussion, Members referred to the current high costs faced by Commonwealth and Gurkha veterans in the processing of visas and citizenship applications. It was also mentioned that cross-party support for the Motion should give a clear message that Rushmoor was united in its message to Government that those men and women from the Commonwealth and Nepal who had served in Britain’s armed forces and put themselves in harm’s way should have the opportunity to apply for British Citizenship and visas without cost.

Members were in support of the letter sent by the Leader of the Council to the Government urging the Government to make changes to the process for applying for British citizenship, permanent residency and associated rights for Commonwealth and Gurkha veteran soldiers who had served in the British Armed Forces and for their families too. It was noted that the letter to the Government celebrated the significant contribution that Commonwealth and Gurkha soldiers had made to the British Armed Forces and to the local community in Rushmoor. The letter recognised the existing barriers to British Citizenship faced by Commonwealth and Gurkha veterans, which included significant cost and a challenging process to follow. The letter acknowledged that the Ministry of Defence had recently announced its intention to hold a public consultation exercise on the issue of settlement fees with the aim of providing greater simplicity and flexibility. The letter concluded by stating Rushmoor’s intention to engage in the public consultation exercise and called on the Government to take steps to reduce the barriers to applying for permanent residency, citizenship and associated rights for Commonwealth and Gurkha soldiers and their families. Members were urged to support the Motion.

The Amendment was put to the meeting. There voted FOR: 35; AGAINST: 0; and the Motion was **DECLARED CARRIED**.

(2) Devereux House

It was MOVED by Cllr C.J. Stewart and SECONDED by Cllr Veronica Graham-Green - That

“This Council notes the sad closure of Devereux House (formerly the Farnborough and Cove War Memorial Hospital) and pays tribute to the extraordinary work of its staff and volunteers in the service of our Borough over the past 100 years.

In addition, this Council notes its longstanding support for the Trust, as well as the generosity of volunteers, local charitable organisations and the wider community over many years.

This Council affirms its commitment to endeavouring to further the legacy of the Trust, alongside its partners, and continue honouring the fallen of the First World War.”

In introducing his Motion, Cllr Stewart said that it was very sad for him, fellow Trustees and many others that Devereux House had closed. It had been his privilege to serve as a Trustee, representing the Council since his election onto the Council in 2019. Cllr Stewart advised that, in the aftermath of World War 1, public meetings had been held all over the country to discuss how to remember the fallen. The residents of Farnborough, Cove and South Hawley had decided unanimously that they would welcome a living memorial and something practical for the community as a war memorial. A private house in Albert Road, Farnborough had been purchased and a cottage hospital had been created and had been first run by volunteers. By 1948 it had been taken over by the newly formed NHS. In 1974, with the opening of Frimley Park Hospital, the cottage hospital had closed its doors to patients and for a short period housed a number of Council departments. Not long afterwards, the Farnborough and Cove War Memorial Hospital Trust had been formed and Devereux House came into being. It had been named after Councillor Lieutenant Colonel Robert Devereux who had worked tirelessly for its creation. Lieutenant Colonel Devereux was also the first Honorary Alderman of the Borough of Rushmoor.

Cllr Stewart stated that, for the last 42 years, Devereux House had been a much loved and well respected residential care home and a crucial lifeline for many residents in their later years. As well as being a care home, Devereux House had also offered day care for 60-70 people in the form of personal care, hot meals and respite for carers. Since established, Devereux House had always been operated as a registered charity, run by volunteers and heavily reliant on the generosity of local people. Such organisations as the League of Friends and local Rotary Clubs had helped to keep Devereux House going for nearly 50 years. As well as support from the Council, Devereux House had also received assistance from central Government and Hampshire County Council. However, the financial impact of the Covid-19 pandemic had been too great for such a small charity and sadly Devereux House had had to cease operating.

Cllr Stewart paid particular tribute to Maureen Kayll and Honorary Alderman John Debenham MBE who were founders of the Farnborough and Cove Hospital War Memorial Trust and had helped to establish the care facilities at Devereux House. Cllr Stewart also wanted to pay tribute to Terri Wilcox who had led the Trust during its last, difficult year. Cllr Stewart was grateful to the countless staff and volunteers who had donated so much of their life to Devereux House. He advised Members that the physical war memorial at Devereux House would be given to Knellwood Residential and Care Home to house with its own.

Cllr Stewart hoped that Members would support the Motion, paying tribute to Devereux House, staff and volunteers who had given so much of their life in the service of the Borough over the last 100 years.

During discussion, Members spoke of their experiences of and associations with Devereux House. A question was raised regarding the future of the building and the

Leader of the Council advised that the Council was currently talking to a number of organisations about the future use of the building and that this matter would be brought back to the Council in the near future.

The Motion was put to the Meeting. There voted FOR: 33; AGAINST: 0 and the Motion was **DECLARED CARRIED**.

39. **MAYOR-ELECT AND DEPUTY MAYOR-ELECT 2021/22**

The Chairman of the Licensing, Audit and General Purposes Committee (Cllr S.J. Masterson) reported that the Committee had considered the nominations for the Mayor-Elect and the Deputy Mayor-Elect for 2021/22 at its meeting on 25th January, 2021. Having regard to the criteria adopted by the Council, the Committee had agreed to recommend that:

- (i) Cllr B.A. Thomas be selected as Mayor-Elect for the Municipal Year 2021/22; and
- (ii) Cllr C.P. Grattan be selected as Deputy Mayor-Elect for the Municipal Year 2021/22.

It was MOVED by Cllr S.J. Masterson; SECONDED by Cllr Mara Makunura – That the Recommendations of the Licensing, Audit and General Purposes Committee be approved in respect of the Mayor-Elect and Deputy Mayor-Elect.

There voted FOR: 34; AGAINST: 0 and the Motion was **DECLARED CARRIED**.

40. **RECOMMENDATIONS OF THE CABINET AND COMMITTEES**

(1) **Annual Capital Strategy 2021/22**

Cllr P.G. Taylor introduced the Report of the Cabinet meeting held on 16th February 2021, which recommended the approval of the Capital Strategy 2021/22, including the Prudential Indicators for Capital Finance. It was MOVED by Cllr P.G. Taylor; SECONDED by Cllr D.E. Clifford – That approval be given to the Capital Strategy 2020/21 and Prudential Indicators.

There voted FOR: 34; AGAINST: 0; ABSTAINED: 1 and the Recommendations were **DECLARED CARRIED**.

(2) **Annual Treasury Management Strategy and Annual Non-Treasury Investment Strategy 2021/22**

Cllr P.G. Taylor introduced the Report of the Cabinet meeting held on 16th February 2021 which recommended the approval of: the Treasury Management Strategy and Non-Treasury Investment Strategy 2021/22, including the borrowing and investment strategies and treasury management indicators for capital finance for 2021/22 and the Minimum Revenue Provision Statement. It was MOVED by Cllr P.G. Taylor; SECONDED by Cllr D.E. Clifford – That approval be given to the Treasury Management Strategy and Non-Treasury Investment Strategy 2021.

There voted FOR: 33; AGAINST: 0; ABSTAINED: 1 and the Recommendations were **DECLARED CARRIED**.

(3) Revenue Budget, Capital Programme and Council Tax Level 2021/22

Cllr D.E. Clifford introduced the Report of the Cabinet meeting held on 16th February 2021 which recommended the approval of the Revenue Budget, Capital Programme, Council Tax Level and Council Tax Support Scheme for 2021/22.

- (i) It was MOVED by Cllr D.E. Clifford; SECONDED by Cllr P.G. Taylor – That, approval be given to the following recommendations set out in the Budget Booklet:
 - (a) The Executive Head of Finance’s report under Section 25 of the Local Government Act 2003, as set out in Appendix A;
 - (b) the General Fund Revenue Budget Summary, set out in Appendix B;
 - (c) the additional items for inclusion in the budget, set out in Appendix 2(CAB);
 - (d) the Council Tax Requirement of £6,927,715 for this Council;
 - (e) the Council Tax level for Rushmoor Borough Council’s purposes of £214.42 for a Band D property in 2021/22 (an increase of £5);
 - (f) the Capital Programme, set out in Appendix 3(CAB);
 - (g) the Strategy for the Flexible Use of Capital Receipts, set out in Appendix 4(CAB); and
 - (h) the proposed transfers to and from earmarked reserves in 2021/22 and the holding of reserves, as set out in the Cabinet Report (Appendix B); and
- (ii) Approval be given to the following, as detailed in Report No. FIN2030:
 - (a) following the review of Council Tax Support by the Task and Finish Group, the current scheme for working age customers continue for 2021/22 with the usual alignment to Housing Benefit Rates (this did not require consultation); and
 - (b) in light of the impact of the Covid-19 pandemic, a fundamental review of the Council Tax Support Scheme be deferred until 2021/22.

Following debate, the Recommendations were put to the meeting. On a Recorded Vote, there voted FOR: Cllrs Mrs. D.B. Bedford, J.B. Canty, Sue Carter, Sophia Choudhary, A.K. Chowdhury, D.E. Clifford, R.M. Cooper, P.I.C. Crerar, P.J. Cullum, Veronica Graham-Green, L. Jeffers, Prabesh KC, Mara Makunura, S.J. Masterson,

Marina Munro, K.H. Muschamp, A.R. Newell, M.L. Sheehan, M.D. Smith, C.J. Stewart, P.G. Taylor, M.J. Tennant, Jacqui Vosper and the Deputy Mayor (Cllr B.A. Thomas) (24); AGAINST: Cllrs Gaynor Austin, T.D. Bridgeman, A.H. Crawford, K. Dibble, C.P. Grattan, Christine Guinness, Nadia Martin and M.J. Roberts (8); and ABSTAINED: Cllr T.W. Mitchell and the Mayor (Cllr M.S. Choudhary) (2) and the Recommendations were **DECLARED CARRIED**;

(4) Review of Rushmoor's Polling Districts and Polling Places

Cllr S.J. Masterson introduced the Report of the Licensing, Audit and General Purposes Committee meeting held on 25th January 2021, which recommended the approval of proposed permanent changes to polling districts and polling places. It was MOVED by Cllr S.J. Masterson; SECONDED by Cllr Mara Makunura – That approval be given to proposed permanent changes to polling districts and polling places, as set out in the Report.

There voted FOR: 34; AGAINST: 0 and the Recommendations were **DECLARED CARRIED**.

41. THE COUNCIL TAX 2021/22

It was MOVED by Cllr D.E. Clifford; SECONDED by Cllr P.G. Taylor – That

- (i) it be noted that the Council calculated the amount of 32,309.09 as its Council Tax Base for the year 2021/22 in accordance with Section 31B(3) of the Local Government Finance Act 1992 as amended by the Localism Act 2011 (the 'Act').
- (ii) the following amounts be calculated by the Council for the year 2021/22 in accordance with Sections 31 and Sections 34 to 36 of the Act:
 - (a) £85,708,962 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act
 - (b) £78,781,247 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £6,927,715 being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year
 - (d) £214.42 being the amount at (ii)(c) above, all divided by the amount at 1 above, calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.

(e)

Valuation Band	Rushmoor Borough Council
A	£142.95
B	£166.77
C	£190.60
D	£214.42
E	£262.07
F	£309.72
G	£357.37
H	£428.84

being the amounts given by multiplying the amount at (ii)(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 listed in different valuation bands;

- (iii) it be noted that for the year 2021/22 Hampshire County Council, the Police and Crime Commissioner for Hampshire, and Hampshire and Isle of Wight Fire and Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Precepting Authority	Precept Amount
Hampshire County Council (HCC)	£43,631,811
Police and Crime Commissioner for Hampshire (PCCH)	£7,316,716
Hampshire and Isle of Wight Fire and Rescue Authority (HIWFRA)	£2,275,529

Valuation Band	HCC	PCCH	HIWFRA
A	£900.30	£150.97	£46.95
B	£1,050.35	£176.14	£54.78
C	£1,200.40	£201.30	£62.60
D	£1,350.45	£226.46	£70.43
E	£1,650.55	£276.78	£86.08
F	£1,950.65	£327.11	£101.73
G	£2,250.75	£377.43	£117.38
H	£2,700.90	£452.92	£140.86

- (iv) That, having calculated the aggregate in each case of the amounts at (ii)(e) and (iii) above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2021/22 for each of the categories of

dwellings shown below:

Valuation Band	TOTAL
A	£1,241.17
B	£1,448.04
C	£1,654.90
D	£1,861.76
E	£2,275.48
F	£2,689.21
G	£3,102.93
H	£3,723.52

- (v) That the Council determines that the Council's basic amount of Council Tax for 2021/22 is not excessive in accordance with principles approved under Section 52ZB of the Local Government Finance Act 1992.

Following debate, the Motion was put to the meeting. On a Recorded Vote, there voted FOR: Cllrs Mrs. D.B. Bedford, J.B. Canty, Sue Carter, Sophia Choudhary, A.K. Chowdhury, D.E. Clifford, R.M. Cooper, P.I.C. Crerar, P.J. Cullum, Veronica Graham-Green, L. Jeffers, Prabesh KC, Mara Makunura, S.J. Masterson, Marina Munro, K.H. Muschamp, A.R. Newell, M.L. Sheehan, M.D. Smith, C.J. Stewart, P.G. Taylor, M.J. Tennant, Jacqui Vosper and the Deputy Mayor (Cllr B.A. Thomas) (24); AGAINST: Cllrs Gaynor Austin, T.D. Bridgeman, A.H. Crawford, K. Dibble, C.P. Grattan, Christine Guinness, Nadia Martin and M.J. Roberts (8); and ABSTAINED: Cllr T.W. Mitchell and the Mayor (Cllr M.S. Choudhary) (2) and the Recommendations were **DECLARED CARRIED**.

42. **QUESTIONS FOR THE CABINET**

The Mayor reported that two questions had been submitted for response by Members of the Cabinet.

- (1) The first question had been submitted by Cllr P.J. Cullum for response by the Leader of the Council (Cllr D.E. Clifford) and related to the role of the private sector in the response to the Covid-19 pandemic.

In response, the Leader of the Council (Cllr D.E. Clifford) paid tribute to the many organisations in the private sector which has supported the response. In particular he referred to local pubs, supermarkets and couriers who had supported the call for help in donating and delivering food and essential items, including medicines, to the Borough's residents.

- (2) The second question had been submitted by Cllr Sue Carter for response by the Democracy, Strategy and Partnerships Portfolio Holder (Cllr A.R. Newell) and related to how long the Borough's Covid-19 test centre would be running, what the capacity was for testing per day and whether people who come to work in the Borough were also eligible to use the test centre.

In response, Cllr Newell stated that the local community testing centre at Farnborough Leisure Centre had opened earlier that week and was due to run

initially for a period of six weeks. The Director of Public Health at Hampshire County Council was leading the programme and any decision to extend it beyond six weeks would be with Hampshire. Cllr Newell confirmed that anyone who lived or worked in Hampshire was eligible to use the Rushmoor test centre. In terms of capacity planning, it was estimated that up to 9,600 people per week could use the test centre. However, there was the ability to adjust the capacity to accommodate local demand and there was an ongoing communications campaign to encourage anyone eligible to come forward for testing.

43. REPORTS OF CABINET AND COMMITTEES

RESOLVED: That the Reports of the following meetings be received:

Cabinet	8th December 2020
Cabinet	19th January 2021
Licensing, Audit and General Purposes	23rd November 2020
Development Management	20th January 2021
Licensing, Audit and General Purposes	25th January 2021

44. REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE AND POLICY AND PROJECT ADVISORY BOARD

RESOLVED: That the Reports of the meetings of the Policy and Project Advisory Board held on 25th November 2020 and 27th January 2021 and the meeting of the Overview and Scrutiny Committee held on 4th February 2021 be received.

The meeting closed at 10.11 pm.

COUNCIL MEETING – 22ND APRIL 2021

AGENDA ITEM NO. 4 (1)

RUSHMOOR HOMES LTD (RHLtd) - BUSINESS PLAN 2021-2026

A report from the meeting of the Cabinet held on 16th March, 2021.

SUMMARY AND RECOMMENDATIONS

This report presents the second business plan for RHLtd. approved at the Board Meeting on 3rd March 2021, covering the period 2021 – 2026 and the first Shareholder Report covering the first six months of RHLtd's operation.

The Council is recommended to:

- Approve Rushmoor Housing Limited's Business Plan 2021 – 2026 as set out in Appendix 1.
- Authorise the Council's Chief Executive to approve any variations in the delivery methods used to achieve the outcomes of the Business Plan provided it is within the approved budget; and
- Note the funding required to finance the company's operations and acquisition and development programme.

1.0 INTRODUCTION

- 1.1 The Company was incorporated on 22nd April 2020. It is a company wholly owned by the Council.
- 1.2 Under procedures agreed when the company is required annually to prepare a rolling five-year business plan for the Council's approval.
- 1.3 The governance arrangements for the company require a half year report on progress against the business plan to be submitted to the Council's Shareholder representative, the Chief Executive.
- 1.4 This report presents the business plan for 2021/22 to 2025/26 and the 6-month report submitted to the Council's Shareholder representative which has been included.

2.0 BACKGROUND

- 2.1 Since its incorporation the Company has made significant progress:
 - Held regular Board meetings

- Procured a managing agent to deal with the letting and management of its properties
 - Procured legal advisors
 - Prepared to take a transfer from the Council of two properties
 - Prepared a planning application for one site for development.
 - Prepared its branding
- 2.2 There have been challenges, particularly around the impact of Covid-19 but also around site issues, resources available to support the company and a pause following changes to the Public Works Loan Board Lending terms to allow officers to work through the implications for the Council.
- 2.3 The Business Plan 2021-2026 summarises the outcomes of the first year of trading and looks forward over the next five years. It is attached at Appendix 1.
- 2.4 A summary of the first six month's activity is included in its first report to its Shareholder which is attached at Appendix 2.

3.0 PROPOSAL

- 3.1 The second business plan which has been prepared to cover activity for the period 2021-2026 includes a programme for the delivery of 59 homes based mainly on acquiring properties and sites from the Council.

Key Changes

- 3.2 This second business plan varies from the first in the in several areas.
- There is a delay in the delivery timetable – this is due to a number of issues, Covid-19, challenging site issues to be resolved before transfers to RHLtd, more realistic project planning following assessment of workstreams and resources as part of the Council's work to strengthen programme and project management.
 - The indicative programme now yields 59 units rather than 57 following the
 - Addition of two units to the programme resulting from a proposed acquisition of a property in third party ownership and conversion to two flats.
 - Addition of a potential six units at Windsor Way, Aldershot
 - Loss of 2 units from the programme as site proposals were developed further to provide a fully planning policy compliant scheme.
 - Consequential changes to the funding profile, increasing the overall peak debt level by just under £1m to £12.696m and delaying repayment of loans from year 44 to year 45.

The programme

- 3.3 The current list of sites and indicative delivery programme is included within the Business Plan (Appendix 1). This programme drives the financial modelling used to calculate the funding required from the Council to achieve the target number of homes.

- 3.4 The first two properties to be purchased by the Company from the Council are 12 Arthur Street and 154 Ship Lane. Together these will produce four homes for letting in a short timescale.
- 3.5 A planning application for a development on the combined sites at land adjacent to 3a Arthur Street and 69 Victoria Road has been prepared and will be submitted for planning permission by the end of this financial year following successful pre-application discussions. In light of the progress of the project, permission for the Council to dispose of the sites to the Company will be sought in due course. The Council can achieve best consideration for the land while achieving the objectives it has for the Company by disposing of the land at the market value for the proposed purpose (private rent) and an overage clause.
- 3.6 The next sites programmed to be prepared and delivered are: land at Churchill Crescent, Farnborough; and 237 High Street, Aldershot which should both deliver units in 2022/23. The complexities of delivery of these sites mean that a separate report will be submitted to Cabinet for approval in due course.

Financial modelling

- 3.7 The financial model reflects the development programme timetable. The model's general assumptions are updated six-monthly. As scheme proposals become more detailed and site-specific information becomes available, this is used in the model.
- 3.8 The model produces financial information that shows the funding required from the Council. The latest model indicates the need to borrow approximately £12.148m to fund expenditure in creating the property portfolio over the period to 2025/26.

Table 1

Financing Requirement	2020/21 (£m)	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)	2025/26 (£m)
Financing required for period	0.771	5.436	4.862	0.854	0.117	0.109
Cumulative financing required	0.771	6.206	11.068	11.922	12.039	12.148

- 3.9 The Company will use its income from rents to repay loans and pay interest at 5.5%. Based on its current programme lending will peak at £12,695,569 in year 16. The debt will gradually decline until year 45 when it will be discharged.
- 3.10 In the event that further opportunities to grow the rental portfolio arise, additional funding based on a revised business plan would be required. No assumptions about growth beyond the specific sites identified has been factored into the model at this stage. However, as part of the due diligence with regard to the proposed Union Yard development in Aldershot the Council has modelled scenarios which could include the long-term ownership and

management of the private rented units in the scheme by the Company. Should this option be pursued then further work would be required. The Company would need to review among other matters:

- The alignment of the purchase with the aims of the Company.
- Production of a revised business plan, based on an updated financial model, would need to be submitted by RHLtd to the Council at an appropriate stage.
- The impact on the Business Plan and the key metrics agreed by the Board and the Council, including the ability of the Company to service any additional loans.
- Consideration of the risks of taking on a single large development which exceeds the planned scale of the company to 2024 and potential mitigation.
- The potential benefits of expansion of the company through a single “off the shelf” purchase where the company is not bearing the development risk.
- A review of the market and expected competition for the residential, rental offer in this location.

- 3.11 Following this review, and subject to the Council proceeding once it had undertaken its appropriate due diligence, a further report would be provided to Cabinet and Council with a revised business plan setting out the financing and borrowing implications.

Funding

- 3.12 The Company is dependent on the Council for its funding. To finance loans the Council will borrow funds as part of its treasury management strategy. The Council will benefit from the margin between its borrowing from PWLB and the interest paid by the Company at 5.5%. The Council will undertake borrowing in accordance as set out in the Treasury Management Strategy.
- 3.13 The Council will make interest payments in accordance with the terms of the Facility Agreement with the council, and the interest payable each year will be dependent on the amount and the timing of the drawdowns.

Table 2

Interest Payable profile	2021/22 (£'000)	2022/23 (£'000)	2023/24 (£'000)	2024/25 (£'000)
Interest payments to RBC	150	498	643	658

3.14 The estimated amount of interest payable by the Company to the Council is shown in the table above. The actual amount payable in each period will be dependent on the timing of each drawdown and the amount of each drawdown. The Council included an estimate of the total return in the Revenue Budget, Capital Programme and Council Tax Level report to Council on 25 February 2021. In addition to the interest payable, the Council will benefit from contract payments for staff time, estimated at around £36k in 2021/22 increasing to £39k by 2024/25.

3.15 Council approved the Annual Treasury Management Strategy and the Capital Programme on 25 February 2021. These provided the relevant capital expenditure plans and capital financing requirement to facilitate expenditure and lending arrangements in relation to the Company.

Governance

3.15 The governance arrangements put in place by the Council are as shown in figure 1 Appendix 2. Reporting by the Company is to the Council's Chief Executive as shareholder representative. The shareholder representative will report on to Council and its committees as appropriate.

Future Business Plans

3.17 The Company will continue to prepare five year rolling business annually for approval. It will also be required to prepare a new business plan if it wishes to pursue opportunities outside the approved business plan. However, the company is permitted to amend the way the plan is delivered provided the numbers of units produced and the overall funding requirement is not varied subject to application to the Shareholder who will then deal with the matter.

Operational Matters

3.17 RHLtd continues to use the Council's staff to run the company

- Tim Mills RBC Head of Economy Planning and Strategic Housing
- Sally Ravenhill RBC Housing Enabling and Development Manager
- Charlie Heavens RBC Regeneration Officer

3.18 The six-monthly shareholder report noted the retirement of the Company Accountant. Since which time the Council has put in place support on an interim basis through secondment from Grant Thornton. Similarly RHLtd is utilising the services of interim property support employed by the Council.

- Guy Clifton - Senior Accountant and Company Accountant

- Simon Ross - Interim Construction Surveyor

- 3.19 The estimated payment for use of Council staff in 2020/21 is £37k. A single payment for 2020/21 will be made in April 2021 based on the actual time commitments. In future payments will be made on a quarterly basis again based on actual time commitments. The increasing activity of the Company may see this increase but will be dependent on the exact demands of the programme and how far these can be met by the Council.
- 3.20 In addition, a managing agent has been procured, LRG Romans, to let and manage the properties and legal advisers Browne Jacobson. Further procurement of valuation and surveying services, employer's agent and architects for the next phase of development schemes are planned early in 2021/22

4.0 IMPLICATIONS

Risks

- 4.1 A risk register for the Company is included within the Business Plan. This risk register contains detailed risks relating to the company. A higher level risk register for the Council is also included (Appendix 3) which addresses the outcomes and impacts for the Council. The principal risks for the Council, are:
- The Company fails to complete its developments on time and its ability to repay loans and interest is compromised.
 - The extent and timing of development does not meet the Business Plan resulting in lower borrowing and hence reduced income to the Council.
 - The Company performs badly against its Business Plan and its projected repayment of loans is pushed so far into the future that it no longer meets the test for being a going concern.
 - The Council's ability to borrow to finance RHLtd is compromised. The recent changes to Public Works Loan Board guidance illustrated the vulnerability of the housing company model to changes of this nature. The PWLB Lending Terms defines 4 activity areas that the government will support through PWLB lending. This includes Housing delivered through a local authority housing company.
 - The Company requires additional funding to allow it to complete developments and realise funds to repay existing loans.
- 4.2 Mitigation measures for these risks include:
- Regularly performance monitoring and reporting as required to the Council.
 - Review of the financial model to sensitivity test the programme, and to develop a new model to provide necessary financial reporting information for an operational company, including cash flow analysis
 - Ensuring that the Company has appropriate staff resources.
 - Ensuring that an exit strategy is available at any point in time and is managed accordingly. The exit strategy is centred on property sales. The

Council is, therefore, more at risk in the period of time between loans being made and developments completed and income producing. This will occur early in the Company's development programme when its asset base is below or close to its debt liabilities.

- Loan funding will be in accordance with the Council's Borrowing Strategy set out in the Annual Treasury Management Strategy.

Legal implications

- 4.3 The Company is now established as a separate but wholly owned legal entity. The Council has a continuing role in ensuring proper governance and in exercising influence in its role as the only shareholder.

Financial and Resource Implications

- 4.4 Lending to the company is a substantial commitment on the part of the Council but it represents an opportunity to operate in the housing market to achieve the Council's purposes and to participate in regeneration activities. The success of the Company will enable the Council to receive interest on its loans as set out.
- 4.5 The current level of development activity proposed can be supported by existing Council staff with assistance from specialist consultants. This will need to be monitored to make sure developments can be delivered on time. Any greater volume of work or shorter timescales may require further resources.

Equalities Impact Implications

- 4.6 There are no equalities issues identified arising from this report.

5.0 CONCLUSIONS

- 5.1 The progress of the Company during its first year was slower than expected due to a number of factors described earlier in this report. However, work has been completed to ensure that the Company is now in a position to begin to deliver homes for rent. The Business Plan lays out a programme that will deliver approximately 60 units and will regenerate sites currently in the Council's ownership. This will help the Council to meet its objective to create a landlord that provides good quality, well managed private rented homes.

PAUL SHACKLEY
CHIEF EXECUTIVE AND
SHAREHOLDER REPRESENTATIVE

**Rushmoor Homes Limited
Draft Business Plan
2021 - 2026**

Executive Summary

This is the second business plan for Rushmoor Homes Limited (RHLtd). It is good practice to regularly review and update Business Plans to reflect changing circumstances and this is in any case a requirement of the governance arrangements for RHLtdTD. Each plan covers a five-year period. The initial plan was from April 2020 to April 2025 and this plan covers the period from April 2021 to April 2026.

The company is wholly owned by Rushmoor Borough Council (the Council) and was established to meet a number of objectives. Its principal aim is to increase the supply of good quality private rented homes in the borough, meeting housing need as well as operating in a commercial manner to ensure that as a limited company it is operating as a “going concern” and can service its financial obligations including loans from the Council which have to be provided at a state aid compliant commercial rate.

The company aims to achieve a portfolio of approximately 50 – 60 homes over its first five years of operation. It will use properties and sites that are currently in the ownership of the Council but will consider opportunities

to acquire land or properties to expand its holdings.

Since its formation on 22 April 2020, the company has begun to make progress. Managing Agents have been selected, the Board is meeting regularly, and the company is preparing to take transfer of the first two properties from the Council.

Progress on delivering the programme has been slower than expected largely due to the effects of Covid-19, the challenges of seeking to develop in low value areas and property issues to be resolved before transfers take place. The indicative programme for the next five years has been revised to reflect this.

To deliver this programme the company will secure finance from the Council to fund development and operating costs. The debt incurred will accumulate to a maximum of £12,695,569 in year 16 after which it will decline and be paid off by year 45. This differs from the original business plan where debt was expected to peak in year 15, and maximum debt to be £11,770,000 with repayment by year 44. The programme as currently modelled does not include planned sale of properties.

The company expects to achieve net rents of £594,600pa by year 2025/26. These will be used to cover operating costs, finance costs and tax.

The company is operating in an area of strong housing demand. Local rentals have not significantly increased over the last year however, although not a predictor of future performance, past trends show consistent growth over the long term. Employment levels are weakening due to the impact of the Covid-19 pandemic and this may affect demand and rental values.

The company's target market remains working households with an income of between £30,000 and £60,000. The expected programme is comprised primarily of one and two bedroom homes.

This business plan provides detail on the first four properties/sites to be acquired/developed by the company. The property transfers and the funding that is required by RHLtd or its second year of trading is set out in the plan for approval by its Shareholder.

RHLtd is funded 100% by the Council. To determine the level of funding it requires and to continually monitor the viability of its business plan the company uses a financial model that was developed with the Council. This is used to evaluate individual development schemes as well as the complete programme.

In its first year and for the period of the current Business Plan the company will use Council staff to carry out the day to day functions of the business, with consultants employed where additional expertise is needed. Monitoring of performance is carried out by the Council, as shareholder, through governance procedures established by the Council and set out in its constitution.

2.0 Company Purpose

This business plan sets covers the work of RHLtd for the period April 2021 to April 2026. The plan takes account of the housing market context within which the company is working and the risks that may arise from the effects of Covid-19 and Brexit.

The Council, as the company's sole shareholder, has provided the company with a set of objectives and targets which will be monitored by the Council as shareholder and through agreed governance arrangements. The company's prospective development programme is set out based on a limited portfolio of properties and sites currently in the ownership of the Council,

Underpinning the company's activity is the ability to draw finance from the Council and the plan identifies the resources required to deliver the target number of new homes over a five-year timescale.

RHLtd's purpose, as defined by the Council, is to participate directly in the housing market by providing quality homes for market rent. It will take a transfer of the Council's existing residential properties and create a residential private market rent property portfolio. It also aims to help the Council with its need for affordable and temporary accommodation provided this can be done without significantly compromising its financial viability and where a company is the best means of achieving the required outcomes;

As the sole shareholder, the Council has influence over outputs e.g. type of housing, rents, returns to the Council which it will exercise through the approval process for this Business Plan.

3.0 Company Values

The way in which the company operates is an important part of the business plan. The company strives to become the best landlord in the borough and seeks to become:

- A trusted partner of its shareholder: Rushmoor Borough Council
- A trusted private sector landlord providing quality homes and services
- A business that operates with integrity and treats tenants, contractors and partners with respect.
- A learning organisation that acknowledges and learns from mistakes, and recognises good work.

5.0 Targets

Reflecting the purpose set by the Council, the Company's objectives are

- to take a transfer of existing residential properties owned and let by the Council;
- to develop/acquire property to assemble a residential property portfolio that may contain a range of tenures;
- provide quality homes for rent in the private rented market to meet housing need and create a revenue stream providing a return on investment to its Shareholder (the Council);
- to remain financially viable and commercially sustainable;
- to assist the Council in meeting requirements for affordable housing and temporary accommodation where a company is the best means of achieving the required outcomes;
- to assist the Council in meeting its regeneration and sustainability objectives contributing to a greener borough and improvements in the built environment
- to provide an efficient landlord service including housing management and maintenance;
- to maintain its properties to a standard that meets tenants' reasonable expectations; protects Shareholder reputation and shareholder investment in the company, and
- create saleable, realisable assets should the generation of capital receipts become a priority for its Shareholder.

Potential Customers

The company will focus on providing good quality, well maintained homes. It will initially offer homes to small, working households whose incomes will be broadly in the range of £30,000 -£60,000pa. The properties will be let on 6-month assured shorthold tenancies. These will continue as periodic tenancies, provided tenants pay their rent and abide by other terms of their tenancy. The company will take a commercial approach to letting its homes, making sure tenants have the ability to pay their rent.

The company's aspiration is to be commercially successful so that in time, provided its financial viability is not significantly compromised, the company could consider introducing an element of affordable/discounted rent housing to meet the needs of those on lower incomes.

Modelling of scenarios with varying amounts and types of housing at a discounted rent (affordable) indicate that this is unlikely to be possible without some form of subsidy in the short/medium term. The Company will need to substantially out-perform its business plan to build a surplus if it is to provide affordable housing without subsidy.

The targets set out in the company's first business plan were as follows:

- To deliver 57 homes for private market rent by 2023/24
- To put in place a pipeline of future properties to take forward a programme beyond 2023/24.
- To provide homes for rent where the asset value is greater than total scheme costs and shows a return on investment of 2% (excluding capital growth in portfolio assets).
- Repay initial loans by year 44
- Provide the Council with £283,000 net income on average over the first 10 years.

An internal rate of return that takes account of growth in property sale values is not being relied upon because at this stage the programme is for rent only and does not envisage any property sales. For each project, monitoring will be carried out to determine if sale of a property could increase the overall rate of return of the programme.

First year performance against this first business plan was affected by Covid-19 restrictions, the loss of a key member of the delivery team, staff resources allocated to support delivery and the challenges of developing small sites in low value locations many of which have issues to resolve before they can be purchased by the company.

Progress against first business plan targets

A summary of the expected first year performance against the first business plan is as follows.

First Business Plan Targets	Estimated progress for April 2020 – March 2021
Deliver 10 homes for market rent	4 homes
Provide homes for rent where the asset value is greater than total scheme costs and shows a return on investment of 2% (excluding capital growth)	To be evaluated on a scheme by scheme basis
Repay loans by year 44	Year 45
Provide the Council with an annual income based on interest of 5.5% on loans averaging £283,000 net income over 10 years	£3,500

A review of targets and the capacity to deliver the required outcomes has resulted in a revised programme that changes the funding needed from the Council and RHLtd's repayment profile.

The revised programme is set out later in this Business Plan and will need approval from RHLtd's shareholder, Rushmoor Borough Council.

6.0 Returns to Shareholder

As well as helping to meet housing need the company seeks to provide a commercial return to its shareholder. To achieve this and ensure its financial sustainability the company will:

- Pay a margin on loans from the Council
- Use income to pay down debt
- Monitor performance of assets to provide advice on whether disposals could be considered if cash is required by the Council
- Maximise income, and efficiency of property management services.
- Pay the Council cost recovery rates for Council staff working on company business.
- To discharge debt before paying dividends.

7.0 The Programme

In the next five years RHLtd will seek to create a property portfolio as shown in table 3. This is based on property currently in the ownership of the Council.

Table 3: Property Portfolio

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of Properties transferred	4	0	0	2	0	0
Number of Properties developed and completed	0	2	35	16	0	0
Number of properties Acquired	0	2	0	0	0	0
Cumulative number of properties	4	6	41	59	59	59

This programme is based on taking a transfer of Council owned properties / sites. In a competitive market this will be the easiest way to generate units in the short term. Additional units may be added by acquisition of individual units from the market or by taking development opportunities if they arise. Any such acquisitions will require purchase at discount to the market sale values

The programme will be financed by Rushmoor Borough Council in the form of loan notes charged at 5.5% pa. This is a commercial rate for lending to a newly formed wholly

owned company determined in consultation with the Council's Treasury Advisers and takes account of the Council's obligations regarding State Aid.

A more detailed programme of work for the next five years of operation is set out in Appendix 1. The business plan is reviewed annually and will take account of any changes arising from sites falling out of the programme or new sites being added.

Challenges around planning requirements have resulted in a reduction in potential units from the sites at Arthur Street and Victoria Road in Aldershot.

8.0 Company Financial Profile

The following tables set out the key income and expenditure for the company together with its requirement for capital. The costs included in the business plan are based on current estimated costs for the two existing properties being transferred and estimates for one initial development scheme which has been designed but is subject to planning permission. These properties are:

- 12 Arthur Street, Aldershot – transfer only
- Ship Lane Cemetery Lodge, Farnborough – transfer only
- Land adjacent 3a Arthur Street and land adjacent 69 Victoria Road –development of combined sites.

Further detail on these sites is contained in Appendix 2. As proposals for these three sites are developed, current appraisals will need to be revised to take account of more accurate information as it becomes available.

The second phase of the programme includes a site at Churchill Crescent which presents an opportunity to achieve approximately 8-12 units. Again, current appraisals will need to be revised as the scheme is finalised.

Costs for all other schemes in the programme use global assumptions in the financial model which are updated annually. As the initial schemes move through the development process costs will be tested and confirmed and future schemes will start to be developed in detail. Cost inflation is included in the model at 2.2% for the first three years of operation and 2.5% from year four. The advice received by RHLtd was that 2.5% was a reasonable long-term assumption for inflation. However due to actual rates and short-term projections, it was agreed that a lower rate should be assumed for the initial years. This will continue to be reviewed.

The financial model will continue to be updated with this information to ensure that individual projects and the programme remain viable. The financial model will also continue to be reviewed to improve its functionality and ensure its integrity on an ongoing basis. This information will inform subsequent annual updates to the Business Plan and any interim updates that are required.

Table 4 : Company Assets and Expenditure on Assets

	Full Yr. 2020/21 Yr.1	Full Yr. 2021/22 Yr.2	Full Yr. 2022/23 Yr.3	Full Yr. 2023/24 Yr 4	Full Yr. 2024/25 Yr 5	Full Yr. 2025/26 Yr 6	Full Yr. 2034/35 Yr 15	Full Yr. 2044/45 Yr. 25	Full Yr. 2063/64 Yr. 44
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Asset expenditure in period									
Land transferred from RBC for shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capitalised expenditure on assets	-0.1	3,873.6	4,279.5	217.6	0.0	0.0	0.0	0.0	0.0
Land transferred from RBC for loan note	675.0	1,420.0	306.5	500.5	0.0	0.0	0.0	0.0	0.0
Total – asset expenditure in period	674.9	5,293.6	4,586.0	718.1	0.0	0.0	0.0	0.0	0.0
Assets cumulative									
Land transferred from RBC for shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capitalised expenditure on assets	-0.1	3,873.5	8,153.0	8,370.6	8,370.6	8,370.6	8,370.6	8,370.6	8,370.6
Land transferred from RBC for loan note	675.0	2,095.0	2,401.5	2,902.0	2,902.0	2,902.0	2,902.0	2,902.0	2,902.0
Total – asset expenditure in period	674.9	5,968.5	10,554.5	11,272.6	11,272.6	11,272.6	11,272.6	11,272.6	11,272.6

Table 5: Company Balance Sheet

	Full Yr. 2020/21 Yr.1	Full Yr. 2021/22 Yr.2	Full Yr. 2022/23 Yr.3	Full Yr. 2023/24 Yr 4	Full Yr. 2024/25 Yr 5	Full Yr. 2025/26 Yr 6	Full Yr. 2034/35 Yr 15	Full Yr. 2044/45 Yr. 25	Full Yr. 2063/64 Yr. 44
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assets									
Assets (cumulative)	674.9	5,968.6	10,554.5	11,272.6	11,272.6	11,272.6	11,272.6	11,272.6	11,272.6
Assets – cash (cumulative)	-	-	-	-	-	-	-	-	-
Net all assets (cumulative)	674.9	5,968.6	10,554.5	11,272.6	11,272.6	11,272.6	11,272.6	11,272.6	11,272.6
Financing									
Accumulated (profit)/loss	95.7	237.7	514.0	649.5	766.0	875.1	1,418.4	418.4	(10,570.9)
Financing – loans	(770.5)	(6,206.2)	(11,068.4)	(11,922.0)	(12,038.5)	(12,147.6)	(12,690.9)	(11,690.9)	(701.6)
Financing – Equity	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Total finance	(674.9)	(5,968.6)	(10,554.5)	(11,272.6)	(11,272.6)	(11,272.6)	(11,272.6)	(11,272.6)	(11,272.6)

Table 6 A Company Profit and Loss: Income

	Full Yr. 2020/21 Yr.1	Full Yr. 2021/22 Yr.2	Full Yr. 2022/23 Yr.3	Full Yr. 2023/24 Yr 4	Full Yr. 2024/25 Yr 5	Full Yr. 2025/26 Yr 6	Full Yr. 2034/35 Yr 15	Full Yr. 2044/45 Yr. 25	Full Yr. 2063/64 Yr. 44
	£	£	£	£	£	£	£	£	£
Rent income – gross	(3,800)	(57,00)	(335,800)	(707,200)	(751,700)	(770,500)	(962,200)	(1,231,700)	(1,969,000)
Voids and bad debts 4%	200	2,300	13,500	28,300	30,100	30,9000	38,500	49,300	78,900
Management fee 9% gross rent (incl. marketing and letting)	300	5,100	30,300	63,900	67,900	69,600	86,900	111,300	177,900
Inventory costs	0	200	1,500	3,100	3,300	3,300	4,200	5,300	8,500
Insurance	100	700	4,500	9,300	9,800	10,100	12,600	16,100	25,700
Gas safety	100	1,600	9,800	20,200	21,300	21,800	27,300	34,900	55,800
Routine maintenance	200	2,200	12,200	25,000	26,500	27,100	33,900	43,400	69,400
Service charge	100	800	5,900	12,100	12,800	13,100	16,300	20,900	33,400
Major repair provision	0	0	0	0	0	0	13,100	16,700	26,800
Total deductions	1,000	12,900	77,700	161,900	171,700	175,900	232,800	297,900	476,400

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APPENDIX 1

NET RENT	(2,800)	(44,100)	(258,100)	(545,300)	(580,000)	(594,600)	(729,400)	(933,800)	(1,492,600)
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Table 6B Company Profit and Loss: Operating Costs

	Full Yr. 2020/21 Yr.1	Full Yr. 2021/22 Yr.2	Full Yr. 2022/23 Yr.3	Full Yr. 2023/24 Yr 4	Full Yr. 2024/25 Yr 5	Full Yr. 2025/26 Yr 6	Full Yr. 2034/35 Yr 15	Full Yr. 2044/45 Yr. 25	Full Yr. 2063/64 Yr. 44
	£	£	£	£	£	£	£	£	£
OPERATING COSTS									
Contract payments* to RBC for	95,000	35,900	36,800	37,700	38,600	39,600	49,500	63,400	101,300
Acquisition and development	If necessary external company / consultant costs will need to be added here								
Financial advice									
Accountancy									
Legal									
Consultants fees									
TOTAL OPERATING COSTS	95,000	35,900	36,800	37,700	38,600	39,600	49,500	63,400	101,300

Recharges for staff will include office accommodation, telephone, IT, printing and stationery, travel expenses etc

Table 6C Company Profit and Loss: Finance, Taxation and Net Profit and Loss

	Full Yr. 2020/21 Yr.1	Full Yr. 2021/22 Yr.2	Full Yr. 2022/23 Yr.3	Full Yr. 2023/24 Yr 4	Full Yr. 2024/25 Yr 5	Full Yr. 2025/26 Yr 6	Full Yr. 2034/35 Yr 15	Full Yr. 2044/45 Yr. 25	Full Yr. 2063/64 Yr. 44
	£	£	£	£	£	£	£	£	£
FINANCING AND TAXATION									
Interest payments	3,500	150,200	497,600	643,100	657,900	664,100	696,600	648,500	69,300
Corporation tax	0	0	0	0	0	0	0	0	249,700
TOTAL FINANCE AND TAX COSTS	3,500	150,200	497,600	643,100	657,900	664,100	696,600	648,500	319,000
NET (PROFIT) / LOSS	95,700	142,000	276,300	135,500	116,500	109,100	16,700	(221,900)	(1,072,300)

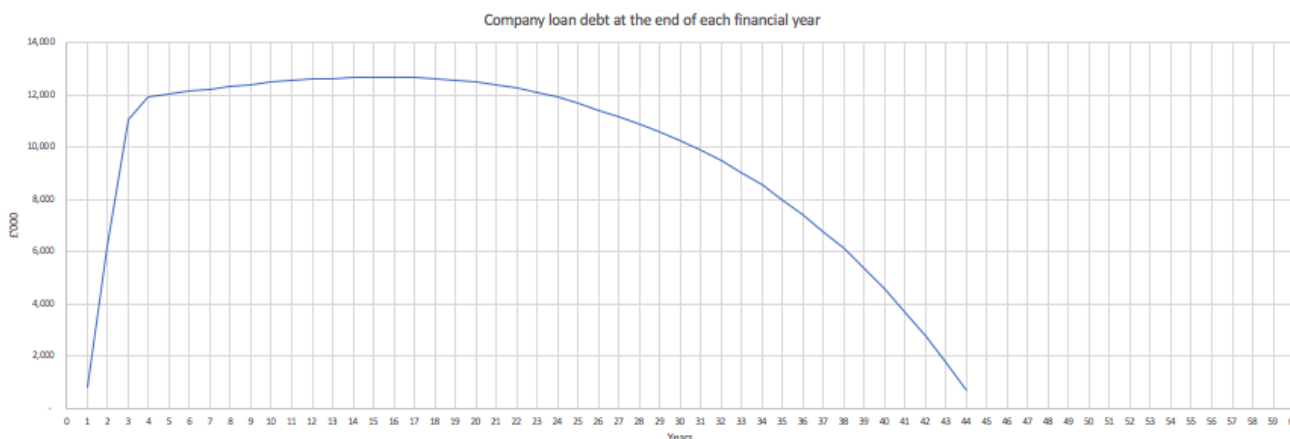
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APPENDIX 1

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9.0 Loan Debt

To bring forward the programme as set out in section 8.0 the total loan debt incurred by the fifth year of this business plan is £12,038,000. This will increase to a peak of £12,691,000 by year 15 before beginning, gradually to decline. Debt for the expected programme will be cleared by year 45.



10.0 Development Programme Tasks

For the existing properties that are to transfer to RHLtd the following tasks need to be completed

- Preparation of properties for sale – to be carried out by the Council
- Transfer of site / property with associated valuation and legal work
- Taking properties into management

For each of the development sites listed the following tasks need to be completed

- Preparation of properties for sale – to be carried out by the Council
- Transfer of site / property with associated valuation and legal work
- Novation of any contracts currently in place with the Council
- Planning application to be handled by consultant architects
- Planning consent achieved
- Building regulations consent
- Preparation or employers' requirements
- Tender
- Tender evaluation
- Pre contract work
- Contracts signed
- Contract lead in
- Start on site
- Project monitoring
- Completion
- Handover
- Letting

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In addition, the company will need at the appropriate time to:

- Explore options for acquiring properties on the open market, offering a solution to empty property owners and acquiring development opportunities
- Explore ways in which to incorporate energy efficiency and sustainability into its development programme
- Explore options for providing housing at a discounted rent and the opportunities to obtain subsidy to enable this to occur
- The level of activity shown above can be delivered using existing RBC staff contracted to the company with support from consultants. A more aspirational level of activity would need additional staff resources.

Once into its fourth year of operation RHLtd will be in a position to investigate and take up additional development opportunities and to consider whether it can provide a limited number of affordable homes in future years.

11.0 Operational Management

In the period leading to and following its registration, the company has established its policies on issues such as rents, tenancies and repairs and maintenance, along with its brief for developments.

RHLtd has contracts with the Council for staff that are carrying out the following functions

- Administration and support of the Company and its Board
- Purchase of sites and properties
- Coordinating planning applications
- Commissioning architects
- Commissioning employers agents
- Commissioning and overseeing managing agents
- Assessing Company funding requirements
- Entering into Loan documents
- Administering invoicing and payments
- Preparing Annual accounts
- Preparing VAT
- Tax accounting

These staff are charged to RHLtd on a cost recovery basis.

To assist with the management of the tendering and construction phase of the development programme it is possible that the company will procure development management services from another Council owned housing company, registered provider or other commercial partner.

Property management

In order to provide good quality property management RHLtd has procured experienced managing agents, LRG Romans. They will be contracted for a period of 3 years.

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In time and when there is sufficient scale, the company will give consideration to whether these services or elements of these services can be taken in house.

12.0 Operating Context and the Housing Market

Initially the company's activity will be focused in the borough of Rushmoor. In time its property portfolio may expand into the local housing market area if necessary to meet the housing need and demand of Rushmoor and subject to advice on whether this is in accordance with guidance on Public Works Loan Board lending.

Based on market information set out in this section the company will be operating in a market where there is continuing demand for privately rented homes. There may be competition at the top end of the market with the new homes being marketed by Grainger plc, however, if the company pitches its target tenants correctly and provides a professional landlord service it is likely to secure tenants and minimise voids.

Growth in capital values has slowed recently and growth may be further impeded by uncertainty in the wider economy due to the pandemic and Brexit but over the long term (based on past trends) the company can expect to see gains in the capital value of its portfolio.

Performance of the local housing market

Rushmoor is an area of high housing demand which is not met in full by housing supply. As a consequence prices have risen consistently. A housing fact sheet prepared by the Council provides background information and is at appendix four. There is a continuing issue with affordability and access to home ownership with a median house price to median income ratio of 9.35¹. The general trend indicates a level of house price growth that has the potential to capital returns on investment above those represented by rental return only.

Following the national trend, the number of households in privately rented accommodation has increased significantly². Census data on tenure by local authority area showed an increase in households renting from private sector landlords from 6.6% in 2001 to 17.6% in 2011. It is expected that difficulties in saving for a deposit, which remains a particular challenge in the South East, strict mortgage lending criteria and high prices means many households will have to rent privately to meet their housing needs.

As well as those who use the private rented sector because of difficulties in accessing home ownership there are others who choose this tenure for its flexibility and others who are supported in the sector through the welfare system.

In general terms private renters tend to be younger (57% under 44). Single person households and couples with no dependent children account for 49% of households in this sector and

¹ (Source: Office for National Statistics, house price to residence based earnings ratio April 2019)

² The English Housing Survey: Private Rented Sector, 2016-17 reported that the proportion of private rented sector households has doubled since 1996-97 and the overall size of the private rented sector has increased over this time from 2.1 million households in 1996-97 to 4.7 million households in 2016-17. Growth was particularly strong after 2008-09 but appears to have slowed in more recent years.

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64.6% of households are in full time employment.³

Table 1: Rents (£) per calendar month

Rushmoor	1 bed			2bed		
	LQ	Median	UQ	LQ	Median	UQ
private rent p.c.m.£	700	750	825	850	925	1,050

Source: Private Rental Market Statistics, Valuation Office Agency April 2019 – March 2020

LQ = lower quartile

UQ = upper quartile

Table 2: Current Asking Rents Zoopla Dec 2020

Post code	Property Type	
	1 bed flat	2 bed flat
GU11	£700 pcm (9) ⁴	£940 pcm (12)
GU12	£790 pcm (4)	£875 pcm (3)
GU14	£870 pcm (22)	£1,008pcm (17)

Employment and Incomes

In October 2020 5.5% of Rushmoor's working age population (16 -64) were claiming out-of-work benefits principally, for the reason of being unemployed. This is much higher than in March 2020 before the first Covid 19 lockdown, when the rate was 1.7%.

Provisional figures from the Annual Survey of Hours and Earnings show that in Rushmoor median annual incomes are £32,236 (£2,686 pcm) and lower quartile incomes £19,375 (£1,614 pcm). At this level of income a number of rents in table 2 would represent more than 30% of gross income for a single earner household, therefore, the company's rental offer will need to be targeted at those earning close to, or above, the median income or households with two incomes.

Buy to let

The private rented sector in Rushmoor is dominated by landlords owning a small number of properties. Many of these landlords will have acquired their properties under buy to let mortgages.

Tax changes which increased stamp duty on buy to lets; the phasing out of higher rate tax relief and strict mortgage lending criteria may have had the effect of reducing the number of Buy to Let landlords that has been reported nationally. This reduction in supply has the effect of supporting rents.

Private sector investment in private rent

This sector is relatively new to Rushmoor. As part of the Wellesley development a number of private rent units are being developed. The first of these are currently being let. Developed by Grainger plc, they are flats aimed at professional people. Asking rents are over

³ (Source: Ministry of Housing Communities and Local Government Statistical data sets Table FA3101 2018/19)
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⁴ Brackets indicate sample size

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£900 per month. Build to rent is helpful on larger development sites generating income without competing with sales, therefore, Grainger may continue to include this form of tenure in the private sector element of the 4850 new homes to be delivered at Wellesley.

As part of our developing relationship with our managing agents we will be undertaking further research on the market and competitors.

The future

Past trends would indicate good levels of rental and house price growth. The effects of the Covid-19 pandemic and Brexit will be felt in the wider economy particularly as the labour market weakens. Consequently, Savills UK Housing Market Update October 2020 predicts that 2020 will show growth in house prices but as unemployment rises and the stamp duty holiday ends it is unlikely there will be continued growth in 2021.

The Nationwide House Price Index October 2020 similarly predicts that market activity will slow from the healthy position in 2020, as the stamp duty holiday ends and unemployment rises.

Local asking rents collected from Rightmove and Zoopla show a slight softening of the market. For this reason a rental inflation rate of 1.3% for the first three years of the programme, rising to 2.5% in year four continues to be used in the programme modelling.

The housing market will continue to be monitored regularly and the marketing strategy agreed with our managing agents.

13.0 Risk and Exit Strategy

Funding costs – in its early life the company will be dependent on RBC finance. The terms on which this is available may change depending upon circumstances prevailing at the time.

Funding availability – Changes in national or local priorities and policies may restrict RBC's ability to provide funding for example recent amendments to Public Works Loan Board lending guidelines.

Rental income – the Company relies on rental income to fund its operations and to make a return. Rental income could be at risk if there is a downturn in demand fuelled by decreasing incomes or rental inflation falls below cost inflation. Rents could be affected by national policy changes, for example rent controls.

Capital growth – while house price inflation has not been factored into the financial model, the Company could sell its assets (with the approval of RBC) at which point any capital growth will be realisable. Because of the cyclical nature of the housing market there will be times when house price inflation slows, if this occurs it could affect the return that is achievable.

Increased Costs – the company is at risk of rising costs across a range of its functions including repairs costs, construction cost, poor project management

Expansion – although an indicative initial portfolio of properties has been identified opportunities to expand may be limited in a highly competitive housing and land market. In addition as more detailed site investigation and appraisals are carried out some sites in the indicative programme may not proceed. In the event that expansion is possible the company will need to monitor the effect that its activities are having on the local market.

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Capacity – In order to build out the programme more quickly than currently scheduled or to increase the programme, the number of staff, their skills and expertise, would need to be increased.

Operational risks – these centre around tenancy management and the risk of bad debts, damage to property and voids all of which can affect net rental income. For this reason ensuring the quality of managing agent and careful selection and support for tenants is important.

National policy – There is some uncertainty about the role of local authority controlled companies with little clarity on policy from government. There is a risk that government may not sanction continued use of companies to provide housing although there has not been any further guidance following the Social Housing Green Paper “published in August 2018. The recent Public Works Loan Board Guidance recognized lending for housing purposes as a legitimate use of such borrowing. The risk remains that Government could revisit such a determination.

A risk register is attached at appendix three.

Exit Strategy

The company will monitor quarterly risks against a number of thresholds and in particular will check the following risk indicators

- Demand for rental units
- Rental values and rental inflation over time
- Sale values
- Cost inflation over time
- Regulatory changes affecting the operation of the rental market

If these are exceeded the company will consider implementing a exit strategy as outlined below. Further work to ensure the associated metrics are clearly defined and reviewed quarterly.

The company will procure asset valuations as required.

If there are changes in the risk indicators that will have a negative effect on the business plan the company’s financial model will be re-run to quantify the effect.

If the effect is that the company’s ability to generate a profit or repay its debt is impaired, compared with the baseline model, the following will be considered

- The possibility of refinancing to reduce interest costs
- A review of operating costs to see if savings can be made
- A review of assets to determine if a sale of a property(ies) will improve performance
- A review of performance of development, management and contractors’ performance.
- A review of usage of assets to determine if better value from alternative letting strategies can be achieved

This quarterly review of risks, any modelling and consequential review of costs and performance will be reported to the Housing Company’s Board and if in the view of the Board it is appropriate, the Council as shareholder.

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If appropriate the Council will be asked to approve actions proposed by the company to mitigate the negative effects of movements in the risk indicators

If in the view of the Council as shareholder, there is little prospect of the company mitigating the risks so that it returns to operating within reasonable tolerances of the original baseline model and business plan, the Council may consider options to mitigate its risk and ensure it recovers the maximum value to repay its own borrowing. Options that may be considered are:

- Winding up of the company and disposal of property – This option is highly dependent on the capital values of the property in comparison to debt. Over time it is likely that capital values will grow. However in early stages there is a risk that values may not cover the Council's debt particularly if there is a significant market down turn
- Winding up of the company and retention of the property by the Council as temporary accommodation – The Council is not able to hold rental property in general but can do so for the purposes of providing temporary accommodation. This depends on the need of the Council for such accommodation and the potential income/cost for this accommodation
- Sale of the company either in whole or to create a joint venture – The value of the company to an existing company in the rental market may represent a better value option particularly in the early stages. The ability of a company already operating in the rental market to share or absorb the overhead costs of management and maintenance may result in a better value proposition. Entering into a joint venture may enable the Council to maximise value over the longer term
- Alternative management options – The Council could explore whether alternative approaches to managing the company in a more arms-length arrangement particularly if alternative markets are being considered could deliver better value

In deciding on what actions to take, the company will need to be fully aware of the value of its assets. There is a risk that the value of schemes in development may not allow full recovery of money spent, therefore, the company is at greatest risk of not being able to raise sufficient funds to pay off its borrowings in the development phase of the programme. In order to secure its position the Council will need to ensure that appropriate collateral warranties are in place to secure its interests where it may wish to exit or in the event of insolvency.

14.0 Development and Approval of the Business Plan

Rushmoor Borough Council, as sole Shareholder, exercises its influence and control through the Shareholder Agreement which requires Council consent to a range of company actions; and through its annual consideration and approval of the company's business plan. A limited number of actions are permissible without recourse to the Council to allow ease of operation. The company can enter into property transactions and into contracts as set out in the Approved Business Plan.

The Business Plan approval process will require its preparation and approval by the Board of Directors and presentation to the Council as shareholder, with consideration by the Council's Cabinet and Full Council as necessary.

The Plan will cover a rolling five-year period and will be updated annually or if the company wishes to pursue opportunities outside of the parameters of the business plan.

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16.0 Conclusions

Rushmoor Homes Ltd will develop its programme as set out in the approved business plan and develop for each project a business case and project plan which will be prepared and approved by the Board of Directors and the Council as Shareholder.

Governance of the company is detailed in the Articles of Association, however, as a company wholly owned by Rushmoor Borough Council there are particular governance arrangements in place.

- Annually the Board prepares its Business Plan and its budget for the Chief Executive of the Council, as shareholder, to present to the Council's Cabinet.
- RBC's Cabinet agrees any land disposals required by the Business Plan and recommends the Business Plan, the annual budget and investment required to the Council
- The Council approves the annual budget Business Plan and investment in the company.
- The Board prepares a half year report to the Chief Executive, as Shareholder, reviewing progress against the Business Plan. The Shareholder presents these reports to RBC's Licensing, Audit and General Purposes Committee (governance) and its Overview and Scrutiny Panel (performance)
- The Board prepares a full year report on progress against the Business Plan and company governance for the Chief Executive of the Council, as Shareholder, and the Chief Executive will present this report and consult with Policy and Projects Advisory Board, Licensing Audit and General Purposes Committee and Overview and Scrutiny Panel.
- The Shareholder will feedback comments from Cabinet, Council, PPAB, O&S LA&GP to Rushmoor Homes Ltd as necessary.

This Business Plan outlines proposals for the next five years of Rushmoor Homes' operation and will be reviewed annually or more regularly where required. Despite difficulties in delivery during 2020/21 the company is on course to 59 homes for private market rent that will contribute to the supply of good quality homes in this tenure and provide a return to the company's shareholder; Rushmoor Borough Council.

Ca = Council approval
Pa = Planning application
T = Transfer
C = Completion

T = Transfer
Pp = Planning permission
S. = Start on site
L. = Letting

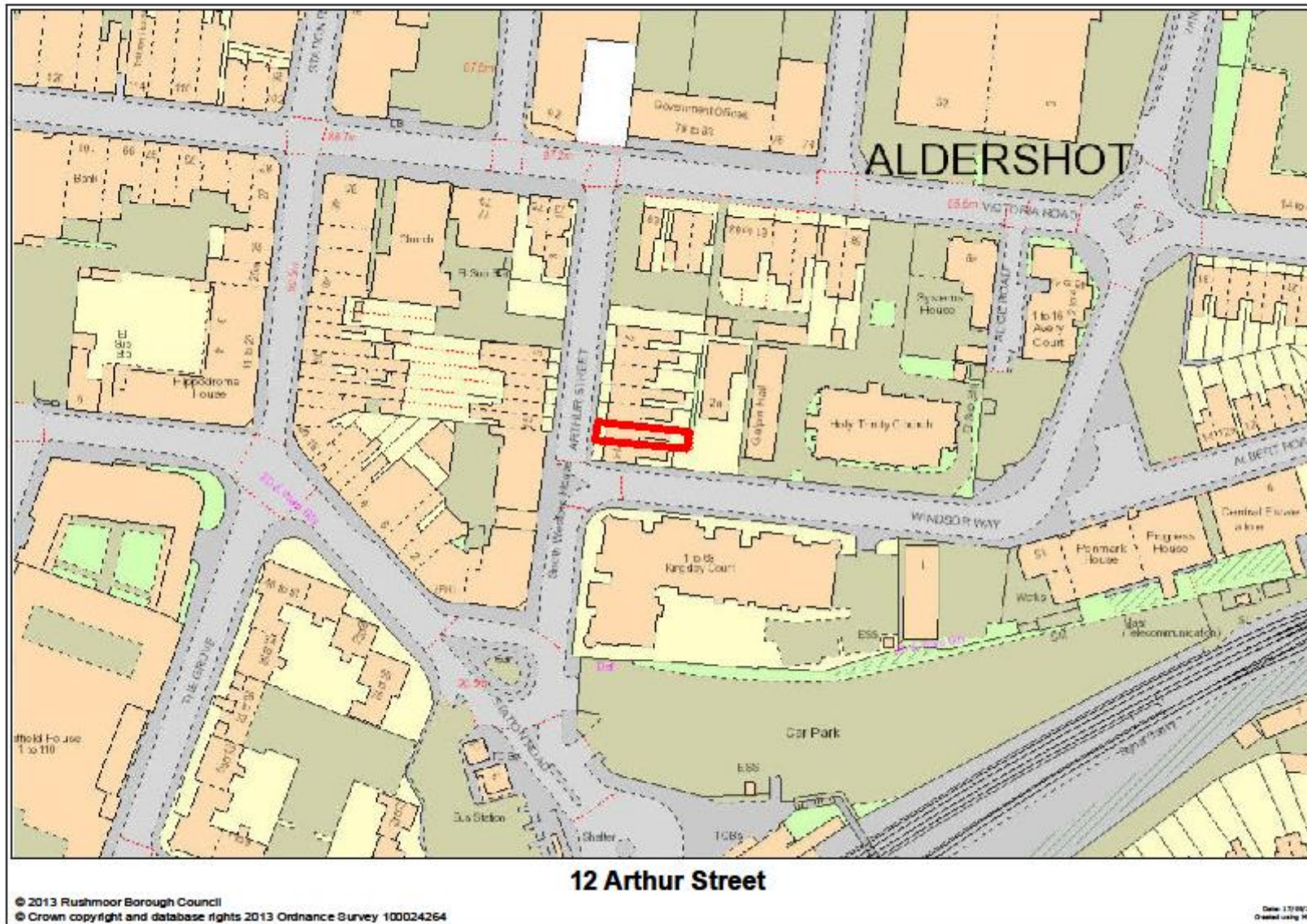
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Appendix Two

1. 12, Arthur Street.

Site details	
Address	12 Arthur Street Aldershot GU11 1HL
Description	3 Flats in converted Victorian house Flat 1 - 581sqft/ 53.94sqm Flat 2 – 594sqft/ 55.17sqm Flat 3 – 700sqft/ 65.08sqm
Site Area	133sqm
Title	Registered HP733478
Access to Highway	Confirmed against Planning Map
Planning	Planning permission granted 29 03 2017 for change of use from B3 to C3 use.
Utilities	Checked 2016 - new requests required
Valuation	Carter Jonas Oct 2020 £525,000 OMV residential use with vacant possession £465,000 OMV residential use, flats let on assured shorthold tenancies £360,000 OMV residential use, restricted to ASTs
Option appraisal	Completed
Financial appraisal	At a value of £465,000 IRR over 60 years 5.6%. NPV at 4% shows payback by year 47
Return on costs	5%
Cost to value	89.1%

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2. Ship Lane Cemetery Lodge, 154 Ship Lane, Farnborough

Site details	
Address	Ship Lane Farnborough
Description	3 bedroom house with vacant possession
Site Area	133sqm
Title	Registered HP812119
Access to Highway	See attached GIS plan
Planning	Established residential use
Utilities	Checked 2016 new requests required
Valuation	Carter Jonas valuations October 2020 £385,000 OMV residential use with vacant possession £335,000 OMV residential use, flats let on assured shorthold tenancies £210,000 OMV residential use, restricted to ASTs
Option appraisal	Completed
Financial appraisal	At a purchase price of £210,000 IRR over 60 years 8.% NPV @4% shows payback at year 32
Return on costs	6.3% (net rent/purchase price)
Cost to value	100.7%

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3. Land adjacent 3a Arthur Street and Land adjacent 69 Victoria Road, Aldershot

Site details	
Address	Arthur Street Aldershot GU11 1HJ
Description	Two vacant sites last used for parking. Four one bed flats proposed
Site Area	150sqm & 170sqm
Title	Registered HP781025 &
Access to Highway	GIS plan attached
Planning	Term contract parking 89/00035/RBC (3a Arthur Street)
Utilities	Checked 2016. New requests needed
Valuation	Carter Jonas valuations 2019 3a Arthur Street. Market value for residential with planning permission £55,000 (excluding S106 contributions) Market value without planning permission £122,000 69 Victoria Road Market Value for residential with planning permission £6,500 Market Value without planning permission £66,500 Valuation updates required to reflect re-worked schemes and market changes since 2019.
Option appraisal	TBC
Financial appraisal	To be completed
Return on costs	
Cost to value	

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4. Land at Churchill Crescent

Site details	
Address	Land at Churchill Cres Farnborough GU14 8EL
Description	Amenity space
Site Area	To be confirmed
Title	Registered HP662356
Access to Highway	Confirmed
Planning	
Utilities	Checked 2016. New requests needed
Valuation	Carter Jonas 2019 Open Market value for residential use with planning permission £650,000 Open Market value residential use with ASTs £450,000 Open Market value residential restricted to letting on ASTs at OMR £390,000
Option appraisal	TBC
Financial appraisal	
Return on costs	
Cost to value	

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Risk No.	Risk Description	Risk Mitigation Owner	Initial Risk Value				Risk Action	Actions	Residual Value				Date Closed	
			Likelihood	Impact					Risk Value	Likelihood	Impact			Risk Value
1	Increase in Public Works Loan Board interest charges		2	3	0		6	TREAT (Mitigate to reduce risk, controls)	Rerun business plan, with sensitivities, to understand interest rate risk impact, keep a live exit strategy	2	2		4	
2	Changes in national or local priorities and policies restrict RBC's ability to fund		2	3	0		6	TERMINATE (eliminate risk)	Re run business plan to understand impact. Consider alternative funding sources. Consider disposals and exit strategy.	2	2		4	
4	Reduced rental values - including risk of introduction of rent controls		2	3	0		6	TERMINATE (eliminate risk)	Consistent monitoring of rental market and business plan to determine if sale of property is appropriate.	2	2		4	
5	Reduced capital growth rate		1	2	0		2	TERMINATE (eliminate risk)	Have a live exit strategy in place, and review continued investment appetite	1	1		1	
6	Repairs costs rising		3	3	0		9	TREAT (Mitigate to reduce risk, controls)	A good understanding of the condition of the property in the portfolio and age and replacement date of building elements Keep under review to determine whether sale of property is appropriate. Tender repairs contract regularly.	3	2		6	
7	Increase in construction costs		2	3			6	TERMIN- ATE (eliminate risk)	Effective scheme management with appropriate gateways Re planning business plan to understand impact. Effective procurement of construction contracts. Consider disposals and exit strategy, if costs will not be covered by rents	2	2		4	

8	Poor project management leading to cost increases/delays/		3	3	0	9	TREAT (Mitigate to reduce risk, controls)	Assess need for external project management expertise. Thoroughly risk assess project prior to commencement and during construction period. Be clear about contractual responsibilities and include provision in scheme costs for client variations or do not permit client changes once contract is signed	3	2	6
9	Business plan not performing as expected		2	3	0	6	TREAT (Mitigate to reduce risk, controls)	Review underlying assumptions, and assess if relevant in current climate, rerun with sensitivities to provide options , and implement strategic changes	2	2	4
10	Changes to taxation, corporation tax, SDLT, VAT		2	3	0	6	TREAT (Mitigate to reduce risk, controls)	Take advice as to options to change business model to mitigate impact of taxation changes	2	2	4
11	Expansion opportunities limited		1	3	0	3	TREAT (Mitigate to reduce risk, controls)	Review underlying assumptions, and assess if relevant in current climate, rerun with sensitivities to provide options , and implement strategic changes	1	2	2
12	Limited capacity to deliver programme - skills and expertise		3	3	0	9	TREAT (Mitigate to reduce risk, controls)	Consider costs of acquiring additional staff with relevant skills, training options, use of consultants. Re run business plan with these additional costs and adjust business plan outcomes.	2	2	4
13	Operational risks - bad debts, damage to property, voids		3	3	0	9	TREAT (Mitigate to reduce risk, controls)	Specify rigorously and employ a suitably qualified managing agent. Careful tenant selection. Tenant support.	2	2	4

Housing data sheet

Last updated: March 2020

Produced by: Strategy, Performance and Partnerships

Contact: policy@rushmoor.gov.uk

Summary – A higher percentage of people rent in Rushmoor than in the surrounding areas. Rushmoor has a higher percentage of lower Council Tax band properties than its geographical neighbours and lower average house prices. In 2019, the mean average house price in Rushmoor was £312,155, which is a 3.5% increase from £301,724 in 2018. The median average house price was £298,000 in 2019, which is a 1% increase from £295,000 in 2018. On average, it is cheaper to rent in Rushmoor than in the surrounding local authority areas.

Tenure

In 2011, the Census showed that Rushmoor had 36,344 households. 63.5% of these households owned their home, 16.3% were rented from social landlords (Housing Associations) and 17.6% were privately rented. Also, 1.8% of households were living in shared ownership properties (part owned and part rented) and 0.8% of households were living rent free. The following table shows the tenure of households in Rushmoor and the surrounding areas.

2011 Census	Rushmoor	England	Surrey Heath	Guildford	Waverley	Hart
Number of households	36,344	-	33,546	53,973	49,280	35,510
Owned	63.5%	63.3%	76.8%	68.8%	73.7%	78.1%
Rented privately	17.6%	16.8%	12.1%	15.8%	11.3%	12.1%
Rented from social landlords	16.3%	17.7%	9.2%	12.8%	12.3%	7.7%
Shared ownership	1.8%	0.8%	0.8%	1.3%	1.0%	1.1%
Living rent free	0.8%	1.3%	1.0%	1.3%	1.75	1.0%

(Source: Office for National Statistics 2011 Census)

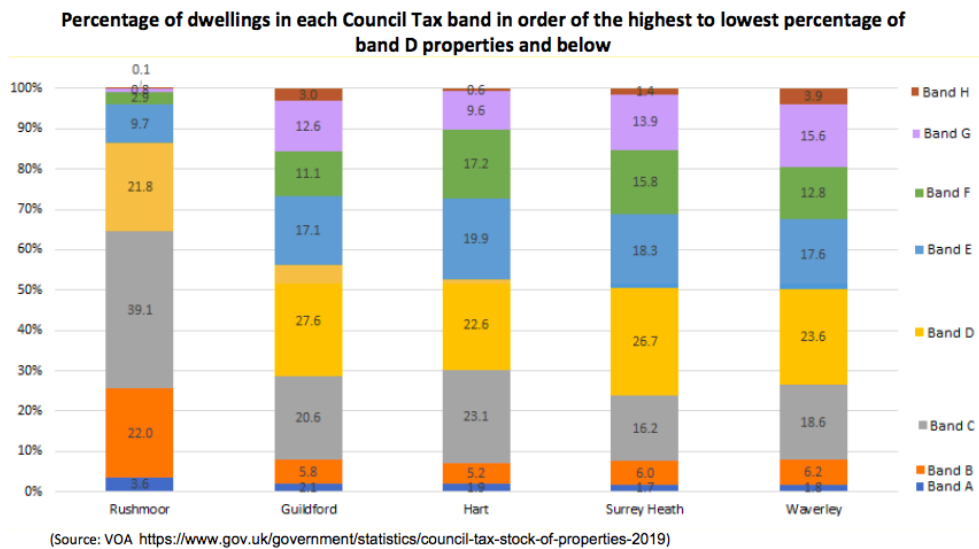
Rushmoor has lower percentages of households that own their own house and a higher percentage that rent from social landlords, than the surrounding areas. However, tenure in Rushmoor is similar to England.

Types of housing in Rushmoor

As of the 31st of March 2019 there were 40,360 Council Tax properties in Rushmoor. The following chart shows the percentage of dwellings in each Council Tax band for Rushmoor and Rushmoor's surrounding local authority areas, in order of the highest percent of band D properties and below. Band D is the base at which Council Tax in an area is set, the amount reduces towards band A and increased towards band H. A higher percentage of housing in Rushmoor is at the lower end of the property market.

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In 2019, 86.5% of Rushmoor properties were in band D or below. This is a higher percentage than the South East (which is 71.5% band D and below), and a higher percentage than England as a whole (which is 81.2% band D and below). The table above clearly shows that Rushmoor has a higher percentage of lower band dwellings (band A to D) than its surrounding local authorities, suggesting a higher percentage of smaller dwellings.

House prices

The following table shows the average house prices for Rushmoor and the surrounding areas. The data is the price paid data from the Land Registry for 2019, it shows that the mean average house price in Rushmoor is £312,155 and the median average house price is £298,000. The data includes the sale price of shared ownership properties, which are a lower amount as they are a percentage of the total price.

January to December 2019	Mean house price	Median house price
Rushmoor	£312,155	£298,000
Surrey Heath	£469,396	£411,750
Guildford	£533,734	£425,000
Waverley	£547,752	£450,000
Hart	£445,400	£395,000

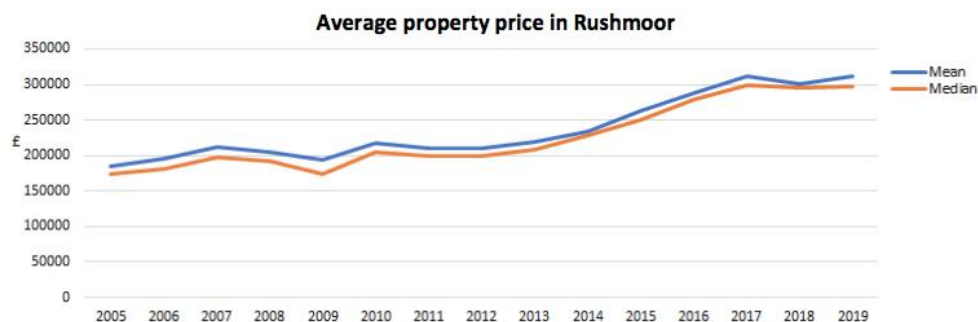
(Source: Contains HM Land Registry data © Crown copyright and database right 2019. This data is licensed under the Open Government Licence v3.0. <https://www.gov.uk/government/statistical-data-sets/price-paid-data-downloads>)

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The mean and the median house price is lower in Rushmoor than in the surrounding areas, this reflects the higher percentage of properties in lower Council Tax Bands in Rushmoor.

Average price over time

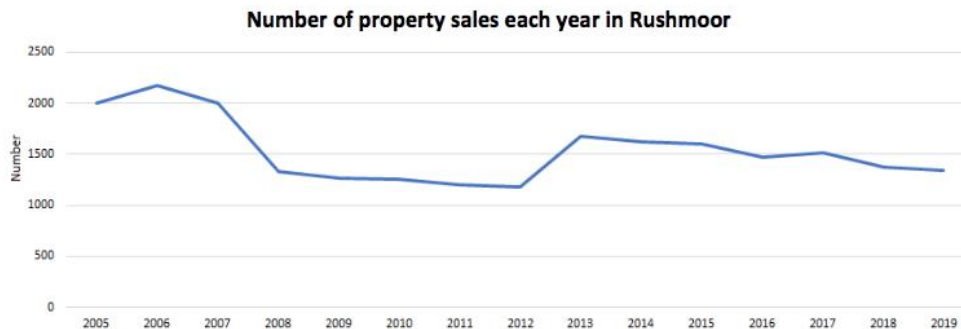
The mean average house price in Rushmoor was £312,155 in 2019, which is a 3.5% increase from £301,724 in 2018. The median average house price was £298,000 in 2019, which is a 1% increase from £295,000 in 2018. The following chart shows the average property price over the past 14 years, clearly showing the impact of the recession on house prices in 2009.



(Source: Contains HM Land Registry data © Crown copyright and database right 2019. This data is licensed under the Open Government Licence v3.0. <https://www.gov.uk/government/statistical-data-sets/price-paid-data-downloads>)

Number of sales

The following chart shows the number of property sales each year.



(Source: Contains HM Land Registry data © Crown copyright and database right 2019. This data is licensed under the Open Government Licence v3.0. <https://www.gov.uk/government/statistical-data-sets/price-paid-data-downloads>)

Between 1st January 2019 and 31st December 2019 there were 1,345 houses sales, comprising of 398 sales of terrace houses, 384 sales of semi-detached houses, 348 sales of flats, and 215 sales of detached houses.

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Type of property

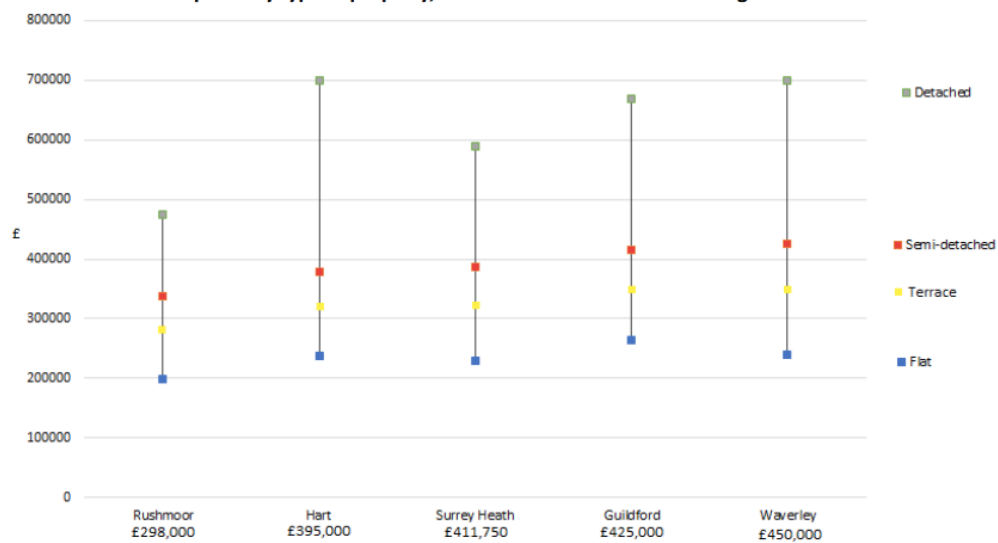
The following table shows the average price for each property type for Rushmoor and by town. Farnborough properties appear to be slightly more expensive than Aldershot properties.

Median (Mean)	Rushmoor	Aldershot	Farnborough
Flat	£198,800 (£195,543)	£186,000 (£186,265)	£210,000 (£204,899)
Terrace	£285,500 (£292,794)	£280,000 (£289,319)	£292,500 (£295,179)
Semi-detached	£337,000 (£340,069)	£327,500 (£333,098)	£340,000 (£345,905)
Detached	£475,000 (£486,892)	£472,750 (£470,138)	£475,000 (£495,684)

(Source: Contains HM Land Registry data © Crown copyright and database right 2019. This data is licensed under the Open Government Licence v3.0. <https://www.gov.uk/government/statistical-data-sets/price-paid-data-downloads>)

The following chart shows the median house price by property type, in Rushmoor and the surrounding local authorities. The largest difference in house price is for detached properties, there is much less of a difference in the average price of flats.

2019 median house prices by type of property, in Rushmoor and the surrounding local authorities



(Source: Contains HM Land Registry data © Crown copyright and database right 2019. This data is licensed under the Open Government Licence v3.0. <https://www.gov.uk/government/statistical-data-sets/price-paid-data-downloads>)

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Affordability

The following table shows the ratio between the median house price (price paid) January – December 2019, and the median work based earning and the median resident based earnings.

2019 Ratio	Using resident based earnings	Using work based earnings
Rushmoor	9.5	8.5
Surrey Heath	12.2	12.5
Guildford	13.9	15.8
Waverley	13.9	18.8
Hart	12.1	12.2

(Source: NOMIS <http://www.nomisweb.co.uk/reports/lmp/la/1946157308/report.aspx?town=rushmoor> and Contains HM Land Registry data © Crown copyright and database right 2019. This data is licensed under the Open Government Licence v3.0. <https://www.gov.uk/government/statistical-data-sets/price-paid-data-downloads>)

Rushmoor appears more affordable than surrounding authorities using the work based earnings and using the resident based earnings.

Average rental prices

The table below shows the average median monthly rental prices for residential properties in Rushmoor and the surrounding local authority areas.

1 April 2018 to 31 March 2019	Room	Studio	1 bedroom	2 bedrooms	3 bedrooms	4 or more bedrooms	Summary of monthly rents
Rushmoor	£433	£608	£725	£900	£1,195	£1,495	£825
Surrey Heath	£495	£520	£798	£975	£1,250	£1,900	£990
Guildford	£575	£825	£925	£1,250	£1,550	£2,400	£1,285
Waverley	£550	£713	£850	£1,050	£1,350	£2,000	£1,100
Hart	£550	£695	£790	£950	£1,250	£1,700	£985

(Source: Valuation Office Agency <https://www.gov.uk/government/collections/private-rental-market-statistics>)

On average, it is cheaper to rent in Rushmoor than in the surrounding local authority areas. If the average rental price was calculated for a whole year, the data would show that the average yearly cost of renting a property in Rushmoor is £9,900.

The average rental price in Rushmoor in 2018/19, from a private registered provider of social housing is £110.36 a week, which works out at £5,739 a year.

(Source: Department of Communities and Local Government <https://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>)

APPENDIX 2

Report on Rushmoor Homes Limited progress on Business Plan

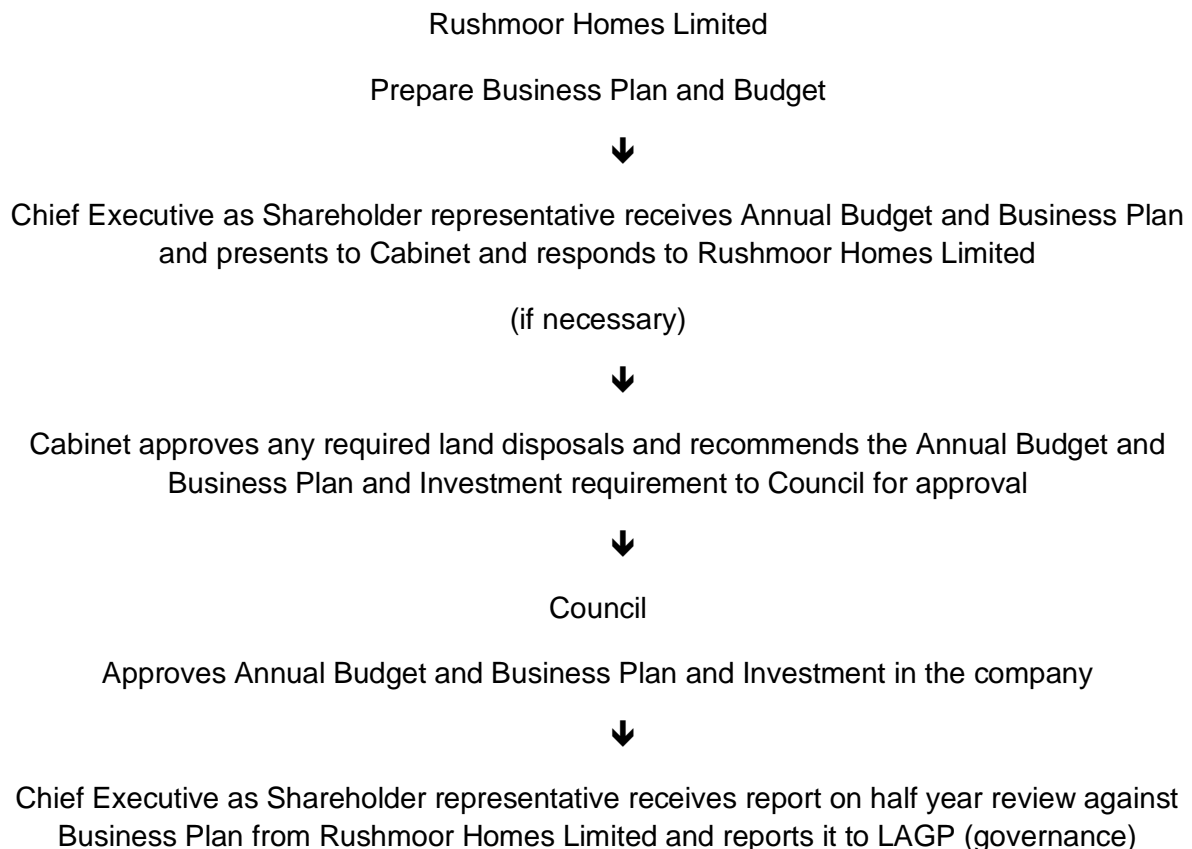
SUMMARY AND RECOMMENDATIONS

This report on progress against its Business Plan has been prepared by Rushmoor Homes Ltd for the Chief Executive of Rushmoor Borough Council in his capacity of shareholder representative and for his determination of whether there is a need for its consideration by Overview & Scrutiny Committee, Licensing and General Purposes Committee or Policy and Projects Advisory Board.

1.0 INTRODUCTION

- 1.1 Rushmoor Homes Ltd's first Business Plan was finalised in the early part of 2020 and was approved by the Council at its meeting of 20 February 2020.
- 1.2 The governance arrangements established for the company can be summarised as follows

Annual Cycle of Rushmoor Homes/Council Governance



Overview and Scrutiny (Performance) and responds to Rushmoor Homes Limited (if necessary)



Chief Executive as Shareholder representative receives report – Full year review against Business Plan from Rushmoor Homes Limited and consults with Overview and Scrutiny/LAGP

1.3 This report is the half yearly review against the business plan

2.0 **BACKGROUND**

Setting up the Company

2.1 Following Council decisions to (a) set up a housing company and (b) to approve the draft company business plan, the following has been delivered

- incorporation of Rushmoor Homes Ltd on 22 April 2020
- shareholder approval of the business plan
- Company documentation completed: the Memorandum of Association, Articles of Association, shareholder agreement, facility agreement and a debenture.
- Procurement of a managing agent to manage RHLtd properties

The Business Plan

2.2 The business plan covered the first five years operation of Rushmoor Homes Ltd (RHLtd). It contains the company's targets, development programme and funding requirements. It is to be updated annually.

2.3 The company's targets are as follows:

- To deliver 57 homes for private market rent by 2023/24
- To put in place a pipeline of future properties to take forward a programme beyond 2023/24.
- To provide homes for rent where the asset value is greater than total scheme costs and shows a return on investment of 2% (excluding capital growth in portfolio assets).
- Repay initial loans by year 44
- Provide the Council with £283,000 net income on average over the first 10 years.

2.4 For year one the targets were as set out in the table below along with a report on progress

Table 1

	First six months (22 April –22 October)	Estimate for full year (22 April – 31 March)
Delivery of 10 new homes for market rent	Nil	4
To provide homes for rent where the asset value is greater than total scheme costs and shows a return on investment of 2% (excluding capital growth in portfolio assets)	Will be evaluated on a scheme by scheme basis.	Will be evaluated on a scheme by scheme basis
Repay loans by year 44	50	50
Provide the Council with an annual income based on interest of 5.5% on loans taken from the Council of an estimated borrowing of £ 3.2m £283,000 net income on average over ten years	Nil	£10,600

3.0 DELIVERY OF THE PORTFOLIO DEVELOPMENT PROGRAMME

- 3.1 The Business Plan contained an indicative portfolio development programme on which the financial modelling was based. The current estimated programme is shown in table 2 with Business Plan estimates shown in brackets.

Site	No. Units Current est. (BP est)	Estimated completion
12 Arthur Street (A)	3 (3)	20/21
Ship Lane Cemetery Lodge (F)	1 (1)	20/21
Land adj. 3A Arthur Street (F)	0 (4)	21/22 (20/21)
Land adj. 69 Victoria Road (F)	4 (2)	21/22 (20/21)

Land at Churchill Crescent (F)	8 (8)	21/22
237 High Street, (A)	4 (6)	21/22
Redan Road Depot (A)	6 (6)	21/22
Pool Road Depot (A)	6 (6)	21/22
Manor Park Cottage New Build (A)	1 (1)	22/23
Land adj Fleet Road Scout Hut (F)	6 (6)	22/23
Union Street East Car park (F)	8 (8)	22/23
11 Wellington Street (A)	2 (2)	22/23
Land at Water Lane (F)	2 (2)	23/24
Manor Park Cottage (A)	1 (1)	23/24
Manor Park Lodge (A)	1 (1)	23/24
TOTAL	53 (57)	

- 3.2 Delivery of the programme has been delayed, in part due to Covid 19 restrictions but also due to the challenges of developing small sites, in low value locations, many of which have issues to be resolved before they can be transferred to the company.

4.0 **SITES UPDATE**

12 Arthur Street

- 4.2. Converted to 3 flats. These are ready for letting pending the start of the managing agent contract. There is a dispute with the adjoining owner regarding an encroachment which has delayed transfer of the site from the Council to RHLtd. Negotiations are progressing and the Council will indemnify the company for any future costs arising from this encroachment claim.

154 Ship Lane

- 4.3 To transfer this property to RHLtd in a condition suitable for letting the Council is undertaking refurbishment works. Once these are completed the property will be transferred.

Land adjacent to 3a Arthur Street and 69 Victoria Road.

- 4.4. These parcels of land are expected to be developed as one scheme with 4 x 1 bed flats on land adjacent to 69 Victoria Road and 4 parking spaces on land adjacent 3a Arthur Street. This form of development provides parking to meet the Council's standards and prevents loss of on street parking.

Land at Churchill Crescent

- 4.5. Discussions are continuing with Vivid on a joint development.

237 High Street

- 4.6 Site capacity drawings have been prepared. The potential for developing a wider scheme with adjoining owners has been considered, however, recent valuations suggest that this is not a viable proposition.

Redan Road, Pool Road, Land adjacent Manor Park Cottage, and Land adjacent to Fleet Road Scout Hut

- 4.7 These sites are included in a specification for the appointment of architects for the next tranche of development schemes.
- 4.8 There are a range of issues that will need to be resolved in connection with these sites for example resolving trust issues on Redan Road depot site, land swaps to create a more developable site at Pool Road depot, highways issues at Fleet Road.
- 4.8 No action has yet been taken on the remaining sites.

5.0 REVISED FINANCIAL PROJECTIONS

Company Balance Sheet Year One

	Year One projections £'000s	Revised projections £'000s
ASSETS		
Assets -cumulative	3,070.9	674.9
Assets cash	0	0
Net all assests	3,079.9	674.9
FINANCING		
Accumulated (profit)/loss	123.7	95.9
Financing - loans	(3,194.5)	(770.7)
Financing - equity	(0.1)	(0.1)
Total finance	(3,070.9)	(674.9)

Company Profit and Loss: Income

	Year One projections £	Revised Projections £
RENT INCOME (gross)	(44,400)	(12,700)
Deductions	9,300	3,000
NET RENT	(35,100)	(9,700)
OPERATING COSTS	95,000	95,000
FINANCING AND TAXATION		
Interest payments	63,800	10,600
Corporation Tax	0	0

Total finance and tax costs	63,800	10,600
NET (PROFIT)/LOSS	123,700	95,900

Interest payments

- 5.1 Based on the estimates included in the business plan, RHLtd would pay the Council £63,800 interest in the current financial year. Based on current estimates this will be £10,600.

6.0 **COMPANY MANAGEMENT**

Staffing

- 6.2 RHLtd is staffed by Council employees for which RHLtd pays a charge. In the first six months of operation 270.9 hours were devoted to housing company work to a value of £14,651.

- 6.3 The staff working for RHLtd are

- Head of Economy, Planning and Strategic Housing
- Project accountant (now retired)
- Housing Enabling and Development Manager
- Regeneration and Property Graduate Trainee

- 6.4 Support is provided from time to time from

- Procurement Officer
- Legal Services

Other support

- 6.5 RHLtd is formalising the appointment of LRG Romans as its managing agent.

- 6.6 Procurement for independent legal advice is underway.

The Board

- 6.7 The Board of Directors comprises

- Cllr Ken Muschamp
- Cllr Keith Dibble
- Cllr Paul Taylor

- 6.8 The Board meets every six weeks. Each meeting is minuted and actions recorded in an action log.

- 6.9 The Board is supported by officers.

Audit Review

6.10 During the first six months an Audit Review of the Housing Company and Rushmoor Development Partnership was undertaken and is anticipated to report in the second half of the year.

7.0 **CONCLUSION**

7.1 In terms of establishing the company and putting in place the support it needs to develop and manage properties; good progress has been made. The focus will now be on development so that the company can begin to deliver on its business plan objectives. Potential risks to delivery are Covid 19 and any further lockdowns, staff resources and the challenges of developing small sites, many of which have problems to resolve.

Council Risk register RHLtd

Matrix & RAG Risk Rating

Matrix of Risk Rating						
Severity of Outcome (S)	4					
	3					
	2					
	1					
		1	2	3	4	
	Likelihood of Occurrence (L)					

High Risk		Strongly consider further mitigation, tolerating risk is unlikely to be acceptable
Med. Risk		Tolerable if risk/exposure is acceptable at senior level
Low Risk		Additional action may not be necessary to manage risk

Rating Consistency Guidance

	Likelihood of Occurrence (L)	Severity of Outcome (S)
1	Very unlikely Very unlikely to occur, (no history or near misses etc). Less than 5% probability.	Minor Risk to specific role. Legal action unlikely. No significant illness or injury. Negative customer complaint. Financial impact negligible.
2	Unlikely Unlikely but may occur (may have happened, but not within past 5 years). Is not expected to happen in next 5 years, less than 25% probability	Moderate Risk to normal continuation of service. Legal action possible but defensible. Short term absence/minor injury. Negative customer complaints widespread. Financial impact manageable within existing Service budget.
3	Likely Likely to occur (or already happened in the past 2 to 5 years). Is expected to happen in the next 2 to 5 years, 25 - 50% probability	Significant Partial loss of service. Legal action likely. Extensive injuries or sickness. Negative local publicity. Significant fine. Financial impact manageable within existing Corporate budget - but not Service.
4	Very likely Very likely to occur (or has already happened in the past year), may occur frequently. Is expected to happen in the next year, more than 50% probability	Major Total loss of service. Legal action likely & difficult to defend. Death or life threatening. Negative National publicity. Imprisonment. Financial impact not manageable within existing funds.

Risk Register : RBC Risks connected with Rushmoor Homes Ltd

Page 6 Risk Title	Suitable for Public Register Y / N	Risk Type: Service (S) Escalated Service (ES) Standing Corp. (SC) Strategic (ST)	Risk Owner	Risk Description & Potential Outcomes (reasonable worst-case scenario)	Existing Controls / Mitigation	Additional Mitigation Planned – including Timelines/Deadlines	Risk Score		Risk Category / RAG Rating
							L	S	
RHLtd fails to complete its developments on time and its ability to repay loans and interest is compromised.	Y	ST	TM	Income stream from RHLtd lower than expected with impact on Council finances.	Review RHLtd to ensure it is regularly monitoring its performance and reporting as required to RBC. Review with RHLtd its financial model to ensure appropriate sensitivity testing of RHLtd's programme. Ensure that staffing resources supporting RHLtd from the Council are provided and as part of reporting consider whether RHLtd has adequate arrangements in place to deliver its programme.	Housing Company model to be reviewed to provide cashflow forecasting and performance measures for better monitoring	2	3	
RHLtd's extent and pace of	Y	ST	TM		Review RHLtd to ensure it is regularly monitoring	Housing Company model to be reviewed to	3	2	

delivery of development is not in accordance with the Business Plan leading to lower borrowing than expected and income to the Council is reduced.					its performance and reporting as required to RBC. Review with RHLtd its financial model to ensure appropriate sensitivity testing of RHLtd's programme. Ensure that staffing resources supporting RHLtd from the Council are provided and as part of reporting consider whether RHLtd has adequate arrangements in place to deliver its programme.	provide cashflow forecasting and performance measures for better performance monitoring.			
RHLtds operational performance does not meet the Business Plan and it is not able to meet loan and interest repayments	Y	ST	TM		RHLtds operational performance does not meet the Business Plan and it is not able to meet loan and interest repayments	Housing Company model to be reviewed to provide cashflow forecasting and performance measures for better performance monitoring.	2	3	
RHLtd performs badly against its Business Plan and its	Y	ST	TM		Review RHLtd to ensure it is regularly monitoring its performance and reporting as required to	Housing Company model to be reviewed to provide cashflow forecasting and	2	3	

performance and projected repayment of loans means that it can no longer meet the test for being a going concern					RBC. Review with RHLtd its financial model to ensure appropriate sensitivity testing of RHLtd's programme is in place. Ensure that staffing resources supporting RHLtd from the Council are provided and as part of reporting consider whether RHLtd has adequate arrangements in place to deliver its programme. Ensure Exit Plan is up to date and can be implemented if necessary	performance measures for better performance monitoring.			
RBCs ability to borrow from the Public Works Loan Board to finance RHLtd is compromised.	Y	ST	TM		Monitor Government thinking and guidance to ensure any changes that might impact lending to RHLtd are identified as early as possible. Consider if changes are proposed their potential impact on lending to RHLtd in the context of the Council's overall	Housing Company model to be reviewed to provide cashflow forecasting and performance measures for better performance monitoring.	2	3	

					Treasury Management strategy and needs. Review with RHLtd alternative funding approaches and the viability of RHLtd and delivery of its programme with any alternative sources of funding. If a viable way forward is not feasible work with RHLtd on delivery of its exit strategy.			
RHLtd requires additional funding to allow it to complete developments and realise funds to repay existing loans. 								

Page 70					Assess whether additional funding can be repaid by sales of the developments for which funding is being sought.				
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ANNEX 2

COUNCIL MEETING – 22ND APRIL 2021

AGENDA ITEM NO. 4 (2)

NEW CODE OF CONDUCT FOR MEMBERS

A report from the meeting of the Licensing, Audit and General Purposes Committee held on 29th March, 2021.

SUMMARY:

During February and March 2021, a six-week consultation was carried out on a draft new Code of Conduct for Councillors ('the draft new Code') mirroring a new national Model Code produced by the Local Government Association. Information on the requirement for a new Code and the extent of the consultation and the responses received is set out within this report.

RECOMMENDATION:**The Council is recommended to:**

- (1) adopt with effect from the start of the 2021/22 Municipal Year (25th May 2021) the new Code of Conduct for Members attached to the report at Appendix 1; and
- (2) note the intention to seek dispensations for Members to participate in items where they have a personal interest arising from their nomination or appointment by the Council to the general control or management of any body.

1. INTRODUCTION

- 1.1 At the end of last year the Local Government Association (LGA) published a new Model Code of Conduct for Councillors after extensive consultation. The Model Code was developed in order to support local government to continue to aspire to high standards of leadership and performance taking account of the Committee on Standards in Public Life 2019 report on Ethical Standards in Local Government. The current Council Member of Code of Conduct requires to be updated to meet best practice recommendations flowing from that Report including a prohibition on bullying and harassment; a requirement for councillors to comply with any formal standards investigation and a prohibition re trivial or malicious allegations by Councillors. The LGA Model provides for the possible inclusion of a new category of disclosable pecuniary interests namely "any unpaid directorship". This would cover those Members of the Council who have been appointed to the boards of any organisation including for example the

Council's own housing company or the Rushmoor Development Partnership.

- 1.2 In January, Members of the Licensing, Audit and General Purposes Committee considered and approved a report on a draft new Code of Conduct for Members of Rushmoor Borough Council (Report attached as Appendix 2), following which a period of public consultation was undertaken.

2. CONSULTATION

- 2.1 The consultation on the new Code of Conduct was published on the Council's website and was notified to Members by the Chief Executive in his newsletter of 5th March. In addition, the Communications Team have written to some 3,000 residents who have asked to be kept up to date on Council news and consultations being undertaken by the Council. There has also been a social media campaign offering residents and interested parties the opportunity to air their views on the proposed new Code. The Monitoring Officer has also contacted a number of local and partner organisations asking for their views. These include Hampshire Police, Citizens Advice, the Garrison, Rushmoor Voluntary Services, the Nepali Community, Farnborough 6th Form College and some of the churches in the Borough.

Overall, there have been more than 227 views of the webpage, and a copy of the consultation responses received is attached at Appendix 3.

3. SUMMARY OF RESPONSES

- 3.1 Only four detailed responses were received, and these are set out in the Appendix in a table with comments from the Corporate Manager – Legal against each. It is considered that the Code as drafted provides safeguards around each of the concerns listed. No comments were received in relation to the option for addition of unpaid directorships to the class of disclosable pecuniary interests set out in Table A of the annex to the new Code. Such interests as relate to any body of which a Member is in general control or management and to which that Member was nominated or appointed by the Council is a personal interest in any event (Table B of the annex) and would require that Members with such interests are granted a dispensation to take part any decision making in relation thereto.

4. CONCLUSION

- 4.1 The new draft Code simplifies and provides timely helpful clarification and guidance to members in navigating their role in a time of increasing complexity in the business of local government and growing social media use with its potential for intimidation and abuse. At the same time the new draft Code seeks to reassure members of the public that those they elect will be accountable in meeting the behaviours set out in the Seven Principles of Public Life and taking decisions in a fair and transparent way. Dispensations will be sought from the Licensing Audit and General Purposes Committee at the earliest opportunity to enable any Member appointed to the management or control of the Council's

Housing Company and the Rushmoor Development Partnership to take part in decision making in relation thereto.

S.J. MASTERSON
CHAIRMAN OF LICENSING, AUDIT AND
GENERAL PURPOSES COMMITTEE

BACKGROUND DOCUMENTS:

1. *Report to Licensing Audit and General Purposes Committee of 25th January 2021.*
2. *Local Government Association Model Member Code of Conduct Consultation May 2020*
3. *LGA Model Councillor Code of Conduct December 2020*
4. *Report of the Parliamentary Committee on Standards in Public Life Report on Local Government Ethical Standards January 2019.*



**RUSHMOOR BOROUGH COUNCIL
MEMBERS' CODE OF CONDUCT 2021
(CONSULTATION DRAFT)**

Definitions

For the purposes of this Code of Conduct, a “councillor” means a member or co-opted member of a local authority. A “co-opted member” is defined in the Localism Act 2011 Section 27(4) as “a person who is not a member of the authority but who

- a) is a member of any committee or sub-committee of the authority, or;
- b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority

and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee”.

Purpose of the Code of Conduct

The purpose of this Code of Conduct is to assist you, as a councillor, in modelling the behaviour that is expected of you, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken against you. It is also to protect you, the public, fellow councillors, local authority officers and the reputation of local government. It sets out general principles of conduct expected of all councillors and your specific obligations in relation to standards of conduct. The LGA encourages the use of support, training and mediation prior to action being taken using the Code. The fundamental aim of the Code is to create and maintain public confidence in the role of councillor and local government.

General principles of councillor conduct

Everyone in public office at all levels; all who serve the public or deliver public services, including ministers, civil servants, councillors and local authority officers; should uphold the Seven Principles of Public Life, also known as the Nolan Principles.

Building on these principles, the following general principles have been developed specifically for the role of councillor.

In accordance with the public trust placed in me, on all occasions:

- I act with integrity and honesty
- I act lawfully
- I treat all persons fairly and with respect; and
- I lead by example and act in a way that secures public confidence in the role of councillor

In undertaking my role:

- I impartially exercise my responsibilities in the interests of the local community
- I do not improperly seek to confer an advantage, or disadvantage, on any person

- I avoid conflicts of interest
- I exercise reasonable care and diligence; and
- I ensure that public resources are used prudently in accordance with my local authority's requirements and in the public interest

Application of the Code of Conduct

This Code of Conduct applies to you as soon as you sign your declaration of acceptance of the office of councillor or attend your first meeting as a co-opted member and continues to apply to you until you cease to be a councillor.

This Code of Conduct applies to you when you are acting in your capacity as a councillor which may include when:

- You misuse your position as a councillor
- Your actions would give the impression to a reasonable member of the public with knowledge of all the facts that you are acting as a councillor;

The Code applies to all forms of communication and interaction, including:

- At face-to-face meetings
- At online or telephone meetings
- In written communication
- In verbal communication
- In non-verbal communication
- In electronic and social media communication, posts, statements and comments.

You are also expected to uphold high standards of conduct and show leadership at all times when acting as a councillor.

Your Monitoring Officer has statutory responsibility for the implementation of the Code of Conduct, and you are encouraged to seek advice from your Monitoring Officer or your two Deputy Monitoring Officers on any matters that may relate to the Code of Conduct.

Standards of councillor conduct

This section sets out your obligations, which are the minimum standards of conduct required of you as a councillor. Should your conduct fall short of these standards, a complaint may be made against you, which may result in action being taken.

Guidance is included to help explain the reasons for the obligations and how they should be followed.

General Conduct

1. Respect

As a Councillor:

- 1.1** I treat other councillors and members of the public with respect
- 1.2** I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play

Respect means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a councillor, you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a robust but civil manner. You should not, however, subject individuals, groups of people or organisations to personal attack.

In your contact with the public, you should treat them politely and courteously. Rude and offensive behaviour lowers the public's expectations and confidence in councillors.

In return, you have a right to expect respectful behaviour from the public. If members of the public are being abusive, intimidatory or threatening you are entitled to stop any conversation or interaction in person or online and report them to the local authority, the relevant social media provider or the police. This also applies to fellow councillors, where action could then be taken under the Councillor Code of Conduct, and local authority employees, where concerns should be raised in line with the local authority's councillor-officer protocol.

2. Bullying, harassment and discrimination

As a Councillor:

- 2.1** I do not bully any person
- 2.2** I do not harass any person
- 2.3** I promote equalities and do not discriminate unlawfully against any person

The Advisory, Conciliation and Arbitration Service (ACAS) characterises bullying as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and may not always be obvious or noticed by others.

The Protection from Harassment Act 1997 defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.

Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Equality Act 2010 places specific duties on local authorities. Councillors have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

3. Impartiality of officers of the council

As a Councillor:

- 3.1** I do not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the local authority

Officers work for the local authority as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

4. Confidentiality and access to information

As a Councillor:

- 4.1** I do not disclose information:

- a) Given to me in confidence by anyone
- b) Acquired by me which I believe, or ought reasonably to be aware, is of a confidential nature, unless
 - i. I have received the consent of a person authorised to give it;
 - ii. I am required by law to do so;
 - iii. The disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or
 - iv. The disclosure is:
 - 1. Reasonable and in the public interest; and
 - 2. Made in good faith and in compliance with the reasonable requirements of the local authority; and
 - 3. I have consulted the Monitoring Officer prior to its release.

- 4.2** I do not improperly use knowledge gained solely as a result of my role as a councillor for the advancement of myself, my friends, my family members, my employer or my business interests

- 4.3** I do not prevent anyone from getting information that they are entitled to by law.

Local authorities must work openly and transparently, and their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that

discussions, documents and other information relating to or held by the local authority must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

5. Disrepute

As a Councillor:

5.1 I do not bring my role or local authority into disrepute.

As a Councillor, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on you, other councillors and/or your local authority and may lower the public's confidence in your or your local authority's ability to discharge your/its functions. For example, behaviour that is considered dishonest and/or deceitful can bring your local authority into disrepute.

You are able to hold the local authority and fellow councillors to account and are able to constructively challenge and express concern about decisions and processes undertaken by the council whilst continuing to adhere to other aspects of this Code of Conduct.

6. Use of position

As a Councillor:

6.1 I do not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.

Your position as a member of the local authority provides you with certain opportunities, responsibilities and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

7. Use of local authority resources and facilities

As a Councillor:

7.1 I do not misuse council resources.

7.2 I will, when using the resources of the local authority or authorising their use by others:

- a) act in accordance with the local authority's requirements; and
- b) ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the local authority or of the office to which I have been elected or appointed.

You may be provided with resources and facilities by the local authority to assist you in carrying out your duties as a councillor.

Examples include:

- Office support
- Stationery
- Equipment such as phones, and computers
- Transport
- Access and use of local authority buildings and rooms

These are given to you to help you carry out your role as a councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use.

8. Complying with the Code of Conduct

As a Councillor:

- 8.1** I will undertake Code of Conduct training provided by my local authority
- 8.2** I will cooperate with any Code of Conduct investigation and/or determination
- 8.3** I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings
- 8.4** I will comply with any sanction imposed on me following a finding that I have breached the Code of Conduct

It is extremely important for you as a councillor to demonstrate high standards, for you to have your actions open to scrutiny and for you not to undermine public trust in the local authority or its governance. If you do not understand or are concerned about the local authority's processes in handling a complaint you should raise this with your Monitoring Officer or the Deputy Monitoring Officers.

Protecting your reputation and the reputation of the local authority.

9. Interests

As a Councillor:

- 9.1** I register and disclose my interests

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of members of the authority.

You need to register your interests so that the public, local authority employees and fellow councillors know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other councillors when making or taking part in decisions, so that decision making is seen by the public as open

and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

You should note that failure to register or disclose a disclosable pecuniary interest as set out in Table 1, is a criminal offence under the Localism Act 2011.

Appendix B sets out the detailed provisions on registering and disclosing interests. If in doubt, you should always seek advice from your Monitoring Officer.

10. Gifts and hospitality

As a Councillor:

- 10.1** I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local authority or from persons who may apply to the local authority for any permission, licence or other significant advantage
- 10.2** I register with the Monitoring Officer any gift or hospitality with an estimated value of at least £50 within 28 days of its receipt
- 10.3** I register with the Monitoring Officer any significant gift or hospitality that I have been offered but have refused to accept

In order to protect your position and the reputation of the local authority, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a councillor. The presumption should always be not to accept significant gifts or hospitality. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. However, you do not need to register gifts and hospitality which are not related to your role as a councillor, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a councillor. If you are unsure, do contact your Monitoring Officer or Deputy Monitoring Officers for guidance.

Appendices

Appendix A – The Seven Principles of Public Life

The principles are:

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must disclose and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Appendix B – Registering Interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in “The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012”. You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

“Disclosable pecuniary interest” means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in **Table 1** below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A ‘sensitive interest’ is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a ‘sensitive interest’ you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Non-participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a ‘sensitive interest’, you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.
5. Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Disclosure of other registerable interests

6. Where a matter arises at a meeting which ***directly relates*** to one of your Other Registerable Interests (as set out in Table 2), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and

must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of non-registerable interests

7. Where a matter arises at a meeting which ***directly relates*** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which ***affects*** –
 - a) your own financial interest or well-being;
 - a) A financial interest or well-being of a friend, relative, close associate; or
 - b) A body included in those you need to disclose under Disclosable Pecuniary Interests as set out in **Table 1**

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied

9. Where a matter ***affects*** your financial interest or well-being:
 - a) To a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
 - b) A reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

10. Where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must make sure that any written statement of that decision records the existence and nature of your interest.

Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012.

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract made between the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the Council —</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land and Property	<p>Any beneficial interest in land which is within the area of the Council.</p> <p>‘Land’ excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.</p>
Licences	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer.

Corporate tenancies	Any tenancy where (to the councillor's knowledge) - (a) the landlord is the council; and (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body where— (a) that body (to the councillor's knowledge) has a place of business or land in the area of the council; and (b) either - (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/ her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

* 'director' includes a member of the committee of management of an industrial and provident society.

* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2: Other Registerable Interests

You have a personal interest in any business of your authority where it relates to or is likely to affect:

- a) Anybody of which you are in general control or management and to which you are nominated or appointed by your authority
- b) Anybody
 - (i) Exercising functions of the public nature
 - (ii) Exercising functions of a public nature
 - (iii) One of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

LICENCING, AUDIT & GENERAL
PURPOSES

MONITORING OFFICER
REPORT NO: LEG2101

25th JANUARY 2021

**UPDATE ON THE LOCAL GOVERNMENT ASSOCIATION MODEL CODE AND
DRAFT NEW CODE OF CONDUCT FOR MEMBERS**

SUMMARY:

The current Code of Conduct for Councillors requires to be updated and consulted upon in line with the best practice recommendations of the Committee on Standards in Public Life following their report into Ethical Standards in Local Government. A new Model Councillor Code of Conduct ('Model Code') has been produced by the Local Government Association. This is designed to protect Councillor's democratic role, encourage good conduct and safeguard the public's trust in local government. A draft new Code of Conduct for Councillors ('the draft new Code') mirroring this Model Code has been produced for consideration and for consultation in order to finalise a new Code for adoption by Council in due course.

RECOMMENDATION:

That the terms of the draft new Code be noted and agreed for consultation. Further, that the Committee agree a six-week period of consultation with Councillors, members of the public, community organisations and neighbouring authorities on the draft new Code. Following this, a report to be brought to the meeting of the Licensing Audit and General Purposes Committee on the 29th March 2021 with a final draft new Code, taking into account responses to the consultation for consideration and recommending the adoption of a new Code of Conduct by Council if appropriate.

1. INTRODUCTION

- 1.1 The Local Government Association (LGA) has published a new Model Code of Conduct after extensive consultation across the sector during the Summer of 2020. The Model Code was developed in order to support local government to continue to aspire to high standards of leadership and performance. The Committee on Standards in Public Life (CoSPL) reported on Ethical Standards in Local Government in 2019 and this report has informed the work of the LGA in producing a Model Code. The CoSPL report included 15 best practice recommendations in relation to the standards regime and ethical practice which they expect every local authority to implement. The current Rushmoor Member

of Code of Conduct requires to be updated to meet certain of these best practice recommendations in relation to prohibitions on bullying and harassment; a requirement for councillors to comply with any formal standards investigation and a prohibition re trivial or malicious allegations by Councillors. The publication of the Model Code presents the opportunity to both meet the best practice recommendations of the CoSPL and to modernise the Rushmoor Code, providing a very clear framework for all members in upholding the ethical values set out in the Model Code and clear guidance on meeting the Seven Principles of Public Life.

- 1.2 The stated purpose of the new Model Code is to assist councillors to make clear the behaviour that is expected of them, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken under the Code. It also seeks to protect councillors, the public, local authority officers and the reputation of local government. It sets out general principles of conduct expected of all councillors and specific obligations in relation to standards of conduct. The fundamental stated aim of the Code is to create and maintain public confidence in the role of councillor and local government.

2. BACKGROUND

- 2.1 The current Code of Conduct for Councillors applies to all Members and Co-opted Members of the Council when acting in their official capacity, or when giving the impression that they are acting as a representative of the Council. The current Code provides a list of general obligations for all Members of the Council to comply with including valuing colleagues and officers and treating everyone with respect and propriety. It focusses very much on declarations of interest and the impact of certain interests on the Member's ability to take part in the decision-making process. It does not positively state the commitment of elected Members as to the standards of behaviour that is expected of those elected to serve in public office nor give examples to guide. As such it does not meet the requirements of the CoSPL best practice recommendation in relation to providing clear guidance on preventing bullying and harassment.

3. THE COMMITTEE ON STANDARDS IN PUBLIC LIFE

- 3.1 The recommendation from the CoSPL is that all local authorities should include a prohibition on bullying and harassment in codes of conduct with a definition of bullying and harassment, supplemented with a list of examples of the sort of behaviour covered by the definition so that it is very clear what harm this seeks to address. A further recommendation of the CoSPL is that councils should include provisions in their code of conduct requiring councillors to comply with any formal standards investigation and prohibiting trivial or malicious allegations by councillors.
- 3.2 The CoSPL highlighted in their report the danger of drawing too narrow a scope for the application of the Code of Conduct as this make it difficult to effectively deal with some instances of poor behaviour particularly in relation to social media use. The CoSPL recognised the question of public and private capacity raised significant issues about the responsibilities of elected representatives. It

said that whilst democratic representatives need to have their right to free speech and freedom of expression protected, the public interest demands that they meet certain responsibilities in that role.

- 3.3 The CoSPL recognises the widespread use of social media presents a particular challenge to deciding whether a code of conduct applies to instances of behaviour. In line with the guidance provided in Wales, the CoSPL consider that when a social media account identifies the individual as a councillor or an individual makes comments related to their role as a councillor, then the code of conduct applies.
- 3.4 The CoSPL also recognises that an individual's private life – that is, private behaviour in a personal capacity – should remain out of scope. This includes, for example, what is said in private conversations (where those conversations are not in an official capacity), but it says that those in high-profile representative roles, such as councillors, should consider that their behaviour in public is rightly under public scrutiny and should adhere to the Seven Principles of Public Life. This includes any comments or statements in print, and those made while speaking in public or on publicly accessible social media sites.
- 3.5 This does not, however, mean that councillors should be censured just because an individual dislikes or disagrees with what they say; standards in public life do not extend to adjudicating on matters of political debate. Controversial issues must be able to be raised in the public sphere, and councillors should have their right to form and hold opinions respected. Established rights to freedom of expression must be respected by councils when adjudicating on potential misconduct, considering the heightened protection granted to political expression.
- 3.6 The Committee on Standards in Public Life accordingly recommended that Councillors should be presumed to be acting in an official capacity in their public conduct, including statements on publicly accessible social media.

4. THE CONSULTATION DRAFT COUNCILLOR CODE OF CONDUCT

- 4.1 The consultation draft new Code mirrors the Model Code of Conduct produced by the LGA and is appended to this report. Members will note the layout commences with a reference to the general principles of councillor conduct and the need to uphold the **Seven Principles of Conduct in Public Life**, also known as the Nolan Principles. These are appended to the draft new Code as they are in the current Code however in the new Code there is a greater emphasis on the link to the principals of the role of councillor set out in the Code. This focus on councillor conduct is helpful clarification for members given that the Nolan Principles are quite high level as they apply to all of those who serve the public or deliver public services.
- 4.2 The draft new Code applies to councillors acting in their capacity as a councillor including when a councillor misuses their position as a councillor and also where the actions of the councillor give the impression to a reasonable member

of the public with knowledge of all the facts that the councillor is acting as a councillor.

- 4.3 The draft new Code is written in the first person and runs clearly through when it will apply and the fact that it applies to **all** forms of communication and interaction with a list including social media communication. The draft new Code sets out the **minimum** standards of conduct required of councillors with guidance on the reasons for the obligations and how they should be followed. If a councillor's conduct falls short of these standards it is made clear that on receipt of any complaint, this may result in action being taken.
- 4.4 The obligations include treating others with respect; not bullying or harassing anyone and the promotion of equalities; not attempting to compromise the impartiality of anyone working for, or on behalf of, the Council. There is an obligation of confidentiality, and not using knowledge gained solely as a result of being a councillor for advancement of self or others; and not preventing anyone from getting information they are entitled to by law. A councillor must not bring their role of the council into disrepute nor must they use or attempt to use their position improperly to the advantage/disadvantage of themselves or others. A councillor must not misuse council resources. A councillor is required to undertake training on the code and cooperate with any investigation under the code. A councillor is obliged to register and disclose interests and disclose gifts and hospitality with a value of £50 within 28 days of receipt and register any significant gift or hospitality that they have been offered but have refused to accept.

5. REGISTRATION AND DISCLOSURE OF INTERESTS

- 5.1 The new draft Code maintains, as it must do, the legal requirement within 28 days of election or re-election to register Disclosable Pecuniary Interests in accordance with The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012. There is also a requirement to register the details of other personal interests which are referred to as 'Other Registrable Interests'. A list and description of these types of Interest are contained within tables in the new draft Code.
- 5.2 The new draft Code clearly sets out the implications of the existence of such interests in relation to a councillor taking part in any discussion or decision making on a matter in which they have any interest.
- 5.3 The new draft Code simplifies the description and impact of personal interests and does not contain reference to the concept of 'prejudicial interests' which are somewhat difficult to navigate in the current Code. In so doing it removes the requirement to apply an additional subjective test.

6. SUMMARY AND RECOMMENDATIONS

- 6.1 The new draft Code simplifies and provides timely helpful clarification and guidance to members in navigating their role in a time of growing social media use and potential for intimidation and abuse. At the same time the new draft

Code seeks to reassure members of the public that those they elect will be accountable in meeting the behaviours set out in the Seven Principles of Public Life and taking decisions in a fair and transparent way.

- 6.2 It is recommended that the terms of the draft new Code be noted and agreed for consultation. Further, that the Committee agree a six-week period of consultation with Councillors, members of the public, community organisations and neighbouring authorities on the draft new Code. Following this, a report to be brought to the meeting of the Licensing Audit and General Purposes Committee on the 29th March 2021 with a final draft new Code, taking into account responses to the consultation for consideration and recommending the adoption of a new Code of Conduct by Council if appropriate.

BACKGROUND DOCUMENTS:

1. *Local Government Association Model Member Code of Conduct Consultation May 2020*
2. *LGA Model Councillor Code of Conduct December 2020*
3. *Report of the Parliamentary Committee on Standards in Public Life Report on Local Government Ethical Standards January 2019.*

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CONSULTATION EXERCISE - COMMENTS RECEIVED

Responses received to consultation	Response to comments
<p>1.“Councillors should not be able to be both local and county councillors as there is a potential / actual conflict of interest or even local favouritism in some circumstances.</p> <p>Having a practice of allowing multiple councillors from the same family should be stopped. It allows single families to wield too much influence and power. It’s just plain wrong.</p> <p>Councillors should have to declare interests more widely than their immediate family and remove themselves from decision making when there is even just a slight possibility that it could be seen as contentious. This should extend to local party members (aka mates and other relatives) who can wield undue influence over councillors.</p> <p>Councillors should not be able to stand for more than a set number of terms (say 3 - that’s 12 years): They are there to hold local government to account rather than build empires around themselves and a fresh perspective is often beneficial for all.”</p>	<p>This is outside the scope of the review of the Code of Conduct and is governed by primary legislation.</p> <p>There is no scope to introduce a limitation on numbers within the remit of the Code of Conduct regarding member conduct and declaration of interests.</p> <p>Members should note that the requirement of the code is to declare an interest where a matter directly affects OR relates to a financial interest or well-being of a relative or close associate. (Emphasis added) This therefore already provides some accountability in relation to family members, and friends who would be covered by the phrase ‘close associates’.</p> <p>This is outside the scope of the review of the Code of Conduct and is governed by primary legislation.</p>
<p>2.“<u>Vested Interests</u></p> <p>Local politicians are motivated to serve in many ways. The ghastly words” open and transparent” are used when someone anticipates being found out to be the opposite. Better to understand just how much those weasel words mean in real life is for councillors to list their outside interests. These to include:</p>	<p>The draft Code provides for Members to declare a personal interest “in any business of your authority where it relates to or is likely to affect:</p>

Membership of lobby groups

RSPB

RSPCA

Greenpeace

Friends of the Earth

Extinction Rebellion

Trades Union Officials

Paid up Political Party membership (Conservative, Labour, Lib Dem, etc)

National Union of Students

Noise Abatement Society

Natural England Official

Ramblers Association membership

Cycling Association membership

RAC Competition Licence holder

An example of the consequences of accepting a lobby group

The huge desire to see everyone walking or on bikes is laudable, but only as a recreational ideal is it likely to be widely practical. Your Council Car Park outside Covid times is usually packed, with visitors parking limited to some 10 spaces. I don't see bike racks outside or round the back. Ever tried carrying a weekly shop on a bike, or on foot? The latter OK if it's a 10 minute walk, but not for town centre shopping. Prices Mead and B&Q car parks are usually packed, and it is of necessity, not for a drive in the country. I can't ride a bike. There is plenty of room and space as it is for loads of walkers and cyclists, but, frankly, you don't see them. Yet an enthusiast in Lycra plus cycle clips is likely to be highly vociferous in pursuit of ensuring that their passion for two wheels, or just a pair of feet. Fine, but let you espoused independence of thought and action have a few teeth, eh?

We need four wheels. Electric, ICE, Hybrid. Taxi, Bus. Emergency Services. Delivery vehicles. They are not an indulgence, but a

a) any body of which you are in general control or management and to which you are nominated or appointed by your authority

b) any body

i) exercising functions of a public nature

ii) any body directed to charitable purposes or

iii) **one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)**" (Emphasis added)

The list of examples of lobbying groups provided in this response are covered by the requirement to declare a personal interest.

Furthermore, the Code requires Members to apply an additional test Where a matter **affects your financial interest or well-being:**

a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;

b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

<p>necessity. Keep them moving, accommodate them, don't imprison them. Short cuts are just that. In, out, gone. Not stuck up a cul-de-sac. Not stuck in a traffic jam. Not getting road rage.</p>	<p>Accordingly it is a matter for Members to consider their position on any given decision where they have declared a personal interest and the Code provides this to include membership of lobbying groups of the type described by the respondent.</p>
<p>3. "The Model Code of Conduct is a balanced set of rules and regulations for Councillors to follow. I haven't compared it to what rules and regulations are currently in place for Councillors, so am unable to comment on any differences.</p> <p>It makes sense to me for all Local Authorities to follow the same generic rules, but if this not practical then certainly those adjacent to each other should."</p>	<p>For noting</p> <p>For noting</p>
<p>4. I am happy with the LGA model, and just have the following minor comments:</p> <p>7.2 - I think the word 'authority' should appear after 'local'</p> <p>Appendix A - Selflessness. I'm not sure what 'in terms of the public interest' means. If it's the same as 'in the public interest', then the two superfluous words should be dropped. If it means something else, then clearer wording is needed</p>	<p>This word is in the Council's draft Code.</p> <p>This description is taken directly from the Seven Principles of Public Life and it would therefore not be appropriate to change this wording.</p>

Table 2 - I think the left column should read 'Licences' rather than 'Licenses'."

This typo was within Table 1 and had been corrected.

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ANNEX 3

COUNCIL MEETING – 22ND APRIL 2021

AGENDA ITEM 4 (3)

FUTURE ARRANGEMENTS FOR THE LICENSING, AUDIT AND GENERAL PURPOSES COMMITTEE

A report from the meeting of the Licensing, Audit and General Purposes Committee held on 29th March 2021.

1. INTRODUCTION

- 1.1 The Licensing, Audit and General Purposes Committee has a key role in the corporate governance of the Council, with an important responsibility to act as a source of assurance about the organisation's arrangements for managing risk, maintaining an effective control environment, and reporting on financial performance.
- 1.2 The local government landscape is becoming ever more challenging, and there is an increasingly complex picture for financial and governance arrangements linked to the delivery of major projects at the Council. It is therefore timely to review arrangements to ensure that the Committee's primary focus and emphasis is directed to meeting these demands.

2. BACKGROUND

- 2.1 In recent years the Council, along with many other authorities within the sector, has been diversifying its range of activities to both mitigate the risk of financial restructuring as a result of Central Government funding changes, and to facilitate the Council to take a much stronger role in place shaping and to influence the regeneration of the area.
- 2.2 In order to deliver against this more diversified agenda the Council has sought to establish key delivery vehicles such as the Rushmoor Development Partnership (RDP) to pursue regeneration and Rushmoor Homes Ltd (RHL) to deliver local housing solutions. The Council has also sought to become more commercially focussed in seeking out income generating sources and has considered a wide range of commercial income investment opportunities. All of these areas of activity require good governance, careful oversight and risk management, supported with transparent arrangements to provide the public oversight, protection and confidence necessary. High quality Elected Member oversight is a pivotal lynchpin to providing that public confidence.

- 2.3 The volatile and risky landscape that local government is working within has been highlighted in recent years by some high-profile local authority failures. These failures have seen an entire financial failure in the case of one local authority, instances of failed housing companies, inadvertent losses resulting from joint-ventures or failed investments or through the failure of local authority trading companies such as local authority run energy companies. The publicly available reports published in respect of these examples often highlight unique circumstances. However, a number of common lessons do emerge. The recommendations in this report build on those published lessons learnt especially in respect of the role of corporate governance, use of expertise and independence and approach to risk management and transparent decision making.
- 2.4 In seeking to prepare this report, the Council's Monitoring Officer has discussed the background and context for the proposals with The Leader and Deputy Leader of the Council, the Leader of the main Opposition Group, the Chair and Vice Chair of Licensing, Audit and General Purposes Committee as well as the Council's Chief Executive and other key internal officers via the Council's internal Governance Group. All consulted to date are supportive of the changes proposed within this report.

3. **PROPOSALS**

- 3.1 Further to the context described above, it is proposed to implement the following arrangements for the Licensing, Audit and General Purposes Committee to help ensure and support the Committee's effectiveness in the future.

Change of Committee Name

- 3.2 It is proposed that the Committee's name be changed to 'Corporate Governance, Audit and Standards Committee' as a more accurate reflection of the committee's work and focus. It is proposed that this takes effect from the first meeting of the municipal year in May 2021.

Terms of Reference and Statement of Purpose

- 3.3 The Committee's terms of reference, which were reviewed as part of the Constitution Review in 2019/20, incorporate the corporate governance, risk management, audit, and financial reporting responsibilities of the Committee and do not need to be updated at this time. However, it is proposed to add a new Statement of Purpose as an introduction to the Committee's terms of reference to bring greater focus to the committee's corporate governance and audit role. A copy of the Statement of Purpose and the Committee's terms of reference is attached at **Appendix 1**.

Membership

- 3.4 The Membership of the Committee shall continue as 11 Members (non-executive and politically balanced), and with a new provision to appoint up to three additional non-voting co-opted Independent Members.

The Independent Member(s) would be invited to join meetings for discussion on all corporate governance and audit matters.

Independent Members

- 3.5 Good practice shows that for committees with audit responsibilities, the co-option of independent members with technical knowledge and expertise can be beneficial, as the injection of an external and independent view can help the process of in-depth questioning and committee discussion. A copy of the Person Specification for Independent Members is attached in **Appendix 3**.
- 3.6 While provisions are proposed to allow for up to three Independent Members, it is likely that one co-opted independent member will be appointed in 2021/22.
- 3.7 Subject to the Committee's approval, a public advertisement to recruit Independent Members will be published during April 2021. Following this, the Chairman and Vice-Chairman of the Committee (or nominated substitutes) will be invited to participate in an interview process to recommend an appointment for confirmation at the Annual Council Meeting in May 2021.
- 3.8 It is suggested that the following terms will apply to the appointment of Independent Member(s):
- A fixed term of three years, with provision for early termination or extension of the appointment.
 - The Independent Member will be eligible to be paid an allowance equal to the statutory co-optee allowance (currently £514 per year).
 - The Independent Member will be expected to follow the same code of conduct as elected Members and with a register of interests.

4. ROLE DESCRIPTIONS

- 4.1 To assist the process of appointments to the Committee for 2021/22, new role descriptions have been prepared for the Chairman and Members of the Committee as set out in **Appendix 2**. The role descriptions reference the apolitical and independent nature of the committee and a requirement for committee members to have an interest in corporate governance matters. It also emphasises a commitment to participate in training events to ensure knowledge and understanding of the committee's key areas of responsibility.

- 4.2 It is proposed that the updated role descriptions are incorporated in Part 3 of the Council's Constitution – Section 10 (Councillor Role Descriptions).

5. **TRAINING PROGRAMME**

- 5.1 During 2021/22, it is proposed to deliver an enhanced programme of learning and development support for Members on the Committee based on the training modules set out in **Appendix 4**.
- 5.2 The programme will include a mix of internal and externally delivered training sessions covering the key topics which will include corporate governance, risk management, financial management, and audit. Members who wish to participate in licensing hearings will also need to ensure they have attended training to fulfil this role.
- 5.3 At its meeting on 29th March, the Committee considered that further to the revised role description and enhanced training programme, an Independent Remuneration Panel should be asked to consider a Special Responsibility Allowance for Committee Members to reflect the additional roles and responsibilities.

6. **MONITORING AND REVIEW**

- 6.1 It is proposed to review the new arrangements in a year when the Committee will have had some experience of the changes. In these circumstances, it is not at this stage intended to recommend that the Standing Orders for the Regulation of Business are changed but to seek the Council to suspend Standing Orders at the Annual Council Meeting so that the new arrangements can be introduced for 2021/22. Once the review has taken place, the proposed changes to Standing Orders can be formalised in the early part of 2022.

7. **CONCLUSIONS AND RECOMMENDATION**

- 7.1 Changes are proposed to ensure the future effectiveness of the Committee, with a strong focus on its corporate governance role providing oversight, protection and public confidence in Council activities.
- 7.2 The Council is recommended to approve that
- (1) the Committee's name be changed to 'Corporate Governance, Audit and Standards Committee' from the Annual Council Meeting in May 2021;
 - (2) updates be made to the Council's Constitution to incorporate a new Statement of Purpose to precede the Committee's terms of reference as set out in Appendix 1, and the updated Role Descriptions as set out in Appendices 2 and 3;

- (3) an Independent Remuneration Panel be asked to consider a Special Responsibility Allowance for Committee Members; and
- (4) at the Annual Council Meeting, Standing Orders for the Regulation of Business be suspended to enable the proposals set out in this Report to be implemented for 2021/22.

S.J. MASTERSON
CHAIRMAN OF LICENSING, AUDIT AND
GENERAL PURPOSES COMMITTEE

FUTURE ARRANGEMENTS FOR LAGP COMMITTEE

Proposed Change of Name:

Corporate Governance, Audit and Standards Committee

Terms of Reference**Membership**

11 Elected Members appointed by the Council (excluding Members of the Cabinet) to reflect the political balance of the Council.

Up to 3 Independent, non-voting co-opted Members invited to attend meetings during discussion on all corporate governance and audit matters.

Statement of Purpose (new)

When carrying out Corporate Governance and Audit functions, the purpose of the Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment, and to oversee the financial reporting process.

General Powers

1. To make appointments of council representatives to Outside Bodies or joint committees of two or more authorities (or to any committee or sub-committee of such a body) and the revocation of any such appointment to a body.
2. To consider and make recommendations to the full Council in relation to the following matters:
 - Amendments to the Council's Standing Orders
 - Conferring the title of honorary alderman or to admit an honorary freeman
 - The making, amendment, revocation or re-enactment of byelaws under any statutory provision
 - Matters related to the name and status of areas
 - Terms under which a Community Governance Review shall be carried out (Sections 81-82 Local Government and Public involvement in Health Act 2007)
 - The promotion, opposition to or amendment of local or personal Bills (Section 239 of the Local Government Act 1972)
 - Dividing the constituency into polling districts (Section 18, Representation of the People Act, 1983)
 - Dividing electoral divisions into polling districts at local government elections (Section 31 of the Representation of the People Act, 1983)

3. To exercise the Council's functions relating to local government pensions, etc (regulations under Section 7,12 or 24 of the Superannuation Act 1972).
4. Power to make an order identifying a place as a public place for the purposes of police powers to deal with street drinking (Criminal Justice and Police Act 2001).
5. To exercise the Council's powers in relation to the following elections and electoral registration functions:
 - Confirming the appointment of the person designated as the Council's electoral registration officer and returning officer for local government elections
 - To make proposals for pilot schemes for local elections

Governance Risk and Control

6. To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
7. To approve the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
8. To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.
9. To monitor the effective development and operation of risk management in the Council.
10. To monitor progress in addressing risk-related issues reported to the Committee.
11. To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
12. To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
13. To monitor the counter-fraud strategy, actions and resources.
14. To review the governance and assurance arrangements for significant partnerships or collaborations.

Internal Audit

15. To approve the internal audit charter.

16. To review the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
17. To approve significant changes to the risk-based internal audit plan and resource requirements.
18. To make appropriate enquiries of both management and the Executive Head of Finance to determine if there are any inappropriate scope or resource limitations, in respect of carrying out internal audit work.
19. To consider reports on internal audit's performance during the year including:
 - a. Key findings, issues of concern and action in hand as a result of internal audit work
 - b. Regular reports on the results of the Quality Assurance and Improvement Plan and any non-compliance with Public Sector Internal Audit Standards (PSIAS).
20. To consider annual internal audit reports, including;
 - a. The statement on the level of conformance with PSIAS
 - b. The Quality and Assurance Improvement Plan
 - c. The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion.
21. To receive summaries of any specific internal reports as requested.
22. To receive reports outlining the action taken where the Executive Head of Finance has concluded that management has accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.
23. To provide internal audit unfettered access to the Committee Chairman, including the opportunity for a private meeting with the Committee.

External Audit

24. To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by the Public Sector Audit Appointments (PSAA).
25. To consider the external auditor's annual audit letter, annual audit results report and other relevant reports.
26. To consider the scope and depth of external audit work and ensure it provides value for money.
27. To commission work from internal and external audit.

Financial Reporting

28. To approve the annual Statement of Accounts and consider whether appropriate accounting policies have been followed and whether any concerns arising from the financial statement or from the audit need to be brought to the attention of the Council.
29. To consider the external auditor's report to those charged with governance on any issues arising from the audit of the accounts.

Accountability arrangements

30. To undertake appropriate training in respect of its governance and audit role.
31. To carry out an annual self-assessment in relation to the effectiveness of the Committee in meeting its purpose.
32. Where considered appropriate, to report to Council on any issues concerning the effectiveness of the arrangements in place for governance, risk, and internal control frameworks.

Licensing Powers

33. Responsibility for the licensing functions of the Council:
 - Functions under the Licensing Act 2003 (see Section 4, Paragraph 4.3 for delegation arrangements)
 - Functions under the Gambling Act 2005 (see Section 4, Paragraph 4.4 for delegation arrangements)
 - Taxis, private hire and other vehicles (see Section 4, Paragraph 4.5 for delegation arrangements)
 - All other licensing and registration functions including for caravan sites, food premises registration, animal licensing, charities and street collection permits, street trading consents and scrap metal dealers (see Section 4, Paragraph 4.6 for delegation arrangements)
34. Responsibility for functions and powers relating to smoke free legislation and the Health Act 2006 (see Section 4, Paragraph 4.8 for delegation arrangements).
35. Responsibility for Health and Safety at work (see Section 4, Paragraph 4.7 for delegation arrangements).
36. Responsibility for the powers in sections 4, 8 and 9 of the Hampshire Act, 1983:-
 - s.4 (relating to the registration of hairdressers and barbers and premises occupied by them)
 - s.8 (relating to the control of stray dogs)
 - s.9 (relating to the seizure of horses).

Standards and Members' Code of Conduct Responsibilities

37. To promote and maintain high standards of conduct by councillors and co-opted members of the Council as set out in the Councillors Code of Conduct.
38. To advise the Council on the adoption or revision of the Members' Code of Conduct.
39. To monitor the operation of the Members' Code of Conduct.
40. To make and implement arrangements for dealing with complaints in accordance with the Localism Act, 2011 and any subsequent regulations and guidance.
41. To deal with matters relating to the appointment and activities of the Independent Person(s) within the provision of the Localism Act 2011 and any subsequent regulations and guidance.
42. To grant dispensations to councillors and co-opted members from requirements relating to interests set out in the Code of Conduct.

Ombudsman

43. To keep under review Ombudsman investigations and consider their outcomes where appropriate.

ROLE DESCRIPTIONS

Corporate Governance, Audit and Standards Committee

(1) CHAIRMAN OF COMMITTEE

Responsible to: Council and Members of the Committee

Responsibilities:

- (1) To lead the committee in line with good governance principles.
- (2) To provide confident and effective chairing of meetings which encourages open discussion, full participation, and facilitates clear decision-making.
- (3) To ensure discussion and challenge at meetings is apolitical, objective, and focussed at an appropriate strategic level.
- (4) To develop the Committee's profile and internal influence within the Council.
- (5) To understand the respective roles of Members, officers and external parties operating within the committee's area of responsibility.
- (6) To ensure that s/he has knowledge and understanding of the committee's areas of responsibilities and with an interest in financial and risk management, audit, accounting concepts and standards and the regulatory regime.
- (7) To participate in the training and development programme required of Members of the Committee.
- (8) To ensure that the Committee's work is co-ordinated with other decision-making bodies and is in accordance with the policy framework.
- (9) Where set out in the Scheme of Delegation, to act as a consultee in decisions delegated by the Committee.
- (10) To be responsible for presenting the Committee's proposals and decisions to the Council and the community

Further Role requirements

- (11) To canvass views from Committee Members in advance of meetings with the External Auditor and to help represent views at the meeting.
- (12) To develop effective working relationship with Independent Members of the Committee and seek feedback from meeting participants.
- (13) The ability to challenge the Cabinet and senior managers when required.

ROLE DESCRIPTION

(2) COMMITTEE MEMBER

- (1) To ensure that s/he, has knowledge and understanding of the committee's key areas of responsibility, with an interest in:
 - corporate governance, financial and risk management, internal and external audit activities and the regulatory framework
 - standards and ethics
 - participation in licensing hearings
- (2) Commitment to attend and participate in the training and development programme required of Members of the Committee.
- (3) To understand the respective roles of Members, officers and external parties operating within the committee's area of responsibility.
- (4) To participate effectively, openly and candidly in committee meetings with an objective apolitical approach.
- (5) To be available for daytime licensing hearings as required.
- (6) Promote and maintain high standards of conduct for councillors and help councillors to follow the councillors code of conduct.
- (7) To promote and support good governance by the Council.

Key attributes and skills

- (8) Ability to weigh-up/sort complex evidence.
- (9) Ability to be objective, independent, and impartial.
- (10) Ability to challenge supportively.

ROLE DESCRIPTION – INDEPENDENT PERSON

Responsible to: The Section 151 Officer and Internal Audit Manager

Liaison with: Elected Members of the (Insert name of Committee), Section 151 Officer, (Internal) Audit Manager any other relevant Members and officers and the External Auditors of Rushmoor Borough Council.

Responsibilities

1. To engage fully in collective consideration of all corporate governance and audit matters before the Committee, taking into account a full range of relevant factors, including legislation and supporting regulation (e.g. the Accounts and Audit Regulations 2015), professional guidance (e.g. that issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) or the Chartered Institute of Internal Auditors (IIA)), and the advice of the Council's Section 151 Officer and Audit Manager.
2. To participate fully in the discharge of all audit functions, as set out in the Committee's terms of reference and the constitution.
3. To promote the concept of proportionate, effective risk management and internal control throughout the organisation; and to champion the work of Internal Audit, External Audit and Risk Management.
4. To participate in periodic review of the overall effectiveness of the committee with regards to audit matters, and of its terms of reference.

Audit Independent Person – Skills and Competencies

1. Demonstrates up-to-date knowledge, skill and a depth of experience in the fields of audit, accounting, risk management, corporate governance, and performance management.
2. Operates consistently and without bias.
3. Is an effective role model; supports appropriate behaviours and challenges opinions and advice where appropriate, separating major issues from minor ones.
4. Contributes proactive, proportionate and independent thought, and also collaboration with officers to temper the opinions of Committee Members.
5. Works sensitively with people inside and outside the Committee / Council.
6. Listens to and balances advice.

Must have no personal, legal or contractual relationship with the Council (including employees or Members or former staff), or any other relationship/activity which might represent a conflict of interest.

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ELECTED MEMBERS SPECIFIC TRAINING NEEDS – TRAINING MODULES FOR THE FOLLOWING:

	Training Modules/Sessions
Mandatory Introduction and Induction	<p>Induction Session held before first meeting of the year –</p> <p>Introduction: Role and Purpose of the Committee</p> <p>Roles of Sec 151 Officer, MO, Internal Audit Manager, Independent Members</p> <p>Key documents and reports pack for all Committee Members</p>
<p>Knowledge Modules</p> <p><u>Essential</u> Training, which will be arranged by RBC. Members are expected to attend training modules.</p> <p>NB – a couple of these may be combined.</p>	<p>Governance</p> <ul style="list-style-type: none"> ➤ Local Code of Governance and the Annual Governance Statement ➤ Council's arrangements for upholding standards for Elected Members and staff (separate Code of Conduct Training is essential training provided for all new Members) <p>Risk Management</p> <ul style="list-style-type: none"> ➤ Understanding of the principles of risk management and link to good governance and decision-making ➤ Awareness of the Council's major risks – major development projects of the Council ➤ Council's risk management policy ➤ Fraud and corruption risks <p>Financial Management and Accounting</p> <ul style="list-style-type: none"> ➤ Awareness of the Financial Statements that the Council must produce and the principles it must follow to produce them. ➤ Understanding of good financial management principles

	<p>Treasury Management</p> <ul style="list-style-type: none"> ➤ Regulatory requirements ➤ Treasury risks ➤ The Council's Treasury Management Strategy and policies <p>Internal Audit</p> <ul style="list-style-type: none"> ➤ Awareness of the key principles of the PSIAS (public sector internal audit standards) and Local Government Application Note (LGAN) ➤ Arrangements for delivery of the internal audit service ➤ Difference between internal and external audit roles <p>External Audit</p> <ul style="list-style-type: none"> ➤ Role and functions of external auditor – Invite External Auditors ➤ Key reports and assurances that external audit will provide. ➤ Arrangements for the appointment of auditors ➤ Types of questions that should be asked of external auditors.
Skills	<p>Licensing Hearing Training</p> <p>For all Councillors who will participate in Licensing Hearings</p> <ul style="list-style-type: none"> ➤ Chairing skills for chairman and vice-chairman of committee ➤ Potential for joint questioning skills training with OSC Committee Members

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ANNEX 4

COUNCIL MEETING – 22ND APRIL 2021

AGENDA ITEM 4 (4)

**EXTENSION OF TERM OF OFFICE FOR DESIGNATED
INDEPENDENT PERSON**

A report from the meeting of the Licensing, Audit and General Purposes Committee held on 29th March 2021.

1. INTRODUCTION

- 1.1 This report recommends a two-year extension to the term of office for the Council's Designated Independent Person (DIP), Mrs Mary Harris. This is a role which is required under the Localism Act 2011 to assist the Council in promoting and maintaining high standards of conduct amongst its elected Members. A copy of the role description is attached as Appendix 1.

2. BACKGROUND

- 2.1 Mrs Mary Harris was appointed by the Council in March 2018 as the Council's Designated Independent Person for a three-year term from 2018/19 to 2020/21. The appointment followed a public advertisement, application and interview process which included Member representation.

- 2.2 The Statutory functions of the DIP are: -

- They must be consulted by the Authority before it makes a finding as to whether a Member has failed to comply with the Code of Conduct or decides on action to be taken in respect of that Member.
- They may be consulted by the Authority in respect of a standards complaint at any other stage; and
- They may be consulted by a Member or co-opted member of the Council against whom a complaint has been made.

- 2.3 A person is considered not to be "Independent" if: -

- He/she is, or has been within the last five years, an elected or co-opted member or an officer of the Council.
- He/she is, or has been within the last five years an elected or co-opted member of any Committee or Sub-Committee of the Council; or

- He/she is a relative or close friend of a current elected or co-opted member or officer of the Council.

- 2.4 There is no payment for the role, however a small annual retainer allowance is paid which is the same amount allowed for a co-opted committee member (currently £514 per annum). This reflects the need for the Independent Person to maintain up to date knowledge, attend training and to be available to the Council as and when required.
- 2.5 It would be open to the Council to carry out a fresh recruitment process at this time or to make an extension to Mrs Mary Harris' term of office. Since her appointment, Mrs Harris has attended training, attended regular update meetings with the Monitoring Office, carried out her role diligently and gained experience from which the Council can benefit for a further period. There have been very few Member conduct related complaints and the call on the DIP has been very minimal.
- 2.6 All current Members are being canvassed to confirm that are no close friendship connections with Mrs Harris.

Candidate Details

- 2.6 Mary Harris is a resident of the Borough, with an MBA in Public Policy and substantial experience in parish and town clerk roles with Proper Officer responsibilities. This includes responsibilities for advising on, and experience of working within, the current standards regime. She has also held several senior executive positions for Housing Associations and served in a number of community voluntary roles bringing experience of dealing with difficult and contentious issues and complaints.

3. RECOMMENDATION

The Council is recommended to extend the term of office of Mrs. Mary Harris, as the Council's Designated Independent Person (DIP), for two years until the end of the 2022/23 municipal year.

S.J. MASTERSON
CHAIRMAN OF LICENSING, AUDIT AND
GENERAL PURPOSES COMMITTEE

ROLE OF INDEPENDENT PERSON – RUSHMOOR BOROUGH COUNCIL

ROLE DESCRIPTION

Responsible to: The Council

Liaison with: Monitoring Officer, members of the Licensing, Audit and General Purposes Committee, officers and members of the Borough, key stakeholders within the community.

1. To assist the Council in promoting high standards of conduct by elected and co-opted members of Rushmoor Borough Council and in particular to uphold the Code of Conduct adopted by the Council and the seven principles of public office, namely selflessness, honesty, integrity, objectivity, accountability, openness and leadership.
2. To be consulted by the Council through the Monitoring Officer and/or the Licensing, Audit and General Purposes Committee before it makes a decision on an investigated allegation and to be available to attend meetings of the Hearing Panel of the Committee for this purpose.
3. To be available for consultation by the Monitoring Officer and/or the Licensing, Audit and General Purposes Committee before a decision is taken as to whether to investigate a complaint or to seek local resolution of the same.
4. To be available for consultation by any elected member, who is the subject of a standards complaint.
5. To develop a sound understanding of the ethical framework as it operates within Rushmoor Borough Council.
6. To participate in training events to develop skills, knowledge and experience and in networks developed for Independent Persons operating outside the Borough Council's area.
7. To attend training events organised and promoted by the Council's Licensing, Audit and General Purposes Committee.
8. To act as advocate and ambassador for the Council in promoting ethical behaviour.

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ANNEX 5

COUNCIL MEETING – 22ND APRIL 2021

AGENDA ITEM NO. 6

OVERVIEW AND SCRUTINY COMMITTEE – ANNUAL REPORT 2020/21

1. INTRODUCTION

- 1.1 In accordance with the Council's procedures for monitoring the overview and scrutiny process, this report reviews the work that has been undertaken by the Overview and Scrutiny Committee in 2020/21. The Committee's focus has been to keep a watching brief on the performance of council activities, local facilities and providing comments and ideas, which would help to shape the Council's future policy and services. The report covers the issues discussed, the processes followed and the outcomes achieved during the year.

2. RESPONSIBILITIES AND WORK PLAN

- 2.1 The Committee was established as part of the review of the decision making structure which took effect from May, 2018. The Committee's breadth of activity includes all Council services and services provided by other organisations which impact on the Borough and its inhabitants. One of the key roles is to monitor the Council's performance management data - this is used to identify specific areas for scrutiny and detailed assessment.
- 2.2 The progress meeting (consisting of Cllrs. Gaynor Austin, Diane Bedford, Veronica Graham-Green, Christine Guinness, and myself) has been used for discussion and consideration of processes and priorities. It also monitors the work plan and undertakes agenda planning.

3. COMMITTEE ISSUES

- 3.1 The Committee's activities have been affected by the pandemic with work carried out remotely and opportunities for detailed work more limited. Over the year, the Committee endeavoured to ensure that it has kept all of the Council's activities under review. It had been hoped to provide training for the Committee on scrutiny but this has not been possible remotely and is being scheduled for the start of the 2021/2 Municipal Year. It has also been important to ensure that there is no duplication of work with the Policy and Project Advisory Board and this issue will continue to be looked at during the 2021/22 Municipal Year at quarterly joint chairs meeting.
- 3.2 The main areas of focus in 2020/21 were:

Performance Monitoring – The Committee has reviewed the Council's performance monitoring data at several of its meetings throughout the 2020/21 Municipal Year. Recently the Committee has been looking at how performance data is collected and reported on against the Council Business Plan projects and wider performance reporting. The Committee has endorsed the new approach and will continue to review performance monitoring during 2021/22.

Registered Providers – The Committee received the Review of Registered Providers annual report for 2019/20 and set up a Task and Finish Group (consisting of Cllrs. Diane Bedford, Terry Bridgeman, Sue Carter, Rod Cooper, Keith Dibble and myself) to carry out the reviews during 2020/21. For the 2020/21 Municipal Year it was agreed that the scrutiny of performance and activities should be limited to three registered providers per year and that the areas for questions should focus on strategic issues including, climate change, deprivation and the impacts of C19. The 2020/21 annual report will be considered by the Committee at a future meeting with recommendations to discuss with the Portfolio Holder.

Commercial Property Investment – The Committee received a presentation on the Council's Commercial Property Investment Portfolio at its meeting in September, 2020. The presentation covered the working arrangements, the Property Investment Strategy and the Q2 monitoring of the current portfolio.

Council Tax Support Scheme – A Task and Finish Group (consisting of Cllrs. Diane Bedford, Alex Crawford, Veronica Graham-Green, Mara Makunura, Mike Roberts and myself) has carried out a review of the Council Tax Support Scheme. A report was submitted to the Cabinet and the Council in December, 2020 and February, 2021 respectively, where it was agreed that the existing level of support should be retained for 2020/21.

Educational improvement – A Task and Finish Group was set up to meet at the start of the 2020/21 Municipal Year (consisting of Cllrs. Gaynor Austin, Sue Carter, Mara Makunura, Nadia Martin and Steve Masterson and myself). The Group met in February, 2021, with the County Council Portfolio Holder for Education and Skills (Cllr Roz Chadd). An update on education in Hampshire and how the current arrangements were working following the impacts of COVID-19 was provided. A further meeting of the Group would be held in summer 2021.

Town Centre Markets and Car Boots – The Committee held a workshop in August, 2020 at which an ideas exercise was carried out on how to achieve better sustainability for markets and car boots going forward. A number of questions were discussed and it was agreed that the provision of markets and car boots in the town centres should continue. A number of ideas to make improvements to the offer and arrangements were put forward to the Portfolio Holder who was being consulted on the future provision of car boots and markets in the town centres. The comments of the Committee will be taken into account a part of these discussions.

Aldershot Town Football Club – During the 2020/21 Municipal Year the Committee received representations from the Aldershot Town Football Club Supporters Trust on issues relating to the Football Club, including the conclusion of the new lease, the engagement approach between the Club and its supporters and future options for running of the Club. The representations were noted and relayed to the Major Projects and Property Portfolio Holder for consideration. In February 2021, the Chairman of the Football Club provided the Committee with a response to the representations made by The Shot Trust and also gave an update on current operations.

Community Safety and Policing – at the meeting in September, 2020 the Committee heard from Police representatives and the Safer North Hampshire team on current issues across the Borough. Specific queries raised by Members were also addressed. A watching brief on community safety and policing matters will maintained during 2021/22.

Cabinet Champions – The Committee received a presentation from the three Cabinet Champions at its meeting in March, 2021 Each Champion detailed the work/activities they had undertaken during 2020/21. The work and activities of the Champions would continue to be scrutinised during 2021/22.

- 3.4 Other items considered during the year are the Council's Workforce Report, an update on the healthy weights work, a presentation on air pollution across the Borough and the impacts of COVID-19 on the work of the Housing Options team. The Committee also instigated a briefing for all Members on the Hampshire Fire and Rescue Service.

4. **CONCLUSIONS**

- 4.1 The Committee has worked well during the year and carried out a range of activities, which have a significant impact on the Borough and the Council. The work of the Committee will be developed in 2021/22 by looking at best practice from other areas and reflecting the review work which has taken place on wider governance issues through the Licensing, Audit and General Purposes Committee. The scrutiny training being provided arranged for all Members of the Committee will also pick up on the wider governance work.
- 4.2 Finally and importantly, I feel that the Committee has worked effectively together during the year. All Members have contributed at meetings and I would like to express my thanks for their support and especially the two Vice-Chairman. In addition, I am also grateful for the support given by the officers to the Committee and myself as Chairman.

5. **RECOMMENDATION**

- 6.1 The Council is asked to note and endorse the Committee's work.

CLLR. M. SMITH
CHAIRMAN - OVERVIEW AND SCRUTINY COMMITTEE

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CABINET

Meeting held remotely on Tuesday, 16th February, 2021 at 6.00 pm.

Voting Members

Cllr D.E. Clifford, Leader of the Council

Cllr Marina Munro, Planning and Economy Portfolio Holder

Cllr A.R. Newell, Democracy, Strategy and Partnerships Portfolio Holder

Cllr M.L. Sheehan, Operational Services Portfolio Holder

Cllr P.G. Taylor, Corporate Services Portfolio Holder

Cllr M.J. Tennant, Major Projects and Property Portfolio Holder

An apology for absence was submitted on behalf of Cllr K.H. Muschamp.

The Cabinet considered the following matters at the above-mentioned meeting. All executive decisions of the Cabinet shall become effective, subject to the call-in procedure, from **1st March, 2021**.

49. MINUTES –

The Minutes of the meeting of the Cabinet held on 19th January, 2021 were confirmed.

50. REVENUE BUDGET, CAPITAL PROGRAMME AND COUNCIL TAX LEVEL – (Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet considered Report No. FIN2106, which made recommendations on the budget, Council Tax requirement and proposals for budget savings for 2021/22. Members noted that the Report had been republished prior to the meeting to provide corrected brought forward balances in respect of the Stability and Resilience Reserve and other earmarked reserves/prior year grants.

The Cabinet was reminded that the budget framework had been approved at its meeting on 13th October, 2020. The prospects for the Medium Term Financial Strategy, in the context of ongoing pressures caused by the impact of Covid-19, had been considered at the Cabinet meeting on 8th December, 2020. Members were advised that the Report had been prepared on the basis that there would be no change to the provisional local government finance settlement figure, which had been confirmed on 4th February, 2021 but had been subject to a Parliamentary debate on 10th February, 2021. The Medium Term Financial Strategy continued to provide a risk-based General Fund balance of £2 million being the minimum expected level for total working balances. The Cabinet was advised that, despite the uncertainties around levels of Government funding and the risks around Brexit and the general economic position, the Council had been able to prepare a sound budget that maintained services to residents. It was confirmed that the budget would also provide a platform for the Council to address future challenges.

The Capital Programme of £38.510 million in 2021/22 was set out in Appendix 3 of the Report. It was explained that the Capital Programme was focussed on delivering

against the Council's key priority of town centre regeneration, with further schemes aimed at enhancing the delivery of core services through improvement and enhancement of assets. The main areas where the Council would be facing increased levels of risk and uncertainty over the medium term were set out in Section 8 of the Report. Members were informed that the most significant risks were the uncertainty around the level of local government funding provided by central government, especially in light of the implementation of the Fair Funding Review and ongoing pressures caused by Covid-19. In discussing the details of the Report, it was confirmed to Members that the business case for the provision of a visitor centre at the Southwood Country Park would be submitted to the Cabinet for approval over the following months.

The Cabinet

- (i) **RECOMMENDED TO THE COUNCIL** that approval be given to:
 - (a) the Medium Term Financial Strategy, as set out in Appendix 1 of Report No. FIN2106;
 - (b) the additional items for inclusion in the budget, as set out in Appendix 2 of the Report;
 - (c) the Council Tax requirement of £6,927,715 for this Council;
 - (d) the Council Tax level for Rushmoor Borough Council's purposes of £214.42 for a Band D property in 2021/22;
 - (e) the Capital Programme, as set out in Appendix 3 of the Report;
 - (f) the Strategy for the Flexible Use of Capital Receipts, as set out in Appendix 4 of the Report;
 - (g) the balances and reserves position, including proposed reserve transfers for 2021/22, as set out in Section 5 of the Report; and
- (ii) **RESOLVED** that authority be delegated to the Council's Section 151 Officer, in consultation with the Leader of the Council and the Corporate Services Portfolio Holder, to make any necessary changes to the General Fund Summary arising from the final confirmation of the Local Government Finance Settlement and the Business Rates Retention Scheme estimates.

51. ANNUAL TREASURY MANAGEMENT STRATEGY AND ANNUAL NON-TREASURY INVESTMENT STRATEGY 2021/22 – (Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet considered Report No. FIN2104, which set out the Council's proposed Treasury Management Strategy and Non-Treasury Investment Strategy (Investment Strategy) for 2021/22, along with the Minimum Revenue Provision Statement. Members were reminded that the main purposes of the treasury management operation were to ensure that cash flow was adequately planned and to provide funding for the Council's capital plans. The Council's investment advisers,

Arlingclose, had recommended that the Council should diversify its investment risk wherever possible. Members were also informed that the Council's investment holdings remained significant and that the accumulating debt in this respect would result in a need to incur some further borrowing to service the Council's capital expenditure in future years.

The Cabinet RECOMMENDED TO THE COUNCIL that approval be given to:

- (i) the Treasury Management Strategy 2021/22 and Annual Borrowing Strategy 2021/22, as set out in Appendix A of Report No. FIN2104;
- (ii) the Annual Non-Treasury Investment Strategy 2021/22, as set out in Appendix B of the Report; and
- (iii) the Minimum Revenue Provision Statement 2021/22, as set out in Appendix C of the Report.

52. ANNUAL CAPITAL STRATEGY 2021/22 –
(Cllr Paul Taylor, Corporate Services Portfolio Holder)

The Cabinet considered Report No. FIN2105, which set out the Council's Capital Strategy for 2021/22, which included the Prudential Indicators for Capital Finance. Members were informed that this Report complemented the Annual Treasury Management Strategy Report that had been considered earlier in the meeting.

Members were reminded that the purpose of the Capital Strategy was to give an overview of how the Council's capital expenditure, capital financing and treasury management activities contributed to the provision of local services, along with an overview of how associated risks would be managed and the implications for future financial sustainability.

The Cabinet RECOMMENDED TO THE COUNCIL that approval be given to the Capital Strategy for 2021/22 to 2023/24 and Prudential Indicators for 2021/22, as set out in Appendix A of Report No. FIN2105.

53. COUNCIL BUSINESS PLAN PROJECT PROGRESS REPORT: OCTOBER - DECEMBER 2020/21 –
(Cllr Adrian Newell, Democracy, Strategy and Partnerships Portfolio Holder)

The Cabinet received Report No. ACE2101, which set out progress in delivering the Council Business Plan projects during the third quarter of 2020/21. Members were reminded that, following a recent change in reporting arrangements, only projects which were either completed during Quarter 3 or were not on track at the end of Quarter 3 would be included in the report. Members were informed that the majority of projects had been identified as making good progress and details of these could be found on the Council's website (www.rushmoor.gov.uk/councilplan). Overall, good progress was being made against an ambitious programme of work, taking account of the impact of the current pandemic and ongoing resource constraints.

The Cabinet NOTED the progress made towards delivering the Council Business Plan, as set out in Report No. ACE2101.

54. **ALDERSHOT MILITARY CONSERVATION AREA - ADOPTION –**
(Cllr Marina Munro, Planning and Economy Portfolio Holder)

The Cabinet considered Report No. EPSH2104, which set out a proposed appraisal and management plan, following a review of the Aldershot Military Conservation Area.

Members were informed that a consultation had been carried out on the draft appraisal and six responses had been received. A response from Savills, on behalf of Grainger PLC, stated that the proposed removal of playing fields and open space to the west of the A325 Farnborough Road from the Conservation Area would be at odds with the appraisal, which had identified the importance of open spaces as a key feature of the Conservation Area. It was, therefore, proposed that these areas should Be included within the boundary of the Conservation Area.

The Cabinet RESOLVED that the Aldershot Military Conservation Area Appraisal and Management Plan, to include the historic playing fields to the west of the A325 Farnborough Road within the Conservation Area, as set out in Appendix 1 of Report No. EPSH2104, be approved.

The Meeting closed at 6.38 pm.

CLLR D.E. CLIFFORD, LEADER OF THE COUNCIL

CABINET

Meeting held remotely on Tuesday, 23rd February, 2021 at 6.00 pm.

Voting Members

Cllr D.E. Clifford, Leader of the Council
Cllr K.H. Muschamp, Deputy Leader and Customer Experience and Improvement
Portfolio Holder

Cllr Marina Munro, Planning and Economy Portfolio Holder
Cllr A.R. Newell, Democracy, Strategy and Partnerships Portfolio Holder
Cllr M.L. Sheehan, Operational Services Portfolio Holder
Cllr P.G. Taylor, Corporate Services Portfolio Holder
Cllr M.J. Tennant, Major Projects and Property Portfolio Holder

The Leader of the Council (Cllr D.E. Clifford) invited the Leader of the Labour Group (Cllr K. Dibble) to attend and contribute to the meeting.

The Cabinet considered the following matters at the above-mentioned meeting. All executive decisions of the Cabinet shall become effective, subject to the call-in procedure, from **8th March, 2021**.

55. **LEISURE CONTRACT - ARRANGEMENTS FROM APRIL, 2021 –** (Cllr Maurice Sheehan, Operational Services Portfolio Holder)

The Cabinet considered Report No. OS2101, which set out a range of options for the Council's Farnborough Leisure Centre and Aldershot Indoor Pools Complex, following the expiry of the contract with Places for People Leisure on 31st March, 2021. The Chairman welcomed Mrs Katherine Everard, Committee Member of Rushmoor Indoor Bowling Club and Cllr C.P. Grattan, on behalf of the Council's Labour Group, both of whom had requested to address the Cabinet on this issue.

The Cabinet heard from Mrs Everard, who was speaking on behalf of the Rushmoor Indoor Bowling Club. Mrs Everard brought the Cabinet's attention to the written representations that had been submitted. Mrs Everard raised further points including:

- that the absence of a leisure centre in Farnborough town centre would adversely affect footfall in the town centre generally;
- that the indoor bowling facility and leisure centre contributed positively towards the Council's priorities relating to health and wellbeing;
- that the Club considered there was a lack of evidence in relation to the case for the leisure centre not reopening; and
- that the Club felt that little progress had been made towards the identification of an alternative site for an indoor bowling facility, following the closure of the existing facility.

The Cabinet then heard from Cllr Grattan, who was speaking on behalf of the Council's Labour Group. Cllr Grattan requested that, should the decision be made not to reopen the leisure centre, that all clubs currently connected to the leisure centre would be given every practical assistance to find alternative facilities. The Group also considered that, in that circumstance, any staff employed by the Farnborough Leisure Centre would be treated sensitively and the redeployment would be considered wherever possible.

The Report was presented by Cllr M.L. Sheehan, Operational Services Portfolio Holder. Members were informed that the leisure sector had been severely affected by Coronavirus restrictions and that Government guidance in relation to transition from lockdown indicated that leisure centres would not be allowed to reopen for a further six to nine months. Negotiations had taken place with People for Places Leisure in relation to a further extension to the contract to open and operate the Farnborough Leisure Centre once this was allowed but it was considered that this option carried unacceptable financial risks to the Council. Negotiations had also taken place with Places for People Leisure over the reopening and operation of the Aldershot Indoor Pools Complex, once this was allowed. Details of the negotiation processes were contained within the Report. Members were reminded that the Council was in the process of carrying out a feasibility study for a new combined Leisure Centre and Civic Hub within the Farnborough Civic Quarter development site. The Portfolio Holder stated that the Council would work towards the Aldershot Lido opening for the 2021 season, subject to the Government's restrictions in place at that time.

The Council's Chief Executive informed Members that a petition of 2,741 signatures against the leisure centre not reopening had been received. Whilst this did not meet the requirements contained within the Council's Constitution to be considered under the Petitions Scheme, the Cabinet would have regard to this and the queries raised by the petitioner would be answered in full.

Cllr K. Dibble, Leader of the Council's Labour Group, was invited to address the meeting and endorsed the comments made previously by Cllr Grattan in terms of clubs connected to the Farnborough Leisure Centre and the staff employed there.

The Cabinet then considered the matters in the Exempt Appendices A and B of the Report. During this discussion, the public were excluded from the meeting to avoid the disclosure of exempt information within Paragraph 3 of Schedule 12A to the Local Government Act, 1972 (information relating to financial or business affairs).

In discussing the options, Members raised queries in many areas, including the management costs of running the facilities, the financial implications of bringing forward the demolition and reprovision of the Farnborough Leisure Centre and the income sharing arrangements with Places for People Leisure for the Aldershot Indoor Pools Complex. In deciding to not reopen the Farnborough Leisure Centre and to award a three-year contract to Places for People Leisure to run the Aldershot Indoor Pools complex, Members expressed regret at the temporary loss of this important facility in Farnborough. It was felt, however, that these decisions were in the best interests of Rushmoor's Council Taxpayers.

The Cabinet RESOLVED that

- (i) in light of the current position with the leisure market and the increased costs and other risks associated with the operation of the Farnborough Leisure Centre, the ongoing closure of the facility at the end of the existing contract, as set out in Report No, OS2101, be approved, with Council taking action to bring forward the demolition and reprovision of a new leisure facility on the Farnborough Civic Quarter site;
- (ii) the allocation of £100,000 from the Service Expenditure (Contingency) provision and inclusion as an additional item in the 2021/22 revenue budget, subject to approval of the Council's budget at the Council meeting on 25th February, 2021, be approved, to meet the costs associated with the end of the contract, including decommissioning, security and preparation for demolition; and
- (iii) the option to enter into a contract with Places for People Leisure to operate the Aldershot Indoor Pools Complex, on the terms set out in the Restricted Minute appended, be approved.

The Meeting closed at 6.59 pm.

CLLR D.E. CLIFFORD, LEADER OF THE COUNCIL

CABINET

Meeting held remotely on Tuesday, 16th March, 2021 at 7.00 pm.

Voting Members

Cllr D.E. Clifford, Leader of the Council
Cllr K.H. Muschamp, Deputy Leader and Customer Experience and Improvement
Portfolio Holder

Cllr Marina Munro, Planning and Economy Portfolio Holder
Cllr A.R. Newell, Democracy, Strategy and Partnerships Portfolio Holder
Cllr M.L. Sheehan, Operational Services Portfolio Holder
Cllr P.G. Taylor, Corporate Services Portfolio Holder
Cllr M.J. Tennant, Major Projects and Property Portfolio Holder

The Cabinet considered the following matters at the above-mentioned meeting. All executive decisions of the Cabinet shall become effective, subject to the call-in procedure, from **29th March, 2021**.

56. **MINUTES –**

The Minutes of the meetings of the Cabinet held on 16th March and 23rd March, 2021 were confirmed.

57. **RUSHMOOR FOOD HUB –**

(Cllr Adrian Newell, Democracy, Strategy and Partnerships Portfolio Holder / Cllr Martin Tennant, Major Projects and Property Portfolio Holder)

The Cabinet considered Report No. DCS2102, which set out a proposal to establish a Rushmoor Food Hub.

Members were informed that, over the previous year, the Council had been working with a range of partners and local volunteers to develop a new, sustainable and collaborative approach to food provision. This would be achieved through the development of a local food partnership, the provision of a community store at the Council-owned former St John Ambulance Hall, Windsor Way, Aldershot and the provision of community larders and fridges in locations in Aldershot. The Report set out the details of the scheme. In response to a question, it was confirmed that it was intended to develop the partnership in the North Camp and Farnborough areas using seed funding that was available from existing dedicated grants for food provision under Covid-19, as with the Food Hub.

The Cabinet RESOLVED that

- (i) the establishment of a Rushmoor Food Hub, as set out in Report No. DCS2102, be approved; and
- (ii) the provision of 90% rent relief, until 31st March, 2023, in relation to the lease from the Council, as set out in the Report, be approved.

58. **RUSHMOOR HOMES LIMITED - BUSINESS PLAN 2021-2026 –**
(Mr Paul Shackley, Chief Executive)

The Cabinet considered Report No. CEX2101, which set out the second business plan for Rushmoor Homes Limited (RHLtd), covering the period 2021–2026. It also included the first Shareholder Report, covering the first six months of RHLtd's operation. The Report was presented on behalf of the Council's Chief Executive, in his capacity as the Council's shareholder representative.

Members were reminded that RHLtd had been incorporated on 22nd April, 2020 and that the company was wholly owned by the Council. It was reported that significant progress had been made during the first year of operation, despite challenges including the impact of Covid-19, site issues, the provision of resources to support the company and the need to consider any potential impact from changes to the Public Works Loan Board's lending terms. The attached business plan summarised the outcomes of the first year of trading and set out objectives for the following five years. The business plan set out a list of sites and indicative delivery programme. Members were advised that some planning applications would be submitted imminently, subject to approval.

The Cabinet expressed strong support for the company's business plan and felt that this approach would deliver excellent results for the Council and for Rushmoor residents.

The Cabinet

- (i) **RECOMMENDED TO THE COUNCIL** that
 - (a) Rushmoor Housing Limited's Business Plan 2021-2026, as set out in Appendix 2 of Report No. CEX2101, be approved;
 - (b) the Council's Chief Executive be authorised to approve any variations in the delivery methods used to achieve the outcomes of the business plan, provided that this was within the approved budget;
 - (c) the funding required to finance the company's operations and acquisition and development programme be noted; and
- (ii) **RESOLVED** that the Shareholder Report, as set out in Appendix 1 of Report No, CEX2101, be noted.

NOTE: The Deputy Leader of the Council (Cllr K.H. Muschamp) declared a personal but non prejudicial interest in this item in respect of his involvement as Chairman of the Board of Rushmoor Housing Limited and, in accordance with the Members' Code of Conduct, remained in the meeting during the discussion and voting thereon.

The Meeting closed at 7.32 pm.

CLLR D.E. CLIFFORD, LEADER OF THE COUNCIL

DEVELOPMENT MANAGEMENT COMMITTEE

Meeting held on Wednesday, 17th February, 2021 at 7.00 pm held via Microsoft Teams and streamed live.

Voting Members

Cllr J.H. Marsh (Chairman)
Cllr C.J. Stewart (Vice-Chairman)

Cllr Mrs. D.B. Bedford
Cllr J.B. Canty
Cllr R.M. Cooper
Cllr P.I.C. Crerar
Cllr P.J. Cullum
Cllr K. Dibble
Cllr C.P. Grattan
Cllr Nadia Martin
Cllr B.A. Thomas

Non-Voting Member

Cllr Marina Munro (Planning and Economy Portfolio Holder) (ex officio)

57. DECLARATIONS OF INTEREST

Having regard to the Members' Code of Conduct, the following declaration of interest was made:

Member	Application No. and Address	Interest	Reason
Cllr C.J. Stewart	21/00034/FUL (Gurkha Statue, Princes Gardens, Aldershot)	Personal	Acquaintance of applicant

58. MINUTES

The Minutes of the meeting held on 20th January, 2021 were approved and signed by the Chairman.

59. PLANNING APPLICATIONS

RESOLVED: That

- (i) permission be given to the following application, as set out in Appendix "A" attached hereto, subject to the conditions, restrictions and prohibitions (if any) mentioned therein:

21/00034/FUL Gurkha Statue, Princes Gardens, Aldershot

- (ii) planning permission/consent be refused in respect of the following application, as set out in Appendix “B” attached hereto, for the reasons mentioned therein:

* 20/00782/FULPP Nos. 1-7 Elms Road, Aldershot

- (iii) the applications dealt with by the Head of Economy, Planning and Strategic Housing, where necessary in consultation with the Chairman, in accordance with the Council’s Scheme of Delegation, more particularly specified in Section “D” of the Head of Economy, Planning and Strategic Housing’s Report No. EPSH2105, be noted;

- (v) the current position with regard to the following applications be noted pending consideration at a future meeting:

20/00400/FULPP Land at former Lafarge site, Hollybush Lane,
Farnborough;

20/00856/FULPP Land to the rear of Nos. 26-40 Cove Road,
Farnborough

* The Head of Economy, Planning and Strategic Housing’s Report No. EPSH2105 in respect of these applications was amended at the meeting

60. **NOS. 1-7 ELMS ROAD, ALDERSHOT**

The Committee considered the Head of Economy, Planning and Strategic Housing’s Report No. EPSH2105 (as amended at the meeting) regarding the rebuilding of a garage workshop (following fire damage) in the same footprint, other than the previous unauthorised eastern side extension (amended site layout plan received on 15th January 2021) at Nos. 1-7 Elms Road, Aldershot.

In discussion, concern was raised regarding the inappropriate location for a garage in terms of its impact on neighbouring amenity and the adverse impact on the character of the area.

RESOLVED: That

- (i) Planning application 20/00782/FULPP (Nos. 1-7 Elms Road, Aldershot) be refused; and
- (ii) the wording for the reasons for refusal be agreed by the Chairman and Vice-Chairman based on the discussion outlined above.

61. **ENFORCEMENT AND POSSIBLE UNAUTHORISED DEVELOPMENT**

The Committee received the Head of Economy, Planning and Strategic Housing’s Report No. EPSH2106, which set out details of action taken in respect of an alleged

unauthorised development at No. 12 Harvey Road, Farnborough where a bay window had been installed at ground floor level on the front elevation of the house. This required planning permission as it was forward of the principal elevation. However, had an application been submitted, it was considered that the window would have complied with Local Plan policies and, as such, planning permission would have been granted.

It was noted that an enforcement notice could be issued to require the removal of the bay window, but as the development was considered acceptable, it would not be expedient for the Council to take further action.

RESOLVED: That the Head of Economy, Planning and Strategic Housing's Report No. EPSH2106 be noted.

62. **PLANNING (DEVELOPMENT MANAGEMENT) SUMMARY REPORT FOR THE QUARTER OCTOBER TO DECEMBER 2020**

The Committee received the Head of Economy, Planning and Strategic Housing's Report No. EPSH2107, which provided an update on the position with respect to achieving performance indicators for the Development Management Section of Economy, Planning and Strategic Housing and the overall workload of the section for the quarter from 1st October to 31st December 2020.

RESOLVED: That the Head of Economy, Planning and Strategic Housing's Report No. EPSH2107 be noted.

The meeting closed at 8.00 pm.

CLLR J.H. MARSH (CHAIRMAN)

Development Management Committee

Appendix "A"

Application No. & Date Valid:	21/00034/FUL	18th January 2021
Proposal:	Erection of a Gurkha memorial statue at Princes Gardens High Street Aldershot Hampshire	
Applicant:	Khim Gauchan	
Conditions:	<ol style="list-style-type: none">1 The development hereby permitted shall be begun before the expiration of three years from the date of this permission. Reason - As required by Section 91 of the Town and Country Planning Act 1990 as amended by Section 51 of the Planning and Compulsory Purchase Act 2004.2 The permission hereby granted shall be carried out in accordance with the following approved drawings Drawing numbers: Reason - To ensure the development is implemented in accordance with the permission granted	

Appendix "B"

Application No. & Date Valid:

20/00782/FULPP

20th October 2020

Proposal: Rebuilding of garage workshop (following fire damage) in same footprint, other than previous unauthorised eastern side extension at **1 Elms Road Aldershot Hampshire GU11 1LH**

Applicant: Bernie Scully

Reasons:

- 1 The proposed development would give rise to a development involving activity detrimental to the residential amenity of surrounding properties and is thereby considered to be unacceptable having regard to Policies DE1 and DE10 of the Rushmoor Local Plan.

DEVELOPMENT MANAGEMENT COMMITTEE

Meeting held on Wednesday, 17th March, 2021 at 7.00 pm held via Microsoft Teams and streamed live.

Voting Members

Cllr J.H. Marsh (Chairman)
Cllr C.J. Stewart (Vice-Chairman)

Cllr Mrs. D.B. Bedford
Cllr J.B. Canty
Cllr R.M. Cooper
Cllr P.I.C. Crerar
Cllr P.J. Cullum
Cllr C.P. Grattan
Cllr Nadia Martin
Cllr B.A. Thomas

Apologies for absence were submitted on behalf of Cllr K. Dibble.

Cllr Sophie Porter attended the meeting as a Standing Deputy.

Non-Voting Member

Cllr Marina Munro (Planning and Economy Portfolio Holder) (ex officio)

63. DECLARATIONS OF INTEREST

There were no disclosable pecuniary interests to be declared at the meeting.

64. MINUTES

The Minutes of the meeting held on 17th February 2021 were approved and signed by the Chairman.

65. PLANNING APPLICATIONS

RESOLVED: That

- (i) permission be given to the following applications, as set out in Appendix "A" attached hereto, subject to the conditions, restrictions and prohibitions (if any) mentioned therein:

*20/00856/FULPP	Land to the rear of Nos. 26-40 Cove Road, Farnborough
*21/000109/RBCRG3	No. 2A Windsor Way, Aldershot

- (ii) the applications dealt with by the Head of Economy, Planning and Strategic Housing, where necessary in consultation with the Chairman, in accordance with the Council's Scheme of Delegation, more particularly specified in Section "D" of the Head of Economy, Planning and Strategic Housing's Report No. EPSH2108, be noted;
- (v) the current position with regard to the following applications be noted pending consideration at a future meeting:

20/00400/FULPP	Land at former Lafarge site, Hollybush Lane, Aldershot
* 21/00048/REVPP	No. 1 North Close, Aldershot
21/00066/FULPP	Briarwood, Sorrel Close, Farnborough
21/00108/REMPP	Zone K (Stanhope Lines East) and Zone M (Buller Wellesley), Aldershot Urban Extension, Alisons Road, Aldershot

* The Head of Economy, Planning and Strategic Housing's Report No. EPSH2108 in respect of these applications was amended at the meeting

66. APPEALS PROGRESS REPORT

(1) New Appeals

Address	Description
No. 68 Salisbury Road, Farnborough	Against the refusal of a Certificate of Lawful Existing Use: Use of dwelling house as a House in Multiple Occupation with eight bedsitting rooms and shared facilities (19/00237/EDC).
The Chestnuts, No. 34 Church Circle, Farnborough	Against the refusal of planning permission for the formation of a dormer window to the front of the garage roof to facilitate a habitable room.

(2) Appeal Decision

Application / Enforcement Case No.	Description	Decision
20/00127/FULPP	Against the Council's refusal of planning permission for the erection of a three-storey building comprising flexible use of either A1/A2 on the ground floor with 2 x two-bedroom residential units to the upper floors and associated parking at No. 244 Farnborough Road, Farnborough	Appeal dismissed and application for costs dismissed

RESOLVED: That the Head of Economy, Planning and Strategic Housing's Report No. EPSH2109 be noted.

The meeting closed at 7.47 pm.

CLLR J.H. MARSH (CHAIRMAN)

Development Management Committee

Appendix "A"

Application No. 20/00856/FULPP 12th November 2020
& Date Valid:

Proposal: Retention and re-roofing of existing light industrial building (known as Unit 4 : Use Class B1(c)); demolition of all remaining existing light industrial buildings (Use Class B1(c)) and erection of new buildings for flexible light industrial employment use (within Use Class E1); with associated works, including replacement hardstanding areas at **Land To The Rear Of 26-40 26 Cove Road Farnborough Hampshire**

Applicant: G Day

Conditions: 1 The development hereby permitted shall be begun before the expiration of three years from the date of this permission.

Reason - As required by Section 91 of the Town and Country Planning Act 1990 as amended by Section 51 of the Planning and Compulsory Purchase Act 2004.

2 The permission hereby granted shall be carried out in accordance with the following approved drawings
Drawing numbers:

Reason - To ensure the development is implemented in accordance with the permission granted.

3 Construction of the following elements of the development hereby approved shall not start until a schedule and/or samples of the materials to be used in them have been submitted to, and approved in writing by, the Local Planning Authority. Those elements of the development shall be carried out using the materials so approved and thereafter retained:
a. External finishing materials for the elevations and roof;and b. Rainwater goods

Reason - To ensure satisfactory external appearance.*

- 4 Prior to occupation or use of any part of the development hereby approved, details of satisfactory provision for the storage and removal of refuse from the premises shall be submitted to and approved in writing by the Local Planning Authority. The development shall be carried out and retained in accordance with the details so approved.

Reason - To safeguard the amenities of the area. *

- 5 The use of the premises hereby permitted shall be restricted to the hours of 0730 to 1930 hours Monday to Friday; 0730 to 1800 hours Saturdays; and not at all on Sundays and Bank or Statutory Holidays. No machinery shall be operated, no process shall be carried out and no deliveries taken or despatched from the site outside the permitted hours of use.

Reason - To safeguard the amenities of neighbouring occupiers.

- 6 Notwithstanding the provisions of the Town & Country Planning (Use Classes) (Amendment) (England) Regulations 2020, (or any other Order revoking or re-enacting that Order) the land and/or building(s) shall be used only for the purpose of offices, research & development and light industrial purposes (being uses which can be carried out in any residential area without detriment to the amenity of that area by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust or grit) and for no other purpose, including any other purpose within Class E without the prior permission of the Local Planning Authority.

Reason - To protect the amenities of neighbouring residential properties and to prevent adverse impact on traffic and parking conditions in the vicinity.

- 7 Notwithstanding the provisions of the Town and Country Planning (General Permitted Development Order) 2015, (or any Order revoking and re-enacting that Order), no additional windows, doors or openings of any kind shall be inserted in the elevations of the development hereby permitted.

Reason - To protect the amenities of neighbouring residential properties.

- 8 Construction or demolition work of any sort within the area covered by the application shall only take place between the hours of 0800-1800 on Monday to Fridays and 0800-1300 on Saturdays. No work at all shall take place on Sundays and Bank or Statutory Holidays.

Reason - To protect the amenities of neighbouring residential properties and to prevent adverse impact on traffic and parking conditions in the vicinity.

- 9 The development hereby permitted shall comprise no more than 722 square metres of gross external floorspace unless with the prior written permission of the Local Planning Authority.

Reason - To accord with the proposals as submitted and in order that the Local Planning Authority can consider the planning implications of any increase in floorspace that may be proposed either as an extension or by internal installation of mezzanine floor areas.

- 10 Prior to the commencement of development a Construction Management Plan to be adopted for the duration of the demolition, site clearance and construction period shall be submitted to and approved in writing by the Local Planning Authority. The details required in this respect shall include:-
- (a) the provision to be made for the parking and turning on site of operatives and construction vehicles during construction and fitting out works;
 - (b) the arrangements to be made for the delivery of all building and other materials to the site, including construction servicing/delivery routes;
 - (c) the provision to be made for any storage of building and other materials on site;
 - (d) measures to prevent mud from being deposited on the highway;
 - (e) measures to prevent and suppress dust emissions from the site; and
 - (e) the programme for construction.

Such measures as may subsequently be approved shall be retained at all times as specified until all construction and fitting out works have been completed.

Reason - In the interests of the safety and convenience of adjoining and nearby residential properties, pollution prevention, and the safety and convenience of highway users.

11 No works pursuant to this permission shall commence until there has been submitted to and approved in writing by the Local Planning Authority: -

i. a desk top study carried out by a competent person documenting all previous and existing uses of the site and adjoining land, and potential for contamination, with information on the environmental setting including known geology and hydrogeology. This report should contain a conceptual model, identifying potential contaminant pollutant linkages.

ii. if identified as necessary; a site investigation report documenting the extent, scale and nature of contamination, ground conditions of the site and incorporating chemical and gas analysis identified as appropriate by the desk top study.

iii. if identified as necessary; a detailed scheme for remedial works and measures shall be undertaken to avoid risk from contaminants/or gas identified by the site investigation when the site is developed and proposals for future maintenance and monitoring, along with verification methodology. Such scheme to include nomination of a competent person to oversee and implement the works.

Where step iii) above is implemented, following completion of the measures identified in the approved remediation scheme a verification report that demonstrates the effectiveness of the remediation shall be submitted for approval in writing by the Local Planning Authority.

Reason - To ensure that the site is safe for the development permitted and in the interests of amenity and pollution prevention.*

12 In the event that unforeseen ground conditions or materials which suggest potential or actual contamination are revealed at any time during implementation of the approved development it must be reported, in writing, immediately to the Local Planning Authority. A competent person must undertake a risk assessment and assess the level and extent of the problem and, where necessary, prepare a report identifying remedial action which shall be submitted to and approved in writing by the Local Planning Authority before the measures are implemented.

Following completion of measures identified in the approved remediation scheme a verification report must be prepared and is subject to approval in writing by the Local Planning Authority.

Reason - To ensure that the site is safe for the development permitted and in the interests of amenity and pollution prevention.

- 13 With the exception of the siting of any receptacles for refuse disposal in the locations identified on the approved plans, no display or storage of goods, materials, plant, or equipment shall take place other than within the building.

Reason - To protect the visual amenities of the area and in the interests of ensuring the retention of adequate parking and vehicle manoeuvring and loading/unloading space on site.

- 14 The development hereby permitted shall not be occupied and brought into use until the on-site car parking spaces and bicycle parking as shown on the plans hereby approved have been provided, marked and made available as shown on the approved plans. The car parking spaces shall be thereafter retained solely for parking purposes in accordance with the allocation identified on the approved plans and made available at all times for their intended users thereafter. For the avoidance of doubt the approved car parking spaces shall not be used at any time for the parking/storage of boats, caravans or trailers.

Reason - To ensure the provision and availability of adequate off-street parking for the proposed development.

- 15 Prior to the first occupation of any of the units within the development hereby approved details of warning signage and/or markings to identify the one-way vehicular circulation around the site between the highway accesses shall be submitted to and approved by the Local Planning Authority. The details so approved shall be implemented in full and retained and maintained thereafter.

Reason - In the interests of the safety and convenience of occupiers and users of the development and highway users in general.

- 16 No occupation of the premises hereby approved shall take place until a scheme of provisions for the control of noise emanating from the premises hereby permitted has been implemented in accordance with details to be first submitted to and approved in writing by the Local Planning Authority. The approved scheme shall be implemented in full and retained and maintained thereafter.

Reason - To protect the amenity of neighbouring occupiers. *

- 17 Details of any external plant or equipment (including air conditioning units) to be installed within the development hereby permitted shall be submitted to the Local Planning Authority for consideration and approval prior to installation and use. The external plant and equipment installations so approved shall be implemented as approved and retained and maintained in that condition thereafter.

Subsequently, no further external plant or equipment (including air conditioning units) shall be installed and operated at the site without the prior written consent of the Local Planning Authority.

Reason - To safeguard the character of the area and the amenities of nearby residents.

- 18 No sound reproduction equipment, conveying messages, music, or other sound which is audible outside the premises hereby permitted shall be installed on the site.

Reason - To protect the amenity of neighbouring property

- 19 No works shall start on site until the existing trees and hedges which are to be retained have been adequately protected from damage during site clearance and works in accordance with the tree protection details set out in the Sapling Arboriculture Arboricultural Impact Assessment and Tree Survey Report submitted with the application hereby approved.

Reason - To preserve the amenity value of the retained tree(s) and shrubs. *

- 20 Prior to the first occupation of the development hereby approved, details of all external lighting to be installed within the site and/or on the exterior of the building hereby permitted shall be submitted to and approved by the Local Planning Authority. The submitted details shall

indicate the purpose/requirement for the lighting proposed and specify the intensity, spread of illumination and means of controlling the spread of illumination (where appropriate). The external lighting proposals as may subsequently be approved shall be implemented solely in accordance with the approved details and retained thereafter solely as such unless otherwise first agreed in writing by the Local Planning Authority. With the exception of lighting identified and agreed as being necessarily required solely for maintaining the security of the site/building during night-time hours, no other external lighting shall be used/operated during night-time hours (2300 to 0700 hours daily) unless otherwise first agreed in writing by the Local Planning Authority.

Reason - In the interests of the amenities of nearby residential properties and the adjoining countryside; and to ensure that there is no unnecessary use of lighting at the site.

- 21 Prior to the commencement of development details of measures to incorporate Sustainable Drainage Systems (SUDS) into the development hereby approved shall be submitted to and approved in writing by the Local Planning Authority. Such details as may be approved shall be implemented in full prior to the first occupation of the newly built units and retained and maintained thereafter in perpetuity.

Reason - To meet the requirements of Policy NE8 of the adopted Rushmoor Local Plan (2014-2032). in the interests of flood and pollution prevention. *

- 22 The roller shutter doors comprising part of the development hereby approved shall be kept closed at all times except for the explicit purpose of ingress and egress of equipment and personnel.

Reason - To ensure satisfactory containment of noise within the building(s) in the interests of the amenities of neighbours.

- 23 Provision shall be made for services to be placed underground. No overhead wire or cables or other form of overhead servicing shall be placed over or used in the development of the application site.

Reason - In the interests of visual amenity.

- 24 The development hereby approved shall proceed implementing in full the precautionary ecology mitigation measures and biodiversity enhancements as set out in the Darwin Ecology Update Preliminary Ecological Appraisal and Preliminary Roost Assessment Report submitted with the application hereby approved.

Reason - To comply with the requirements of Policy NE4 of the adopted Rushmoor Local Plan (2014-2032).

Application No. 21/00109/RBCRG3 11th February 2021
& Date Valid:

Proposal: Variation of Conditions 8 and 12 of planning permission 93/00079/FUL (for the erection of St Johns Ambulance HQ) to allow the use of the building as a Community Food Store (bank) and 'Men's Shed' with ancillary meeting rooms Use Classes F2b at **2A Windsor Way Aldershot Hampshire GU11 1JG**

Applicant: Rushmoor Borough Council, Democracy And Community

Conditions: 1 The permission hereby granted shall be carried out in accordance with the following approved drawings numbers:
Location Plan scale 1:1250, Existing Site Plan scale 1:100, Existing north elevation 6 dated 29/08/02, Existing south elevation 3 dated 29/08/02 , Existing east elevation 5 29/08/02, Existing west elevation 4 dated 29/08/02, Existing ground floor floor plan 01, Existing First Floor Plan 02, Proposed Ground Floor Plan 03, Proposed First Floor Plan 04, Proposed Site Plan 05.

Reason - To ensure the development is implemented in accordance with the permission granted

- 2 The development hereby approved shall not be occupied until the off-street parking facilities shown on the approved proposed Site Plan 05 have been completed and made ready for use by the occupiers. The parking facilities shall be thereafter retained solely for parking purposes (to be used by the occupiers of, and visitors to, the development).

Reason - To ensure the provision and availability of adequate off-street parking.

- 3 Notwithstanding the provisions of the Town and Country Planning (Use Classes) Order, 1987, (or any other Order revoking or re-enacting that Order) the land and/or building shall be used only for the purpose of a Community Food Bank/Store, 'Men's Shed' workshop and ancillary meeting room space; and for no other purpose, including any other purpose within Class F2, without the prior permission of the Local Planning Authority.

Reason - To protect the amenities of neighbouring residential properties and to prevent adverse impact on traffic and parking conditions in the vicinity.

LICENSING, AUDIT AND GENERAL PURPOSES COMMITTEE

Meeting held on Monday, 29th March, 2021 at 7.00 pm via Microsoft Teams and streamed live.

Voting Members

Cllr S.J. Masterson (Chairman)
Cllr Mara Makunura (Vice-Chairman)

Cllr Sophia Choudhary
Cllr A.K. Chowdhury
Cllr A.H. Crawford
Cllr Veronica Graham-Green
Cllr Christine Guinness
Cllr A.J. Halstead
Cllr L. Jeffers
Cllr Jacqui Vosper

Apologies for absence were submitted on behalf of Cllr Prabesh KC.

28. MINUTES

The Minutes of the meeting held on 25th January 2021 were approved and would be signed by the Chairman at a later date.

29. COUNCILLORS' CODE OF CONDUCT - UPDATE

The Committee considered the Monitoring Officer's Report No. LEG2101 which set out a draft new Code of Conduct for Councillors following a period of public consultation. It was noted that a total of four responses had been received, not all of which were relevant to the proposed update to the Code and the comments received were set out in Appendix B to the Report.

It was noted that the consultation exercise had included a consultation page on the Council's website, a letter to 3,000 residents who had asked to be kept up-to-date on Council news and consultations. There had also been a social media campaign and the Monitoring Officer had also contacted a number of local and partner organisations asking for their views on the draft Code of Conduct.

The Committee reviewed the responses received to the consultation exercise. It was considered that the Code, as drafted, provided safeguards around each of the concerns received.

RESOLVED: That the Council be **RECOMMENDED TO APPROVE** the draft Code of Conduct for Councillors, as set out in the Monitoring Officer's Report No. LEG2101.

30. **BRING YOUR OWN DEVICE POLICY**

The Committee considered the Audit Manager's Report No. AUD2101, which set out the Council's Bring Your Own Device Policy, which had been developed to allow employees, Members and contractors to access Council emails, contacts and calendar using their own mobile devices.

The Head of IT, Facilities and Projects advised the Committee that the Policy referred to any person wishing to use a device owned by someone other than the Council in order to access Council data. The Council was able to provide access to Outlook email, contacts and calendar through a secure application on such a device. The Committee noted that user responsibilities were defined within the Policy and included:

- Users are responsible for the safekeeping of their own personal data and ensuring that it was backed up
- Any sensitive information should not be emailed via the user's mobile device, as it would not be secure. A Council-owned and managed laptop or PC should be used.
- Users must ensure that their device is compliant with the system requirements and that security software was kept up-to-date.

It was also explained that user responsibilities set out in the Policy had been developed in conjunction with IT, Legal Services and Internal Audit and was compliant with cyber security standards. The Policy would be kept under review annually.

RESOLVED: That the Bring Your Own Device Policy, as set out in the Audit Manager's Report No. AUD2101, be approved for adoption.

31. **STATEMENT OF ACCOUNTS 2019/20 - UPDATE 2**

The Committee received the Executive Head of Finance's Report No. FIN2107, which advised Members of the audit progress for the Council's Statement of Accounts for 2019/20 and the provision of the audit opinion since the previous meeting on 25th January 2021. The Committee was reminded that the deadline for issuing a final set out audit statements of accounts and audit opinion of 30th November 2020 had not been met.

The Chairman welcomed Maria Grindley from Ernst & Young (EY) to the meeting who was in attendance to provide an update on the work of EY on the current audit.

The Report advised Members that, owing to the impact of Covid-19, the deadlines for the completion and publication of the 2019/20 accounts had been relaxed in recognition of the possible disruption to relevant authorities caused by the coronavirus pandemic. The Report set out the current deadlines, as set out in Accounts and Audit Regulations 2015 and the revised deadlines, as set out in the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020.

The Report set out the background to the current position. It was noted that 265 public bodies had not received an auditor opinion by 30th November 2020 and that, according to data from Public Sector Audit Appointments, the number of public bodies that had not received their audit opinion by mid-March was 147.

The Executive Head of Finance reported to the Committee on the current status of the audit and advised that a meeting had been held with EY the previous week to work through some of the issues raised by EY. It was anticipated that the information required by EY would be available by the middle of April to give EY time to work through any queries and raise these with the Council. It was, therefore, anticipated that the audited Statement of Accounts and the Audit Results Report would be available to be considered by the Committee at the meeting in May 2021.

The Report informed the Committee that deadlines for the completion and publication of the 2020/21 and 2021/22 accounts had been amended as part of the Government's response to the recommendations of the independent Redmond Review into the effectiveness of external audit and transparency of financial reporting in local authorities. It was noted that the new regulations, which would come into force on 31st March 2021 would amend the draft and final accounts publication deadlines for relevant bodies from 1st June and 31st July to 1st August and 30th September for the next two accounting years and the position would be reviewed.

The Committee was advised that the Council had amended its 2020/21 accounts closure process to meet the revised Accounts and Audit Regulation 2021 timetable. It was felt that the timetable would be challenging as a result of continuing Covid-19 pressures. In addition, the delay in concluding the 2019/20 audit would mean that the opening balance for 2020/21 would be fluid and that working on two audit years at the same time and having to revisit opening balances would increase the workload for the Council and could potentially further delay the audit process for 2020/21.

RESOLVED: That the Executive Head of Finance's Report No. FIN2107, including the updated process and timetable for approval of the 2019/20 Statement of Accounts and receiving the Audit Opinion, be noted.

32. AUDIT PLAN 2021/22

The Committee considered the Audit Manager's Report No. AUD2102, which set out the Audit Plan for 2021/22. The annual Audit Plan provided a framework for the use of audit resources to enable the Audit Manager to provide the Authority with an overall assurance of the internal control environment.

The Report set out the methodology used for compiling audit coverage, including the updating of the risk universe to show auditable areas as at January 2021 and this would be reviewed as appropriate. The risk criteria had been developed to ensure all relevant areas had been considered in determining the level of risk exposure within an auditable area. The Corporate Risk Register and the details within the Annual Governance Statement were also taken into account when reviewing the risk

universe and developing the Audit Plan. The Report set out a timetable for communication on and monitoring of the Plan.

The Report stated that there was currently a vacant full-time auditor post and that the work of this post would be carried out by contract auditors in 2021/22.

The first six months' work of the 2021/22 Audit Plan was set out in Appendix A to the Report. This work had been selected from the higher risk areas. However, it was noted that this list was fluid and could be responsive to the changing environments faced by the Council or resource availability. An update would be provided at the Committee's meeting in July 2021.

RESOLVED: That the Annual Audit Plan, as set out in the Audit Manager's Report No. AUD2102, be approved to be monitored and updated on a rolling quarterly basis.

33. ANNUAL GOVERNANCE STATEMENT - ACTION PLAN UPDATE

The Committee received the Audit Manager's Report No. AUD2103 which gave details of the work carried out towards the implementation of the actions defined in the Annual Governance Statement, which had been presented to the Committee in July 2020.

RESOLVED: That the Audit Manager's Report No. AUD2103 be noted.

34. FUTURE ARRANGEMENTS FOR THE LICENSING, AUDIT AND GENERAL PURPOSES COMMITTEE

The Committee considered the Joint Report of the Head of Democracy and Community and the Monitoring Officer (Report No. DC2109), which proposed changes to ensure the future effectiveness of the Committee, with a strong focus on its corporate governance role providing oversight, protection and public confidence in Council activities.

In introducing the Report, the Monitoring Officer explained that the Council, along with many other authorities within the sector, had been diversifying its range of activities to both mitigate the risk of financial restructuring as a result of Central Government funding changes, and to facilitate the Council to take a much stronger role in place shaping and to influence the regeneration of the area. In order to deliver against this more diversified agenda, the Council had sought to establish key delivery vehicles such as the Rushmoor Development Partnership to pursue regeneration and Rushmoor Homes Ltd to deliver local housing solutions. The Council had also sought to become more commercially focused in seeking out income generating sources and had considered a wide range of commercial income investment opportunities. All of these areas of activity required good governance, careful oversight and risk management, supported with transparent arrangements to provide the public oversight, protection and confidence necessary. It was felt that high quality Elected Member oversight was a pivotal lynchpin to providing that public confidence.

The Report advised that the Council was keen to build on lessons learned by high profile local authority failures, especially in respect of the role of corporate governance, use of expertise and independence and the approach to risk management and transparent decision making.

The Report set out proposals to implement arrangements for the Licensing, Audit and General Purposes Committee to help ensure and support the Committee's effectiveness in the future. The proposed arrangements were:

- **Committee Name** – It was proposed to change of the Committee's name to 'Corporate Governance, Audit and Standards Committee', which was a more accurate reflection of the Committee's work and focus. This would take effect from the first meeting of the new Municipal Year in May 2021.
- **Terms of Reference and Statement of Purpose** - It was proposed to add a new Statement of Purpose as an introduction to the Committee's terms of reference to bring greater focus to the corporate governance and audit role. This was set out in Appendix 1 to the Report.
- **Membership** – It was proposed to continue the membership of the Committee as 11 Members (non-executive and politically balanced) with a new provision to appoint up to three additional non-voting, co-opted Independent Members. These Independent Members would be invited to join meetings for discussion on all corporate governance and audit matters.
- **Independent Members** – It was proposed to follow good practice, which showed that for committees with audit responsibilities, the co-option of independent members with technical knowledge and expertise could be beneficial, helping with the process of in-depth questioning and committee discussion. A copy of the Person Specification for Independent Members was set out in Appendix 3 to the Report.

A public advertisement to recruit Independent Members would be published during April 2021 with a view to recommending an appointment for confirmation at the Annual Council Meeting in 2021.

It was proposed that the following terms would apply to the appointment of Independent Members:

- A fixed term of three years, with provision for early termination or extension of the appointment
- The Independent Member would be eligible to be paid an allowance equal to the statutory co-optee allowance (currently £514 per year)
- The Independent Member would be expected to follow the same code of conduct as Elected Members and with the register of interests.

The Committee was advised that role descriptions had been prepared for the Chairman and Members of the Committee, as set out in Appendix 2 to the Report. It was noted that the role descriptions referenced the apolitical and independent nature of the Committee and a requirement for Committee members to have an interest in

corporate governance matters. It also emphasised a commitment to participate in training events to ensure knowledge and understanding of the Committee's key areas of responsibility. Members noted that the updated role descriptions would be incorporated in Part 3 of the Council's Constitution (Section 10 – Councillor Role Descriptions).

It was advised that, during 2021/22 it was proposed to deliver an enhanced programme of learning and development support for Members on the Committee, based on the training modules set out in Appendix 4 to the Report.

It was proposed to review the new arrangements in a year when the Committee would have had some experience of the changes. In these circumstances, it was not intended to recommend that Standing Orders for the Regulation of Business be changed but to ask full Council to suspend Standing Orders at the Annual Council Meeting so that the new arrangements could be introduced for 2021/22. Once the review had been undertaken, the proposed changes to Standing Orders could be formalised in the early part of 2022.

During discussion, Members agreed that changes were needed due to the growing complexity of matters dealt with by the Committee and it was felt that the proposals were a good way forward. The view was expressed that, in view of the onerous duties to be imposed on Members of the Committee, including in-depth training to be undertaken and the level of ability required, that a special responsibility allowance should be given to Members of the Committee. Following consideration of the suggestion, it was agreed by the Committee that the Council should also be recommended to appoint an Independent Remuneration Panel to examine whether a Special Responsibility Allowance should be paid to Members of the Committee.

During further discussion, Members raised questions regarding the apolitical and independent nature of the Committee particularly in relation to corporate governance matters and how this might not always be possible. It was also requested that Members of the Committee should have access to a list of financial management terminology and their meanings.

In response to a question regarding training, it was explained that undertaking the training programme would ensure that Members were confident that they could not only take an independent view on the advice of professional officers but also could challenge, question and really get to grips with the information submitted for consideration and in so doing be satisfied that they were happy with the information provided.

RESOLVED:

(1) That the COUNCIL BE RECOMMENDED to approve

- (a) the Committee's name change to 'Corporate Governance, Audit and Standards Committee' from the Annual Council Meeting in May 2021;
- (b) updates to the Council's Constitution to incorporate a new Statement of Purpose to precede the Committee's terms of reference, as set out in

Appendix 1 to the Report; and the updated Role Descriptions, as set out in Appendices 2 and 3;

- (c) the suspension of Standing Orders for the Regulation of Business at the Annual Council Meeting to enable the proposals set out in the Report to be implemented for 2021/22; and
- (d) the appointment of an Independent Remuneration Panel to assess the duties of the Members and Chairman of the new Committee and make recommendations regarding a Special Responsibility Allowance; and

(2) **RESOLVED:** That

- (a) arrangements to recruit Independent Member(s) be based on the approach and terms set out in paragraphs 3.7 and 3.8 of the Report be agreed; and
- (b) the implementation of a Members' training programme for the Committee in 2021/22, based on the modules set out in Appendix 4 to the Report, be approved.

35. EXTENSION OF TERM OF OFFICE FOR DESIGNATED INDEPENDENT PERSON

The Committee considered the Joint Report of the Head of Democracy and Community and the Monitoring Officer (Report No. DC2110), which recommended a two-year extension to the term of office for the Council's Designated Independent Person, Mrs Mary Harris. It was explained that this was a role which was required under the Localism Act 2011 to assist the Council in promoting and maintaining high standards of conduct amongst its elected Members.

The Report set out role description and statutory functions of the Designated Independent Person. It was noted that there was no payment for this role, however, a small annual retainer allowance was paid, which was the same amount allowed for a co-opted committee member (currently £514 per annum).

The Committee was advised that it was open to the Council to carry out a fresh recruitment process or to make an extension to Mrs Mary Harris' term of office. It was noted that, since her appointment, Mrs Harris had attended training, attended regular update meetings with the Monitoring Officer, carried out her role diligently and had gained experience from which the Council could benefit for a further period. There had been very few Member conduct related complaints and the call on the Designated Independent Person has been minimal.

The Report set out details about Mrs Harris, including her qualifications, work experience and voluntary experience and it was proposed that the Committee should recommend to the Council to extend the term off office of Mrs Mary Harris for two years until the end of the 2022/23 Municipal Year.

RESOLVED: That **the Committee RECOMMEND TO THE COUNCIL** that the term of office of Mrs Mary Harris, as the Council's Designated Independent Person, be extended for two years until end of 2022/23 Municipal Year.

The meeting closed at 8.20 pm.

CLLR S.J. MASTERSON (CHAIRMAN)

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POLICY AND PROJECT ADVISORY BOARD

Virtual Meeting held on Wednesday, 24th March, 2021 at 7.00 pm.

Voting Members

Cllr J.B. Canty (Chairman)
Cllr P.I.C. Crerar (Vice-Chairman)
Cllr C.J. Stewart (Vice-Chairman)

Cllr Sophia Choudhary
Cllr P.J. Cullum
Cllr Nadia Martin
Cllr T.W. Mitchell
Cllr Sophie Porter
Cllr M.J. Roberts
Cllr B.A. Thomas

Apologies for absence were submitted on behalf of Cllr Prabesh KC.

28. MINUTES

The Minutes of the Meeting held on 27th January, 2021 were agreed as a correct record.

29. SOUTHWOOD WOODLAND MANAGEMENT PLAN

The Board welcomed Tim Mills, Head of Economy, Planning, and Strategic Housing and, Ecology and Biodiversity Officer, Debbie Salmon who were in attendance to present the Southwood Woodland Management Plan, 2021-2026. The Plan covered a five year period, after which a review would take place, followed by a further five year plan.

It was noted that a survey of the site had been carried out to assess what was present and the condition of the site. A number of habitats had been found, these included:

- Birch woodland – classed as secondary woodland and required some maintenance
- Veteran Oaks – over 400 years old
- Heathland – glade created by Blackwater Valley Countryside Partnership
- Bog habitats – Head waters of the Ively stream, currently an underground culvert
- Wet woodland – valuable and rare habitat, birch present in this area required thinning
- Ditches – required thinning and re-profiling

Several animal species had also been identified on the site, including, badgers, deer, bats, birds, reptiles, amphibians and invertebrates. The invertebrate population had been exceptionally good, 675 different species had been spotted in the Woodland and combined over the two sites (the Woodland and the Country Park) 952 species had been identified. The requirement to gain SSSI status for invertebrates was 1000 different species.

The vision for the Southwood Woodland Management Plan was to:

- manage the site to increase its biodiversity value whilst enabling access to nature for all visitors
- re-create the habitats that were present in the 1800's when the site had been open fields with areas of heathland and moorland by removing the majority of the birch from the woodland allowing the wooded heath to regenerate naturally
- compliment the work proposed within Southwood Country Park and join up the habitats already present to create a connected and varied habitat complex for the public to enjoy

The key objectives of the Management Plan were identified as:

- Clearing the birch and conifer trees over the five year period
- Maintain the wet woodland and ditches by thinning the tree canopy and clearing the ditches to increase the aquatic invertebrate species
- Re-naturalising the Ively Brook to meander through the woodland
- Health and safety objectives to include – an annual tree survey and check of infrastructure, this was supported by the Blackwater Valley Countryside Partnership who volunteered on site and the newly appointed Ranger on the Southwood Country Park site
- Install replacement directional and educational signage

The Board discussed the Plan and raised a number of issues, including land grabbing, garden waste dumping, use by cyclists and future plans for the Country Park site.

It was noted that both land grabbing by neighbouring residents and dumping of garden waste were an issue on the site and action had been taken, and would continue to be taken, to address this with residents. The garden waste issue raised concerns around the spread of invasive species, such as Yellow Arch Angel. It was noted that the invasive plant was currently being tackled through spray treatment, but the digging up of the plants would be undertaken if necessary. It was noted that the Council was aware of the boundaries of all the Council owned open spaces across the Borough and engagement with residents would be the first step in reclaiming land that had been taken. If this was unsuccessful further legal action would be considered.

In response to a query regarding cycleways through the Southwood sites, it was noted that the existing pathways were wide and currently well used by both pedestrians and cyclists. It was important however to strike the right balance for leisure and enjoyment for all in the natural environment and maintain a suitable

environment for the species present. In the longer term the aim was to provide a network of pathways to allow travel between Basingstoke and the Blackwater Valley.

It was noted that a feasibility study would be carried out on the use of the existing clubhouse on the Southwood Country Park site. It was hoped that a cost effective solution would be found to use some elements of the existing structure to create a visitor centre and café. It was suggested that consultation would take place through the summer months with visitors/residents on the design of the country park and visitors centre complex.

The Chairman requested that some changes be made to the key objectives to show a greater balance on biodiversity, the connectivity between the two sites and how public access would be improved.

The Board **NOTED** the presentation and it was agreed that any further comments from Members should be email direct to Mr. Mills and Ms. Salmon.

30. **LOCAL GOVERNMENT ASSOCIATION EQUALITIES AND DIVERSITY PEER CHALLENGE - REPORT**

The Assistant Chief Executive, Rachel Barker, gave a presentation on the recent Peer Review carried out by the Local Government Association (LGA) on Equalities and Diversity. The Board were being asked to endorse the report, action plan and recommendations prior to it being presented to the Cabinet in April for adoption. The Portfolio Holder for Democracy, Strategy and Partnerships, Cllr Adrian Newell, was also in attendance for this item.

An overview was provided on the process of the Review which had taken place in January, 2021. Background documents had been shared with the Review team prior to virtual meetings being held with elected Members, staff, managers and stakeholders. A verbal feedback session had been held on 28th January, before the full written report had been produced.

It was advised that 35 recommendations across 4 headings had been set out in the report. An action plan had been drawn up to show how these recommendations could be taken forward through a phased approach. Actions within Phase 1 would be completed by September, 2021 and those in Phase 2 by March 2022. In addition, there were a small number of longer term (to be completed by 2022/23) actions proposed in Phase 3, which included signing up to accreditations and charters, use of grants to improve participation, community engagement on careers in the Council and co-design and co-development of Council services.

Cllr Newell, advised that the Plan helped to implement new initiatives and improve on what was already in place.

The Board discussed the Action Plan and raised a number of issues around the content and focus of the Plan and the critical path of how each phase connected to the next. How the actions would be measured was also raised, it was advised that usually following a Peer Review the LGA would return, around 18 months later, to

assess the Council's position. The Council's Service Plans would also give an indication of whether the actions had been achieved.

The action regarding "celebrating different festivals and events using social media" was also discussed. It was felt important to celebrate different cultural events but consideration needed to be given to which would be highlighted to avoid exclusion of any particular group.

In response to a query regarding data from the recent Census 2021, it was noted that this data was expected to start being shared from the autumn. Two of the LGA's recommendations were around understanding Rushmoor's communities and the Census data would provide a real opportunity in achieving a better understanding of who lived within the Borough.

The Board **ENDORSED** the report, action plan and recommendations, subject to any comments and feedback from Members.

The Chairman thanked Cllr Newell and Ms Barker for their presentation and it was noted that Members had been encouraged to see that some recommendations had already been implemented and others would be embedded into existing strategies moving forward. Thanks were also expressed to all Members of the Board and stakeholders for their involvement in the Review process. The Chairman added that strides had already been taken to reduce cultural barriers across the Borough and the Action Plan would take the process to the next level.

31. **COUNCIL BUSINESS PLAN 2021 - 2024 - UNDERSTANDING THE STRATEGIC CONTEXT**

The Assistant Chief Executive, Rachel Barker, gave a presentation on the Council Business Plan 2021/24 – Understanding the Strategic Context. The presentation showed the processes taken in developing the Plan, with particular focus on the use of PESTLE analysis to understand the strategic context. The Board was asked for feedback to help inform the final stages of the development work.

The proposed approach would be to build on the current plan for April 2020 – March 2023, covering the period to March 2024. It would incorporate new programmes and activities that had come into existence over the previous 12 months including, the updated Property, Major Works and Regeneration Programme, the Climate Change Action Plan, Supporting Communities Strategy, Covid-19 Recovery Plan and People Strategy, and the Peer Challenge Feedback on Equality and Diversity.

The process used in developing the approach had involved, workshops with the Cabinet and the Policy and Project Advisory Board, consultation with the Corporate Management Team (CMT) and individual Portfolio Holders. A further workshop would be held with the Cabinet in April, 2021 followed by final approval from the Cabinet and full Council in June, 2021.

It was advised that the PESTLE analysis looked at external factors that could influence the Business Plan, these factors were:

- Political
- Economical
- Social
- Technological
- Legal
- Environmental

Moving forward, over the next three years, the strategic context would continue to change and be reviewed and the PESTLE analysis would be a key tool when considering the Council's work over this period.

The Board discussed the presentation and a number of suggestions were made, as follows:

- better translation of national/international risks at a local level around areas such as Brexit and Climate Change
- bundle together the financial issues under one heading of "financial sustainability" - more detail could be provided on mitigation of risk in this area
- Community safety – it was felt that this area was missing from the Plan
- Impact on leisure facilities – more specifically impacts from what remains open and those that are planned to be rebuilt

Following a further discussion it was agreed that this item would be picked up at the Progress Group meeting on 31st March and Members were welcome to provide feedback via email.

32. **WORK PLAN**

The Board noted the current work plan.

Cllr Stewart updated the Board on the work of the Elections Group and paid tribute to the team for all the hard work during the polling places/station review and the continued work in preparing for the forthcoming elections on 6th May.

The meeting closed at 9.21 pm.

CLLR J.B. CANTY (CHAIRMAN)

OVERVIEW AND SCRUTINY COMMITTEE

Virtual Meeting held on Thursday, 25th March, 2021 at 7.00 pm.

Voting Members

Cllr Mrs. D.B. Bedford (Vice-Chairman) (In the Chair)
Cllr Veronica Graham-Green (Vice-Chairman)

Cllr T.D. Bridgeman
Cllr Sue Carter
Cllr R.M. Cooper
Cllr Christine Guinness
Cllr L. Jeffers
Cllr J.H. Marsh
Cllr S.J. Masterson

Apologies for absence were submitted on behalf of Cllr Gaynor Austin, Cllr Mara Makunura and Cllr M.D. Smith

29. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 4th February, 2021 were agreed as a correct record

30. CABINET CHAMPIONS

The Committee welcomed the three Cabinet Champions, Cllr Sue Carter (COVID-19 Recovery Champion), Cllr Peter Cullum (Education and Skills Champion) and Cllr Jacqui Vosper (Armed Forces Champion) who had been invited to give reports on their work during the 2020/21 Municipal Year.

Education and Skills – Cllr Peter Cullum gave an overview of his year as Education and Skills Champion. It was noted that the Council had a limited statutory input in local education and any initiatives had to be carried out with support from the County Council and national educational organisations.

Cllr Cullum advised that initially he had met with the County Council Education and Skills Portfolio Holder, Cllr Roz Chadd, to get a general overview of the situation across the County. This had led to meetings with the head teachers at the local secondary schools and colleges, local employment agencies and representatives from the Federation of Small Businesses (FSB) to further discuss education and employment opportunities for young people. During these discussion it was evident that Science, Technology, Engineering and Maths should be encouraged in the local schools due to the aerospace focus within the Borough. As a result, Cllr Cullum advised that he, in consultation with the Royal Aeronautical Society (RAeS), had

arranged engagement for the schools with a project called “Cool Aeros”. This initiative invited young people to consider aerospace opportunities.

A sense of place had also been raised as an issue for Rushmoor’s young people. Cllr Cullum advised that he was currently in the process of creating an infographic highlighting the major features of the Borough to help young people gain a sense of place.

Other initiatives included apprenticeship schemes and work was being undertaken with the Council’s employment support officer and the FSB to establish the benefits of these government schemes.

The Committee discussed the report and raised queries around grading and Ofsted reports and mental health issues as a result of the pandemic. It was noted that it was difficult to know at present data was not readily available. However, individual schools would be able to provide information on their particular circumstances, especially around the grading of year 11 pupils.

The Chairman thanked Cllr Cullum for his report.

Armed Forces – Cllr Jacqui Vosper advised that a number of projects had not been progressed due to the pandemic during 2020/21. However, some activities had continued, including:

- Covenant Legislation – Cllr Vosper advised that she had led a Housing Sub Group which had been established to look at homelessness and housing allocation for service and ex-service personnel to inform the legislation of the Armed Forces Bill which was currently being considered in Parliament.
- COVID Response - The Council had liaised with the Military on issues relating to the pandemic, in particular, to ensure that messaging had been integrated and consistent.
- Census 2021 – Work had been ongoing regarding the arrangements for Census 2021. Liaison work would continue until late April, 2021.
- Education - The Covenant Partnership has been looking at outcomes for students from military families, particularly at A-Level, and the prospects for attending university/higher education. Work with Hart, Basingstoke and Deane and representatives from the 6th Form College was underway to look at improved data collection to help understand this issue in more detail.
- Events – It was reported that events had been limited during the pandemic with the exception of VE and VJ days and the Remembrance events. It was hoped that more events would start to be held towards the end of 2021 and into 2022.
- Garrison Community Hub – it was advised that the military had been upgrading and extending the offer at the former Connaught Centre – this included work on a new café and meeting space and an outdoor playground.

Later in the year the facility would be made available for use to the wider community as well as those with a military connection, such as local veterans. In addition, for the local veterans, a hub would be opened at the Military Museum and a repair café in Aldershot Town Centre later in the year.

- Defence Employers' Recognition Scheme Gold Award - In 2019, it was noted that the Council had the Silver Award. Consideration was now being given to making an application for the Gold Award. It was noted that a number of changes would need to be made to the Council's working arrangements and these would need to be demonstrated over a period of time. It was hoped that the application would be made in 2023.

The Chairman thanked Cllr Vosper for her presentation.

COVID-19 Response – Cllr Sue Carter reported that there were a lot of positives happening locally despite the difficulties presented by the pandemic. The Helpline and local response networks, set up through Rushmoor Voluntary Services (RVS), had dealt with over 1,300 cases to date. A key outcome from this work would be to embed some of the positive changes into business as usual work.

Other areas where Cllr Carter had been able to get involved included:

- Education – The closure of the schools had had a huge impact on teachers, families and children. The circumstances had had an impact on the mental health of some young people and organisations such as CAMHS, the Clinical Commissioning Group (CCG) and Hampshire County Council (HCC) were providing measures to help in this area.
- Rushmoor Youth Forum – Cllr Carter advised on the Rushmoor Youth Forum (RYF). The Forum brought together 32 agencies to work collaboratively to move support work forward to help address issues present in young people. Rushmoor Youth Influence (RYI), a group established for 15-30 year olds, fed into the work of the RYF giving the perspective of the younger generation to the work to the Forum. It was hoped that the work of the RYI group would grow to incorporate a buddying scheme to raise confidence and inspire each other.

The Council's Supporting Communities Strategy has identified young people as a priority group. The role of the RYF would be pivotal to engaging young people, prioritising their needs and identifying projects to support them in the longer term recovery phase.

It was hoped that a Shadow Youth Council (SYC) could be launched in September, following the beginning of the new school year. By launching a SYC it would allow young people to have a place to speak and be heard alongside gaining an understanding of local government and the voluntary sector. A SYC would be able to help articulate the needs of young people in a post COVID society and support the Council's main priorities, such as tackling climate change.

- Communications – it was noted that the arrangements for Members to receive regular briefings throughout the pandemic had worked well enabling information to be provided quickly and effectively. The extensive work with the Nepali community had also been noted.
- Vaccination Sites – it was noted that the sites had been in operation since December, 2020. Although they were operated by the NHS, the Council had been providing support. Vaccination availability had been an issue, but the numbers vaccinated across Rushmoor was a credit to partnership working.
- Physical and Mental Health and Wellbeing – This was a huge area being worked on by many partner agencies which affected many people, young and old. Signposting to help was being carried out through social media and it was important to ensure schools/pupils had access to relevant information.

In addition, it was also advised that communities were working together on initiatives, in particular Men's Shed facilities in Westheath and Aldershot Town Centre. The Men's Sheds would be a community and skills sharing hub for both men and women.

- Rushmoor Food Hub – this initiative would be central to the recovery process. Using Government funding it was intend to provide a community driven solution to support the local community.
- Partnership working – during the pandemic evidence of strong partnerships work between the public and voluntary/community sectors had emerged. The Council had developed strong working relationships with many organisations which would assist in the recovery processes and help deliver lasting improvements to the local community. Key partners included North East Hampshire and Farnham Clinical Commissioning Group, Hampshire Adults and Children Services, Citizens' Advice, RVS and VIVID Housing. This work would give a robust platform to move forward and address health and wellbeing issues.

In response to a query regarding feedback from residents on the Borough's handling of the pandemic it was acknowledged that most feedback had been extremely positive. It was noted that thanks should be conveyed to the Officers and partner organisation/charities for their hard work and efforts during these extremely challenging times.

The Chairman thanked Cllr Carter for her report.

31. **AIR POLLUTION**

The Committee welcomed Operational Services Manager, Colin Alborough, and Environment and Airport Monitoring Officer, Richard Ward, who were in attendance to give a presentation on air pollution issues across the Borough.

Mr. Ward, gave an overview of the team that sat within Operational Services. The Environmental Control and Pollution Team covered several other areas in addition to

air quality management these included, statutory nuisance, noise nuisance and animal licensing. It was noted that Mr. Ward was the lead officer for local air quality management and also had responsibility for air quality issues relating to commercial and domestic bonfires, planning consultations and policy and was the regulator for 27 permitted installations across the borough for the Local Air Pollution Prevention and Control (LAPPC) process.

Air pollution was very varied and complex, with a large number of contributors. Pollutants could have both short and longer term effect on the health of the population and had the most effect on the most vulnerable.

The team worked within the remit of frameworks set out by the Environment Act and the National Air Quality Strategy. It was noted that monitoring in Rushmoor was primarily based around nitrogen dioxide, for which there were currently 20 monitoring sites across the Borough. Reports on the data from this monitoring, which showed a gradual reduction over time across all sites, were submitted to the Department for Environment, Food and Rural Affairs (DEFRA) on an annual basis.

The Committee were also advised of ongoing projects on the M3 and A331. The A331 project had commenced in 2017 and through partnership working with neighbouring authorities, work had been undertaken to reduce nitrogen dioxide on the A331. A speed restriction of 50mph had been implemented in June 2019 on a 1.8km stretch of the road to assist in reducing nitrogen dioxide levels.

Looking to the future, it was advised that consideration would be given to the content of the Environment Bill due to be signed off later in 2021, this was expected to include longer term targets for air quality measures and an annual mean level for PM2.5 (particulate matter) levels. The Council's Climate Change Action Plan would also impact on the work of the team.

The Committee discussed the presentation and raised a number of queries.

In relation to the impact of the pandemic on pollution levels it was noted that it had been too early to determine the long term effects. However after the initial lockdown levels had been slowly creeping back up to normal.

With regard to having a local impact on nitrogen dioxide levels, it was noted that objectives in the Council's Climate Change Action Plan and work carried out by Hampshire County Council with school children to educate and raise awareness on the subject of air pollution would help on a local level to improve air quality.

In response to a query regarding wood burners and their impact on air pollution, it was noted that wood burning stoves contributed to a third of PM2.5 in the air. It was thought that moving forward, smoke control areas and regulation on target levels may be introduced to control the use of these heat sources.

The Chairman thanked Mr. Ward for his presentation.

32. HOUSING OPTIONS UPDATE

The Committee welcomed the Housing Options Service Manager, Suzannah Hellicar, to give an update on the work of the Housing Options Team and in particular the impacts of COVID-19.

Ms Hellicar, advised that as Service Manager she had responsibility for housing, homelessness, housing options and private sector housing. The move to remote working had meant that home visits and face to face interviews had been restricted but the Team had been able to provide a full service to its customers during the previous twelve months. A challenge for the Team had been keeping in contact with some of their homeless clients and mobile phone had been provided to a number of these individuals which had assisted with this issue. A big positive to come from the pandemic had been the partnership working, organisations and charities had come together to provide for those in need at this difficult time and the Team had adapted amazingly to the challenges faced.

In March 2020, the Government instructed local authorities to accommodate all rough sleepers, through the “Everyone In” scheme. Locally 150 vulnerable people had been accommodated and a benefit to come from this had been engagement with some individuals who had previously refused help. Some challenges resulting from the scheme had been anti-social behavior, costs of accommodation and future accommodation options. It was noted that VIVID Housing Association had provided significant support during this time.

The Committee was advised of the outreach work that had taken place. It was noted that some individuals had refused the offer of accommodation and the Team had provided PPE, food parcels, sleeping bags, support and continued offers of accommodation during the height of the pandemic. It was report that four individuals had remained on the street.

It was advised that the eviction ban on private and social tenants was expected to remain in place until May, 2021. The Team had been working with landlords and tenants to resolve issues and were proactively looking to provide alternative accommodation where possible in cases where eviction was pending and matters couldn't be resolved.

Ms Hellicar explained the Housing First project, a scheme being carried out in partnership with Two Saints and VIVID Housing Associations to house the Boroughs most vulnerable residents. In April 2021, five units, provided by VIVID, would be available for use in this project. The Council would identify individuals who would benefit the most from the scheme and Two Saints would deliver the intensive support required to each resident. It was noted that an application had been made for five additional properties through the Rough Sleeper Fund.

Moving forward, it was noted that a small team would return to the office in April, 2021 to deal with demand. It was thought that demand would relate to eviction, the rise in unemployment figures and relationship and mental health breakdown. A new customer online portal and software package was also planned to be introduced to assist with demand. In addition, it was noted that the Rough Sleeper Strategy was

due to be presented to Cabinet in April, 2021 for adoption. The Team would also continue to build on the work with partners particularly around the development of the Temporary Accommodation Strategy.

The Committee discussed the presentation and raise a number of concerns. In response to a query regarding the numbers on the housing list it was noted that the Team had not seen a big influx, with the number remaining at around 1,400 – 1,500. It was thought this could increase as the situation evolved.

With regard to bed and breakfast accommodation, it was noted that the duration of a stay was limited wherever possible and suitable alternatives were sought quickly. Alternative accommodation, such as housing pods/containers, had been considered but it had been found that installation of services could be expensive depending on the site. However, if the right site became available this option could be considered moving forward.

Following a discussion on Clayton Court, it was noted that negotiations were underway to consider extending the lease on the property. It was advised that the site wasn't always appropriate and options for alternative temporary accommodation were being considered to add to the portfolio of available temporary housing. It was noted that currently there were two empty rooms in Clayton Court.

The Chairman congratulated and thanked Ms Hellicar and her team for the work they had carried out over the past twelve months.

33. **WORK PLAN**

The current Work Plan was **NOTED** and an update was provided as follows:

- It was noted that the annual report would be prepared for the Council meeting on 22nd April
- A meeting of the Educational Improvement and Highways Agency Task and Finish Groups would be scheduled for early in the new Municipal Year

The meeting closed at 9.09 pm.

CLLR D.B. BEDFORD (VICE-CHAIRMAN) (IN THE CHAIR)
