



BOROUGH OF RUSHMOOR

To the Mayor and Members of the Council,

YOU ARE HEREBY SUMMONED to attend a Meeting of the Council to be held at the Council Offices, Farnborough on **Thursday, 26th February, 2026 at 7.00 pm** for the transaction of the business set out on the Agenda given below.

Under Standing Order 6(2), the Mayor has varied the usual Order of Business to ensure that matters related to the setting of Council Budget and Council Tax 2026/27 are prioritised.

A G E N D A

1. **MINUTES –** (Pages 1 - 16)

To confirm the minutes of the Ordinary Meeting of the Council held on 4th December, 2025 and the Extraordinary Meeting of the Council held on 29th January, 2026 (copy attached).

2. **MAYOR'S ANNOUNCEMENTS –**

3. **QUESTIONS –**

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

Public Questions

- (2) To answer any questions from the public submitted under Standing Order 9 in accordance with the Procedure Note.

4. RECOMMENDATIONS OF THE CABINET AND COMMITTEES - PART ONE –

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

1) Council Delivery Plan 2026-28 – (Pages 17 - 78)

To receive a report from the Cabinet (copy attached – Annex 1) which recommends the Council Delivery Plan 2026-28 for approval. Cllr Gareth Williams, Leader of the Council will introduce this item.

2) Annual Capital Strategy 2026/27 – (Pages 79 - 92)

To receive a report from the Audit and Governance Committee, (copy attached – Annex 2) which recommends the approval of the Council's Annual Capital Strategy for 2026/27 and Prudential Indicators for 2026/27. Cllr Bill O'Donovan, Chair of the Audit and Governance Committee, will introduce this item.

3) Annual Treasury Management and Non-Treasury Management Strategy 2026/27 – (Pages 93 - 130)

To receive a report from the Audit and Governance Committee (copy attached – Annex 3) which recommends the approval of the Treasury Management Strategy 2026/27, Annual Borrowing Strategy 2026/27, Annual Non-Treasury Management Investment Strategy 2026/27 and the Minimum Revenue Provision Statement. Cllr Bill O'Donovan, Chair of the Audit and Governance Committee, will introduce this item.

4) General Fund Budget 2026/27 and Medium-Term Financial Strategy 2026/27 to 2029/30 – (Pages 131 - 172)

To receive a report from the Cabinet (copy attached – Annex 4) which recommends the approval of the General Fund Budget for 2026/27 and Medium-Term Financial Strategy 2026/27 to 2029/30. Cllr Gaynor Austin, Portfolio Holder for Finance and Resources, will introduce this item.

5. THE COUNCIL TAX 2026/27 – (Pages 173 - 178)

To fix the level of Council Tax for the financial year 2026/27 taking into account precepts of Hampshire County Council, the Police and Crime Commissioner for Hampshire and Hampshire Fire and Rescue Authority. (A copy of the appropriate draft resolution is attached – Annex 5).

6. **NOTICES OF MOTION –**

(1) **Rights of Rivers**

To consider the following Notice of Motion, which has been submitted by Cllr Jules Crossley pursuant to Standing Order 10 (1):

“This Council notes that Basingstoke and Deane Council agreed to recognise the rights of the River Loddon, which the Blackwater is a tributary of, in May 2025, and committed to developing a ‘Declaration on the Rights of the River’ by Spring 2026.

The Council recognises that environmental laws and regulations have failed to protect the quality of our rivers and further protections are needed.

This Council will:

- 1) Consult with Basingstoke and Deane, Hart Council and other relevant stakeholders with the aim of mutual support in the implementation of the Rights of Rivers.
- 2) Write to the Environment Agency to express the Council’s concerns about the poor ecological and chemical health of the Blackwater and Cove Brook, requesting that the EA explain how they have been, and how they plan to further protect and enhance our local rivers.
- 3) Ensure that within the scope of existing law and agreed policy, officers and the development control process shall, where they are able, take account of the Rights of Rivers within individual planning decisions, including consideration of the imposition of planning conditions to have no adverse impact on the health, water quality or ecological integrity of the Blackwater River and Cove Brook.”

(2) **National Year of Reading**

To consider the following Notice of Motion which has been submitted by Cllr Steve Harden pursuant to Standing Order 10 (1):

“This Council notes that:

1. 2026 has been designated the National Year of Reading, UK-wide initiative encouraging people of all ages to engage with reading for pleasure and learning.
2. Reading improves educational attainment, mental wellbeing, social connection and lifelong learning, yet national evidence shows a decline in reading for pleasure, particularly among children and young people.
3. Local councils have an important role in supporting literacy through libraries, schools, community groups and cultural activities.

This Council believes that:

1. Promoting reading supports the Council’s wider priorities around education, wellbeing, inclusion and opportunity.

2. Rushmoor's libraries, schools, councillors and community organisations are well placed to help residents "go all in" on reading.

This Council resolves to:

1. Formally endorse the National Year of Reading 2026.
2. Request that the Council Leader writes to the campaign organisers confirming Rushmoor's support and interest in promoting reading.
3. Encourage Council services, libraries and partner organisations to promote and participate in reading-related activities during 2026.
4. Invite Members, schools, voluntary organisations, and community groups to feedback on sustainable and viable options for implementing community book sheds and informal book sharing initiatives within the Borough to help maximise local participation."

7. **RECOMMENDATIONS OF THE COMMITTEES - PART TWO –**

- 1) **Extension of Term of Office for the Designated Independent Person –**
(Pages 179 - 182)

To receive a report from the Licensing and Corporate Business Committee (copy attached – Annex 6) which recommends the approval of an extension to the term of office of Mr Matt Smith as the Council's Designated Independent Person, for the period from July 2026 to the end of April 2028. Cllr Jacqui Vosper, Chair of the Licensing and Corporate Business Committee, will introduce this item.

8. **REPORT ON THE WORK OF THE COMMUNITY ENGAGEMENT TASK AND FINISH GROUP –** (Pages 183 - 204)

To receive a report from the Community Engagement Task and Finish Group (copy attached – Annex 7), which provides details of the activities delivered to understand and address community concerns following a Council motion in 2024, and setting out plans to support cohesion and integration activity. Cllr Sophie Porter, Portfolio Holder for Healthy Communities and Active Lives, will introduce this item.

9. **QUESTIONS FOR THE CABINET –**

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

10. **REPORTS OF CABINET AND COMMITTEES –** (Pages 205 - 240)

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

Cabinet

25th November, 2025
15th December, 2025
13th January, 2026
20th January, 2026
10th February, 2026

Committees

Audit and Governance	26th November, 2025
Special Audit and Governance	11th December, 2025
Licensing and Corporate Business	15th January, 2026
Audit and Governance	28th January, 2026

11. **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEE AND POLICY AND PROJECT ADVISORY BOARD – (Pages 241 - 256)**

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

Policy and Project Advisory Board	9th December, 2025
Overview and Scrutiny Committee	11th December, 2025
Overview and Scrutiny Committee	5th February, 2026

IAN HARRISON
Managing Director

Council Offices
Farnborough
Hampshire GU14 7JU

Wednesday 18 February 2026

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BOROUGH OF RUSHMOOR

MEETING OF THE BOROUGH COUNCIL held at the Council Chamber, Council Offices, Farnborough on Thursday, 4th December, 2025 at 7.00 pm.

The Worshipful The Mayor (Cllr Calum Stewart (Chairman))
The Deputy Mayor (Cllr P.J. Cullum (Vice-Chair))

Cllr A. Adeola
Cllr Gaynor Austin
Cllr Leola Card
Cllr Jules Crossley
Cllr Keith Dibble
Cllr C.P. Grattan
Cllr Christine Guinness
Cllr Steve Harden
Cllr Halleh Koohestani
Cllr Nadia Martin
Cllr S.J. Masterson
Cllr Bill O'Donovan
Cllr M.J. Roberts
Cllr M.D. Smith
Cllr P.G. Taylor
Cllr S. Trussler
Cllr Becky Williams

Cllr Abe Allen
Cllr C.W. Card
Cllr Sue Carter
Cllr Thomas Day
Cllr A.H. Gani
Cllr Lisa Greenway
Cllr Julie Hall
Cllr Rhian Jones
Cllr G.B. Lyon
Cllr Mara Makunura
Cllr T.W. Mitchell
Cllr Sophie Porter
Cllr Dhan Sarki
Cllr Sarah Spall
Cllr M.J. Tennant
Cllr Jacqui Vosper

Honorary Alderman Tony Gardiner

Apologies for absence were submitted on behalf of Cllr A.H. Crawford, Cllr Peace Essien Igodifo, Cllr Ivan Whitmee and Cllr Gareth Williams.

28. **MINUTES**

It was **MOVED** by Cllr Sophie Porter; **SECONDED** by Cllr Gaynor Austin and

RESOLVED: That the Minutes of the Ordinary Meeting of the Council on 16th October 2025 (copies having been circulated previously), be taken as read, approved and signed as a correct record.

29. **MAYOR'S ANNOUNCEMENTS**

The Mayor placed on record the Council's condolences following the passing of former Councillor John Card who had passed away in late October. John had served on both Farnborough Urban District Council and Rushmoor Borough Council until his retirement in 1979.

The Mayor reported upcoming fundraising activities, which included the Alderwood Charity Calendar which was now available at the Council Offices, Princes Hall, and the Dressing Up Shop in Aldershot. The Mayor was also supporting the Farnborough

Rotary Christmas collection on 11th December; all funds from which would be donated to the Mayor's Charity. A quiz night was planned for 6th February, 2026, and Members were asked to contact the Mayor's office should they wish to enter a team.

30. QUESTIONS

(1) Standing Order 8 – Questions

The Mayor reported that no urgent questions had been submitted under Standing Order 8 (3).

(2) Public Questions

Further to the new scheme for public questions at full Council meetings, the questions that had been accepted had been circulated to Members in advance. Each question was received as set out below, and the Mayor invited a response to each in turn:

- (1) Peter Crerar – Manor Park Ward – **Council Tax Rise** - In 2023, Keir Starmer said: "If there was a Labour government, you could take that council tax rise you just got and rip it up..." "Yes, you heard it right, not a penny more on your council tax"

The Labour government has allowed councils to raise council tax by up to 5% without a local referendum for the 2025-2026 financial year, including Rushmoor.

Does the Leader of the Council believe that Keir Starmer was making empty promises and is the leader of the council happy for the residents of Rushmoor to rip up their council tax bills as Keir Starmer suggested?

Cllr Gaynor Austin, Portfolio Holder for Finance and Resources advised that Council tax was important for providing the essential services on which residents rely, and although Rushmoor was responsible for collecting the Council Tax, the Council only kept around 12% of it.

The context of the quote from 2023 was about how a windfall tax on energy firms would have been used in that year to support people through cost-of-living pressures and not a commitment to scrap council tax forever. This was not a policy that was implemented by the government at that time. Local council taxation increased as a response to austerity.

In the latest announcement for local council funding, there was a longer-term funding commitment from government. However, Rushmoor Borough Council had only been allowed a 3% increase in its rate (not 5%) and would be limited to this again in 2026. The 5% increase was applicable to County Councils – 3% + 2% specifically for Adult Social Services. Rushmoor Borough Council's allowable Council Tax increase for the 2025/26 financial year was 2% without referendum.

- (2) Vince Bramley – Rowhill Ward - **Location of Howitzer** - Could the Council update on plans for the Howitzer that was outside Aldershot train station roundabout. It was donated by the army many years ago but removed for much-needed restoration. I was informed last year that a possible new position was the roundabout by Burger King. But funds are not available, and HCC would have to take over the works as it would be on the highway. May I suggest that a fitting and visible location for it would be next to the WW2 memorial beside the Princes Hall steps – where is the Howitzer and how much longer will it be missing?

Cllr Julie Hall, Portfolio Holder for Economy, Skills and Growth advised that the Council finished refurbishment of the Howitzer earlier this year and it was currently stored at one of the Council's depots. The intention was to site the howitzer at Gun Hill. Unfortunately, Hampshire County Council were concerned that this may prejudice future improvements identified in the Local Cycling and Walking Strategy. Further work was required to try and resolve the issue, and it was intended to pursue the matter in January, and alternative locations would be considered. A location close to the WW2 memorial would be included in that exercise.

- (3) A resident of Cove and Southwood – **Councillors Social Media** - Should councillors be using their council social media accounts to promote their own businesses?

Cllr Sophie Porter, Deputy Leader of the Council, advised that councillors were subject to the Code of Conduct when using social media accounts which identified them as members, and promoting a business via such an account may be a breach of the Code. Where members needed guidance on the use of social media the advice of the Monitoring Officer should be sought. Where members or residents consider councillors may be breaching the Code, they should contact the Monitoring Officer.

- (4) Dean Llewellyn, St Marks Ward - **Grounds Maintenance - Lynchford Rd and Napier Gardens** - Can you arrange better up-keep and maintenance of Lynchford Road verges, roundabouts and Napier Gardens car park?

Cllr Christine Guinness, Portfolio Holder for Pride in Place and Neighbourhood Services, advised that these areas were contractually maintained in accordance with standards of maintenance applied across the entire borough of Rushmoor, therefore, it was not feasible, practical or affordable to permanently enhance maintenance in one specific area. However, the Council did recently coordinate the Community Payback Team visiting the area for a general clear-up and some leaf removal.

- (5) Craig Sinclair – Cherrywood Ward - **Elections 2026** - Will Rushmoor council be holding democratic elections in May 2026?

Cllr Sophie Porter, Deputy Leader of the Council and Portfolio Holder for Healthy Communities and Active Lives, advised that the Council were currently planning for local Rushmoor Borough Elections and Hampshire County Council Elections to take place on Thursday 7th May 2026.

However, it was announced today that the planned inaugural Mayoral Election for the Combined County Authority of Hampshire and the Solent, that was also to take place in the coming May, would now not take place until 2028.

- (6) Andrew McLeod – Cove and Southwood Ward - **Grounds Maintenance - Condition of Road/Footpath Arrow Rd** - When will attention be given to Arrow Road area of Farnborough? North from the Costco roundabout is breaking up. 5 oak trees on the left side are dead or dying, flooding makes the foot path/cycle path impassable when heavy rainfall. Fly tipping takes place, hedge row out of control, previously, reported to local councillors and HCC Councillor, dead branches fall on verge and foot path.

Cllr Christine Guinness, Portfolio Holder for Pride in Place and Neighbourhood Services, advised that a number of the points raised in this question fell outside of the responsibility of this Council. The carriageway and footpath or cycle path surface and any highway flooding was the responsibility of Hampshire County Council (HCC). The trees along Arrow Road were all owned by the Ministry of Defence. Rushmoor's Tree Officer had previously raised concerns about these trees to HCC, due to the risk of limbs/debris falling onto the adopted highway (which is their responsibility). Rushmoor cut the grass along the west side of Arrow Road, which is in accordance with the agency agreement with the County Council. The hedgerow along the east side of Arrow Road was situated within the adopted public highway and was therefore also the responsibility of the County Council, who were responsible for ensuring it did not encroach the public highway. Fly tips that occur along the highway could be reported to Rushmoor for investigation and removal.

- (7) Sally McGuinness – Cherrywood Ward - **Prospect Estate Graffiti** - The graffiti is increasing too much on the Prospect Estate. Can something be done about it other than cleaning it up, which is not being done? Something like a campaign to put posters up saying there is a greater penalty for anyone who is doing graffiti and that council tax is increasing to pay for the cleaning up, so that's less money to spend on the pens and paint.

Cllr Christine Guinness, Portfolio Holder for Pride in Place and Neighbourhood Services, advised that the Council was seeing an increase in graffiti across the Borough and had been redirecting resources in order to manage the issue. This week Council workers had removed a large quantity of graffiti in Moor Road and the surrounding area. The Council encouraged anyone with information about those graffitiing communities to make contact with the Place Protection Team.

- (8) A resident of North Town Ward - **Residents of Potters International** - By now, many inhabitants of Potter's hotel on the Farnborough Rd will have been granted leave to remain and released into the community. Can the council provide a breakdown of how many people this has been to date, their ethnicities, where they have been actually housed and by which authority and / or organisation? Can the council also provide any information also on the tents that have popped up opposite Potters, who's inside them and what they are going to do about them?

Cllr Keith Dibble, Portfolio Holder for Housing and Planning, advised that the question raised a number of points that would be addressed in turn:

Asylum and immigration decisions - Decisions about asylum and immigration, including the granting of leave to remain, were made by the Home Office. The Council did not hold information about individuals' immigration status, personal data or where they go when they leave the hotel.

Housing after leave to remain - When people were granted leave to remain, they were free to move to any part of the country. The Council had received only a small number of approaches to the housing team. Most people leaving Potters were moving to areas where they had relatives, friends, or established communities.

Tents opposite Potters – The Council's teams were aware that there had been tents opposite Potters and had visited the site on many occasions and were engaging with any occupants. Where individuals were found to be homeless, advice and support was offered through outreach services. The Council's teams would also refer to other agencies in appropriate cases. At this stage, the Council were aware that there was one tent remaining. Officers continue to monitor the situation carefully to safeguard individuals and maintain community safety.

- (9) Daz Brady – Rowhill Ward - **Assurance on responsibly installed Flags** - Given the positive relationship between Rushmoor Borough Council and local residents regarding the Union Jack flags displayed on lampposts—particularly those maintained by members of Rushmoor People First—can the Council confirm that this cooperative approach will continue? Specifically, can we be assured that where flags are responsibly installed and maintained by volunteers, and where they cause no safety issues, obstructions, or interference with road signs, the Council will continue allowing them to remain unchallenged? This arrangement has worked well for the community, and we would appreciate confirmation that it will be upheld.

Cllr Sophie Porter, Deputy Leader of the Council, advised that the Council realised that this was a very sensitive issue. Many residents had made strong representations to the Council both in support of flags and in opposition to flags. The Council had contacted the County Council, which owned lampposts on public highways, for a view and they had confirmed that as long as flags were not dangerous or obscuring signage then they would not be taking immediate steps to remove them. Since that time, the Council had not taken any further action on this matter. However, this matter was subject to a debate later on this evening's agenda.

- (10) Leo Mellet - Rushmoor People First - **Military Sites for Housing Migrants** - Has there been any enquiries or discussions from or with any party regarding the use of any of Rushmoor/Aldershot's military sites for the housing of migrants? If so, and even if not, what is the council's position on these sites being used in this way?

Cllr Keith Dibble, Portfolio Holder for Housing and Planning, advised that the Council were not aware of any enquiries or discussions on the use of military sites in

Rushmoor to house migrants. The Council would need to consider the situation if and when it arose.

31. **NOTICES OF MOTION**

Further to Standing Order 6(2)(a) the Mayor used his discretion to change the order in which the Notices of Motion would be considered as follows, 4(2) Flags, 4(1) Cabinet Champions and 4(3) Unattached Land.

(1) **Flags**

With the consent of the Council under Standing Order 14(9), Cllr Craig Card presented an altered Notice of Motion on the topic of flags, as set out below:

“Within Rushmoor the Union flag is currently being used for a political purpose, that is not consistent with nationally understood values associated with the Union Flag.

This borough is the home of the British Army, the very values the flag represents are here in our borough of Rushmoor. Many residents are distressed that the Union Flag is being used in a manner which betrays these values.

Therefore, this Council will recommend to Hampshire County Council to take action to remove the Union Flags from the public highways as soon as possible. This would be a sign of respect to all those who have and currently serve in uniform.”

In PROPOSING the Motion Cllr Craig Card advised that he had spoken to residents who had expressed their shame about how the flags were being displayed at “half-mast” on lampposts across the borough. He respected people’s wishes to display the flags but felt it would be more appropriate for individuals to fly flags on their own properties to show their patriotism and pride. In SECONDING the Motion, Cllr Leola Card stated the importance of speaking up on behalf of residents and raising the concerns of those who didn’t want or were unable to themselves.

During debate, it was confirmed that the Council had previously written to Hampshire County Council (HCC) regarding the flags and that HCC had advised that they would remain in place unless they were blocking any road signs. Therefore, it was felt that writing again would not have the desired effect of the Motion. Members discussed national pride in the flag and the reasons behind why they had been put up across the borough. Some challenged if those involved with putting up the flags had been asked why they had done so, and suggested it was unfair to assume intentions. Others asked for respect to be given to the flag by flying it appropriately, with permission, at full mast and to those that chose not to fly it. It was suggested that the impact of the flag is lost when displayed constantly and it was important to achieve a balance between pride and national symbolism. The point was made that the flag should be used to bring the nation together, not to divide it and it was important that it not be used to stoke division within the community. Residents should be working together to nurture cohesion with the support of their council.

In addition, it was noted that many events were held in the Borough at which the flag was raised officially, and members of the public were encouraged to attend these events to show their national pride.

The Motion was put to the meeting. There voted FOR: 6; AGAINST: 19; ABSTAINED: 5 and the Motion was **DECLARED LOST**.

(2) **Champion Roles**

The Council considered a Notice of Motion submitted by Cllr Nadia Martin under Standing Order 10 (1) on Cabinet Champions:

“This council notes that Cabinet Champion roles exist to support and promote key areas of importance to the Borough, and that these roles should operate in a way that best serves residents across the community.

This council further notes that the current arrangements for appointing Cabinet Champions are set out in the Constitution, and that these arrangements place the responsibility for appointments with the Leader of the Council. Council recognises that there is a desire among members for these roles to operate on a non-party-political basis, with transparent and cross-party appointment processes.

This council will therefore:

- (1) Commit to the principle that Cabinet Champion roles should be non-executive, non-political positions, open to all councillors, with appointments made by Full Council or the appropriate committee rather than by the Leader, and that the Constitution should be amended to reflect this.
- (2) Request that the Licensing and Corporate Business Committee urgently prepare the necessary constitutional amendments, including role descriptions and accountability arrangements, and bring these proposals to the next available meeting of Full Council.
- (3) Enable Full Council to vote on the revised arrangements for Cabinet Champion roles at the earliest opportunity.”

In PROPOSING the Motion Cllr Martin expressed the view that it should be open to any Member to be a Champion for the Council regardless of political affiliation and that the roles should not be used for political gain. In SECONDING the Motion, Cllr Tennant referred to both the success of the process to select the Mayor based on seniority, and the appointment of opposition vice chairs on the Overview and Scrutiny Committee which allowed for good cross party working. He advocated for the positions to be given to the “best person for the job”.

In discussing the Motion, the following points were made:

- Only the Cabinet should be subject to appointment by the Leader, all other roles should be appointed by the Council

- Careful consideration would be needed to determine how this would work, including limits on the number of Champions, how they would support the priorities of the Council and the process for accountability and governance for the roles
- The Champion roles should be non-executive, open to all and provide practical resident focused work
- Utilisation of the Licensing and Corporate Business Committee to determine the roles on an annual basis

The Motion was put to the meeting. There voted FOR: 19; AGAINST: 0; ABSTAIN: 15 and the Motion was **DECLARED CARRIED**.

(3) **Unattached Land**

The Council considered a Notice of Motion submitted by Cllr Steve Harden under Standing Order 10 (1) on the topic of unattached land:

“This Council resolves to write to the local Member of Parliament and to the Chancellor to raise concerns regarding the management and maintenance of unattached land, and to request appropriate support and guidance.

This Council also resolves that the Policy and Project Advisory Board be requested to consider, and report to Cabinet on:

- the feasibility and associated costs of undertaking an urgent review of all parcels of unattached or unregistered land within the Borough, in order to confirm the appropriate owners and clarify responsibility for their maintenance
- the extent of emergency works needed to address neglected areas, and the funding requirements for this
- the projected costs, resource implications, and legal considerations of the Council assuming ongoing responsibility for maintaining such areas on a permanent basis
- proposals for the establishment of a formal working partnership with Crown land authorities, Hampshire County Council, and other relevant bodies including, where appropriate, Rushmoor agencies to coordinate land management and ensure clarity of ownership and responsibility.”

In PROPOSING the Motion Cllr Harden advised that the borough was plagued by unattached land, which in some cases was unsightly and dangerous due to landowners refusing to take responsibility for its upkeep. Through the proposed Working Group, members would be able to draw attention to unattached land in their areas, and the Group could liaise with landowners to determine ways forward for each area to protect residents from harm due to lack of responsibility. In SECONDING the Motion, Cllr Allen advised that the inconsistent and piecemeal approach wasn't working effectively, and this Motion could enable a better route for dealing with the issue.

In discussing the Motion, Members spoke of the complaints that they received regarding damage caused by trees on unattached land that weren't maintained properly, and the overgrown nature of the sites which caused an eyesore in their

communities. Potential outcomes for the pockets of land going forward were discussed: these included creating areas to encourage biodiversity, making areas into community assets and selling pockets to residents who live adjacent to unattached land for a nominal fee. However, it was noted that, financially, there was little the Council could do to maintain these areas going forward, but the Council could act as a facilitator between residents and landowners.

The Motion was put to the meeting. There voted FOR: 32; AGAINST: 0; ABSTAIN: 2 and the Motion was **DECLARED CARRIED**.

32. QUESTIONS FOR THE CABINET

- (1) Cllr Leola Card had submitted a question for response by the Pride in Place and Neighbourhood Services Portfolio Holder, (Cllr Christine Guinness) on the maintenance of the green space to the demolished Leisure Centre in Farnborough.

Cllr Guinness advised that £12,000 had been spent on maintenance in this area in 2025/26. Works had included improvements to the skate park, tree maintenance, grass cutting, clearing of the shrub beds and removal of graffiti. It was noted that the Council also responds to fly-tips and reports of trolleys found in the pond.

- (2) Cllr Steve Harden had submitted a question for response by the Pride in Place and Neighbourhood Services Portfolio Holder, (Cllr Christine Guinness) on play parks in Fernhill Ward.

Cllr Guinness advised that there was no budget in place for play parks. However, the Council were in the process of bidding for funding from a £18 million Government grant aimed at addressing significant inequalities in children's access to play, particularly in deprived areas.

It was noted that there were three play parks in Fernhill:

- Pinewood Park – identified for refurbishment on the Council's working Action Plan, as a medium priority site, there were no plans to close it,
- Curly Bridge – discussions underway with Thames Valley Housing regarding decommissioning or renewing the play area, and
- Irvine Drive – discussion underway on the size and location of the site

If the bidding process is successful and funding secured, further discussions would be had on where the money could be invested.

- (3) Cllr Sarah Spall had submitted a question for response by the Housing and Planning Portfolio Holder, (Cllr Keith Dibble) on the My North Town project.

Cllr Dibble advised that, he was very pleased to report that the final phase of the project was very near to completion with the last fourteen new shared ownership homes soon to be ready for occupation. It was noted that for many years, North Town had an underserved reputation, due to the perception of the run-down Denmark Square and Pegasus Avenue estate. The original estate, which was built in

the 1950's, had been a magnet for mould and damp, three-bedroom flats on the top floor without gardens, long dark corridors, and a lack of security.

Therefore, in 2009, First Wessex, with the support of the Council and ward councillors, agreed a programme to demolish the existing estate and replace it with quality homes with gardens and open spaces. The then North Town councillors, Sue Dibble, Frank Rust, and Cllr Keith Dibble, had only given their support to the housing association if they put "people before bricks and mortar", and he was pleased to confirm they had delivered on this pledge.

The new development, which has changed the landscape of North Town, now offered 406 homes to rent, 83 for outright ownership, 182 in shared ownership, and a new fit for purpose North Town Community Base.

- (4) Cllr Jules Crossley had submitted a question for response by the Housing and Planning Portfolio Holder, (Cllr Keith Dibble) on conditions in the Local Plan relating to air traffic movements.

Cllr Dibble advised that, any conflict between the local plan and the content of an application is for the Development Management Committee to determine as part of their ordinary business, not Council. It was not unusual for applications to be received which, on the face of them, may appear to be contrary to a local plan. Rushmoor's constitution reserves decisions in which such a conflict arises to the Development Management Committee to ensure that the decision is made by elected representatives.

The law makes clear that decisions on planning applications would be in line with the local plan, save where there are planning reasons or where material considerations so indicate. This was also reflected in the Members' Planning Code of Good Practice which states that, Members should comply with section 38(6) of the Planning and Compulsory Purchase Act 2004 and make decisions in accordance with the Development Plan unless material considerations indicate otherwise.

As to whether Council would be involved post any decision of the Development Management Committee, the answer is no. That would be a matter for the Planning Inspectorate or the Judiciary, depending on the nature of a challenge to any decision.

- (5) Cllr Rhain Jones had submitted a question for response by the Housing and Planning Portfolio Holder, (Cllr Keith Dibble) on a recent meeting with Vivid Housing.

Cllr Dibble advised that, a theme of the Labour Administration delivery programme was Homes for All: Quality Living, affordable housing, with a priority to improve social housing performance through more active engagement with providers.

Working with the Leader and Senior Officers a programme of meetings to meet face to face with the leading registered providers in Aldershot and Farnborough has been agreed. Recently, a meeting was held with the largest social landlord in the Borough, Vivid Homes, at which topics discussed included the near completion of the North

Town development, Awaab's Law, dealing with mould and dampness, the Wellesley development in Aldershot, Farnborough Civic Quarter, a strategy for adopting roads on new developments, a potential downsizing scheme and performance monitoring.

To deliver the Council's priorities, it was considered important to have a strong partnership with the borough's largest housing provider and this was the first of a schedule of regular meetings, at senior level, with Vivid Homes. The Council were also committed to working closely with all social housing providers to support them to achieve high quality homes and services for residents.

Therefore, it was especially important for elected members to feed into the Housing Team and the Overview and Scrutiny Committee's Housing Oversight Group, any concerns, feedback, and any escalations, so these can be presented at future meetings.

- (6) Cllr Gareth Lyon had submitted a question for response by the Finance and Resources Portfolio Holder, (Cllr Gaynor Austin) on the impacts of business rates on local businesses.

Cllr Austin advised that all small to medium sized businesses impacted by the revaluation were being identified, and letters were being sent out advising of the support available if needed. The Council were also looking at the effects on Council owned buildings to determine the impacts and letters were also being sent out to those tenants to advise on any implications.

Cllr Lyon asked a supplementary question regarding being kept updated on the situation with hospitality, pubs and bed and breakfast establishments, Cllr Austin agreed to keep Members updated.

- (7) Cllr Martin Tennant had submitted a question for response by the Economy, Skills and Growth Portfolio Holder, (Cllr Julie Hall) on best value for the disposal of Union Yard sites.

Cllr Hall advised that achieving best values was a priority for the Council in relation to the disposal of assets. External agents were involved in the pricing and negotiation stages, and all options were set out and considered by the Cabinet. Statutory Officers from governance, legal and finance also had an input into any reports considered by the Cabinet. Members were also reminded of the Overview and Scrutiny call-in process.

It was noted that the Cabinet report on disposals at Union Yard would be issued the following day and the Cabinet would carry out its due diligence on 15th December, 2025. Prior to the Cabinet meeting, The Audit and Governance Committee would be holding a special meeting on 11th December, 2025, to review the governance arrangements relating to the disposal of Blocks C and D.

- (8) Cllr Gareth Lyon had submitted a question for response by the Deputy Leader of the Council, (Cllr Sophie Porter) on the costs for KPMG in relation to Local Government Reorganisation.

Cllr Porter advised that £34,000 had been contributed to KPMG and a further £2,000 towards a shared data hub. It could not be confirmed how much other councils had contributed. It was noted that further costs may be incurred to an estimated value of £25,000, however this was dependent on the Governments decision on the way forward.

Cllr Lyon asked a supplementary question regarding the value for money of the costs to KPMG, Cllr Porter advised that the costs had included some upskilling for staff and would ask the Leader to provide a written response on the value for money.

33. REPORTS OF CABINET AND COMMITTEES

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

Cabinet	14th October 2025
Committees	
Development Management	8th October 2025
Licensing and Corporate Business	21st October 2025
Development Management	19th November 2025

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

RESOLVED: that the Reports of the Overview and Scrutiny Committee meeting held on 23rd October and the Policy and Project Advisory Board meeting held on 18th November, 2025 be noted.

The meeting closed at 10.27 pm.

BOROUGH OF RUSHMOOR

EXTRAORDINARY MEETING OF THE BOROUGH COUNCIL held at the Council Chamber, Council Offices, Farnborough on Thursday, 29th January, 2026 at 7.00 pm.

The Worshipful The Mayor (Cllr Calum Stewart (Chairman))
The Deputy Mayor (Cllr P.J. Cullum (Vice-Chair))

Cllr A. Adeola
Cllr C.W. Card
Cllr Sue Carter
Cllr Jules Crossley
Cllr Keith Dibble
Cllr A.H. Gani
Cllr Lisa Greenway
Cllr Julie Hall
Cllr Rhian Jones
Cllr G.B. Lyon
Cllr S.J. Masterson
Cllr Sophie Porter
Cllr Dhan Sarki
Cllr Sarah Spall
Cllr M.J. Tennant
Cllr Jacqui Vosper
Cllr Becky Williams

Cllr Gaynor Austin
Cllr Leola Card
Cllr A.H. Crawford
Cllr Thomas Day
Cllr Peace Essien Igodifo
Cllr C.P. Grattan
Cllr Christine Guinness
Cllr Steve Harden
Cllr Halleh Koohestani
Cllr Mara Makunura
Cllr Bill O'Donovan
Cllr M.J. Roberts
Cllr M.D. Smith
Cllr P.G. Taylor
Cllr S. Trussler
Cllr Ivan Whitmee

Honorary Alderman Diane Bedford
Honorary Alderman Tony Gardiner

Apologies for absence were submitted on behalf of Cllr Abe Allen, Cllr Nadia Martin and Cllr T.W. Mitchell.

35. **CONCLUSION OF THE COMMUNITY GOVERNANCE REVIEW**

Cllr Jacqui Vosper introduced the Report as Chair of the Licensing and Corporate Business Committee, which set out the results of the second-round consultation of the Community Governance Review, as agreed by the Council on 25th September, 2025, and the recommendations to the Council following consideration by the Committee.

It was **MOVED** by Cllr Jacqui Vosper, **SECONDED** by Cllr Sarah Spall, that the Council, in light of the Community Governance Review consultation results, should be recommended to make no change in the community governance arrangements within Rushmoor.

In **PROPOSING** the recommendations, Cllr Vosper apprised the Council of the key points arising from the consultation, which had shown very limited support for any change, particularly when the issue of council tax precept to support town and parish

councils was introduced. It was also advised that once Local Government Reorganisation was complete, the new unitary authority would be able to conduct a new Community Governance Review. In the meantime, arrangements would be made to preserve the mayoralty charter and associated regalia through the reorganisation process. In **SECONDING** the recommendation, Cllr Spall advised that the Committee had discussed the results at great length and thanked all those involved in the process.

During debate, it was suggested that consultation fatigue may have affected the results, as residents had been consulted six times within a six month period by the end of 2025, and that understanding of the implications of introducing town and parish councils, or not, may have affected levels of engagement.

There voted FOR: 19; AGAINST: 0; ABSTAIN: 17; and the Recommendation was **DECLARED CARRIED**.

36. **MOTION OF NO CONFIDENCE IN THE LEADER OF THE COUNCIL**

Under Standing Order 1(4), a request had been received for an Extraordinary Meeting from councillors, G.B. Lyon, M.J. Tennant, S. Trussler, Steve Harden, Mara Makunura and P.G. Taylor to consider a motion of no confidence in the current administration and Leader of the Council. However, as this meeting was already taking place it had been agreed that the item would be considered at this time.

The Council was asked to consider the Motion as submitted by Cllr G.B. Lyon under Standing Order 10 (1), as set out below:

“This Council has no confidence in the administration and the Leader of the Council or their ability to secure a sustainable majority of support amongst councillors for the important decisions which lie ahead.

Therefore, we call on the current Leader to be removed from power with immediate effect, and for the Council to elect a new Leader who will form a new cross party coalition administration in order to secure the best outcomes for local residents.”

In **PROPOSING** the Motion, Cllr Lyon emphasised the need for proportionality following the Council’s recent change to no overall control which meant that the administration no longer held a majority on the Council. He also felt that opportunities had been missed and the confidence of residents lost. The Motion aimed to provide a platform to create a new cross-party cabinet that could represent all residents. In **SECONDING** the Motion, Cllr Tennant commented on changes in democracy on a local and national level and the perceived reluctance to work with opposition parties locally.

The point was made that it was important to ensure challenge on difficult decisions such as plans for the Budget 2026/27.

In responding to the Motion, points were raised about the legacy of decisions made under the preceding administration, and that with the current timing it would be preferable to await the results of the elections in May 2026, when a new coalition

cabinet could be established if appropriate. This would avoid further disruption in the short-term and would maintain the current position with a leader and cabinet that reflected the outcome of the most recent elections.

Following debate, the Motion was put to the meeting. In a recorded vote, there voted FOR: Cllrs A. Adeola, Sue Carter, A. Gani, Steve Harden, Peace Essien Igodifo, G.B. Lyon, Mara Makunura, S.J. Masterson, M.D. Smith, P.G. Taylor, M.J. Tennant, S. Trussler, Jacqui Vosper, the Deputy Mayor (Cllr P.J. Cullum) (14); AGAINST: Cllrs Gaynor Austin, C.W. Card, Leola Card, A.H. Crawford, Jules Crossley, Thomas Day, Keith Dibble, C.P. Grattan, Lisa Greenway, Christine Guinness, Julie Hall, Rhian Jones, Halleh Koohestani, Bill O'Donovan, Sophie Porter, M.J. Roberts, Dhan Sarki, Sarah Spall, Ivan Whitmee, Becky Williams, Gareth Williams (21); and ABSTAINED: the Mayor (Cllr Calum Stewart) (1); and the Recommendation was **DECLARED LOST**.

The meeting closed at 8.36 pm.

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ANNEX 1

COUNCIL MEETING – 26TH FEBRUARY 2026

AGENDA ITEM NO. 4 (1)

COUNCIL DELIVERY PLAN 2026-28

A report from the meeting of the Cabinet held on 10th February 2026

SUMMARY

This report presents the Council Delivery Plan for 2026-28. The plan sets out the Council's priorities and the key projects and activities the council will take over the next two years that contribute towards delivering its strategic priorities.

RECOMMENDATION

The Council is recommended to approve the Council Delivery Plan for 2026-28.

1. INTRODUCTION

- 1.1 This report presents the Council Delivery Plan for 2026-28 attached in Annex 1. The draft plan sets out the council's priorities and key projects / activities the council will take over the next three years.
- 1.2 The Plan is structured across five themes:
- Skills, Economy and Regeneration.
 - Homes for All: Quality Living, Affordable Housing.
 - Community and Wellbeing: Active Lives, Healthier and Stronger Communities.
 - Pride in Place: Clean, Safe and Vibrant Neighbourhoods.
 - The Future and Financial Sustainability.

2. BACKGROUND

- 2.1 In July 2025, the [Council approved the Council Delivery Plan 2025/26](#) that set out the Council's ambitions for the Borough, identifying key projects and activities to be delivered over the year as the Council moved towards local government reorganisation.
- 2.2 Since then, the Council has submitted a proposal for local government reorganisation in the Hampshire and Solent region. The Government has undertaken a consultation on the submitted proposals and is expected to make a decision in March 2026. The Government's [indicative timetable](#) suggests that the new unitary authorities will go live on the 1 April 2028. The usual practice is that a section 24 direction will be made by the Secretary of State to give the

new authority a role in decision making in the predecessor councils once the Statutory Change Order establishing the new authority is made. This likely to be in Autumn 2027. The Council's ability to make independent strategic and financial decisions will be significantly curtailed at this point.

- 2.3 The County Council and unitary councils in the Hampshire and Solent region are working together to create a strategic authority with powers and funding for economic growth, transport planning, infrastructure investment and skills development. The Combined County Authority is expected to be established in April 2026 with preliminary powers and funding. Full powers, funding, and the mayoral election are now expected in May 2028.
- 2.4 In November 2025, the Ministry of Housing, Communities, and Local Government released [updated English indices of deprivation](#). This dataset measures relative levels of neighbourhood deprivation. Rushmoor has three small areas of multiple deprivation that are in the 20% most deprived in the country. These are in Cherrywood, Wellington, and Aldershot Park wards. Overall, the borough is less deprived than 67% of local authority districts. Further data used to support the development of the Delivery Plan can be found on our [facts and figures about Rushmoor webpage](#).
- 2.5 In December 2025, the Council received the results of the latest Resident Survey. This showed that a majority of residents were satisfied with how the Council runs things, keeps them informed, and acts on their concerns. Satisfaction was high with household recycling and rubbish collection, parks, playgrounds, keeping the area clean and tidy, and parking. Satisfaction was low with town centres and housing services, showing areas in need of improvement. Results from past surveys and consultations used to support the development of the Delivery Plan can be found on our [results from our consultations webpage](#).

3. DETAILS OF THE PROPOSAL

Impact of local government reorganisation

- 3.1 Given the indicative timetable for local government reorganisation, it is proposed that the Council approves a Council Delivery Plan to cover the period from now until the new unitary council goes live in April 2028. This will allow the Council to focus on achieving a substantive legacy for its residents and free up resources to focus on establishing the new authority.

General

- 3.2 The Council Delivery Plan (Annex 1) provides a focus for the Council's activities and services by outlining the council's priorities for the two years. The Council priorities are under five themes:
- **Skills, Economy and Regeneration.**
 - Promote access to skills, development and training so residents can be part of a thriving local economy.

- Work with businesses to attract and retain jobs, through active place-making and targeting of key industries.
- Partner with experts to deliver strategic transformation of town centres and neighbourhoods.
- **Homes for All: Quality Living, Affordable Housing.**
 - Work with local social housing providers encourage them to offer local tenants a good, consistent service and decent social homes.
 - Encourage the development of new and affordable homes on brownfield land.
 - Provide good quality temporary and supported accommodation.
 - Intervene to improve the quality of private rented sector homes in the borough, which do not meet acceptable living standards.
 - Make it easier to understand how the council allocates social housing.
 - Develop a new Local Plan that maximises the delivery of new homes.
- **Community and Wellbeing: Active Lives, Healthier and Stronger Communities.**
 - Make sure all residents have access to opportunities for physical exercise including a new leisure centre in Farnborough.
 - Enable a programme of community and cultural activities that engages everyone and improves feelings of belonging.
 - Work with partners to address health inequalities and improve awareness of mental health.
 - Work with the community and voluntary sector to support residents and deliver priorities.
- **Pride in Place: Clean, Safe and Vibrant Neighbourhoods.**
 - Implement initiatives to achieve cleaner neighbourhoods.
 - Cabinet Pride in Place champion to encourage local, cleaner streets projects.
 - Work across the council and with partners to expand initiatives to address long-term issues of antisocial behaviour.
 - Invest in refreshing our playgrounds.
- **The Future and Financial Sustainability.**
 - Achieve financial sustainability through delivery of the Financial Recovery Plan.
 - Achieve the best outcome for Rushmoor residents and business from devolution and local government reorganisation.
 - Become a greener and more sustainable borough.
 - Put in place ways to monitor and review regularly the progress of this Delivery Plan, so that we are publicly accountable to residents, acting where needed to bring it back on track.

- Support staff and councillors through structural changes and local government reorganisation - setting teams up for success in the new unitary councils.

Monitoring of the Plan

- 3.3 A more detailed version of the Council Delivery Plan including all outputs, outcomes, and indicators can be found in Annex 2. The Council's Performance Management Framework will be updated in line with the Delivery Plan. This will monitor delivery of planned activity, achievement of project output targets, and changes to outcome indicators showing impact in the borough.
- 3.4 Each quarter the Council Delivery Plan monitoring report is reported to Cabinet setting out the progress against the key projects/activities, the key output and outcome indicators and service performance measures. This is accompanied by an update on the Council's Risk Register that may include issues that relate to the Council Delivery Plan.

Alternative Options

- 3.5 The Council could continue to act under the current Council Delivery Plan. This would not reflect the progress made against priorities, would not offer the opportunity to refresh its activities with an updated evidence base, and could risk performance and accountability issues.

Consultation

- 3.6 The priorities were shaped using information and data from the Council's borough datasets, surveys and consultations, which can be found on the Council's website.
- 3.7 During this civic year, Policy and Projects Advisory Board have considered the Rushmoor Cultural Strategy, reviewed the events programme, and provided feedback on service reviews. Overview and Scrutiny Committee have considered the Housing and Homelessness Strategy, Community Safety, Community Engagement, changes to the Registered Providers Task and Finish Group, the Serco Annual Report, and the Walk this Waste pilot. The advice and recommendations from these committees have contributed to the development of the Council Delivery Plan.

4. IMPLICATIONS

Risks

- 4.1 Risks to the delivery of the Council Delivery Plan will be recorded and reported in line with the Council's Risk Management Policy. The development of the Delivery Plan has been informed by the Council's risk register.

Legal Implications

- 4.2. Within any Council Delivery Plan, the Council is under a duty to provide a wide variety of statutory services to the public. For discretionary services, the Council must ensure that it has legal powers to carry out that service and determine on what cost basis. There is separate legislation, policy and guidance which covers each individual service area. The Council must consider the Equality Act 2010 and the impact of any new proposal on its community and residents.

Financial Implications

- 4.3. No direct financial implications are identified from this report, however quality performance management throughout the financial year supports the council in the delivery of services to budget. Through good management the council can support the achievement of value for money when utilising public funds.
- 4.4. Having a clear forward plan will provide a stable base for decision making going forward and enable decision making to ensure the best value for money is achieved by the council.

Resource Implications

- 4.5. The resource implications of the Council Delivery Plan have been considered in line with the Council's budget setting process for 2026/27.

Equalities Impact Implications

- 4.6. A full equality impact assessment has been conducted (see Annex 3). This shows a positive impact on people with protected characteristics relating to age, race or ethnicity, religion or belief, and other vulnerable groups. No negative impacts on people with protected characteristics have been identified. The Council will continue to monitor delivery plan activities through its performance management framework.

5. CONCLUSION

- 5.1 The Council Delivery Plan sets out the Council's ambitions for the Borough, identifying key projects and activities to be delivered over the next two years as the Council moves towards local government reorganisation.
- 5.2 The Cabinet is asked to recommend approval of the Council Delivery Plan 2026-28 to full Council.

CLLR GARETH WILLIAMS
LEADER OF THE COUNCIL

LIST OF APPENDICES/ANNEXES:

Annex 1: Council Delivery Plan 2026 – 28

Annex 2: Detailed Council Delivery Plan 2026 - 28

Annex 3: Equality Impact Assessment

BACKGROUND DOCUMENTS:

None

Council Delivery Plan

2026-2028



Introduction

Welcome to the Rushmoor Borough Council Delivery Plan for 2026-28.

I said last year that people in Aldershot and Farnborough are rightly proud of their towns, but they want to see that reflected in their day-to-day experience of living here through having well-paid jobs, decent homes, safe and clean streets, and a vibrant, active and engaged community.

Last year we delivered on these priorities and in the year ahead we will build on that success. The Delivery Plan sets out what we intend to do over the next two years to improve the area, the council and our residents' lives, based around five key themes:

- Skills, Economy and Regeneration.
- Homes for All: Quality Living, Affordable Housing.
- Community and Wellbeing: Active Lives, Healthier and Stronger Communities.
- Pride in Place: Clean, Safe and Vibrant Neighbourhoods.
- The Future and Financial Sustainability.

As always, sustainability, diversity, and inclusion will be at the heart of all council activity.

While we will be delivering on our priorities, we, along with other councils in Hampshire, will be preparing for the transfer of our services to new unitary councils from April 2028 as part of local government reorganisation. Both now, and when the new councils are set up, it is important that we continue to put the needs of our residents, businesses and communities first.

New actions for 2026-27, in support of our priorities, include:

- Preparing to host the 2026 national Armed Forces Day event on 27 and 28 June.
- Increasing the number of Place Protection Officers to tackle fly-tipping, environmental crime and antisocial behaviour locally.
- Refurbishing playgrounds, supported by secured funding and aligned with our playgrounds strategy.
- Carrying out a feasibility study of how we can improve the public areas in Farnborough town centre.

You will see how the council is performing in delivering the plan in our improved quarterly monitoring reports.

Leader - Gareth Williams



Skills, Economy and Regeneration

Aldershot and Farnborough are home to successful and world-renowned large businesses, many innovative and rapidly growing SMEs and successful independent businesses. We will continue to work with these businesses to support them and boost local job opportunities and local economic growth. Working with schools and colleges, we will connect people, particularly young people, with new jobs, opportunities and training to develop skills that our growing businesses need, giving people access to the benefits of a strong, local economy. We will continue our focus on driving growth and investment to boost our strong business sectors and develop Aldershot and Farnborough as hubs for defence, aerospace and technology.

With developments such as Aldershot's Union Yard and Farnborough's Landing town square already making a positive impact on our town centres, we will regenerate and improve more spaces where people can live and come together; spaces for businesses, for creators, for makers and the community. We will improve the retail environment and attract businesses into vacant units, also building stronger vibrant community spaces that complement our thriving local businesses. We will strive to make sure that our town centres match the success of our strong and successful businesses.

Priorities

Skills - Promote access to skills, development and training so that residents can be part of a thriving local economy.

Economy - Work with businesses to attract and retain jobs, through active place-making and targeting of key industries.

Regeneration - Partner with experts to deliver strategic transformation of town centres and neighbourhoods.



Activity	Outputs
<p>Skills - Promote access to skills, development and training so that residents can be part of a thriving local economy.</p> <ul style="list-style-type: none"> • Deliver targeted projects, events and engagement activities designed to help residents who are Not in Education, Employment or Training (NEET) to get access to apprenticeships, training and employment opportunities. • By summer 2026 establish a Youth Hub with the Department for Work and Pensions and other partners to support young people (16-25) into employment. • Work with local partners to coordinate and promote skills and employment opportunities, including supporting a skills and careers event to connect residents, schools, and colleges with local employers/ training providers. • Continue to require businesses to provide new employment and skills plans as part of any significant planning applications that show how residents will have opportunities for work and training. 	<ul style="list-style-type: none"> • A series of projects and engagement activities, to help residents get access to training, apprenticeships and employment opportunities. • Launch of a Youth Hub by summer 2026. • Skills and careers event held successfully. • Positive qualitative feedback from event attendees, businesses and supported residents shows positive impact of council support. • Employment and skills plans developed, where appropriate, and monitored by the council.
<p>Economy - Work with businesses to attract and retain jobs, through active place-making and targeting of key industries.</p> <ul style="list-style-type: none"> • Support the development of the Aldershot and Farnborough Growth Partnership. • Implement the Farnborough Aerospace Cluster Development Action Plan which sets out how the council will work with partners to grow and strengthen the cluster as a globally recognised hub for aerospace, defence and advanced manufacturing. • Implement place narratives for Aldershot and Farnborough including working with partners to promote the area as an inward investment destination and target potential investors. • Work with partners to deliver networking events focused on specific, actionable themes linked to Rushmoor's key growth sectors. • Support businesses by providing one-to-one business advice and training focused on key growth sectors and retail. • Leverage the social value aims of businesses through a new social value business toolkit to help regenerate our towns and promote access to skills and training. 	<ul style="list-style-type: none"> • Aldershot and Farnborough Growth Partnership launched and embedded. • Inward investment collateral completed (website and investment prospectus). • Creation of an implementation plan for the place narrative and branding toolkit. • Networking events delivered. • One-to-one advice sessions held with businesses. • Social value business toolkit delivered.
<p>Regeneration - Partner with experts to deliver transformation of town centres and neighbourhoods.</p> <ul style="list-style-type: none"> • Review the Farnborough Civic Quarter masterplan and work with key partners on potential phasing, funding, and implementation as part of a wider approach to the regeneration of Farnborough town centre. • Work with developers of The Galleries to unblock the scheme and enable delivery of a mixed-use scheme including a town centre car park. • Facilitate the disposal of 82 residential units at Union Yard and occupation of the remaining retail units. • Facilitate the opening of Loungers in the Meads. • Complete the disposal of vacant land at the north of Farnborough town centre to enable new homes and community uses. • Improve the public areas and retail environment of Aldershot, Farnborough and North Camp centres. 	<ul style="list-style-type: none"> • A revised and viable approach to the redevelopment of the Farnborough Civic Quarter. • A viable scheme for The Galleries is brought forward by the developer. • Remaining retail and housing units at Union Yard occupied. • Loungers opens in Farnborough. • Development of vacant land at the north of Farnborough town centre is taken forward to planning. • An initial feasibility study is carried out to improve the public areas in Farnborough town centre.



Homes for All: Quality Living, Affordable Housing



A safe, good-quality home is essential for every family. While we've made progress, there are still areas where housing in our borough needs to improve. Some homes do not yet meet modern standards, and the process for allocating social housing can feel complicated. For those most in need, temporary accommodation should be of a suitable standard and offer good value for money. At the same time, we need to deliver more new homes through the regeneration of our brownfield sites.



We are committed to tackling these challenges. We are working closely with local housing providers, landlords, and developers to improve standards, increase housing choices, and make the allocation process clearer and fairer. Our goal is to make sure that residents have access to homes that are safe, affordable, and meet their needs, now and in the future.



Priorities

Work with local social housing providers to encourage them to offer local tenants a good, consistent service and decent social homes.

Encourage the development of new and affordable homes on brownfield land.

Provide good quality temporary and supported accommodation.

Intervene to improve the quality of private rented sector homes in the borough, which do not meet acceptable living standards.

Make it easier to understand how the council allocates social housing.

Develop a new Local Plan that maximises the delivery of new homes.



Activity	Outputs
<p>Work with local social housing providers to encourage them to offer local tenants a good, consistent service and decent social homes.</p> <ul style="list-style-type: none"> • Hold strategic meetings with all major local social housing providers to work together to improve quantity and quality of social housing in Rushmoor. • Shift the focus of scrutiny to internal performance and delivery of housing services through the Housing Oversight Group. • Investigate targeted downsizing incentives for under-occupied homes. 	<ul style="list-style-type: none"> • Agreed positions with local providers by April 2027. • Published scrutiny reports with clear recommendations and action tracking. • Published report with outcome of downsizing incentives investigation.
<p>Encourage development of new and affordable homes on brownfield land.</p> <ul style="list-style-type: none"> • Support Grainger with options to accelerate building affordable and social homes in the Wellesley development. • Identify and progress further opportunities for new and affordable homes with developers, local social housing providers, and government agencies. 	<ul style="list-style-type: none"> • Affordable homes occupied in Wellesley. • Pipeline of affordable and social housing units with projected housing numbers.
<p>Provide good quality temporary and supported accommodation.</p> <ul style="list-style-type: none"> • Adopt a borough-wide approach to temporary accommodation sites and partner with local social housing providers to sustain or secure new, suitable temporary accommodation units. • Identify and deliver alternatives to Clayton Court. • Run regular drop-in surgeries at temporary accommodation units to support residents and resolve issues early. • Review cost and funding model for supported housing to make sure they are sustainable by April 2027. 	<ul style="list-style-type: none"> • Clayton Court decommissioned and new temporary accommodation units secured and operational. • Drop-in surgeries delivered with recorded attendance. • Review of supported housing completed and recommendations implemented.
<p>Intervene to improve the quality of private rented sector homes in the borough which do not meet acceptable living standards.</p> <ul style="list-style-type: none"> • Deliver targeted landlord engagement and advice sessions each year, including regular Landlord Forums. • Take robust enforcement action on serious housing condition breaches. • Prepare to adopt and implement new powers from the Renters' Rights Act as soon as available. 	<ul style="list-style-type: none"> • Landlord Forums delivered. • Advice and compliance support provided to local landlords. • Enforcement notices issued for non-compliant properties.



Community and Wellbeing: Active Lives, Healthier and Stronger Communities

We want to help our residents lead healthy, active and enjoyable lives and that means making sure they have access to opportunities to exercise and keep fit.

Of utmost importance is to deliver a new Farnborough Leisure Centre that is viable and affordable and we are working hard to bring this forward as soon as we can.

We continue to increase our popular programme of community and cultural events for all, to make Rushmoor a place where everyone feels at home, including hosting the 2026 National Armed Forces Day in June 2026.

We are also working with partners to address health issues and improve access to mental health support.



Priorities

Make sure all residents have access to opportunities for physical exercise including a new leisure centre in Farnborough.

Enable a programme of community and cultural activities that engages everyone and improves feelings of belonging.

Work with partners to address health inequalities and improve awareness of mental health.

Work with the community and voluntary sector to support residents and deliver priorities.



Activity	Outputs
<p>Make sure all residents have access to opportunities for physical exercise including a new leisure centre in Farnborough.</p> <ul style="list-style-type: none"> • New Farnborough leisure centre. • Continue the Active in Rushmoor campaign, with targeted outreach to increase community offers. • Work in partnership to promote and support physical activity opportunities across Rushmoor with a specific emphasis on areas of deprivation and inactivity. • Work with health partners to promote new and existing ways in which green space can be used to improve the health and wellbeing of communities. • Deliver ‘Feel Good Fridays’ events to promote activity and wellbeing. 	<ul style="list-style-type: none"> • New Farnborough leisure centre completed and open • Delivery of ‘Active in Rushmoor’ campaign in Rushmoor (summer 2026 and beyond). • Increased physical activity offers from local organisations as a result of ‘Active in Rushmoor’. • Implementation of ‘Feel Good Fridays’ initiative.
<p>Priority: Enable a programme of community and cultural activities that engages everyone and improves feelings of belonging.</p> <ul style="list-style-type: none"> • Develop and implement a partnership-led cohesion programme of work, embedded within the Rushmoor Together plan. • Deliver Rushmoor Together partnership plan. • Work with faith groups and armed forces partners to understand better community needs and support wellbeing. • Develop and deliver a borough-wide leisure and business events calendar on council website to promote community, council, business, skills, and education events all in one place. • Host the 2026 National Armed Forces Day. 	<ul style="list-style-type: none"> • Community cohesion events delivered. • Rushmoor Together programmes successfully implemented. • ‘Farnborough Together Churches Group’ established and active. • 2026 National Armed Forces Day hosted successfully. • Online events calendar created.
<p>Work with partners to address health inequalities and improve awareness of mental health.</p> <ul style="list-style-type: none"> • Promote health and wellbeing opportunities. • Organise and deliver a men’s mental health day. • Develop and promote cost-of-living support through community initiatives. • Support older, vulnerable residents and reduce social isolation. • Support mental health projects through the Rushmoor Together plan. • Promote healthy weights in children at local schools. 	<ul style="list-style-type: none"> • Health and wellbeing events delivered, including men’s mental health day. • Warm hub events delivered as part of cost-of-living support. • Wellbeing being walks held to help increase social interaction and reduce isolation. • Live Longer Better programme delivered successfully.
<p>Work with the community and voluntary sector to support residents and deliver priorities.</p> <ul style="list-style-type: none"> • Explore opportunities to implement a Civil Society Covenant to formalise collaboration with Voluntary, Community and Social. • Enterprise (VCSE) groups. • Explore opportunities to develop a voluntary and community hub at the council offices. • Develop and deliver a Young People’s Plan supported by community grants and increase youth engagement by expanding opportunities through existing youth clubs and working with schools, including debates and open days. • Deliver local community grants programmes including the Rushmoor Community lottery and Supporting Communities grants. • Work with partners to support all residents and communities and build a shared sense of belonging. 	<ul style="list-style-type: none"> • Charity/veterans hub operating, progressing options for charity and veteran’s hubs. • Refreshed Young People’s Plan. • Deliver open days and school debates at council offices.



Pride in Place: Clean, Safe and Vibrant Neighbourhoods

Fly-tipping, dog fouling and littering can affect how people feel about their local area and public places, making them less proud of where they live, so it's important we tackle these issues head-on.



We also want our residents to feel safe in their neighbourhoods and town centres and that means engaging with people to promote positive behaviours and shared responsibilities.



Consultation with residents has told us that satisfaction with playgrounds and play spaces varies across the borough. Where quality, cleanliness or safety fall short of expectations, they are less likely to be used, which limits the opportunities for play, physical and social interaction.

This priority aims to address these challenges, supporting cleaner, safer and more welcoming neighbourhoods that residents feel proud of and confident using.



Priorities

Implement initiatives to achieve cleaner neighbourhoods.

Cabinet Pride in Place champion to encourage local, cleaner streets projects.

Work across the council and with partners to expand initiatives to address long-term issues of antisocial behaviour.

Invest in refreshing our playgrounds.



Activity	Outputs
<p>Implement initiatives to achieve cleaner neighbourhoods.</p> <ul style="list-style-type: none"> • Educate and enforce to reduce fly-tipping, combining prevention activity with targeted enforcement in problem areas. • Work collaboratively with landowners to tackle fly-tipping on private land. • Run public campaigns to help residents and businesses understand how to dispose of waste legally and responsibly. 	<ul style="list-style-type: none"> • Place Protection Officers work in known areas to reduce fly-tipping and improve cleanliness in neighbourhoods. • Through public campaigns raise awareness of residents' and businesses' responsibilities for disposing of waste properly. • Take enforcement action where necessary to discourage fly-tipping and other environmental offences. • Apply penalties consistently, while offering clear information and payment options to encourage compliance and payment. • Work with partners, including housing associations and other landowners, to develop a Memorandum of Understanding to tackle environmental issues more effectively.
<p>Cabinet Pride in Place champion to encourage local, cleaner streets projects.</p> <ul style="list-style-type: none"> • The Pride in Place Coordination Group running initiatives to clean up the borough, including dog fouling and litter picking campaigns, community engagement and educational workshops. • Support and maintain the 'binfluencers' network to encourage ongoing community participation and positive behaviour change. • Introduce a series of street art installations to uplift areas and improve community pride. 	<ul style="list-style-type: none"> • Delivery of an annual Keep Britain Tidy campaign. • Litter picking campaigns delivered jointly with community groups. • Dog fouling campaigns delivered in local hotspot areas collaboratively by officers and the Pride in Place Champion. • Educational sessions delivered in schools, clubs and community groups to raise awareness of recycling and individual responsibilities. • Complete a series of street art installations in key locations (approx. five installation).
<p>Work across the council and with partners to expand initiatives to address long-term issues of antisocial behaviour.</p> <ul style="list-style-type: none"> • Work with partners to address the underlying issues that contribute to ongoing antisocial behaviour in our borough. • Respond to persistent antisocial behaviour by signposting to diversionary activities or agencies and taking appropriate enforcement when needed. • Reduce antisocial behaviour in our town centres, by working alongside our partners, leading to improvements to the local town environment. 	<ul style="list-style-type: none"> • Enforcement activity carried out by Place Protection team. • Delivery of annual Think Safe event in partnership with other agencies. • Public engagement and awareness events held to promote safety, positive behaviours and community reassurance.
<p>Invest in refreshing our playgrounds.</p> <ul style="list-style-type: none"> • Review the existing playground strategy action plan. • Working with the community, commission refurbishment/renewal works to playgrounds on a priority basis (informed by strategy). 	<ul style="list-style-type: none"> • Playground refurbishment/renewals completed, updating older sites with newer and more inclusive equipment. • Community consultations carried out on larger sites to inform and shape the playground improvement process.



The future and financial sustainability

The council needs to make sure their services and activities are affordable and of a good quality. As well as continuing to strive to improve what we do, we will be delivering against our financial recovery plan, also putting in place clear ways to monitor activities so that we can be publicly accountable.

We are also committed to playing our part to tackle climate change and will be publishing a more ambitious climate change action plan, involving our residents more, particularly young people.

The government’s plans for devolution and local government reorganisation are set to bring about major change to how councils are structured and run, with new unitary authorities in place by April 2028. Over the next year, we will continue to put the needs of local people forward, as discussions continue. We will also support our staff through these major changes.



Priorities

Achieve financial sustainability through delivery of the Financial Recovery Plan.

Achieve the best outcome for Rushmoor residents and business from devolution and local government reorganisation.

Become a greener and more sustainable borough.

Put in place ways to monitor and review regularly the progress of this Delivery Plan, so that we are publicly accountable to residents, acting where needed to bring it back on track.

Support staff and councillors through structural changes and local government reorganisation - setting teams up for success in the new unitary councils.



Activities	Outputs
<p>Achieve financial sustainability through delivery of the Financial Recovery Plan.</p> <ul style="list-style-type: none"> • Delivery of the Financial Recovery Plan, which is a high-level plan to address the budget deficit over four years. • Implement a new Asset Management Strategy to make sure the council manages its property portfolio well and that it only retains commercial property if it delivers a good return on investment. 	<ul style="list-style-type: none"> • The right commercial property and land is disposed of to reduce costs and free up funds. • Longer leases are negotiated. • Service reviews are carried out. • Budget reviews are carried out.
<p>Achieve the best outcome for Rushmoor residents and business from devolution and local government reorganisation.</p> <ul style="list-style-type: none"> • We are committed to working with other Hampshire councils to form a new unitary authority following the government’s expected decision in March 2026. The new unitary authority is planned to be operational by April 2028. • Increased communications and engagement to make sure residents, businesses and our partners are aware of the changes to local government and how it may affect them, while at the same time making sure that we continue to deliver our commitments in the Delivery Plan. 	<ul style="list-style-type: none"> • A new unitary authority is operational by April 2028, including effective local democratic representation. • Local government reorganisation communications plan developed and delivered. • Communications and engagement activity and materials in place and being delivered.
<p>Become a greener and more sustainable borough</p> <ul style="list-style-type: none"> • Engage young people through the Youth Climate Ambassadors Group. • Organise and deliver debates on climate change for young people. • Encourage and promote active travel and the use of green spaces to improve health and wellbeing. • Introduce climate change impact assessments to decision-making. • Continue to support the work to reflect the ambition of the 10 priority actions from the refreshed 2025-28 climate change action plan. 	<ul style="list-style-type: none"> • Annual climate change report is produced. • Rushmoor Climate Community Group meetings are held. • Youth Climate Ambassador Forums are held. • Eco Festival is held. • Climate Change Impact Assessments are carried out. • Green spaces map/resource is produced.
<p>Put in place ways to monitor and review regularly the progress of this Delivery Plan, so that we are publicly accountable to residents, acting where needed to bring it back on track.</p> <ul style="list-style-type: none"> • Embed the refreshed Performance Management Framework and continue to develop the council’s approach to performance. • Improve how the council communicates its performance against the Delivery Plan to promote transparency and accountability. • In addition to the quarterly monitoring, investigate the introduction of Portfolio or service area dashboard. 	<ul style="list-style-type: none"> • Quarterly monitoring. • Delivery Plan performance reviewed by the Overview and Scrutiny Committee. • Portfolio / service dashboards produced.
<p>Support staff and councillors through structural changes and local government reorganisation - setting teams up for success in the new unitary council.</p> <ul style="list-style-type: none"> • Support the local government reorganisation programme and the transition to the new unitary. • Continue with Staff Connect sessions to provide updates, Q&A, and build transparency. • Launch career conversations (Your Skills, Your Future) to help staff identify transferable skills and explore career pathways. • Implement actions from the 2025 staff Health and Wellbeing Survey to strengthen resilience and morale. 	<ul style="list-style-type: none"> • Staff Connect programme delivered. • Your Skills, Your Future conversations held. • Wellbeing action plan implemented. • Change and resilience toolkit for leaders and staff. <p style="text-align: right;">Page 35</p>

Equality, diversity and inclusion

We are committed complying with the Equality Act 2010, and in October 2024, we published two new equality objectives:

- To promote the use of equality impact assessments as part of the council's decision-making, policy-making, procurement, and service design to ensure inclusivity, accessibility, equal opportunities, and good relations.
- To tackle the effects of poverty and deprivation, and to have a positive impact on people's daily lives through delivery of Supporting Communities Strategy projects.

Our annual Equality Report, published in January 2026, highlighted that we have made significant progress in the last year, including:

- Making equality impact assessment an established activity for council decision-making.
- Delivering training and awareness courses for disabilities, prevention of sexual harassment, and inclusive leadership.
- Continuing to support apprenticeships, T-Level placements and inclusive work experience opportunities, including tailored support for neurodiverse students, delivered with local schools and colleges.
- Improving website accessibility.
- Expanding membership of the Rushmoor Together partnership and facilitating independent community workshops.

During 2026, the council will develop and adopt an Equality Policy to continue to evolve how it puts diversity and inclusion at the heart of everything it does and will publicise its commitment to this. This will describe how the council will:

1. Comply with the Public Sector Equality Duty.
2. Continue to develop as an inclusive employer, supporting a workforce that increasingly reflects the local community.
3. Deliver accessible, inclusive, and responsive services to all residents in the borough.
4. Foster a welcoming and inclusive community where all residents feel their voices are heard and can influence decision-making.

This policy intends to make measured improvements to council practices so that the new unitary council inherits a well-performing, diverse, and inclusive organisation.

To reflect these objectives, we will:

- Design engagement and consultation activities so that all groups with protected characteristics have an opportunity to take part.
- Carry out equalities impact assessments, both on any proposed service changes arising from the Financial Recovery Plan, and to identify barriers to our facilities and services so everyone has access to them.
- Promote inclusive cultural activities that engage underrepresented and marginalised communities.
- Target programmes and activities to areas and people that need them most. Ensure mental health support is accessible to everyone, particularly focusing on deprived areas and minority groups.
- Improve the quality of local social and private rented housing, as this will have a positive impact on groups with protected characteristics.

The council declared a climate emergency in Rushmoor in summer 2019, with the full support of all councillors. In doing so, councillors pledged to make the council carbon-neutral, and Aldershot and Farnborough greener and more sustainable.

We want to have a positive impact on future generations by working with businesses, communities and organisations to protect and improve Aldershot and Farnborough's environment. Through direct action and by encouraging and supporting others, we will address the challenges and opportunities presented by climate change.

As part of this, we have developed a refreshed and more ambitious Climate Change Strategy and Action Plan for 2025–28.

This delivery plan will help the environment and the move towards sustainability by:

- Making sustainability a key theme of the Delivery Plan, with climate change impact assessments applied to all major decisions, including service changes arising from the Financial Recovery Plan.
- Delivering projects to reduce the council's carbon footprint, including improvements to our vehicles and building energy efficiency.
- Expanding community engagement through the Youth Climate Ambassadors programme and hosting an Eco Festival to promote sustainable living.
- Working with social and private landlords to improve energy performance of housing, reducing carbon emissions and lowering tenant energy costs.
- Running borough-wide campaigns to prevent fly-tipping, increase recycling rates, and promote responsible waste management.
- Ensuring the new Local Plan incorporates green infrastructure, biodiversity net gain, and sustainable transport options.

By embedding these actions, our aim is to create a cleaner, safer and more sustainable environment that supports businesses and communities, encourages local investment, and improves quality of life for residents.

Document control

Title	Council Delivery Plan 2026-28
Topic/Service	Policy, Strategy and Transformation
Version	1.00
Next review date	01 April 2028
Last reviewed by	Not applicable
Last reviewed date	Not applicable
Approving authority	Council
Approval date	26 February 2026

Detailed Delivery Plan 2026-28

January 2026

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Key to indicator letter code:

D = Where the Council is able to influence the indicator directly.

I = Where the Council can only influence changes

A = Data published annually

Q = Data published quarterly

Theme: Skills, Economy and Regeneration

Aldershot and Farnborough are home to successful and world-renowned large businesses, many innovative and rapidly growing SMEs and successful independent traders. We will continue to work with these businesses to support them and boost local job opportunities and local economic growth. Working with schools and colleges will connect people, particularly young people, with new jobs, opportunities and training to develop the skills that our growing businesses need, giving people access to the benefits of a strong, local economy. We will continue our focus on driving growth and investment to boost our strong business sectors and develop Aldershot and Farnborough as hubs for defence, aerospace and technology.

With developments such as Aldershot's Union Yard and Farnborough's Landing town square, we will regenerate and improve more spaces for people to live, to come together, spaces for businesses, for creators, for makers and for the community. We will improve the retail environment and attract businesses into vacant units; building stronger vibrant community spaces that complement our thriving local businesses.

Priorities

- Skills - Promote access to skills, development and training so that residents can be part of a thriving local economy.
- Economy - Work with businesses to attract and retain jobs, through active place-making and targeting of key industries.
- Regeneration - Partner with experts to deliver strategic transformation of town centres and neighbourhoods.

Priority: Skills - Promote access to skills, development and training so that residents can be part of a thriving local economy.

Portfolio holder	Julie Hall
Lead officer	Lee McQuade
Service	Property and Growth

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Deliver targeted projects, events and engagement activities designed to help residents who are Not in Education, Employment or Training (NEET) to get access to apprenticeships, training and employment opportunities. - By summer 2026 establish a Youth Hub with the Department for Work and Pensions and other partners to support young people (16-25) into employment. - Work with local partners to coordinate and promote skills and employment opportunities including supporting a skills and careers event to connect residents, schools, and colleges with local employers/ training providers. - Continue to require businesses to provide new employment and skills plans as part of any significant planning applications that show how residents will have opportunities for work and training. 	<ul style="list-style-type: none"> - A series of projects and engagement activities, to help residents get access to training, apprenticeships and employment opportunities. - Launch of a Youth Hub. - Skills and careers event held successfully. - Positive qualitative feedback from event attendees, businesses and supported residents shows positive impact of council support. - Employment and skills plans developed where appropriate and monitored by the council. 	<ul style="list-style-type: none"> - Increase in the number of residents supported in accessing a training programme, gaining a qualification or gaining employment. - Increase in number of NEET young people supported into employment, skills or training through the Youth Hub.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of residents directly supported in accessing a training programme, gaining a qualification or gaining employment.	D, Q	1000 2025/26	1500	RBC
OP2 - Qualitative feedback on RBC's impact on skills development and job prospects.	D, A	New measure	New measure	RBC
OP3 - Youth Hub operational - Summer 2026	D, A	N/A	By Summer 2026	RBC
OP4 – Number of Employment and Skills Plans which are monitored and agreed actions within them achieved.	D, Q	3 2025/26	4	RBC
OC 1- Increase in number of NEET young people supported into employment, skills or training through the youth hub.	I, A	New measure	New measure	DWP
OC2 – Increase in the % satisfied with ‘Supporting businesses, encouraging job creation and supporting residents to find work.’	D, A	2025 Online – 11.9% Face to face – 31.1%	Increase in percentage. However, target is dependent on method of survey in 2026	RBC survey

Priority: Economy - Work with businesses to attract and retain jobs, through active place-making and targeting of key industries.

Portfolio holder	Julie Hall
Lead officer	Lee McQuade
Service	Property and Growth

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Drive the development of Aldershot and Farnborough Growth Partnership (AFGP) and work with businesses, government and academia to promote Aldershot and Farnborough as a hub for national defence, aerospace and technology SME innovation, attracting investment and good quality jobs. - Implement the Farnborough Aerospace Cluster Development Action Plan which sets out how the council will work with partners to grow and strengthen the cluster as a globally recognised hub for aerospace, defence and advanced manufacturing. - Implement place narratives for Aldershot and Farnborough including working with partners to promote the area as an inward investment destination and target potential investors. - Work with partners to deliver business networking events focused on specific, actionable themes linked to Rushmoor's key growth sectors. - Support businesses by providing one-to-one business advice and free training. - Leverage the social value aims of businesses through a new social value business toolkit to support our towns and communities to be completed by September 2026. 	<ul style="list-style-type: none"> - Aldershot and Farnborough Growth Partnership established. - Inward investment collateral completed (website and investment prospectus). - Creation of an implementation plan for the place narrative and branding toolkit. - One-to-one advice sessions held with businesses. - Social value business toolkit delivered. 	<ul style="list-style-type: none"> - Stronger positioning of our towns as hubs for defence, aerospace and technology. - Increased number of entrepreneurs/businesses supported. - Increased level of inward investments and employment in key growth sectors. - More businesses delivering social value and increased number of social value initiatives in the local community.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of businesses receiving 1-1 business support and accessing free business training.	D, Q	67 1-1 advice sessions and 213 hours of training so far in 2025/26 *	70 1-1 sessions / 250 hours of free training delivered.	RBC
OP2 – AFGP inward investment materials completed using place narrative branding.	D, A	N/A	AFGP website and investment prospectus completed.	RBC
OP3 – Social value business toolkit completed.	D, A	N/A	September 2026	RBC
OC1 - Increased numbers of inward investments in aerospace, defence and technology businesses.	I, Q	5 projects in 2025/26	7	RBC
OC2 - Business survival and business growth rates.	I, A	<ul style="list-style-type: none"> • 385 business births in 2024 • Business births in 2023 - 92% survived after the first year 	Survival rates above the national average (93.4%)	ONS Business demography, UK - Office for National Statistics
OC3 - Increase in the proportion of employees in the aerospace, defence and technology sectors.	I, A	<ul style="list-style-type: none"> • 9,000 (17.3%) jobs in Information and communication in 2024 • 7,000 (13.5%) jobs in Professional, scientific and technical activities in 2024 	Increase in the proportion of employees in the aerospace, defence and technology sectors.	NOMIS Labour Market Profile - Nomis - Official Census and Labour Market Statistics
OC4 – Number of businesses delivering social value and number of social value initiatives in the local community.	D, Q	New measure	New measure	RBC

*to be updated at the end of the year

Priority: Regeneration - Partner with experts to deliver transformation of town centres and neighbourhoods

Portfolio holder	Julie Hall
Lead officer	Karen Edwards
Service	Regeneration and Development

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> Undertake the Farnborough Civic Quarter masterplan review and work with key partners on potential phasing, funding, and implementation as part of a wider approach to the regeneration of Farnborough town centre. Work with developers of the Galleries to unblock the scheme and enable delivery of a mixed-use scheme including a town centre car park. Facilitate the disposal of 82 residential units at Union Yard and occupation of the remaining retail units. Facilitate the move of Loungers into the Meads. Complete the disposal of vacant land at the north of Farnborough town centre to enable new homes and community uses. Implement measures which improve the urban realm and retail environment of Aldershot, Farnborough and North Camp town centres. <p>Note: there is some cross over with the 'Promote development of new and affordable homes on brownfield land' priority.</p>	<ul style="list-style-type: none"> A revised and viable approach to the redevelopment of the Farnborough Civic Quarter. A viable scheme for The Galleries is brought forward by the developer. Remaining retail and housing units at Union Yard occupied. Loungers opens in Farnborough. Development of vacant land at the north of Farnborough town centre is taken forward to planning An initial feasibility study on potential improvements to the urban realm in Farnborough town centre. 	<ul style="list-style-type: none"> The next steps for the Farnborough Civic Quarter can be taken in the context of the future town centre regeneration. Continuation of the regeneration of Aldershot town centre and provision of a new car park. Improved retail offer and increased footfall in our town centres.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Planning application submitted for redevelopment of the Galleries	I, A	N/A	No in our control	RBC
OP2 - Revised approach to delivery of the Farnborough Civic Quarter regeneration in place	D, A	N/A	by Q1 2026/27	RBC
OP4 – Proportion of occupied residential units at Union Yard	D, A	18%	100%	RBC
OP5 – Loungers opens	D, A	N/A	by Q4 2026/27	RBC
OP6 - Planning application submitted for redevelopment vacant land in Farnborough town centre	D, A	N/A	TBC	RBC
OC1 - Percentage satisfaction with town centres	D, A	2025 Online – 17.9% Face to face – 34%	Increase in percentage. However, target is dependent on method of survey in 2026	RBC survey
OC2 – Town centre vacancy rates	D, Q	December 2025* Aldershot -10% (30 units) Farnborough - 9% (13 units) North Camp - 8% (8 units)	Aldershot – 9% Farnborough – 8% North Camp – 8%	RBC

***to be updated at the end of the year**

Theme: Homes for All: Quality Living, Affordable Housing

A safe, good-quality home is essential for every family. While we've made progress, there are still areas where housing in our borough needs to improve. Some homes do not yet meet modern standards, and the process for allocating social housing can feel complicated. For those most in need, temporary accommodation should be of a suitable standard and offer good value for money. At the same time, we need to deliver more new homes through the regeneration of our brownfield sites.

We are committed to tackling these challenges. We are working closely with local housing providers, landlords, and developers to improve standards, increase housing choices, and make the allocation process clearer and fairer. Our goal is to make sure that residents have access to homes that are safe, affordable, and meet their needs, now and in the future.

Priorities

- Work with local social housing providers encourage them to offer local tenants a good, consistent service and decent social homes.
- Encourage the development of new and affordable homes on brownfield land.
- Provide good quality temporary and supported accommodation.
- Intervene to improve the quality of private rented sector homes in the borough, which do not meet acceptable living standards.
- Make it easier to understand how the Council allocates social housing.
- Develop a new Local Plan that maximises the delivery of new homes.

Priority: Work with local social housing providers encourage them to offer local tenants a good, consistent service and decent social homes

Portfolio holder	Keith Dibble
Lead officer	Zoe Paine
Service	Strategic Housing

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Undertake strategic meetings with all major local social housing providers to work together to improve quantity and quality of social housing in Rushmoor. - Shift scrutiny focus to internal performance and delivery of housing services through the Housing Oversight Group. - Investigate targeted downsizing incentives for under-occupied homes with plans for implementation where feasible by April 2027. 	<ul style="list-style-type: none"> - Agreed positions with local providers by April 2027. - Published scrutiny reports with clear recommendations and action tracking. - Published report with outcome of downsizing incentives investigation. 	<ul style="list-style-type: none"> - Proportion and waiting times of families allocated suitable larger homes. - Reduction in number of social housing complaints reported to the Housing Ombudsman. - Reduction in proportion of social housing properties failing to achieve the Decent Homes Standard. - Reduction in the proportion of residents who believe affordable decent housing needs improving. - Increase in proportion of residents who are satisfied with Council's housing service.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of local social housing providers attending and agreeing positions.	I, A	0	5	RBC
OP2 - Number of scrutiny recommendations implemented	D, A	N/A	TBC once recommendations received.	RBC
OP3 - Outcome of downsizing incentives investigation implemented.	D, A	N/A	Report 26/27 Implementation 27/28	RBC
OC1 - Proportion and waiting times of families allocated suitable larger home	D, A	TBC	TBC	RBC
OC2 - Reduction in number of social housing complaints reported to the Housing Ombudsman	I, A	24/25 – 19 maladministration findings	Fewer than 10 maladministration findings by 2030/31	Housing Ombudsman Every July for the previous year
OC3 - Reduction in proportion of social housing properties failing to achieve the Decent Homes Standard	I, A	12 (0.2%) in 2024/25	0%	Private registered provider social housing stock in England - GOV.UK

Priority: Encourage the development of new and affordable homes on brownfield land

Portfolio holder	Keith Dibble
Lead officer	Zoe Paine
Service	Strategic Housing

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Support Grainger with options to accelerate building affordable homes in the Wellesley development. - Identify and progress further opportunities for new and affordable homes with developers, local social housing providers, and government agencies. <p>Note: there is some cross over with the 'Regeneration: Partner with experts to deliver strategic transformation of town centres and neighbourhoods' priority.</p>	<ul style="list-style-type: none"> - Affordable homes occupied in Wellesley. - Pipeline of new regeneration and housing opportunities with projected housing numbers. 	<ul style="list-style-type: none"> - Increased supply of affordable and social housing across the borough. - Brownfield land brought back into productive use. - Improved housing choice for local residents and key workers.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number and proportion of occupied affordable housing units at Wellesley	I, A	Total Wellesley occupied (Sept 25) = 1,713. Of which affordable = 497.	Total Wellesley Delivery 3850 – all tenures with 1347 affordable by 2030 2026 Delivery programme to be confirmed by Grainger.	RBC
OP2 - Number of affordable and social housing units in pipeline.	I, A	25/26 Pipeline 316 affordable / social units	At or above 150 affordable/social units per year.	RBC
OC1 - Number and proportion of affordable and social housing units	I, A	Total Housing Stock 42243 (ONS Data set Jan 2026) Rented social housing 6842 and 16% of total stock Shared ownership homes 718 and 0.10% of total housing stock	150 – 300 more per year 70/30 split of rented to shared ownership.	RBC

Priority: Provide good quality temporary and supported accommodation

Portfolio holder	Keith Dibble
Lead officer	Zoe Paine / Suzannah Hellicar
Service	Strategic Housing / Housing

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Partner with local social housing providers to sustain or secure new, suitable temporary accommodation units. - Identify and deliver alternatives to Clayton Court prior to closure in 2028. - Adopt a borough-wide approach to temporary accommodation site selection by April 2027. - Run fortnightly drop-in surgeries at temporary accommodation units to support residents and resolve issues early. - Review cost and funding model for supported housing to make sure they are sustainable by April 2027. 	<ul style="list-style-type: none"> - New temporary accommodation units secured and operational. - Clayton Court decommissioned and replaced with suitable alternatives. - Drop-in surgeries delivered with recorded attendance and issues resolved. - Financial review of supported housing completed with recommendations implemented. 	<ul style="list-style-type: none"> - Adequate supply of safe and suitable temporary accommodation. - Manage use of bed and breakfast accommodation as option of last resort. - Improved resident experience and reduced complaints in temporary accommodation. - Sustainable funding model for supported housing provision.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of temporary accommodation units.	D, A	25/26: 109	109 or above.	RBC
OP2 - Date of Clayton Court closure and replacement provision in place.	D, A	Not applicable	In 2028	RBC
OP3 - Number of drop-in surgeries held with recorded attendance	D, Q	Not applicable (new project)	26 surgeries held Attendance for info	RBC
OP4 - Completion of supported housing funding review and actions taken.	D, A	Not applicable	By April 2027	RBC
OC1 - Reduction in unmet priority demand for temporary accommodation	I, A	B&B / Hotel placements: 25/26 so far - 76 B&B / Hotel Spend: 25/26 so far £101k / £190k budget*	5% reduction	RBC
OC2 - Proportion of temporary accommodation units achieving the Decent Homes Standard and EPC C	I, A	TBC data held by providers	100%	RBC
OC3 - Reduction in number of complaints from residents in temporary accommodation	I, A	No baseline	Start tracking in 26/27 and set target in 27/28.	RBC

*to be updated at the end of the year

Priority: Intervene to improve the quality of private rented sector homes in the borough, which do not meet acceptable living standards.

Portfolio holder	Keith Dibble
Lead officer	Suzannah Hellicar
Service	Housing

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Deliver three targeted landlord engagement and advice sessions each year, including regular Landlord Forums. - Take robust enforcement action on serious housing condition breaches. - Prepare to adopt and implement new powers from the Renters' Rights Act as soon as available. 	<ul style="list-style-type: none"> - Landlord Forums delivered. - Advice and compliance support provided to local landlords. - Enforcement notices issued for non-compliant properties. 	<ul style="list-style-type: none"> - Improved quality and safety of private rented housing. - Increased resident satisfaction in private rented housing.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of Landlord Forums held and attendance levels.	D, A	1 in Nov 2025	3	RBC/NLA
OP2 - Number of enforcement notices issued and resolved	I, A	23/24 13 Enforcement Notices (EN) 1 Hazard Awareness Notice (HAN) 24/25 16 EN 0 HAN 25/26 to date* - 4 EN 2 HAN	10	RBC
OC1 - Reduction in the number of private sector complaints	I, A	Complaints received by PSH 23/24 – 395 24/25 – 306 25/26 to date* - 277	300	RBC
OC2 - Increase in proportion of private rented housing properties achieving EPC C	I, A	Awaiting most recent data *	TBC	ONS

*to be updated at the end of the year

Priority: Make it easier to understand how the Council allocates social housing

Portfolio holder	Keith Dibble
Lead officer	Suzannah Hellicar
Service	Housing

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Review and update the medical criteria in the housing allocation scheme to improve clarity, fairness, and transparency by July 2027. - Engage councillors, voluntary and community organisations, and partners to ensure policy reflects local priorities (e.g., mental health support, stronger local connection). - Develop clear, user-friendly communication materials and online resources explaining the allocation process. - Publish quarterly housing allocation data to improve transparency from April 2026. 	<ul style="list-style-type: none"> - Updated housing allocation scheme approved and implemented. - New communication materials and web content launched. - Quarterly allocation data published on the Council website. 	<ul style="list-style-type: none"> - Increased resident understanding and confidence in the allocation process. - Fairer and more transparent allocation decisions. - Reduced disputes and successful appeals.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Updates made to the allocation scheme.	D, A	N/a	By July 2026	RBC
OP2 - Website visits to allocation information pages.	D, Q	2025/26 How we allocate housing - 4,831* Policy downloads – 1,285*	2026 – 10% increase	RBC
OC1 - Increase in proportion of residents who are satisfied with 'Housing-providing affordable housing to local people, preventing homelessness and providing grants to help people stay in their homes'.	D, A	2025 – Online – 13.2% Face-to-Face - 23%	2026 – Face-to-face - 25%	RBC survey
OC2 - Reduction in complaints about allocation decisions	D, Q	5 formal complaints in 2025/26 so far connected to banding and allocations*	2026/27 – 4 formal complaints	RBC

*to be updated at the end of the year

Priority: Develop a new Local Plan that maximises the delivery of new homes.

Portfolio holder	Keith Dibble
Lead officer	Alice Barella
Service	Planning Policy

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Develop and consult on a new Local Plan setting out location, scale, and type of future development. - Gather evidence and complete technical studies to support housing, employment, infrastructure, and other needs. - Engage with residents, businesses, and partners to shape the plan and secure buy-in. 	<ul style="list-style-type: none"> - Draft Local Plan published for consultation. - Evidence base completed and published. 	<ul style="list-style-type: none"> - Clear framework for housing delivery and sustainable development. - Five-year housing land supply demonstrated and maintained.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Achievement of key milestones in the Local Plan timetable	D, A	TBC – Cabinet March 2026*	On Target	RBC
OC1 - Number of homes delivered compared to Local Plan target.	D, A	Average delivery – 92% 24/25 – 136%	100%	RBC
OC2 - Five-year housing land supply confirmed in annual monitoring reports.	D, A	Achieved 5 years	5 years	RBC

*Update after revised local plan timetable agreed in March

Theme: Community and Wellbeing: Active Lives, Healthier and Stronger Communities.

We want to help our residents lead healthy, active and enjoyable lives and that means making sure they have access to opportunities to exercise and keep fit.

Of utmost importance is to deliver a new Farnborough Leisure Centre that is viable and affordable and we are working hard to bring this forward as soon as we can.

We continue to increase our popular programme of community and cultural events for all, to make Rushmoor a place where everyone feels at home, including hosting the 2026 National Armed Forces Day in June 2026.

We are also working with partners to address health issues and improve access to mental health support.

Priorities

- Make sure all residents have access to opportunities for physical exercise including a new leisure centre in Farnborough.
- Enable a programme of community and cultural activities that engages everyone and improves feelings of belonging.
- Work with partners to address health inequalities and improve awareness of mental health.
- Work with the community and voluntary sector to support residents and deliver priorities.

Priority: Make sure all residents have access to opportunities for physical exercise including a new leisure centre in Farnborough.

Portfolio holder	Sophie Porter
Lead officer	Jo Cohen/Emma Lamb
Service	Regeneration and Development/Community and Partnerships

Activities	Outputs	Outcomes
Delivery of new Farnborough leisure centre and associated parking. <ul style="list-style-type: none"> - Planning permission achieved: February 2026. - Award of construction contract: March 2026. - Start on site: June 2026. - Completion: December 2027. 	<ul style="list-style-type: none"> - Completion of construction and opening of new Farnborough leisure centre and successful handover to Operations. 	<ul style="list-style-type: none"> - Increased access to physical exercise and wellbeing opportunities for all age groups.
<ul style="list-style-type: none"> - Continue delivering the Active in Rushmoor campaign from May–July 2026 with free taster sessions at Victoria Day, Donkey Derby and Moorfest (13 July). - Work in partnership with partners incl. NHS Frimley, Public Health Hampshire, RVS to promote and support physical activity opportunities across Rushmoor with a specific emphasis on areas of deprivation and inactivity. - Work with health partners to promote new and existing ways in which green space can be used to improve the health and wellbeing through initiatives such as Wellbeing Walks and Blooming Minds - Deliver ‘Feel Good Fridays’ events in Easter and Summer 2026, co-hosted with NHS Frimley, Public Health Hampshire and local activity providers, to promote activity and wellbeing. 	<ul style="list-style-type: none"> - Delivery of ‘Active in Rushmoor’ campaign in Rushmoor (summer 2026 and beyond). - Increased physical activity offers from local organisations as a result of ‘Active in Rushmoor’. - Implementation of ‘Feel Good Fridays’ initiative. 	<ul style="list-style-type: none"> - Increased access to physical exercise and wellbeing opportunities for all age groups. - Reduction in physical inactivity levels across the borough.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Construction milestones achieved (on site by June 2026, opening by December 2027).	D, A	N/A	By December 2027	RBC
OP2 - ‘Feel Good Fridays’ events delivered as scheduled - Easter	D, A	2	4	RBC
OP3 - ‘Active in Rushmoor’ campaign executed, including social media engagement and feedback collection – spring	D, A	TBC	TBC	RBC
OC1 - Monthly attendance and membership data (from leisure-centre software)	I, Q	N/A	N/A	TBC
OC2 - Increased satisfaction with sports and leisure facilities - Residents survey next to be undertaken in 2026.	D, A	2025 Online – 20.5% Face to face – 38.7%	Increase in percentage. However, target is dependent on method of survey in 2026	RBC survey
OC3 - Increase in % of Physically Active Adults	I, A	64.6% in 2023/24	Increase	Local Authority Health Profiles
OC4 - Increase in number of organisations participating in physical activity campaigns	D, A	TBC	TBC	

Priority: Enable a programme of community and cultural activities that engages everyone and improves feelings of belonging.

Portfolio holder	Sophie Porter
Lead officer	Emma Lamb
Service	Community and Partnerships

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Develop and implement a partnership-led cohesion programme of work and deliver three partner-led cohesion events in low-engagement areas during 2026/27, co-designed with local groups and embedded within the Rushmoor Together plan. - Deliver Rushmoor Together partnership plan throughout 2026/27, coordinating partner-led projects and meetings to strengthen community cohesion, working with Rushmoor BC, NHS Frimley, RVS, Citizens Advice Rushmoor, faith groups and other partners. - Establish the Farnborough Together Churches Group and hold two meetings by March 2027. Alongside ongoing Faith Leaders forums, contact with local faith leaders and Armed Forces partners. - Develop and deliver a borough-wide business and leisure events calendar on council website to promote business, community, council, skills, and education events all in one place, by spring 2026. - Hold the 2026 National Armed Forces Day on the weekend 27 and 28 June. A full programme of events will be organised for the celebrations, which could include a parade, civic reception, flypasts, military displays and a remembrance service as well as music and community sports events. 	<ul style="list-style-type: none"> - Community cohesion events delivered in low engagement areas. - Rushmoor Together programmes successfully implemented. - 'Farnborough Together Churches Group' established and active. - 2026 National Armed Forces Day held. - Events calendar created. 	<ul style="list-style-type: none"> - Increased participation in community and cultural activities. - Strengthened community cohesion and sense of belonging - Increased engagement with local communities. - Increased satisfaction with cultural activities and events.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of community cohesion events and attendance held in low engagement areas - waiting to be approved by PPAB	D, A	1	3	RBC
OP2 - Number of 'Rushmoor Together activities' delivered	D, A	3	6	RBC
OP3 - Number of grants the Council allocates to support community and cultural activities/or events -	D, A	8	10	RBC
OP4 - Number of 'Farnborough together churches group' meetings- new group	D, Q	0	2	RBC
OC1 - % of residents who agree they belong to their local area	D, A	2025 Online – 49.3% Face to face – 79.4%	Increase in percentage. However, target is dependent on method of survey in 2026	RBC survey
OC2 - % of residents that think people from different backgrounds get on well together via the Resident Survey	D, A	2025 Online – 45.5% Face to face – 78.6%	Increase in percentage. However, target is dependent on method of survey in 2026	RBC survey
OC3 - % of residents aware of and attending community activities or events in their local area	D, A	2025 Online – 47.3% Face to face – 32.9%	Increase in percentage. However, target is dependent on method of survey in 2026	RBC survey
OC4 - % of residents reporting being 'very satisfied' or 'fairly satisfied' with local arts and culture events	D, A	2025 Online – 43.7% Face to face – 56.6%	Increase in percentage. However, target is dependent on method of survey in 2026	RBC survey

Priority: Work with partners to address health inequalities and improve awareness of mental health.

Portfolio holder	Sophie Porter
Lead officer	Emma Lamb
Service	Community and Partnerships

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Work in partnership throughout 2026/27 to promote health and wellbeing opportunities via community events and campaigns, working with NHS Frimley, Public Health Hampshire and various voluntary sector partners. - Deliver Men's Mental Health Day in November 2026, with partner stalls and activity tasters, working with NHS Frimley, Citizens Advice Rushmoor, Rushmoor Voluntary Service and local sports providers. - Work in partnership to develop and promote cost-of-living support through community initiatives including a food partnership, with activity aligned to and supported by the Crisis and Resilience Fund. - Work in Partnership to support older, vulnerable residents and reduce social isolation, with activity aligned to and supported by the Crisis and Resilience Fund (TBC in April). - Continue to support mental health projects such as Blooming Minds and Talk Mental groups during 2026/27, working with RVS, NHS Frimley and other local providers. - Work in partnership with schools and health partners to promote healthy weights. 	<ul style="list-style-type: none"> - Health and wellbeing events delivered. - Men's mental health day successfully held. - Warm hub events delivered as part of cost-of-living support. - Wellbeing being walks held to help increase social interaction and reduce isolation. - Live Longer Better programme delivered successfully. 	<ul style="list-style-type: none"> - Residents have easier access to basic health and wellbeing information/ support. - Improved awareness and engagement with mental health service.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of community run events attended by RBC to promote health and wellbeing	D, A	N/A	TBC	RBC
OP2 - Delivery and participation in Men's Mental Health Day	D, A	Event held November 2025	November 2026	RBC
OP3 - Number of warm hub events delivered and attendance- nature of the events	D, A	1	2	RBC
OP4 - The number of wellbeing walks held as part of the plan to increase social interaction and reduce isolation	D, Q	4	6	RBC
OC1 - Number of partner organisations collaborating with RBC on health and wellbeing initiatives (dependent upon the number of grants allocated and different community/partner projects developed)	D, A	TBC	TBC	RBC
OC2 - % of residents reporting satisfaction with health and wellbeing services (via Resident Survey)	D, A	N/A	Question to be developed and asked in the 2026 survey	RBC survey

Priority: Work with the community and voluntary sector to support residents and deliver priorities.

Portfolio holder	Sophie Porter
Lead officer	Emma Lamb
Service	Community and Partnerships

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Explore opportunities to implement Civil Society Covenant to formalise collaboration with Voluntary, Community, and Social Enterprise (VCSE) groups. - Explore opportunities to develop a voluntary and community hub at RBC offices. - Develop and deliver a Young People Plan during 2026/27. - Increase youth engagement by expanding opportunities through existing youth clubs (Prospect Youth Club and Aldershot Youth Café) and working in partnership with schools to provide engagement opportunities including debates and open days. - Deliver local community grants programmes including the Rushmoor Community lottery and Supporting Communities grants, during Oct–Jan 2026/27, and promote impact through an annual report in Feb 2027. - Work with partners throughout 2026/27 to support all residents and communities and build a shared sense of belonging through community engagement activities and partnership meetings, working with Rushmoor Voluntary Service’s, Citizens Advice Rushmoor, faith groups and other local partners. 	<ul style="list-style-type: none"> - Charity/veterans hub operating (linked to second floor) (TBC). - Refreshed Young People’s Plan. - Deliver open days and school debates at council offices. 	<ul style="list-style-type: none"> - Stronger relationships between VCSE groups and the Council. - Improved support and engagement for young people and veterans.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of community grants applications received, approved and completed	D, Q	18	18	RBC
OP2 - Number of organisations based at the Charity and Veterans Hub (TBC)	D, A	TBC	TBC	RBC
OP3 - Number of youth-focused initiatives funded or supported	D, Q	TBC	TBC	RBC
OP4 - Number of covenant actions delivered within reporting period (TBC)	D, Q	TBC	TBC	RBC
OC1- VCSE feedback on partnership working via Civil Society Covenant (TBC)	D, A	TBC	TBC	RBC
OC2 - Increase in number of young people attending Aldershot Youth Café	D, Q	Average attendance – 15 so far in 2025/26*	TBC after final average attendance figures for 2025/26	RBC
OC3 - Increase in number of young people attending Prospect Youth Club	D, Q	Average attendance – 12 so far in 2025/26*	TBC after final average attendance figures for 2025/26	RBC

*to be updated after year end

Theme: Pride in Place: Clean, Safe and Vibrant Neighbourhoods

Fly-tipping, dog fouling and littering can affect how people feel about their local area and public places, making them less proud of where they live, so it's important we tackle these issues head-on.

We also want our residents to feel safe in their neighbourhoods and town centres and that means engaging with people to promote positive behaviours and shared responsibilities.

Consultation with residents has told us that satisfaction with playgrounds and play spaces varies across the borough. Where quality, cleanliness or safety fall short of expectations, they are less likely to be used, which limits the opportunities for play, physical and social interaction.

This priority aims to address these challenges, supporting cleaner, safer and more welcoming neighbourhoods that residents feel proud of and confident using.

Priorities

- Implement initiatives to achieve cleaner neighbourhoods.
- Cabinet Pride in Place champion to encourage local, cleaner streets projects.
- Work across the council and with partners to expand initiatives to address long-term issues of antisocial behaviour.
- Invest in refreshing our playgrounds.

Priority: Implement initiatives to achieve cleaner neighbourhoods.

Portfolio holder	Christine Guinness
Lead officer	James Knight
Service	Operations Service - Place Protection

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Educate and enforce to reduce fly-tipping. - Considering a collaborative approach to fly-tipping on private land and deliver campaigns aimed at preventing fly-tipping. - Public awareness campaign on waste responsibilities (duty of care). 	<ul style="list-style-type: none"> - Place Protection Officers carry out enforcement in known problem areas. - Run public awareness campaigns related to waste responsibilities (duty of care). - Issue Fixed Penalty Notices. - Encourage payment of FPNs and management of payment plans. - Develop a Memorandum of Understanding between RBC and third parties (focusing on HAs and MOD). 	<ul style="list-style-type: none"> - Residents live in areas with less fly-tipping (by March 2027). - Residents perceive their streets and local areas as clean and well maintained. - Residents dispose of waste responsibly and in line with duty of care requirements.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1- Number of public awareness campaigns related to waste responsibilities	D, Q	2	4	RBC
OP2 - Number of FPNs issued and paid	D, Q	First 9 months of 25/26 – 21 FPNs issued. 86% paid/being paid*	80% paid	RBC
OP3 - Memorandum of Understanding written and agreed	D, A	N/A	Target for sign off May 2026	RBC
OC1 - Number of fly-tipping reports.	D, Q	214 per quarter (based on 24/25 av.)*	Reduction of 5%	RBC
OC2 – Increase the % of respondents satisfied with ‘Keeping the area clean and tidy - dealing with litter, fly tipping and dog fouling, street cleaning and grass cutting’	D, A	2025 Online- 36.2% Face to face – 65%	Increase online response to 40% If face to face carried out – 70%	RBC survey

*to be updated after year end

Priority: Cabinet Pride in Place champion to encourage local, cleaner streets projects.

Portfolio holder	Christine Guinness
Lead officer	Ruth Whaymand / James Knight
Service	Operations Service – Contacts / Place Protection

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - The Pride in Place Coordination Group running initiatives to clean up the borough, including dog fouling and litter picking campaigns, community engagement and educational workshops. - Support and maintain the ‘binfluencers’ network to encourage ongoing community participation and positive behaviour change. - Introduce a series of Street Art installations to uplift areas and improve community pride. 	<ul style="list-style-type: none"> - Delivery of an annual Keep Britain Tidy campaign. - Litter picking campaigns delivered jointly with community groups. - Dog fouling campaigns delivered in local hotspot areas collaboratively by officers and the Pride in Place Champion. - Educational sessions delivered in schools, clubs and community groups to raise awareness of recycling and individual responsibilities. - Complete a series of street art installations in key locations (approx. five installation). 	<ul style="list-style-type: none"> - Residents perceive their streets and local areas as clean and well maintained. - Residents experience less issues with dog fouling (by March 2027).

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of litter picking events held and the number of bin bags collected	D, Q	On average c. 40 events held each quarter and 340 bags collected.	c. 35 per quarter with c. 340 bags collected.	RBC
OP2 - Number of hotspot patrols carried out, due to frequency of reports received within a location	D, Q	None	Reactive to reports and only where resource allows.	RBC
OP3 - Number of educational sessions run at schools, clubs and community groups	D, Q	1 / 2 per quarter	Maintain	RBC
OP4 - Number of street art installations carried out	D, Q	N/A	5	RBC
OC1 - Monitor and ensure within contract scores on NI195 analysis	I, Q	*Tranche 2 25/26: 2% litter, 4% detritus	Serco commitment: 3% litter, 10% detritus	Serco

*to be updated after year end

Priority: Work across the council and with partners to expand initiatives to address long-term issues of antisocial behaviour.

Portfolio holder	Christine Guinness
Lead officer	James Knight
Service	Operations Service - Place Protection

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Working with partner agencies to tackle the underlying issues that contribute to ongoing antisocial behaviour in our borough. - Addressing persistent antisocial behaviour with signposting to diversionary activities or agencies and taking appropriate enforcement when required. - Reducing antisocial behaviour in our town centres, alongside our partners, leading to improvements to the local town environment. 	<ul style="list-style-type: none"> - Enforcement activity carried out by Place Protection team. - Delivery of annual Think Safe event in partnership with other agencies, by spring 2026. - Public engagement and awareness events held to promote safety, positive behaviours and community reassurance. 	<ul style="list-style-type: none"> - Residents feel safe in our borough and town centres. - Youth engagement in Think Safe events contributes to lasting improvements in safety awareness and behaviour.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of enforcement actions carried out (Number of Community Protection Notice (CPNs), Injunctions, Criminal Behaviour Order (CBOs) and closures.	D, Q	Apl – Oct 25. 2 CPW, 1 CPN. 0 Injuncs, 0 CBO and) Closures.	Not target driven. Outcomes based on evidence and proportionality.	RBC
OP2 - Increase in the number of young people engaged with Think Safe event (events held annually)	D, A	840 attendees at the 25/26 event	c.900 attendees based on capacity – 13/18 schools – 72%	RBC
OP3 - Number of engagement and awareness events carried out (including number of people engaged and partners involved).	D, Q	Apl – Oct 25. 3 Events held.	4 (1 each quarter)	RBC
OC1 - Reduction in the number of reported instances of antisocial behaviour by March 2027.	I, Q	825 instances of ASB reported in Q1/Q2/Q3 2025/26.*	For information only	Police
OC2 - Increase in residents’ feelings of safety in our town centres, results from the annual Community Safety Survey (survey run in February each year)	I, A	Base data for 25/26 available in March 2026 – Aldershot (day and night), Farnborough (day and night).*	TBC following the results of the 2026 survey	RBC survey
OC3 - Think Safe attendee surveys (next run Spring 2026)	D, A	No baseline data available.	Implement surveys following the 26/27 event.	RBC

*to be updated after year end

Priority: Invest in refreshing our playgrounds

Portfolio holder	Christine Guinness
Lead officer	Ruth Whaymand
Service	Operations Service - Contracts

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Review the existing Playground strategy action plan. - During 2026/27, in partnership with the community, commission refurbishment/renewal works to playgrounds on a priority basis (informed by strategy). 	<ul style="list-style-type: none"> - Playground refurbishment/renewals completed, updating older sites with newer and more inclusive equipment, by April 2028. - Community consultations carried out on larger sites to inform and shape the playground improvement process. 	<ul style="list-style-type: none"> - Local community report greater satisfaction and more frequent use of playgrounds. - Positive impact on the health and wellbeing of local young people.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of playground improvements carried out (refurbishment/renew).	D, Q	N/A	2 during 2026/27	RBC
OP2 - Number of local residents/families engaged in playground projects. (number of residents completing playground renewal surveys)	D, Q	Water Lane – 45 responses (2024) Cove Green – 234 responses (2023)	N/A as dependent on size and location of playground	RBC survey
OC1 - Number of local people using the playground (Survey 6 weeks post installation with community involved).	D, Q	N/A	10/15% increase in usage	RBC survey
OP2- Residents feel the playground has encouraged greater use (Survey 6 weeks post installation with community involved).	D, Q	N/A	Majority of responses are positive	RBC survey

Theme: The Future and Financial Sustainability

Council needs to make sure services and activities are affordable as well as of a good quality. As well as continuing to look to improve what we do, we will be delivering against our financial recovery plan and will put in place clear ways to monitor activities so we can be accountable to you.

We are also committed to playing our part to tackle climate change and will be publishing a more ambitious climate change action plan. Our work will include engaging more with residents, particularly with young people through the Youth Climate Ambassadors Group and debates.

The government's plans for devolution and local government reorganisation are set to bring about major change to how councils are structured and run. We will be joining other councils in Hampshire to create new unitary councils that will replace the existing local authority structure by April 2028. Over the next year, we will continue to put the needs of the people in Aldershot and Farnborough forward, as discussions continue. We also recognise that this is major change for our staff and we will do our best to make sure they feel informed, supported, and equipped to navigate this change.

Priorities

- Achieve financial sustainability through delivery of the Financial Recovery Plan.
- Achieve the best outcome for Rushmoor residents and business from devolution and local government reorganisation.
- Become a greener and more sustainable borough
- Put in place ways to monitor and review regularly the progress of this Delivery Plan, so that we are publicly accountable to residents, acting where needed to bring it back on track
- Support staff and councillors through structural changes and local government reorganisation - setting teams up for success in the new unitary councils.

Priority: Achieve financial sustainability through delivery of the Financial Recovery Plan.

Portfolio holder	Gaynor Austin (Julie Hall - asset management only)
Lead officer	Peter Vickers / Rosie Plaistowe-Melham/ Karen Edwards
Service	Finance/Regeneration and Development/ Property estates and technical services

Activities (SMART)	Outputs	Outcomes
- Delivery of the Financial Recovery Plan , which is a high-level plan to address the budget deficit over four years.	- Service reviews are carried out. - Budget reviews are carried out.	- Revenue savings. - Improving capability and capacity within the Finance function. - Improved monitoring and management of budgets by budget holders/Heads of Service.
- Implement a new Asset Management Strategy which ensures council manages its property portfolio well, ensuring commercial property is retained only if it delivers a good return on investment. Including, ensuring timely delivery of agreed disposals to support the Financial Recovery Plan.	- The right commercial property and land is disposed of to reduce costs and free up funds. - Longer leases are negotiated.	- Capital receipts. - Regular reporting on progress against key indicators to members and officers.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Outputs are carried out - Balanced General Fund Budget	D, A	N/A	February Council	RBC
OP2 - Outputs are carried out - Budget Reviews (mid-year MTFS update)	D, A	N/A	October Council	RBC
OP3 - Outputs are carried out - Regular Budget Management Reports Budget reports and regular updates are carried out on time, accurately and deliver clear, actionable information to members and officers	D, Q	N/A	At least quarterly	RBC
OP4 - Outputs are carried out - Service Reviews	D, Q	N/A	As per budget report approvals (to follow)	RBC
OP5 - Outputs are carried out - Commercial property disposal	D, Q	N/A	As per asset management plan *	RBC
OP6 - Outputs are carried out - Long lease extensions	D, Q	N/A	As per asset management plan *	RBC
OP7 - Outputs are carried out - Disposal of land	D, Q	N/A	As per asset management plan *	RBC
OC1 – Revenue savings	D, Q	N/A	As per budget report	RBC
OC2 - Timely provision of budget management information to SLT	D, Q	N/A	4 weeks	RBC
OC3 - Timely provision of budget management information to Cabinet	D, Q	N/A	10 weeks	RBC
OC4 - Improving capability and capacity within the Finance function	D, Q	N/A	Ongoing	RBC

*to be updated after asset management plan is agreed

Priority: Achieve the best outcome for Rushmoor residents and business from devolution and local government reorganisation

Portfolio holder	Leader
Lead officer	Ian Harrison
Service	N/A

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - We are committed to working with other Hampshire councils to form a new the unitary authority following the government’s expected decision in March 2026. The new unitary authority is planned to be operational by April 2028. Note: this activity will be updated after the Governments decision in March - Increased communications and engagement to make sure residents, businesses and our partners are aware of the changes to local government and how it may affect them, while at the same time making sure that we continue to deliver our commitments in the Delivery Plan. 	<ul style="list-style-type: none"> - The new unitary authority is operational by April 2028 with effective local representation. - Local government reorganisation communications plan developed and delivered. - Communications and engagement activity and materials in place and being delivered. 	<ul style="list-style-type: none"> - The Council acts on the concern of local residents. - Residents feel engaged with devolution, Local Government Reorganisation. - Residents feel the Council keeps them well informed.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Elections are held for the new unitary authority in May 2027	I, A	N/A	May 2027	RBC
OP2 - Implementation plans for the new unitary authority include specific local representation on key issues	I, A	N/A	April 2028	RBC
OP3 - Local government reorganisation communications plan	D, A	N/A	TBC	
OC1 - Increase in the proportion of residents that think the Council acts on the concern of local residents	D, A	2025 Online –34.6% Face to face –50.7%	Increase in percentage. However, target is dependent on method of survey in 2026	RBC survey
OC2 - Election turnout for new shadow unitary council elections	I, A	Local -2024 – 33.7% PPC 2024 - 33.6% HCC 2021- 33%-38%	33%	RBC
OC3 – Increase in the proportion of residents that think the Council keeps them well informed	D, A	2025 Online –57.7% Face to face –65%	Above latest LGA figure – 47% October 2024 In line with 2025 face-to-face	RBC survey

Priority: Become a greener and more sustainable borough

Portfolio holder	Sophie Porter
Lead officer	Emma Lamb/Sophie Rogers
Service	Community & Partnerships

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Engage young people through the Youth Climate Ambassadors Group. - Organise and deliver debates on climate for young people. - Encourage and promote active travel and the use of greenspaces to improve health and wellbeing. - Introduce Climate Change Impact Assessments to decision making. - Continue to support the work to reflect the ambition of the 10 priority actions from the refreshed 2025-28 action plan. <p>Note: A decision on options for our contractors to reduce the council's carbon footprint is due in March, if an option is agreed, this priority will be updated</p>	<ul style="list-style-type: none"> - Annual climate change report is produced, by March 2027. - Rushmoor Climate Community Group meetings are held. - Youth Climate Ambassador Forums are held. - Eco Festival is held, is held in September 2026. - Climate Change Impact Assessments are carried out. - Green spaces map/resource is produced. By December 2026. 	<ul style="list-style-type: none"> - Young people are engaged on climate change. - The community is engaged on climate change. - Reduction in the Councils carbon footprint.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Publish an annual report	D, A	N/A	By March 2027	RBC
OP2 - Quarterly Rushmoor Climate Community meetings held.	D, Q	3 held by end of 2025/26	4 - one each quarter	RBC
OP3 - Monthly Rushmoor Climate Community updates.	D, Q	Started in June 2025	Monthly	RBC
OP4 - Number of Youth Climate Ambassador Forum held	D, Q	N/A	7	RBC
OP5 - Eco festival held in 2026	D, A	September 2025	By September 2026	RBC
OP6 - Number Climate Change Impact Assessments (CCIA) carried out	D, Q	N/A	All CCIA carried out where necessary	RBC
OP8 - Climate Debate held	D, A	Due to be held by March 2026	By March 2027	RBC
OC1 - Sustained partner engagement, number of stallholders and attendees at the Eco Festival	D, A	2025 -17 stallholders Approx. 150 attendees	Maintain or improve on 2025 Eco Festival numbers	RBC
OC2 - Reduction in the Councils carbon footprint	D, A	1,596.49 tCO ₂ e – 2022/23*	Reduction	SUSTRAX

*to be updated after year end

Priority: Put in place ways to monitor and review regularly the progress of this Delivery Plan, so that we are publicly accountable to residents, acting where needed to bring it back on track

Portfolio holder	Leader
Lead officer	Alex Shiell/Sharon Sullivan
Service	Policy, Strategy and Transformation

Activities (SMART)	Outputs	Outcomes
<ul style="list-style-type: none"> - Refresh and deliver the Performance Management Framework to develop the Council's ability to predict, identify, and respond to unexpected performance issues by July 2026. - Improve how the council communicates its performance against the Delivery Plan to promote transparency and accountability. - Introduce performance dashboards that are more automated, focussed on fewer, essential measures, easy for residents to understand, and published on the Council's website by October 2026. 	<ul style="list-style-type: none"> - Quarterly monitoring. - Communication activity. - Delivery Plan performance reviewed by the Overview and Scrutiny Committee. - Portfolio / service dashboards produced. 	Variances identified and action plans put in place to address issues identified.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Quarterly monitoring produced 4 times a year	D,Q	Produced each quarter	Produce each quarter	RBC
OP2 - Draft performance dashboards	D,A	N/A	By October 2026	RBC
OP3 - Delivery Plan performance reviewed at OSC	D,Q	So far not happened	By March 2027	RBC
OC1 - % of material variances identified thorough performance monitoring with action plans in place to address	D,Q	Not monitored	80%	RBC

Priority: Support staff and councillors through structural changes and local government reorganisation - setting teams up for success in the new unitary councils.

Portfolio holder	Gaynor Austin
Lead officer	Belinda Tam
Service	People Team

Activities	Outputs	Outcomes
<ul style="list-style-type: none"> - Support the local government reorganisation programme and the transition to the new unitary. - Continue with Staff Connect sessions to provide updates, Q&A, and build transparency, three planning for 2025/26. - Launch career conversations (Your Skills, Your Future) to help staff identify transferable skills and explore career pathways, by April 2026. - Implement actions from the 2025 Health and Wellbeing Survey to strengthen resilience and morale. Actions due to be agreed March 2026 and all actions to be delivered by Q3 2027. 	<ul style="list-style-type: none"> - Staff Connect programme delivered. - Your Skills, Your Future conversations held. - Wellbeing action plan implemented. - Change and resilience toolkit for leaders and staff. 	<ul style="list-style-type: none"> - Staff and Members feel supported through the change. - Workforce feels informed, supported, and equipped to navigate change. - Leaders role-model resilience and guide teams effectively. - Staff engaged and confident for future opportunities.

Outcome or output indicator (OC or OP)	D, I, A & Q	Baseline	Target	Source
OP1 - Number of Staff Connect sessions held	D, A	Three in 2025/26	Three in 2025/26	RBC
OP2 - Number of wellbeing actions implemented and tracked from 2025	D, Q	TBC*	Q3 2027/28	RBC
OC1 -Appropriate voluntary turnover figures	TBC	Baseline to be set for 2027/28	TBC	RBC
OC2 - Change session feedback - % of leaders confident in leading through change	TBC	TBC	TBC	RBC

***This will be updated after the action plan has been agreed**

Equalities Impact Assessment: Full Assessment

Before completing this form, you should have filled out an Equality Screening Tool and obtained approval from your Head of Service and the Policy Team. This Equality Impact Assessment should be completed if the Screening Tool identifies a potentially negative impact on one or more specific groups or there is a large-scale proposal or impact. It can also be used to highlight positive impacts.

We also advise that a full EIA should be completed when a [key decision](#) is being made. Key decisions are executive actions likely to:

- Significantly affect Council tax, budget balances, or contingencies.
- Have a major impact on communities across two or more Borough wards.
- Expenditure or savings over £100,000 qualify as significant, with a £250,000 threshold for property transactions.

If unsure, contact the Policy Team.

Furthermore, for staff, we generally consider the impact on more than 25 people as significant, which would require a full EIA. If you're unsure, you can seek guidance from the Policy Team.

Name of Project	Rushmoor Borough Council Delivery Plan 2026-28
Reference number (if applicable)	N/A
Service Area	All Directorates
Date assessment completed	27/01/26
Policy Team sign off	The Policy Team
Authorising Director/Head of Service name	Karen Edwards

Before completing the EIA, please read the guidance and FAQs. For further help and advice please contact Policy@rushmoor.gov.uk

1. Please provide a summary of the proposal

What are the aims / objectives of this proposal?

The Rushmoor Borough Council Delivery Plan 2026-28 sets out the council's priorities, activities and outcomes for the year ahead. It provides the corporate framework that directs service delivery, resource allocation, partnership working and performance management across all directorates.

The plan is structured around five strategic themes:

- Skills, Economy and Regeneration
- Homes for All: Quality Living and Affordable Housing
- Community and Wellbeing: Active Lives, Healthier and Stronger Communities
- Pride in Place: Clean, Safe and Vibrant Neighbourhoods
- The Future and Financial Sustainability

Equality, diversity and inclusion and sustainability are embedded as cross-cutting principles, informing how services are designed, delivered and monitored.

The Delivery Plan aims to:

- Support inclusive economic growth and access to skills, training and employment
- Improve access to safe, decent and affordable housing
- Reduce health inequalities and support physical and mental wellbeing
- Improve feelings of safety, pride and belonging in neighbourhoods
- Ensure long-term financial, organisational and environmental sustainability

The plan also supports preparation for local government reorganisation and devolution, ensuring that equality considerations are embedded during a period of structural change.

Will this deliver any savings?

- Yes

The Delivery Plan aligns with delivery of the Financial Recovery Plan, focusing on:

- Improved efficiency and value for money
- Smarter use of assets and resources
- Ensuring savings proposals are assessed for equality impacts before implementation

What benefits or change will we see from this proposal?

- Improved access to opportunities, services and facilities for residents
- Better targeting of activity to areas of deprivation and need
- More inclusive engagement and community participation
- Clearer accountability and performance monitoring
- Stronger assurance that equality considerations inform decision-making
- Increased opportunities for young people

Which key groups of people or areas of the borough are involved?

- Residents of Aldershot and Farnborough
- People with protected characteristics
- People experiencing poverty or disadvantage
- Council staff and councillors
- Local businesses
- Voluntary, community and faith sector organisations
- Public sector partners and Registered Providers

2. What impact will this change have on different groups of people?

This section of the assessment examines the broad impacts of the proposed changes on different groups, such as service users, local communities, and businesses.

2A. Who will your proposal impact?

The Delivery Plan will affect residents, businesses, community groups and council colleagues across Aldershot and Farnborough.

Residents

Skills, training and employment

- Promoting access to skills, development and training opportunities to support residents into employment, apprenticeships and higher-skilled work, with a particular focus on young people and those who are not in education, employment or training.

Affordable and good-quality housing

- Increasing the supply of affordable and social housing through regeneration of brownfield sites, improving standards in the private rented sector, and ensuring temporary accommodation is of a suitable quality and value for money.

Health and wellbeing programmes

- Expanding access to physical activity, mental health support and wellbeing initiatives, including targeted programmes in areas of deprivation and for groups experiencing poorer health outcomes.

Community safety and pride in place

- Delivering initiatives to reduce antisocial behaviour, fly-tipping and environmental crime, improve perceptions of safety, and support cleaner, safer and more welcoming neighbourhoods.

Financial sustainability

- Delivering services in a way that ensures long-term financial sustainability, protecting access to essential services while improving efficiency and value for money.

Devolution and local government reorganisation

- Advocating for the best possible outcomes for Rushmoor residents during devolution and local government reorganisation, while ensuring services remain accessible and responsive during transition.

Businesses

Local business support and growth

- Providing targeted business support, advice, networking opportunities and skills development to help businesses start, grow and adapt, with a focus on key growth sectors.

Town centre regeneration and place-making

- Investing in town centre improvements, regeneration projects and events to increase footfall, support local traders and create vibrant, attractive places to work and visit.

Sustainable and responsible business practices

- Supporting businesses to contribute to social value, improve environmental performance and adopt more sustainable practices in line with the council's climate ambitions.

Devolution and local government reorganisation

- Advocating for the best outcomes for local businesses through devolution and reorganisation, ensuring business needs are reflected in future governance and economic strategies.

Community Groups

Supporting communities and tackling inequality

- Delivering and supporting projects that address poverty, deprivation and inequality through partnership working with voluntary, community and faith sector organisations.

Cultural, cohesion and engagement programmes

- Enabling inclusive cultural, community and cohesion activities that improve feelings of belonging, strengthen community relationships and increase participation among under-represented groups.

Council Staff

Financial sustainability and service delivery

- Supporting colleagues to deliver services efficiently and sustainably, aligned with the Financial Recovery Plan, while protecting frontline services.

Training, development and wellbeing

- Providing staff with development opportunities, support for transferable skills, wellbeing initiatives and resilience support, particularly during organisational change linked to devolution and local government reorganisation.

2B. What impact will this change have on staff?

The Delivery Plan affects all directorates and service areas.

Impacts include:

- Increased cross-service and partnership working
- Clearer alignment between service delivery and corporate priorities
- Additional performance monitoring and reporting requirements
- Support for staff during organisational change, including wellbeing and skills initiatives

No reductions in staffing are proposed directly through the Delivery Plan itself. Any future service changes arising from the Financial Recovery Plan will be subject to separate EIAs.

3. What impact will this change have on people with protected characteristics and/or from disadvantaged groups?

This section of the assessment looks in detail at the likely impacts of the proposed changes on different sections of our diverse community.

3A. What data have you used to assess impacts?

Economy, Skills & Regeneration

- Number of residents and businesses supported via the Councils schemes
 - [UKSPF 25/26 Projects](#)
- Claimant count (% of the working age population claiming benefit due to unemployment)
 - [November 25](#)
- Universal Credit claimants aged 16-24 searching for work
 - [November 25](#)
- [Number of events held and supported](#)
- [Wage levels data sheet](#)
- [Businesses and employment data sheet](#)
- [Education and skills data sheet](#)
- [Unemployment and benefits data sheet](#)
- [Age profile data sheet](#)
- [Ethnic diversity and migration data sheet](#)
- [Population data sheet](#)

Short summary of what the findings mean

- Economic participation and access to skills vary by age, disability and ethnicity, younger residents and low-income groups may face higher barriers.
- Local events and programmes can improve engagement but should be targeted to groups under-represented in employment and training.
- Wage levels and sector mix influence affordability and progression; monitoring helps tailor support to priority groups.

Housing & Planning

- Number of improvement notices issued by the Council ([16 in 2024/25](#))
- Reduction in the number of private sector complaints ([16 in 2024/25](#))
- [Housing data sheet](#)
- [Unemployment and benefits data sheet](#)
- [Population data sheet](#)

Short summary of what the findings mean

- Housing quality and access can disproportionately affect disabled residents, families needing larger homes, and low-income households.
- Energy efficiency improvements support affordability and health, consistent landlord engagement and enforcement reduce risks in the private rented sector.
- Temporary accommodation needs careful placement and support to mitigate adverse impacts on wellbeing.

Healthy Communities & Active Lives

- [Index of Multiple Deprivation 2025 data sheet](#)
- [Health profile for Rushmoor](#)
- [Office for Health Improvement and Disparities](#)
- [Age profile data sheet](#)
- [Ethnic diversity and migration data sheet](#)
- [Population data sheet](#)
- [Number of events held and supported](#)
- [Reduction in inactivity statistics - \(Active Live Survey Data\)](#)
- Climate and environmental datasets from the [Climate Change Strategy 2025–28](#).

Pride in Place: Clean, Safe and Vibrant Neighbourhoods

- Instances of fly-tipping and FPNs issued
- Cleanliness indicators for litter and detritus
- Number of enquiries related to dog fouling
- Number of crimes and antisocial behaviour reports recorded by Hampshire and IOW police
- Percentage of residents feeling safe during the day (79.1% safe and 13.3% unsafe in 2024/25)

- Percentage of residents feeling safe after dark (31.1% safe and 48.3% unsafe in 2024/25)

Finance & Resources

- Amount of savings made

Policy, Performance & Sustainability

- [Performance monitoring reports considered by Cabinet every quarter](#)
- [Percentage of Corporate Peer Challenge actions on track or completed](#)
- [Waste and recycling data sheet](#)

3B: Assessing the Impacts on People with Protected Characteristics and Disadvantaged Groups in the table below.

Direct and indirect impacts

When completing this table, please consider both **direct and indirect impacts**, see helpful

Direct discrimination occurs when someone is treated less favourably than another person because of a **protected characteristic**. This includes:

- **Actual possession** of a protected characteristic.
- **Perceived possession** of a protected characteristic (discrimination by perception).
- **Association** with someone who has a protected characteristic (discrimination by association).

A valid comparison must show that someone without the protected characteristic would have been treated better in similar circumstances. It can still be direct discrimination even if the person treating you unfairly shares the same characteristic.

Note: Age discrimination may be lawful if it can be objectively justified. For other protected characteristics, direct discrimination is unlawful regardless of intent or justification.

Indirect discrimination happens when a **policy, rule, or practice** applies to everyone but puts people with a protected characteristic at a **particular disadvantage**. It occurs when:

- A policy is applied equally to all.
- It disadvantages a group sharing a protected characteristic.
- You are personally disadvantaged by it.
- The organisation cannot justify the policy as a proportionate means of achieving a legitimate aim.

If the policy can be objectively justified, it is not considered indirect discrimination.

For example: Closing public toilets may be an example of indirect discrimination, as it affects everyone but disproportionately disadvantages women, due to toilet frequency, alternative options and safety/hygiene factors.

Likely impact

For the groups identified earlier, tick the likely impact (both direct and indirect) on people with protected characteristics (e.g., age, disability, race, etc.):

- **Neutral:** No impact.
- **Positive:** Benefits people with protected characteristics.
- **Negative:** Harms people with protected characteristics.

- **Not Sure:** It's unclear how this affects people with protected characteristics, or more information is needed.

Rate the negative impact as **low, medium, or high**. Also, consider whether the proposal may be seen as controversial or negative by some groups. See the guidance for help.

Protected characteristic - Age

(for example, young people under 25, older people over 65)

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Positive	Young people: Youth Hub provision, skills and employment pathways, careers engagement, new playgrounds, and mental health support. Older people: Physical activity, wellbeing walks, cost-of-living support, social isolation reduction initiatives. <i>Indirect impact:</i> Digital exclusion risk for older residents due to new online performance dashboards and digital service	Targeted outreach in deprived areas, partnership working with schools, colleges, health services and VCSE organisations, monitoring participation by age group. Provide non-digital engagement routes for older residents and ensure playground refurbishments include accessible and inclusive equipment.

Protected characteristic – Disability

(include people with physical disabilities, people with learning disabilities, blind and partially sighted people, Deaf or hard of hearing people, neurodiverse people. This also includes carers.)

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Positive	Improved access to mental health support, wellbeing services, accessible facilities and improved housing standards. Inclusive service design embedded across programmes.	Accessibility requirements built into service deliver and ongoing engagement with disability groups.

Protected characteristic - Gender reassignment and identity

(Include people who identify across the trans* umbrella, not only those who have undergone gender reassignment surgery. This is inclusive of girls and or/women, men and/or boys, non-binary and genderfluid people and people who are transitioning) *Trans is an umbrella term to describe people whose gender is not the same as, or does not sit comfortably with, the sex they were assigned at birth.

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Neutral	No disproportionate impacts identified. Services are designed to be inclusive and accessible to all residents regardless of gender identity.	Not applicable.

Protected characteristic - Marriage and Civil Partnership

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Neutral	No disproportionate impacts identified. Services are designed to be inclusive and accessible to all residents regardless of Marriage and Civil Partnership.	Not applicable.

Protected characteristic – Pregnancy and Maternity

(Include people who are pregnant in or returning to the workplace after pregnancy. Could also include working parents.)

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Positive	Improved housing quality, access to health and wellbeing support and cost-of-living initiatives benefit families with young children and parents returning to work.	Partnership working with health services, monitoring access to housing and wellbeing programmes.

Protected characteristic – Race or ethnicity

(include on the basis of colour, nationality, citizenship, ethnic or national origins)

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Positive	Inclusive cultural programmes, community cohesion activity, targeted engagement and improved access to skills, employment and housing initiatives.	Partnership working with community and faith groups, inclusive engagement approaches, monitoring uptake and outcomes where data allows.

Protected characteristic – Religion or belief

(include no faith)

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Neutral	Engagement with faith groups to understand community needs and support wellbeing and cohesion.	Continued partnership working, inclusive consultation and engagement design.

Protected characteristic - Sex

(Under the Equality Act 2010 and following the 2025 Supreme Court ruling on 15 April 20205, a person’s legal sex is defined as their biological sex as recorded at birth. Trans individuals are still protected from discrimination under the characteristic of gender reassignment.)

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Positive	Community safety initiatives, environmental improvements and housing quality actions are expected to improve feelings of safety, particularly for women.	Targeted safety initiatives, monitoring resident perceptions of safety and partnership working with community safety partners.

Protected characteristic - Sexual Orientation

(Include people from across the LGBTQ+ umbrella, for example, people who identify as lesbian, gay, bisexual, pansexual or asexual.)

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Neutral	No disproportionate impacts identified. Services are designed to be inclusive.	Not applicable.

Protected characteristic - Other

(e.g. people on low incomes, people living in poverty, looked after children, people with care experience, people who are homeless, people with mental health problems, people who are prison leavers, people affected by menopause, people affected by menstruation and/or period poverty)

Positive/ Neutral/ Negative	What are the positive and/or negative impacts?	How will potential benefits be enhanced or negative impacts be eliminated or reduced? <i>Consider both direct and indirect impacts when completing this table</i>
Positive	<p>Low income / poverty (non-protected) - Strong focus on deprivation, cost-of-living support, affordable housing, skills and employment pathways, and access to free or low-cost activities.</p> <p>Homelessness - Expansion and improvement of temporary accommodation provision and prevention activity.</p> <p>Mental health - Expanded community-based mental health support, wellbeing initiatives and early intervention activity.</p> <p>Armed Forces: Partnership work and National Armed Forces Day activity enhance inclusion and recognition of veterans, serving personnel and their families.</p>	<p>Targeting of resources to areas of deprivation, monitoring outcomes, alignment with Supporting Communities Strategy.</p> <p>Regular review of temporary accommodation quality and access, partnership working with housing providers.</p> <p>Partnership working with health services, targeted outreach, monitoring participation and outcomes.</p> <p>Ensure events and communications are accessible and considerate of needs such as mobility issues, mental health impacts and family requirements.</p>

4. How do you plan to mitigate negative impacts?

No negative equality impacts have been identified at a strategic level.

To mitigate potential future risks, the Council will:

- Complete Equality Impact Assessments for service-level changes, including those arising from the Financial Recovery Plan
- Ensure engagement and consultation activities are inclusive and accessible
- Monitor delivery and outcomes through quarterly performance reporting
- Use Scrutiny and governance processes to challenge and address emerging issues

5. Please provide details of your consultation and/or engagement plans.

The Delivery Plan has been informed through:

- Cross-council engagement with services and senior leadership
- Portfolio Holder input
- Ongoing engagement with partners, businesses and community organisations
- Analysis of resident feedback, surveys and performance data

As the Delivery Plan is a strategic framework, formal borough-wide consultation has not been undertaken at this stage. Engagement with residents and stakeholders will continue through delivery of individual projects and programmes, with proportionate consultation and Equality Impact Assessments undertaken where appropriate.

6. Once the proposal has been implemented, how will impacts be monitored and reviewed?

Please provide details in the table below.

Action	Responsible team or officer	Deadline
Delivery Plan performance monitoring	Corporate Performance / Services	Quarterly
Equality impact monitoring	Policy Team and Services	Ongoing
Annual Equality Report	Policy Team	Annual
Scrutiny and governance oversight	Overview & Scrutiny Committee	Periodic

Please send the completed EIA to Policy@rushmoor.gov.uk for quality checking by the policy team. All Equality Impact Assessments must be attached with any report to a decision-making board and should be made publicly available on request.

This Equality Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

Member	Name	Signed	Date
Staff member completing this form	Martin Iyawe	Martin Iyawe	27/01/26
Policy Team	Martin Iyawe	Martin Iyawe	27/01/26
Director or Head of Service	Karen Edwards		

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ANNEX 2**COUNCIL MEETING – 26TH FEBRUARY 2026****AGENDA ITEM NO. 4 (2)****ANNUAL CAPITAL STRATEGY 2026/27**

A report from the meeting of the Audit and Governance Committee held on 28th January 2026.

SUMMARY:

The Council is required to approve a Capital Strategy for 2026/27 before 1 April 2026.

The Capital Strategy 2026/27 (Appendix 1) is in accordance with CIPFA's "Prudential Code" and the "Treasury Management Code of Practice" 2021, and the Ministry of Housing, Communities and Local Government (MHCLG) guidance on Local Government Investment.

RECOMMENDATION:

The Council is recommended to approve the Capital Strategy for 2026/27 to 2028/29, including the Prudential Indicators for capital finance for 2026/27.

1 INTRODUCTION

- 1.1 This report sets out the proposed Capital Strategy for the year 2026/27 to 2028/29, including the Prudential indicators for capital finance for 2026/27.
- 1.2 This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.3 Decisions made this year on capital and treasury management will have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.
- 1.4 The Council follows best practice by adhering to the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021* (the CIPFA Code), incorporating any

subsequent revised guidance. Subsequently the Council approves both a Capital Strategy and the related Treasury Management Strategy before the start of each financial year.

2 PURPOSE

- 2.1 The purpose of the Capital Strategy is to give an overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 2.2 The purpose of investment management operations is to ensure that all investment decisions that are made primarily to generate a profit have a suitable level of security and liquidity. Ensuring risks and rewards are monitored regularly.
- 2.3 The second main function of the Capital Strategy is to set the Prudential indicators for affordable, prudent and sustainable capital investment.
- 2.4 Appendix 1 sets out the Capital Strategy for 2026/27 to 2028/29 and fulfil key legislative requirements as follows:
 - The **Capital Strategy** sets out a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in accordance with CIPFA's Code of Practice on Treasury Management, the CIPFA Prudential Code and MHCLG guidance on local government investments.
- 2.5 These policies and parameters provide an approved framework within which officers undertake the day-to-day capital, treasury and non-treasury investment activities.

3 SCOPE

- 3.1 This report covers the Council's capital management activities as set out in paragraphs 2.1 to 2.3 above. A summary of Treasury Management and commercial investments and the Council's borrowing requirements to fund the Capital strategy are set out. Prudential indicators are identified to set measures for affordability, prudent and sustainable.
- 3.2 Where a material change occurs to the attached strategies during the year a revised strategy will be presented to full council before the change is implemented.

BACKGROUND DOCUMENTS:

1. *Treasury Management in the Public Services (CIPFA) 2021 Edition*
2. *Treasury Management in the Public Services Guidance Notes for Local Authorities (CIPFA) 2021 Edition*
3. *The Prudential Code for Capital Finance (CIPFA) 2021 Edition*
4. *Guidance Notes for Practitioners: The Prudential Code (CIPFA) 2021 Edition*
5. *MHCLG Statutory Guidance on Local Government Investments (3rd Edition)*
6. *SI 2003/3146 - Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended)*
7. *Prudential Property Investment (CIPFA) 2019*

CAPITAL STRATEGY 2026/27

1 INTRODUCTION

- 1.1 This capital strategy is a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed, and the implications for future financial sustainability.
- 1.2 Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

2 CAPITAL EXPENDITURE AND FINANCING

- 2.1 Capital expenditure is where the Council spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £20,000 (land and buildings) and £10,000 (plant, vehicles and equipment) are not capitalised and are charged to revenue in year. Expenditure that maintains but does not add to an asset’s potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.
- 2.2 In 2026/27, the Council is planning capital expenditure of £3.6m as summarised below:

Table 1: Prudential Indicator: Estimate of Capital Expenditure in £ millions

	2024/25 Actual	2025/26 Forecast *	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Capital Expenditure	14.7	10.3	3.6	2.7	2.5

** The forecast for 2025/26 is based the revised capital programme for 2025/26 and reflects the estimated out turn on all projects.*

- 2.3 The full capital programme can be found in the MTFs 2026-27 to 2029-30 report.
- 2.4 In November 2020, the PWLB lending facility issued lending terms that were subject to further clarification in August 2021. This makes it a condition of access to the PWLB funding that local authorities have no intention to buy

APPENDIX 1

investment assets primarily for yield in the current and following two financial years. No expenditure has been incurred on the acquisition of such assets since November 2020 and the Council does not plan to incur expenditure on investment assets primarily for yield within the capital programme.

- 2.5 The Council's capital programme has historically been financed primarily through prudential borrowing. The Council has adopted a strategy to generate capital receipts to as far as possible mitigate the currently high borrowing levels and cost of interest.
- 2.6 The Council has identified assets for disposal to generate capital receipts. These are set out within the 2026-27 to 2029-30 MTFS. The Council's ambition to build a leisure centre at Farnborough is dependent upon securing guaranteed operator income sufficient to fund the required borrowing to bridge the gap between the cost of build and the remaining Levelling Up Funding allocated by government, the overall revenue impact on the Council must be at least cost neutral every year.
- 2.7 **Governance:** non treasury management investment. Variation to capital bids and new capital bids can be received during the year, usually on the basis of a business case or in relation to urgent and unforeseen works. All projects to be recommended for inclusion in the Capital programme are appraised by the Senior Leadership Team before being proposed to Cabinet. Cabinet and Full Council is responsible for approving capital investment decisions and monitoring progress on the delivery of the capital strategy. A revised capital programme is presented to Cabinet early February and to Full Council in late February each year.
- 2.8 All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
External sources	3.4	4.4	1.5	1.5	1.5
Capital Receipts	2.5	1.6	2.1	1.2	1.0
Revenue Resources	0.3	-	-	-	-
Debt	8.4	4.3	0.0	0.0	0.0
TOTAL	14.7	10.3	3.6	2.7	2.5

2.9 Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue, which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP and use of capital receipts are as follows:

Table 3: Replacement of debt finance in £ millions

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
MRP	1.7	2.1	2.2	1.3	1.3
Capital receipts	-	4.8	23.6	0	2.5

2.10 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to decrease to £170.9m during 2025/26. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
CFR	174.2	170.9	145.0	141.6	135.5

2.11 **Asset management:** The Council uses experienced asset managers (currently Lambert Smith Hampton Investment Management (LSHIM)) to provide services to support the Council's property portfolio.

2.12 **Asset disposals:** When a capital asset is sold the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is permitted to spend capital receipts on service transformation projects until 2030. Repayments of capital grants, loans and investments also generate capital receipts. The Council is forecasting to receive the following capital receipts over the medium term.

Table 5: Capital receipts in £ millions

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Capital Receipts	-	4.8	23.6	0.0	2.5

3 TREASURY MANAGEMENT

- 3.1 Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council’s spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. Where possible cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
- 3.2 Due to decisions taken in the past, at 31st December 2025 the Council had £159.0m borrowing at a weighted average interest rate of 4.7% and £52.2m treasury investments at a weighted average interest rate of 4.75%.
- 3.3 **Borrowing strategy:** The Council has historically adopted an approach of borrowing on a short-term basis to take advantage of historically low short-term interest rates. Since late 2021 however interest rates have risen: Bank Rate was 0.1% in December 2021, rose to a high of 5.25% in August 2023 and is currently 3.75%. In view of this the Council has reduced its reliance on very short-term borrowing and has some loans with a final maturity date in up to 5 years’ time. That said the majority of debt remains relatively short term, loans had an average duration of 1.5 years on 31st December 2025.
- 3.4 The Council has lengthened the duration of the debt portfolio in the medium term by replacing some short-term loans with longer term loans. This will provide more longer-term certainty on interest costs. Short term interest rates are expected to reduce marginally whilst longer term rates are expected to remain near current levels. The situation is kept under constant review.

Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Debt (incl. leases)	166.6	149.6	75.2	65.1	25.0
Capital Financing Requirement	174.2	170.9	145.0	141.6	135.5

- 3.5 This table only shows loans which the Council has or is contractually committed to, most of these loans will be repaid within the next 4 years which is why the debt figures for future years reduce significantly. The forecasted figures for loans which expect to be undertaken in future, as opposed to loans currently held, is shown in table 7.
- 3.6 Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term because the CFR represents the amount of capital expenditure yet to be paid for from the Council's own resources and it cannot fund its revenue expenditure from borrowing. As can be seen from table 6, the Council expects to comply with this in the medium term.
- 3.7 **Liability benchmark:** This benchmark represents the minimum amount of borrowing the Council will have to carry to ensure it has sufficient funds to manage its cash flow without carrying a cash surplus beyond the set cash limit of £5m, plus its long term cash invested in pooled funds (£13m).
- 3.8 The liability benchmark was £149.1m on 31st March 2025 and is forecast to fall to £147.5m by 31st March 2026, before falling to £113.0m over the next three years.

Table 7: Borrowing and Liability Benchmark in £ millions.

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Maturity of Existing borrowing	166.0	149.0	75.0	65.0	25.0
Forecast total borrowing	166.0	148.0	123.0	119.2	113.0
Liability benchmark	149.1	147.5	123.0	119.2	113.0

- 3.9 The Council borrowed £17m more than the liability benchmark on 31st March 2025 (24/25 actual). The reason for this was that the Council borrowed earlier than required to access cheaper longer-term funds and to gain cost certainty in line with its strategy. The over borrowing position was absorbed by debt repayment in April and May 2025. This figure is not excessive and borrowing at a slightly different level to the liability benchmark is common as a result of day to day cashflow variations. As the table shows in future the Council expect borrowing to be at the liability benchmark.
- 3.10 **Affordable borrowing limit:** The Council is legally obliged to set an

affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 8: Prudential Indicators: Authorised limit and Operational Boundary for External Debt in £ millions

	2024/25 limit	2025/26 limit	2026/27 limit	2027/28 limit	2028/29 limit
Authorised limit – borrowing	200.0	200.0	180.0	180.0	180.0
Authorised limit – leases	2.0	2.0	2.0	2.0	2.0
Authorised limit – total external debt	202.0	202.0	182.0	182.0	182.0
Operational boundary – borrowing	170.0	170.0	160.0	150.0	150.0
Operational boundary – leases	1.8	1.8	1.8	1.8	1.8
Operational boundary – total external debt	171.8	171.8	161.8	151.8	151.8

- 3.11 **Treasury Management Investment Strategy:** Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 3.12 The Council’s policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.
- 3.13 The table below estimated future levels of investments for the Council. The £13.0m in long term investments represents the estimated value of strategic pooled funds. The £5.0m represents a suitable liquidity buffer to be held in shorter-term investment products.

Table 9: Treasury Management Investments in £ millions

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Near-term investments	26.0	6.7	5.0	5.0	5.0
Longer-term investments	11.9	12.8	13.0	13.0	13.0
TOTAL	37.9	19.5	18.0	18.0	18.0

- 3.14 **Risk management:** The effective management and control of risk are prime objectives of the Council’s treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses.
- 3.15 **Governance:** Treasury Management Investments. Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Executive Head of Finance and staff, who must act in line with the treasury management strategy approved by full council. Quarterly reports on treasury management activity will be presented to Audit and Governance Committee (AGC). AGC is responsible for scrutinising treasury management decisions.

4 NON-TREASURY INVESTMENTS FOR SERVICE PURPOSES

- 4.1 The Council lends money to its subsidiary (Rushmoor Homes Limited) and is a funding partner of Farnborough International Limited. Considering the public service objective, the Council is willing to take more risk than with treasury investments. The outstanding loans to RHL will be assessed for expected credit loss each year and charged to the revenue account as necessary.
- 4.2 **Governance:** Decisions on service investments are made by the relevant service manager in consultation with the Executive Head of Finance and must meet the criteria and limits laid down in the investment strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.

5 COMMERCIAL ACTIVITIES

- 5.1 Between 2016 and 2021 in the context of central government financial support for local public services declining, the Council undertook some investment in commercial properties purely or mainly for financial gain. These investments were acquired and managed in line with the Council's Commercial Property Strategy.
- 5.2 With financial return being the main objective, the Council has a risk appetite for property of, Cautious – requirement to adopt a range of agreed solutions for purchase, investment, rental, disposal, construction and refurbishment that is likely to produce good value for money or return and for financial, Cautious – Seek delivery of Corporate Plan – with consideration of the MTFS Reserve & capital receipts Strategies and ability to maintain a balanced budget. The principal risk exposures for commercial investments include level of competition, barriers to entry/exit, and future market prospects. For commercial properties, risks include quality and financial security of tenants, building quality and relevance.

For the existing portfolio of investments these risks are managed by:

- Assessment of the relevant market sector(s) including the level of competition, barriers to entry/exit, future market prospects
 - Assessment of exposure to particular market segments to ensure adequate diversification
 - Appointment of external advisor to manage designated commercial property investments
 - Use of further external advisors if considered appropriate by the Executive Head of Finance
 - Continual monitoring of risk across the whole portfolio and specific assets
- 5.3 The Council can confirm it has no intention to acquire investment assets primarily for yield in the current and following two financial years. The Council thus retains access loans from the PWLB lending facility.
- 5.4 The Council will have due regard to the potential sale of commercial investments where this would be an appropriate option. This will be done as part of an ongoing process assessing the relative risks of return from these investments to the Council.
- 5.5 **Governance:** Decisions on the day-to-day management of commercial investments are made by the Head of Service responsible for the Council's Property and Estates functions in line with the criteria and limits as set out in the Council's constitution.

Table 10: Prudential Indicator: Net Income from Commercial and Service Investments to Net Revenue Stream in £ millions

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Total Net Income from Service and Commercial Investments	7.9	8.1	8.3	8.0	7.7
Proportion of Revenue Stream	57.1%	51.5%	47.7%	46.0%	43.4%

6 OTHER LIABILITIES

6.1 In addition to debt detailed above, the Council also set aside funds to cover risks of Business Rate Appeals.

6.2 **Governance:** Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Executive Head of Finance. The risk of liabilities crystallising and requiring payment is monitored by Finance and reported quarterly to committee. New liabilities exceeding £2m are reported to full council for approval/notification as appropriate.

7 REVENUE BUDGET IMPLICATIONS

7.1 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e., the amount funded from Council Tax, Business Rates and general government grants.

Table 11: Prudential Indicator: Proportion of Financing Costs to Net Core Revenue Stream in £ million.

	2024/25 Actual	2025/26 Forecast	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Financing Costs	7.0	7.2	6.2	4.7	4.6
Proportion of Net Core Revenue Stream	50.6%	45.8%	35.6%	27.0%	25.9%

- 7.2 **Sustainability:** The current high levels of borrowing are not considered to be affordable on a long term, sustainable basis. For this reason, asset sales (and FIL loan repayment) of £32.9m over the next four years are expected to reduce borrowing to a more affordable level. Future capital expenditure and borrowing decision will consider their long-term sustainability and affordability and will be reviewed considering the Council's risk appetite and tolerances.
- 7.3 It should be noted that there are uncertainties around the timing of asset sales and the amount that assets can be sold for. The expectations shown in table 3 are that £4.8m of capital receipts will be received in 2025/26 and £25.6m being received in 2026/27. There is the possibility that these amounts may be different or be received in different years.

8 KNOWLEDGE AND SKILLS

- 8.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Executive Head of Finance is a qualified accountant (Institute of Chartered Accountants England and Wales) with 25 years' experience of local government finance, the Property and Estates team include permanent and contracted resources who are appropriately qualified (including a number of Chartered Surveyors).
- 8.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers and Lambert Smith Hampton Investment Management Ltd (LSHIM) as commercial property consultants as required depending on the nature of the professional advice sought. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

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ANNEX 3**COUNCIL MEETING – 26TH FEBRUARY 2026****AGENDA ITEM NO. 4 (3)****ANNUAL TREASURY MANAGEMENT STRATEGY AND ANNUAL NON-TREASURY INVESTMENT STRATEGY 2026-27**

A report from the meeting of the Audit and Governance Committee held on 28th January 2026

SUMMARY:

The Council is required to approve a Treasury Management Strategy and Non-Treasury Investment Strategy (Investment Strategy) for 2026-27 before 1 April 2026.

The attached Treasury Management Strategy Statement (TMSS) for 2026-27 (Appendix 1) and Non-Treasury Investment Strategy (Appendix 2) is prepared in accordance with the “Prudential Code” and the “Treasury Management Code of Practice” in 2021, and the Ministry of Housing, Communities and Local Government (MHCLG) revised guidance on Local Government Investment.

RECOMMENDATIONS:

The Council is recommended to approve:

- (i) the Treasury Management Strategy 2026-27, Annual Borrowing Strategy 2026-27 attached at Appendix 1;
- (ii) the Annual Non-Treasury Investment Strategy 2026-27 at Appendix 2 attached at Appendix 2; and
- (iii) the Minimum Revenue Provision (MRP) Statement set out in Appendix 3.

1 INTRODUCTION

- 1.1 This report sets out the proposed Treasury Management Strategy and Non-Treasury Investment Strategy for the year 2026-27, including the borrowing and investment strategies and treasury management indicators for capital finance for 2026-27 and the Minimum Revenue Provision Statement.
- 1.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy’s Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires approval of a

treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

- 1.3 The CIPFA Treasury Management Code of Practice 2021 Edition, requires the Authority to have a separate Non-Treasury Investment Strategy (Appendix 2) which must be approved before April 2026.
- 1.4 Local authorities are also required by regulation to 'have regard to' the provisions of the Prudential Code for Capital Finance in Local Authorities (Prudential Code) 2021.

2 PURPOSE

- 2.1 The primary purpose of the treasury management operation is to ensure that cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in counterparties or instruments commensurate with the Council's low risk approach, pursuing optimum performance while ensuring that security of the investment is considered ahead of investment return. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure.
- 2.2 The secondary function of the treasury management operation is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure the Council can meet its capital spending obligations. The management of longer-term cash may involve the arrangement of long and/or short-term loans (external borrowing) or may use longer term cash flow surpluses in lieu of external borrowing (internal borrowing).
- 2.3 Accordingly, the Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as: *"The management of the Council's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks"*.
- 2.4 The primary purpose of non-treasury investment management operations is to ensure that all investments made primarily for service reasons or primarily to generate a profit have a suitable level of security and liquidity. This strategy also ensures that the risks and rewards of these investments are monitored regularly.

- 2.5 The secondary function of investment management is to generate returns. These returns are monitored on a regular basis.
- 2.6 The purpose of the treasury management indicators is to set a framework for affordable, prudent and sustainable capital investment.
- 2.7 The appendices (1 to 3) set out the Treasury Management Strategy, Investment Strategy and Minimal Revenue Provision Statement for 2026-27 and fulfil key legislative requirements as follows:

Appendix 1

- The **Treasury Management Strategy** which sets out how the Council's treasury operation will support capital decisions taken during the period, the day-to-day treasury management and the limitations on activity through treasury prudential indicators, in accordance with CIPFA's Code of Practice on Treasury Management and Prudential Code;
- The **Annual Borrowing Strategy** which sets out the Council's objectives for borrowing together with the approved sources of long and short-term borrowing and;
- **Annual Treasury Management Investment Strategy** which sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss, in accordance with CIPFA's Code of Practice on Treasury Management.

Appendix 2

- The **Non-Treasury Investment Strategy** sets out the Council's investment decisions taken during the period and monitors performance and security, in accordance with MHCLG Investment Guidance.

Appendix 3

- The Council's **Minimum Revenue Provision (MRP) Statement**, which sets out how the Council will pay for capital assets through revenue each year, as required by the Local Government Act 2003 (Regulations 27 and 28 in the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended)).
- 2.8 These policies and parameters provide an approved framework within which officers undertake the day-to-day capital, treasury and non-treasury investment activities.

3 SCOPE

- 3.1 This report covers the Council's treasury management and investment activities as set out in paragraphs 2.1 to 2.8 above. The funds invested consist of short-term cash available due to timing of income and expenditure, prudential borrowing and the Council's capital receipts.
- 3.2 The Council's treasury management advisors Arlingclose continue to advise diversification in investments (spreading small amounts over a few counterparties) wherever possible.
- 3.3 Prudential borrowing of £166.0m was incurred by 31st March 2025 in relation to capital expenditure. These loans will all require refinancing within the next 5 years. The Council also plan to reduce this borrowing need by generating approximately £31m in asset sales over the next three years, excluding the potential sale of Civic Quarter land.
- 3.4 Careful observation of the "gross debt v capital financing requirement" indicator will need to be undertaken progressively throughout the financial year.
- 3.5 Where a material change to the attached strategies occurs during the year a revised strategy will be presented to Full Council before the change is implemented.

CLLR BILL O'DONOVAN
CHAIR OF THE AUDIT AND GOVERNANCE COMMITTEE

TREASURY MANAGEMENT STRATEGY 2026-27

1 INTRODUCTION

- 1.1 Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
- 1.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code. The Audit and Governance Committee is the nominated Committee responsible for the effective scrutiny of the Treasury Management Strategy and policies.
- 1.3 Investments held for service purposes or for commercial profit are considered in a separate part of this report, the Annual Non Treasury Investment Strategy at Appendix 2.
- 1.4 This Strategy covers:
- External Context
 - Local Context
 - Annual Borrowing Strategy
 - Annual Investment Strategy
 - Treasury Management Prudential Indicators
 - Related Matters

2 EXTERNAL CONTEXT

Economic background (January 2026):

- 2.1 Economic background: The most significant impacts on the Authority's treasury management strategy for 2026/27 are expected to include: the influence of the government's 2025 Autumn Budget, lower short-term

interest rates alongside higher medium- and longer-term rates, slower economic growth, together with ongoing uncertainties around the global economy, stock market sentiment, and geopolitical issues.

- 2.2 The Bank of England's Monetary Policy Committee (MPC) cut Bank Rate to 3.75% in December 2025, as expected. The vote to cut was 5-4, with the minority instead favouring holding rates at 4.0%. Those members wanting a cut judged that disinflation was established while those preferring to hold Bank Rate argued that inflation risks remained sufficiently material to leave rates untouched at this stage.
- 2.3 Figures from the Office for National Statistics showed that the UK economy expanded by 0.1% in the third quarter of the calendar year, this was unrevised from the initial estimate. The most recent Monetary Policy Report (November) projected modest economic growth, with GDP expected to rise by 0.2% in the final calendar quarter of 2025. Annual growth is forecast to ease from 1.4% before improving again later, reflecting the delayed effects of lower interest rates, looser monetary conditions, stronger global activity, and higher consumer spending. The view of modest economic growth going forward was echoed by the Office for Budget Responsibility in its Economic and fiscal outlook published in line with the Autumn Statement which revised down its estimate of annual real GDP to around 1.5% on average between 2025 and 2030.
- 2.4 CPI inflation was 3.2% in November 2025, down from 3.6% in the previous month and below the 3.5% expected. Core CPI eased to 3.2% from 3.4%, contrary to forecasts of remaining at 3.6%. Looking forward, the MPC continues to expect inflation to fall, to around 3% in calendar Q1 2026, before steadily returning to the 2% target by late 2026 or early 2027.
- 2.5 The labour market continues to ease with rising unemployment, falling vacancies and flat inactivity. In the three months to October 2025, the unemployment rate increased to 5.1%, higher than the level previously expected by the BoE, while the employment rate slipped to 74.9%. Pay growth for the same period eased modestly, with total earnings (including bonuses) growth at 4.7% and while regular pay was 4.6%.
- 2.6 The US Federal Reserve also continued to cut rates, including reducing the target range for the Federal Funds Rate by 0.25% at its December 2025 meeting, to 3.50%-3.75%, in line with expectations. The minutes of the meeting noted that most Fed policymakers judged that further rate cuts would be likely in 2026 if inflation continues to ease, however

they were still divided in their assessment of the risks between inflation and unemployment.

- 2.7 The European Central Bank (ECB) kept its key interest rates unchanged in December for a fourth consecutive meeting, maintaining the deposit rate at 2.0% and the main refinancing rate at 2.15%. The ECB maintained that future policy decisions will remain data-dependent, that inflation is close to its 2% target and that the euro area economy continues to expand despite a challenging global environment, including heightened geopolitical risks and trade tensions.

Credit Outlook:

- 2.8 Credit Default Swap (CDS) prices, which spiked in April 2025 following President Trump's 'Liberation Day' tariff announcements, have since trended lower, returning to levels broadly consistent with their 2024 averages. Although CDS prices rose modestly during October and November, the overall credit outlook remains stable, and credit conditions are expected to remain close to the range seen over the past two years.
- 2.9 While lower interest rates may weigh on banks' profitability, strong capital positions, easing inflation, steady economic growth, low unemployment, and reduced borrowing costs for households and businesses all support a favourable outlook for the creditworthiness of institutions on (the authority's treasury management advisor) Arlingclose's counterparty list. Arlingclose's advice on approved counterparties and recommended investment durations is kept under continuous review and will continue to reflect prevailing economic and credit conditions.

Interest Rate Forecast (22nd December 2025):

- 2.10 Arlingclose, the council's treasury management adviser, currently forecasts that the Bank of England's Monetary Policy Committee will continue to reduce Bank Rate in 2026, reaching around 3.25%. This forecast reflects amendments made following the Autumn Budget and an assessment of the fiscal measures and their market implications, and following the BoE MPC meeting held on 18th December.
- 2.11 Long-term gilt yields, and therefore interest rates payable on long-term borrowing, are expected to remain broadly stable on average, though with continued volatility, and to end the forecast period marginally lower

APPENDIX 1

than current levels. Yields are likely to stay higher than in the pre-quantitative tightening era, reflecting ongoing balance sheet reduction and elevated bond issuance. Short-term fluctuations are expected to persist in response to economic data releases and geopolitical developments.

- 2.12 A more detailed economic and interest rate forecast provided by Arlingclose is in Appendix A.

3 LOCAL CONTEXT

- 3.1 On 31st December 2025, the Council held £159.0m of borrowing and £52.2m of investments. This is set out in further detail in Appendix B. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below. To date the Council has relied upon external loans and its own cashflow (internal borrowing) to fund capital expenditure. A significant element of the external borrowing will need be replaced during the year as loans mature. The objective is to minimise the need for external borrowing and enable the CFR to be reduced by replacing capital receipts from asset sales as these are achieved.

Table 1: Balance Sheet Summary and Forecast in £ millions.

	2024-25 Actual	2025-26 Forecast	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate
Capital Financing Requirement	174.2	170.9	145.0	141.6	135.5
Less: Other Debt Liabilities	0.6	0.3	0.2	0.1	-
Loans CFR	173.9	170.6	144.8	141.5	135.5
Less: External Borrowing	166.0	149.0	75.0	65.0	25.0
Internal Borrowing	7.9	21.6	69.8	76.5	110.5
Less: Balance Sheet Resources	45.8	41.1	39.8	40.3	40.5
Treasury Investments / (New Borrowing)	37.9	19.5	(30.0)	(36.2)	(70.0)

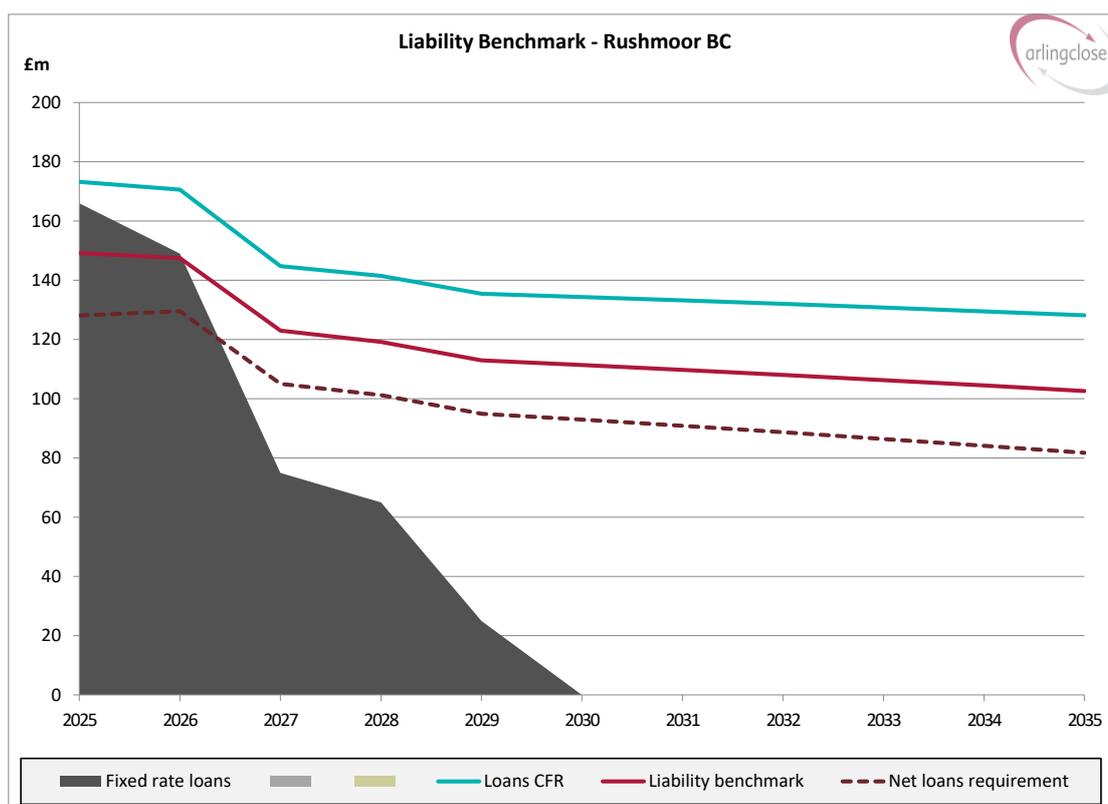
- 3.2 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing. The Council will not have sufficient working capital to fund the required level of borrowing and will borrow funds from other local authorities' and PWLB lending facility to provide liquidity and manage cash requirement during year.
- 3.3 The Council's CFR is projected to decrease to £144.8m in 2026/27 and to continue to decrease in subsequent years. However, a significant proportion of the currently held loans are due to mature over the next five years' and will need to be replaced, meaning the Council can expect to have an ongoing borrowing need in future even though the CFR is falling. Over the forecast period above it is expected that £70.0m of additional borrowing will be needed by 2028/29.
- 3.4 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be not higher than its highest forecast CFR over the next three years. The table above shows that the Council expects to comply with this recommendation during 2026-27 and following two financial years.
- 3.5 **Liability benchmark:** To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as in the table above, but that cash and investment balances are kept to a minimum level of £18m at each year-end. This incorporates £13m invested in strategic pooled funds that cannot be sold at short notice and an additional £5m liquidity buffer to manage short-term cashflow requirements. The minimum cash levels at 31st March 2025 were higher at £21m reflecting historically higher strategic pooled fund balances before these were sold during the 2024/25 financial year.
- 3.6 The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

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Table 2: Prudential Indicator: Liability Benchmark in £ millions

	2024-25 Actual	2025-26 Forecast	2026-27 Estimate	2027-28 Estimate	2028-29 Estimate
Loans CFR	173.9	170.6	144.8	141.5	135.5
Less: Balance Sheet Resources	45.8	41.1	39.8	40.3	40.5
Net Loans Requirement	128.1	129.5	105.0	101.2	95.0
Plus: Liquidity Allowance	21.0	18.0	18.0	18.0	18.0
Liability Benchmark	149.1	147.5	123.0	119.2	113.0

- 3.7 Following on from the medium-term forecast in table 2 above, the 10-year liability benchmark assumes no capital expenditure funded by borrowing after 2026/27. This is shown below together with the maturity profile of the Council's existing borrowing:



- 3.8 This shows that the Council continues to have a significant borrowing

need for a number of years into the future. Although the CFR and liability benchmark are expected to reduce they will remain above the current loans that the Council has. The future borrowing need is driven by the need to replace the majority of the Council's existing loans as they mature.

4 ANNUAL BORROWING STRATEGY 2026-27

- 4.1 The Council held £159.0m in loans at 31st December 2025 as part of its previous strategy for funding prior years' capital programmes. This represents an increase in borrowing from the previous year end. Around half of this debt is due to mature within the next 12 months. The remaining loans will mature within the next 5 years.
- 4.2 The balance sheet forecast in table 1 (above) shows that the Council expects to need to replace £30.0m existing loans as they mature by the end of 2026/27. However, incorporating minimum cash requirements of £18.0m increases this borrowing requirement to £48.0m.
- 4.3 **Objectives:** The Council's chief objective when borrowing money will be to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
- 4.4 **Strategy:** The Council has historically adopted an approach of borrowing on a short-term basis to take advantage of historically low short-term interest rates. Since late 2021 however interest rates have risen: Bank Rate was 0.1% in December 2021, rose to a high of 5.25% in August 2023 and is currently 3.75%. In view of this the Council has now reduced its reliance on very short-term borrowing and has some loans with a final maturity date in up to 5 years' time. That said the majority of debt remains relatively short term, loans had an average duration of 1.5 years on 31st December 2025.
- 4.5 The Council continues to aim to lengthen the duration of the debt portfolio in the medium term by replacing some short-term loans with longer term loans. This will provide more longer-term certainty on interest costs. Short term interest rates are expected to reduce marginally whilst longer term rates are expected to remain near current levels. The situation is kept under constant review.
- 4.6 Alternatively, the Council may arrange forward starting loans from other Local Authorities, where the interest rate is fixed in advance, but the

cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

However, the council only has two years remaining and must take the forthcoming change into account.

4.7 PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council intends to avoid this activity to retain its access to PWLB loans.

4.8 In addition, the Council may borrow further short-term loans to cover unplanned cash flow shortages.

4.9 **Sources of borrowing:** The approved sources of long-term and short-term borrowing are summarised below:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- National Wealth Fund Ltd
- Any institution approved for investments
- Money market loans (long term & temporary)
- Any other bank or building society authorised to operate in the UK
- UK Local Authorities
- UK public and private sector pension funds (except the Local Government Pension Scheme administered by Hampshire County Council)
- Capital market bond investors
- Retail investors via a regulated peer-to-peer platform
- Special purpose companies created to enable local authority bond issues.
- Lottery monies

4.10 **Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- Leasing
- Hire purchase
- Private Finance Initiative
- Sale and leaseback
- Similar asset based finance

- 4.11 The Council plans to borrow from both the PWLB and other Local Authorities in the coming year. The Council continues to investigate other sources of finance, that may be available at more favourable rates.

5 ANNUAL TREASURY MANAGEMENT INVESTMENT STRATEGY 2026-27

- 5.1 The Guidance on Local Government Investments in England gives priority to security and liquidity, and the Council's aim has been to achieve a yield commensurate with these principles.

- 5.2 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. As at 31st December 2025 the Council's investment balance stood at £52.2m, with some cash invested with a local authority for a short term at a favourable rate. In future years the Council expects to hold a minimum of £18m in investments. Further detail on current investments is given in Appendix 2.

- 5.3 During 2025 the Council has generated returns from existing long-term pooled fund investments together with diversification within the Council's investment portfolio. The Council held the following investments on 31st December 2025:

- £12.8m in pooled funds (providing a balance across a range of 4 different funds).
- £12.2m held in money market funds with next day access
- £0.1m deposited with Lloyds Bank plc with next day access
- £27.0m in short-term LA investments at a favourable rate, returning before the end of the financial year.

- 5.4 **Objectives:** The CIPFA Code requires the Authority to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

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- 5.5 **Strategy:** The Council's policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.
- 5.6 The CIPFA Code does not permit local authorities to borrow to invest purely of financial gain. Borrowing and investing for day-to-day treasury management is permitted.
- 5.7 Long-term investments are also permitted for treasury management purposes. Investments in strategic pooled funds which invest in products such as bonds, property and equity will in the longer term produce higher returns than cash investments. In the long term they are much more likely to protect the value of investments by gaining a return greater than inflation. This is the reason for the Council's current portfolio of strategic pooled funds.
- 5.8 The Council will give due consideration to the potential sale of strategic pooled funds in future as part of an ongoing review of their risk and return to the Council. The funds are considered long-term products that are unsuitable for sale at short notice. Pooled fund capital values are expected to fully recover in 2026/27 and the interest earned is higher than the cost of borrowing or other forms of treasury investment. Therefore, it is the councils' strategy to hold these investments for the duration of the remaining period of the council's existence.
- 5.9 **ESG policy:** Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

- 5.10 **Business models:** Under the IFRS 9 standard on financial instruments, the accounting for certain investments depends on the Council’s “business model” for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
- 5.11 **Approved counterparties:** The Council may invest its surplus funds with any of the counterparty types in the table below, subject to the cash limits (per counterparty) and the time limits shown. The schedule of approved counterparties is underpinned by a detailed list of named counterparties. This list is maintained within Financial Services for treasury management operational purposes.

Table 3: Treasury Management Investment Counterparties and Limits

Sector	Time Limit†	Counterparty Limit (£m)	Sector Limit (£m)
The UK Government	50 years	Unlimited	N/A
Local authorities and other government agencies	25 years	10	Unlimited
Money market funds*	N/A	6	Unlimited
Secured investments – government collateral*	25 years	6	Unlimited
Secured investments – other collateral*	10 years	6	Unlimited
Banks (unsecured) *	13 months	3	30
Building societies (unsecured) *	13 months	3	6
Strategic pooled funds	N/A	6	30

* **Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise, the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other

relevant factors including external advice will be considered.

† **Time limits:** These start on the earlier of date that the Authority is committed to make the investment and the date that cash is transferred to the counterparty.

- 5.12 **UK Government:** Sterling-denominated investments with or explicitly guaranteed by the UK Government, including the Debt Management Account Deposit Facility, treasury bills and gilts. These are deemed to be zero credit risk due to the government's ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.
- 5.13 **Local Authorities and other government entities:** Loans to, and bonds and bills issued or guaranteed by, other national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. The counterparty limit for loans to local authorities will be increased to an unlimited amount where (a) the government has announced that this authority will merge with the borrowing authority and (b) the loan is scheduled to be repaid after the expected date of the merger.
- 5.14 **Secured investments:** Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds, secured deposits and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.
- 5.15 **Money market funds:** Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
- 5.16 **Banks and building societies (unsecured):** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and

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

- 5.17 **Strategic pooled funds:** Bond, equity and property funds, including exchange traded funds, that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date but can be either withdrawn after a notice period or sold or exchanged, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
- 5.18 **Operational bank accounts:** These may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £2m per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.
- 5.19 Investments may be made with banks or any public or private sector organisations that meet the above credit rating criteria. The Council may also invest with organisations and pooled funds without credit ratings, following an external credit assessment and advice from the Council's treasury management adviser.
- 5.20 **Credit rating:** Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be considered.
- 5.21 **Risk Assessment and Credit Ratings:** Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify the Council of changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made with that entity

- any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 5.22 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “rating watch negative” or “credit watch negative”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 5.23 **Other Information on the Security of Investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council’s treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.
- 5.24 **Reputational aspects:** The Authority is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be considered when making investment decisions.
- 5.25 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not reflected in general credit-ratings. In these circumstances, where the Council feels the whole market has been affected, it will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

5.26 **Investment limits:** The maximum that will be lent to any one organisation (other than the UK Government) will be £10 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries, and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country since the risk is diversified over many countries. Detail of investment limits are given in table 4 below.

Table 4: Additional investment limits

	Cash Limit
Any group of pooled fund under the same management	15
Investments held in a broker's nominee account	15
Foreign countries	6

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

6 TREASURY MANAGEMENT PRUDENTIAL INDICATORS

6.1 The Treasury Management Code requires that local authorities set several indicators for treasury management performance, which have been set as below. A voluntary measure for credit risk as set out in paragraph 7.2.

6.2 **Credit Risk (Credit Score Analysis):** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating / credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of

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each investment. Unrated investments are assigned a score based on their perceived risk.

The advice from Arlingclose is to aim for an average A+, or higher, average credit rating, with an average score of 5 or lower. The scores are weighted according to the size of our deposits (value-weighted average) and the maturity of the deposits (time-weighted average).

Credit risk indicator	Target
Portfolio average credit rating	A+
Portfolio average credit score	5.0

- 6.3 **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount cash available within a rolling three-month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£5m

- 6.4 **Interest Rate Exposures:** CIPFA encourages the use of an indicator which limits the Councils exposure to interest rate movements. Compliance with this indicator may lead to the Council being required to borrow, or invest, on a long-term fixed rate basis to limit its exposure to interest rate changes over the next year.

The Council's objective on borrowing is to secure cost certainty of its borrowing portfolio and has set a borrowing rate that enables debt maturities up to 5 years based upon current interest rate projections. This is an appropriate strategy whilst interest rates are projected to be stable in the two years remaining life of the council. The Council does not consider that it is affordable to lock in current rates on a long-term basis (i.e. beyond 5 years) due to the higher rates and this would fetter the new Untary's ability to optimise its treasury strategy.

It is thus not seen as necessary to set a limit on the revenue impact of a 1% change in interest rates. The use of this indicator will be kept under

review going forward.

- 6.5 **Maturity Structure of Borrowing:** This indicator is set to control the Council’s exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Maturity Structure	Upper	Lower
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	0%	0%
10 years and above	0%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

The Council has set these limits at a broad level to avoid overly onerous restrictions on future borrowing decisions. The Council has taken recent steps to reduce the proportion of loans maturing in under 12 months: this is now 53% of loans in contrast to the previous year when this was 91% of loans. The Council wishes to continue to have the full flexibility as to when this debt will mature. This indicator will continue to be reviewed in future.

- 6.6 **Principal Sums Invested for Periods Longer than a Year:** The purpose of this indicator is to control the Council’s exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Principal Sums Invested	2026-27	2027-28	2028-29
Limit on principal invested beyond year end at any one time	£30m	£30m	£20m

7 RELATED MATTERS

7.1 The CIPFA Code requires the Council to include the following in its treasury management strategy.

7.2 **Policy on Use of Financial Derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk, and to reduce costs or increase income at the expense of greater risk. The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e., those that are not embedded into a loan or investment).

The Council will only use standalone financial derivatives (such as swaps, forwards, futures, and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be considered when determining the overall level of risk. Embedded derivatives, including those present in pooled funds, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

7.3 **Markets in Financial Instruments Directive:** The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers, and fund managers, allowing it access to a greater range of services but with the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Executive Head of Finance believes this to be the most appropriate status.

7.4 Investment Training: The investment training needs of the Council’s treasury management staff are assessed on a continuous basis, discussed as part of the staff development reviews, and reviewed as the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA.

7.5 Financial Implications - Investments: The budget for investment income in 2026-27 is £1.7m, based on MMF balances with an average rate of 4% and pooled fund income. Performance of investments against budget will be reviewed on an ongoing basis and as part of our quarterly budget monitoring process.

7.6 Financial Implications - Borrowing: The budget for interest costs in relation to borrowing in 2026-27 is £6.9m (not including IFRIC 4 lease accounting interest). This is determined by taking the expected borrowing for the year multiplied by the expected interest rate for short-term borrowing for the same period.

7.7 Other Options Considered: The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Executive Head of Finance continues to believe that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on Income and Expenditure	Impact on Risk Management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Invest in a wider range of counterparties and/or for longer times	Increased risk of losses from credit related defaults, but any such losses may be smaller

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<p>Borrow additional sums at long-term fixed interest rates</p>	<p>Debt interest costs will rise; this is may not be offset by higher investment income</p>	<p>Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain</p>
<p>Borrow short-term or variable loans instead of long-term fixed rates</p>	<p>Debt interest costs will initially be lower</p>	<p>Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain</p>
<p>Reduce level of borrowing</p>	<p>Saving on debt interest is likely to exceed lost investment income</p>	<p>Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain</p>

Appendix A: Arlingclose Economic and Interest Rate Forecast – 22nd December 2025

Underlying assumptions:

- The Bank of England duly delivered on expectations for a December rate cut, but, despite softer economic data over the past two weeks, the minutes highlighted increased caution surrounding both the inflation outlook and the speed of future easing. With a close vote of 5-4 in favour of a rate reduction, this suggests that the bar for further monetary easing may be higher than previously thought despite the possibility of the CPI rate falling to target in 2026.
- Budget policies and base effects will mechanically reduce the CPI rate in 2026, on top of the downward pressure arising from soft economic growth and the looser labour market. However, many policymakers appear concerned that household and business inflation and pricing expectations are proving sticky following recent bouts of high price and wage growth, which may allow underlying inflationary pressure to remain elevated. While, the Bank's measure of household expectations ticked lower in December, it remains above levels consistent with the 2% target at 3.5%.
- While policymakers hold valid concerns, these appear somewhat out of line with current conditions; CPI inflation fell to 3.2% in November, private sector wage growth continued to ease amid the highest unemployment rate since the pandemic, and the economy contracted in October after barely growing in Q3. Business surveys pointed to marginally stronger activity and pricing intentions in December but also suggested that the pre-Budget malaise was not temporary. These data are the latest in a trend suggesting challenging economic conditions are feeding into price and wage setting.
- Risks to the growth and inflation outlook lie to the downside, which may ultimately deliver lower Bank Rate than our central case. However, the minutes suggest that the bar to further rate cuts beyond 3.25% is higher and the near-term upside risks to our Bank Rate forecast have increased. Having said that, we believe inflation expectations will naturally decline alongside headline inflation rates.
- Investors appear to have given the UK government some breathing space following the Budget, with long-term yields continuing to trade at slightly lower levels than in late summer/early autumn. Even so, sustained heavy borrowing across advanced economies, the DMO's move towards issuing more short-dated gilts and lingering doubts about the government's fiscal plans will keep short to medium yields above the levels implied by interest rate expectations alone.

Forecast:

- In line with our long-held forecast, Bank Rate was cut to 3.75% in December.
- Continuing disinflation, rising unemployment, softening wage growth and low confidence suggests that monetary policy will continue to be loosened.
- Arlingclose expects Bank Rate to be cut to 3.25% by middle of 2026. However, near-term upside risks to the forecast have increased.
- Medium and long-term gilt yields continue to incorporate premia for UK government credibility, global uncertainty and significant issuance. These issues may not be resolved quickly and we expect yields to remain higher.

	Current	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28
Official Bank Rate													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	3.75	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
3-month money market rate													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	3.82	3.55	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.35	3.35	3.35
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
5yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	3.96	3.85	3.80	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.80	3.80	3.80
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
10yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.52	4.40	4.35	4.30	4.30	4.30	4.30	4.30	4.30	4.30	4.35	4.35	4.35
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
20yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	5.16	5.00	4.95	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.95	4.95	4.95
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
50yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.74	4.65	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.65	4.65	4.65
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

PWLB HRA Rate = Gilt yield + 0.40%

National Wealth Fund (NWF) Rate = Gilt yield + 0.40%

APPENDIX 1

Appendix B: Existing Investment and Debt Position – December 2025

	31/12/2025 Actual Portfolio £m	31/12/2025 Average Rate
External borrowing:		
PWLB	127.0	4.8%
Local authorities	32.0	4.5%
Other long-term liabilities:	0.4	1.3%
Total gross external debt:	159.4	4.7%
Treasury investments:		
Bank accounts	0.1	3.8%
Money market funds	12.2	3.9%
Strategic pooled funds	12.8	12.5%
Total treasury investments	25.1	8.3%
Net debt	134.3	4.0%

ANNUAL NON-TREASURY INVESTMENT STRATEGY 2026-27

1 INTRODUCTION

- 1.1 The Council invests its money for three broad purposes:
- because it has surplus cash because of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
 - to support local public services by lending to or buying shares in other organisations (**service investments**), and
 - to earn investment income (known as **commercial investments** where this is the main purpose).
- 1.2 This investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and focuses on the second and third of these categories.
- 1.3 The statutory guidance defines investments as “all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios.” The Council interprets this to exclude (a) trade receivables which meet the accounting definition of financial assets but are not investments in the everyday sense of the word and (b) property held partially to generate a profit but primarily for the provision of local public services. This aligns the Council’s definition of an investment with that in the 2021 edition of the CIPFA Prudential Code, a more recent piece of statutory guidance.

2 TREASURY MANAGEMENT INVESTMENTS

- 2.1 The Council typically receives its income in cash (e.g., from taxes, fees and grants) before it pays for its expenditure in cash (e.g., through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £12m and £60m during the 2026/27 financial year.
- 2.2 **Contribution:** The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

3 SERVICE IMPROVEMENTS: LOANS

- 3.1 **Contribution:** The Council lends money to its subsidiary (Rushmoor Homes Limited) and local businesses to support local public services and stimulate local economic growth. The Council is a funding partner of Farnborough International Limited. The loans have enabled the development of the Farnborough International exhibition and conference centre. Expanding the exhibition and conferencing capabilities in Farnborough brings increased economic capacity to the Borough. The Council established a Wholly Owned Company (WOC) subsidiary, Rushmoor Homes Limited (RHL), in April 2020. The Council will lend to RHL at a commercial rate to enable procurement of property.
- 3.2 **Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. To limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Loans for service purposes

Category of Borrower	2024-25 Actual £m	2025-26 Forecast £m	2026-27 Estimate £m
Local businesses	6.5	4.4	4.4
Subsidiaries & partnerships	1.5	1.5	1.5
Total	8.0	5.9	5.9

- 3.3 Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council’s statement of accounts are shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.
- 3.4 **Risk assessment:** The Council assesses the risk of loss before entering into lending agreements and whilst holding service loans by assessing the counterparty’s resilience, the service users’ needs that the loan is designed to help meet and how these will evolve over-time. During the life of the loan any change in original assumptions will be monitored. The Council will use external advisors if felt appropriate by the Executive Head of Finance. All loans will be subject to contract agreed by the Corporate Manager – Legal Services. All loans must be approved by Full Council and will be monitored by the Executive Head of Finance.

3.5 **Farnborough International Limited (FIL) loan:** The Council has two loan agreements with FIL. The first loan repayments are due in June 2026 with a final repayment in June 2028.

4 COMERCIAL INVESTMENTS: PROPERTY

4.1 **Contribution:** The Council has investments in local and regional commercial and residential property with the intention of making a surplus that will be spent on local public services.

4.2 In November 2020 the Public Works and Loan Board (PWLB) issued lending terms (subsequently clarified in August 2021) making it conditional that Local Authorities have no intention to buy investment assets primarily for yield in the current and follow two financial years. The Council will not be acquiring any further investment assets primarily for yield.

Property held for investment purposes.

Property by Type	31-Mar-25 Actual		
	Purchase Cost £m	Gains / (Losses) £m	Value in Accounts £m
Industrial units	51.8	6.2	58.0
Offices	36.6	(7.0)	29.6
Retail	42.1	(14.8)	27.3
Caravan Park	0.3	0.2	0.5
Petrol Stations	2.3	0.7	3.0
Waste Recycling	1.0	3.3	4.3
Mixed Use	0.2	0.1	0.3
Other	0.2	0.1	0.3
Retail & residential	24.9		24.9
Total	159.4	(11.2)	148.2

4.3 **Security:** In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

4.4 Where value in accounts is at or above purchase cost: A fair value assessment of the Council’s investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment.

4.5 Should the 2025/26 and 2026/27 year-end accounts preparation and audit

process value these properties below their purchase cost, then an updated investment strategy will be presented to Full Council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.

4.6 Where value in accounts is below purchase cost: The fair value of the Council's investment property portfolio is no longer sufficient to provide security against loss, and the Council will therefore take mitigating actions to protect the capital invested. These actions include:

- Quarterly review of the portfolio
- Consideration of advice from the Council's commercial property advisers. Currently is agreed that the best course of action is to hold the majority of the assets as values will increase over the long term and most assets within the portfolio are considered sound with strong covenants/dependable income streams. Assets identified for disposal will be taken forward to market.

4.7 **Risk assessment:** The Council assesses the risk of loss before entering and whilst holding property investments by:

- Assessment of the relevant market sector(s) including the level of competition, barriers to entry/exit, future market prospects
- Assessment of exposure to particular market segments to ensure adequate diversification
- Use of external advisors if considered appropriate by the Executive Head of Finance
- Continual monitoring of risk across the whole portfolio and specific assets

4.8 **Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert into liquid asset at short notice and will be subject to market conditions in terms of timescales involved. However, to ensure that invested sums could be accessed when they are needed the portfolio will be regularly reviewed and prioritised to ensure that commercial property could be sold as a going concern as soon as possible.

5 LOAN COMMITMENTS AND FINANCIAL GUARANTEES

5.1 Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Council, for completeness, the Council has no financial guarantees or loan commitments.

6 PROPORTIONALITY

- 6.1 The Council has become increasingly dependent on surplus generating investment activity to achieve a balanced revenue budget. The table below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Council is dependent on achieving the expected net surplus from investments over the lifecycle of the Medium Term Financial Strategy. The Head of Service responsible for the Council’s property and estates functions would review the cause of any shortfall and identify any actions needed to ensure the income shortfall is mitigated or remedied.
- 6.2 With the introduction of the revised PWLB lending terms, the Council has no intention to purchase investment assets primarily for yield in the current and following two financial years. With no further expenditure planned on investment assets primarily for yield the proportion of investment to Gross service expenditure will fluctuate because of changes in investment income from existing holdings and changes in Gross service expenditure.

Proportionality of Investments

Investment income as a proportion of gross service cost	2024-25 Actual	2025-26 Forecast	2026-27 Budget	2027-28 Budget	2028-29 Budget	2029-30 Budget
Investment income £m	9.5	10.3	10.1	9.7	9.5	9.8
Gross service expenditure £m	33.6	35.1	34.2	34.6	35.3	36.0
Proportion	28.3%	29.3%	29.5%	28.0%	26.9%	27.2%

7 BORROWING IN ADVANCE OF NEED

- 7.1 Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.
- 7.2 The Council may, in supporting the delivery of the Council’s Capital Programme, borrow in advance of need where it is expected to demonstrate the best longer-term value for money position. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated (ie: the cost of holding does not outweigh the benefits of early borrowing) and that the Council can ensure the security of such funds.

- 7.3 The Council is aware that it will be exposed to the risk of loss of the borrowed sums, and potential interest rate changes. These risks will be managed as part of the Council's overall management of its treasury risks and will be reported through the standard reporting method.

8 CAPACITY, SKILLS AND CULTURE

- 8.1 **Elected members and statutory officers:** The Council recognises that those elected Members and statutory officers involved in the investment decision making process must have appropriate capacity, skills and information to enable them to:

- take informed decisions as to whether to enter into a specific investment;
- to assess individual investments in the context of the strategic objectives and risk profile of the Council; and
- to enable them to understand how new decisions have changed the overall risk exposure of the Council.

The Council will ensure that the relevant officers and the Members of Cabinet have appropriate skills, providing training and advisor support where there is a skills gap.

- 8.2 **Agents:** Lambert Smith Hampton Investment Management (LSHIM) were appointed as the Council's external investment advisor during 2019/20. LSHIM manage property investment portfolios for institutions, local authorities, and private family offices. The LSHIM investment team are all RICS qualified and have significant combined commercial experience. The assigned investment team can call on the wider expertise and resource of the parent company (Lambert Smith Hampton-LSH) that have offices throughout the UK. The Council also engages a number of other agents to manage specific properties.
- 8.3 **Commercial deals:** The Council will ensure that the Cabinet, officers and agents negotiating commercial deals are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.
- 8.4 **Corporate governance:** Any non-treasury management (i.e. property, service loans etc) investment decisions will be scrutinised by Senior Leadership Team and Cabinet before final approval. The Overview and Scrutiny committee review all decisions made by the Cabinet. Although after the event the Committee can make any recommendations to the Council if it sees fit.

9 INVESTMENT INDICATORS

9.1 The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure because of its investment decisions.

9.2 **Total risk exposure:** The first indicator shows the Council's total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third-party loans.

Total Investment Exposure £m	31-Mar-25 Actual	31-Mar-26 Forecast	31-Mar-27 Forecast
Treasury Management Investments	37.9	18.0	18.0
Service Improvement: Loans	8.0	5.9	5.9
Commercial Investments: Property	148.2	143.1	126.2
Total	194.1	167.0	150.1
Commitments to lend	-	-	-
Guarantees issued on loans	-	-	-
Total exposure	194.1	167.0	150.1

*Commercial investment: property has been reduced to reflect the planned sales of commercial assets.

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

Investments funded by borrowing £m	31-Mar-25 Actual	31-Mar-26 Forecast	31-Mar-27 Forecast
Service Improvement: Loans	8.0	5.9	5.9
Commercial Investments: Property	82.0	77.2	70.1
Total	90.0	83.1	76.0

9.4 **Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Investments net rate of return	2024-2025 Actual	2025-26 Forecast	2026-2027 Budget
Treasury Management Investments	7.2%	6.0%	5.81%
Service Improvement: Loans	4.0%	4.0%	4.0%
Commercial Investments: Property	6.4%	7.1%	7.8%

9.5 Short term interest rates on investments income received are expected to be lower reflecting the current market trend, returns on strategic pooled funds have improved and are expected to stabilise.

MINIMUM REVENUE PROVISION STATEMENT 2025-26

1. Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the former Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2024.
2. The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is aligned with that over which the capital expenditure provides benefits.
3. The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and provides several options for calculating a prudent amount of MRP but does not preclude the use of other appropriate methods. The following statement incorporates options recommended in the Guidance.
4. MRP is calculated by reference to the capital financing requirement (CFR) which is the total amount of past capital expenditure that has yet to be permanently financed, noting that debt must be repaid and therefore can only be a temporary form of funding. The CFR is calculated from the Authority's balance sheet in accordance with the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Expenditure in Local Authorities, 2021 edition.
5. For capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset as the principal repayment on an annuity with an annual interest rate equal to the average relevant PWLB certainty rate for annuity loans in the year of expenditure, for a loan term equal to the asset life, and forecast rates for future years, starting in the year after the asset becomes operational or in the year following expenditure was incurred up to a maximum of 50 years.
6. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.
7. For assets acquired by finance lease or private finance initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
8. Where former operating leases have been brought onto the balance sheet due to the adoption of the IFRS 16 Leases accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or incentives, then the MRP charges will be adjusted so

that the overall charge for MRP over the life of the lease reflects the value of the right-of-use asset recognised on transition rather than the liability.

9. For capital expenditure on loans to third parties which were made primarily for financial return rather than direct service purposes, MRP will be charged in accordance with the policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. This MRP charge will be reduced by the value any repayments of loan principal received during in the year, with the capital receipts so arising applied to finance the expenditure instead.
10. For capital expenditure on loans to third parties which were made primarily for service purposes, the Authority will make nil MRP except as detailed below for expected credit losses. Instead, the Authority will apply the capital receipts arising from the repayments of the loan principal to finance the expenditure in the year they are received.
11. For capital loans made on or after 7th May 2024, where an expected credit loss is recognised during the year, the MRP charge in respect of the loan will be no lower than the loss recognised. Where expected credit losses are reversed, for example on the eventual repayment of the loan, this will be treated as an overpayment.
12. For capital loans made before 7th May 2024 and for loans where expected credit losses are not applicable, where a shortfall in capital receipts is anticipated, MRP will be charged to cover that shortfall over the remaining life of the assets funded by the loan.
13. Capital loans to RHL will be subject to an annual credit loss review and MRP on an annuity basis in line with the government requirements.
14. Proceeds from the sale of capital assets are classed as capital receipts and are typically used to finance new capital expenditure. Where the Authority decides instead to use capital receipts to repay debt and hence reduce the CFR, the calculation of MRP will be adjusted as follows:
 - Capital receipts arising on the repayment of principal on capital loans to third parties will be used to lower the MRP charge in respect of the same loans in the year of receipt, if any.
 - Capital receipts arising on the repayment of principal on finance lease receivables will be used to lower the MRP charge in respect of the acquisition of the asset subject to the lease in the year of receipt, if any.
 - Capital receipts arising from other assets which form an identified part of the Authority's MRP calculations will be used to reduce the MRP charge in respect of the same assets over their remaining useful lives, starting in the year after the receipt is applied.

APPENDIX 3

- Any other capital receipts applied to repay debt will be used to reduce MRP in 10 equal instalments starting in the year after receipt is applied.

15. Capital expenditure incurred during 2025/26 will not be subject to a MRP charge until 2026/27 or later.

ANNEX 4**COUNCIL MEETING – 26TH FEBRUARY 2026****AGENDA ITEM NO. 4 (4)****GENERAL FUND BUDGET 2026/27 &
MEDIUM TERM FINANCIAL STRATEGY 2026/27 to 2029/30**

A report from the meeting of the Cabinet held on 10th February 2026

SUMMARY AND RECOMMENDATIONS:

This report sets out the draft General Fund Budget for 2026/27 and Medium-Term Financial Strategy (MTFS) up to 2029/30. The MTFS sets out the financial context of the council in the next two years and beyond into the new council after Vesting Day on 1st April 2028. The council's revenue deficit within the MTFS is ongoing with depleting reserves. This will require careful management and clear communication to the new council as early as possible to agree actions in 2027/28 in preparation to join the new council.

The Council is recommended to approve the following:

1. the Medium-Term Financial Strategy & the strategy set out in this report to mitigate the 2026/27 and 2027/28 MTFS deficit.
2. General Fund Revenue Budget Estimates Summary 2026/27 Appendix 1.
3. the Council Tax Requirement of £8,324,717 for this Council.
4. the Council Tax level for Rushmoor Borough Council's purposes of £246.87 for a Band D property in 2026/27 (an increase of £7.17).
5. the Capital Programme as per Appendix 1; and
6. The Strategy for the Flexible use of Capital Receipts as per paragraph 3.16 below.

1. INTRODUCTION

- 1.1. The Budget is a major decision for Rushmoor Borough Council (The Council) and setting a balanced budget is a statutory requirement. Scrutiny of these budget proposals demonstrate transparency and good governance. This report provides a summary of the revenue and capital budget proposals for 2026/27 and a medium-term financial forecast.
- 1.2. This is a key decision because it is likely to result in the Council incurring expenditure or making savings which are significant in as much as they will have a material effect on the level of council tax, balances or contingencies in relation to the Council's overall budget.

2. BACKGROUND AND EXECUTIVE SUMMARY

- 2.1. The council has a statutory duty to prepare a rolling 4-year Medium Term Financial Strategy (MTFS), although it has only two years remaining before being absorbed into a new unitary council. This is therefore the last budget and MTFS that this council will approve without external oversight in compliance with the Structural Change Order (SCO) expected in the summer / autumn of this year (2026) and subsequently the conditions set out in a Section 24 Direction. The government (MHCLG) has set out expectations of the council prior to the SCO that directly affect the council's considerations when approving this revision of its MTFS.
- 2.2. Before the Section 24 Direction is received, the government recognises that the council will continue to deliver essential services and that statutory duties such as those relating to the Best Value Duty and setting a balanced budget remain unchanged. It expects decisions regarding ongoing service delivery and the MTFS to not compromise the future sustainability of the new council and that councillors and statutory officers be cognisant that decisions taken now could fetter the future decisions of the new council and to act accordingly.
- 2.3. Examples of those decisions include but are not limited to the sale of significant assets, construction or investment in assets, transfer of local assets, entering into new contracts for service delivery including leisure and IT procurement, major service restructures, undertaking job evaluation, permanent appointments to senior positions, increasing borrowing, spending of reserves, and major changes to arrangements such as the local council tax support scheme and council tax exemption scheme. These examples are explicitly relevant to this council's proposed plans.
- 2.4. The expectation is that the council will continue to operate in accordance with the plans set out in the currently approved MTFS (February 2025) and Financial Recovery Plan and defer the implementation of any significant changes to service delivery other than where this would cause a gap or cessation of a key service or impact the council's ability to achieve financial sustainability.
- 2.5. Once the Section 24 Direction is received it will impose a requirement to obtain consent from the new council Executive in respect of a wide range of matters of public interest, effectively this will constrain the activities, expenditure and published plans of the council in the period to Vesting Day (1st April 2028) and become part of the council's proper decision-making process including amendments to the council's Financial Procedures Rules.
- 2.6. The current year's 2025/26 approved budget and MTFS is in deficit, supported by a Financial Recovery Plan (FRP) that was agreed in October 2024 and revised in February 2025. The current years' required budget reduction (i.e., revenue savings £1.784m) has been achieved, through mostly short term/one off savings. The council had planned to identify at least a £2m net budget reduction predominantly from the £14m staffing budget. The service review process did get underway during the year, and it very quickly became clear that the council does not have the capacity or advantage of scale to achieve a net

£2m budget reduction within a sensible payback period without a significant impact on service provision within the two remaining years of operation prior to reorganisation. That would not be in the public's interest or aid organisational stability during such a period of change. Furthermore, as part of the new council there will be significant economies of scale available to achieve efficiency savings and minimise adverse impact on service levels and reduce the risk of costly staff exits. In observance of the government's expectations, it is appropriate for the new council to align services with its priorities, and the ongoing structural deficit can be addressed at that point.

- 2.7. The proposed 2026/27 MTFS therefore has an ongoing recurrent annual deficit going beyond Vesting Day. This a significant matter that must be brought to the attention of the new council's Shadow Executive as soon as possible this year to agree actions ahead of the February 2027 budget and MTFS approval (i.e., the Shadow Council year).
- 2.8. The 2026/27 budget and revised MTFS is set out in detail in **appendix 1**.
- 2.9. Without any ongoing mitigation (i.e. capital receipts or expenditure reductions) the council cannot rely upon reserves alone to set a legally compliant budget in the remaining two years of the council, i.e., the 2026-2028 deficit is £4.813m (including supplementary expenditure) drawing from an available £5.147m estimated reserve resulting in £334k of reserves available to fund a certain, but not yet fully ascertained, additional recurrent expenditure in 2027/28 of circa £500k to £1m identified in appendix 1 as risks. In addition, the council is proposing to progress the Farnborough Leisure Centre with a net revenue expenditure impact in the short-term 2026-2028 of £806k, including additional borrowing interest and Minimum Revenue Provision (MRP). The projected revenue position in respect of the Leisure Centre improves considerably in the period after 2028 to provide net income.
- 2.10. In mitigation, the council is relying upon the sale of some assets to be completed in 2026/27 to reduce borrowing costs and drawdown of reserves of £3.05m between 2026-2028. With the planned asset sales, the council is projecting to have £3.384m useable reserves on Vesting Day, as mentioned above, before taking account of significant likely additional costs of between £500k to £1m in 2027/28 relating to property and waste contract matters that have not been sufficiently concluded at this stage to include in the budget estimates, and the additional revenue expenditure impact of the new Farnborough Leisure Centre.
- 2.11. There are sufficient reserves to set a balanced budget this year and to cover off risks in the next two years, dependent upon the timely achievement of the capital receipts. The proposed MTFS is therefore focused on delivering the Corporate Plan priorities and getting the council ready for transition to the new council rather than further implementation of the service review resulting in a level of service reductions and therefore the MTFS does not include an ongoing revenue savings target other than the sale of assets to reduce borrowing costs. Should there be any further slippage in the timing and value of capital receipts

during 2026/27, the council will have to compensate by an appropriate level of in year expenditure reductions.

- 2.12. The council has had an unplanned underspend on its budget in the last three years and expects to do so again this current year 2025/26 as reflected in the numbers in Appendix 1. The challenges within the service budgets have been set out clearly over the last two years, and progress on accurate service budgeting and forecasting has proven challenging due to an unpredictable and volatile environment making accurate financial forecasting challenging for service management who are provided with a high level of financial autonomy. The overall level of over budgeting has been reduced incrementally in the last two years by identification of savings based upon outturn figures. This process will happen again in May 2026 once the outturn for 2025/26 is finalised.
- 2.13. The council has a detailed insight into its ongoing service revenue budget challenges and areas of financial weakness through a robust MTFS supported by regular in year financial progress reports. The MTFS demonstrates a very strong consistency and continuity in the council's strategic financial management flowing through consecutive MTFS revisions and reviews resulting in no surprises. The October 2025 Mid-Year review identified and quantified progress on capital receipts, savings and key risks. These have been fully reflected within the current MTFS.
- 2.14. The council has benefited from a better-than-expected three-year Financial Settlement from the government, and this gives a level of certainty on that significant income stream and moves away from the one-year settlements in previous years. The full detail of the numbers is demonstrated in appendix 1 slide 17 "Central Government support, Council Tax and retained Business Rates". The level of council tax being assumed is the maximum increase permissible under the government's 2.99% increase referendum limits. The Finance Settlement assumes the council will apply this uplift in the fair funding calculations.
- 2.15. Business Rates (NNDR) continues to be an important element of the funding envelope for local councils. Despite its importance, the figure that the Council can reliably enter into the MTFS is contingent on a number of elements that require forecast and mitigation action. In any year the figure retained is the sum of what local businesses pay, less what must be paid back following successful appeals and a final assessment made as to how the total sum must be distributed between Councils and the Government. For 2026/27 the main elements of the system have all been updated. Every business has received a new rateable value (a revaluation) and the formula for retaining or paying over rates collected has been revised and the thresholds used reset. This has made this year's estimates difficult to forecast and must present a more significant risk of variation than in previous years due to the amount of change in the system. At the point of writing the report the Government were announcing further amendments to this year's changes to assist particularly the hospitality sector which may in turn impact the final figures. One of the upsides of a revaluation is the effect of a line being drawn under the period for appeals against previous valuations and thus risk of backdated refunds being paid. This

has created a one-off opportunity to reduce the risk provision for old appeals which is reflected in appendix 1 slide 17.

- 2.16. Work on the Financial Service capacity and capability has been ongoing. The team has now got 4 senior qualified and experienced Chartered Accountants since February 2025, compared to two in September 2023 which included an interim S151, both with short tenure. Significant progress has been made (with net favourable financial benefit) on resolving the 4-year backlog of unaudited accounts, the council's published Financial Statements up to date, and the audit concluded. The council is now benefiting from a deep insight into and management of its significant need to borrow, minimising the net borrowing cost, and has a much tighter control over the various capital projects' financial impact on the revenue budgets (i.e., Union Yard, Aldershot Crematorium, Farnborough Civic Quarter, Alpine Centre Ski Slope, The Meads Shopping Centre).

Role of the Chief Finance Officer and Section 25 Report

- 2.17. The council's Chief Finance Officer (Section 151 Officer) has a statutory duty to set out his justification for the robustness of the estimates included in the budget and the adequacy of the financial reserves in a Section 25 report (**appendix 3**) to accompany this budget report. The Act requires councillors to have regard to this Section 25 report in making decisions at the Council's budget setting and council tax setting meeting(s).
- 2.18. The council's Chief Finance Officer (Section 151 Officer) has a statutory duty to consider the requirement to issuing a Section 114(3) Notice, where in his view, the current or future expenditure of the authority incurred (including expenditure it proposes to incur) in a budget year is likely to exceed resources (including sums borrowed) available to it to meet that expenditure. A S114(3) Notice is extremely serious and has far-reaching implications for the Council. It requires the Council to cease all non-essential expenditure and reduce operational and service delivery costs immediately. That said, the council cannot go into Administration or Liquidation as it is backed by government and taxation. This means all contracts in flight and creditors are secure, staff will continue to be paid and deliver statutory services, particularly to the vulnerable and homeless.
- 2.19. As proposed in this report, the council can balance the 2026/27 General Fund budget, with the use of reserves, avoiding the issuing of a S114(3) in this financial year. However, the ability to resolve the MTFs deficit is also a S114(3) consideration in respect of the wider financial sustainability and reserves position, and this is much more challenging to assess in respect of the key significant financial assumptions. The MTFs and related risks will be kept under constant review during the year and will be brought to the new council's attention at the earliest opportunity to draw attention to the 2028/29 financial projection, which otherwise will, based upon these projections, require a S114(3) if the council were delayed or not to be absorbed into a new council on 1st April 2028.

3. Medium term Financial Plan 2025/26 to 202829

- 3.1. The role of the council's financial planning process, underpinning the MTFS, is to support the achievement of the Council Plan. The adopted Council Plan is the medium-term strategic policy document which sets out the general direction, key priorities and activities for the council and informs the use of its resources.
- 3.2. The MTFS also supports all other council strategies, such as the Capital Strategy and the Treasury Management Strategy. It acts as the framework linking the council's more detailed service plans, asset management plans and capital plans with the longer term, to help ensure that the council's plans are financially achievable.
- 3.3. The 2026/27 budget and MTFS has been set in the context of the current Local Government Reorganisation on the basis that the council will be absorbed into a new council on 1st April 2028 and is able to balance its budget and MTFS without external financial assistance prior to that date. It is also set within the context of the national economy, and the public expenditure plans detailed in the government's Spending Review and national legislation. The council needs to plan over the medium term for an increase in financial risk and year on year volatility. The economic outlook remains unclear, and it remains important that the council has a level of reserves that allows it to withstand unanticipated financial impacts of future developments at a local and national level.
- 3.4. The council's MTFS ending 2029/30 has been updated to include the latest General Fund assumptions and projections including the use of reserves to be drawn upon to meet the MTFS budget shortfall. This report sets out the ongoing material financial pressures, risks and uncertainty which remain on a significant scale. The latest MTFS projections show an estimated total cumulative gross budget shortfall, before compensating measures, over the four-year period of **£11.94m** 2026/27 to 2029/30. Planned asset disposals will reduce this to £3.962m. The report discusses these and other strategies for addressing the financial challenges to protect vital services and enable the council to achieve Vesting Day with an appropriate level of reserves remaining. The MTFS summary is set out on **Appendix 1**.

Earmarked Reserves

- 3.5. A detailed schedule of all useable revenue earmarked reserve movements and balances is on **Appendix 2**.
- 3.6. The 2026/27 budget includes £400k of funding to support supplementary approvals in respect of legal, finance and planning expenditure that may not be managed within existing budget, such as Interim professional capacity, advice and consultation. The council's Local Plan is due to be revised as a project over the next two years and will require funding to resource surveys and relevant consultations. Therefore, Members are requested to delegate authority to

commit any spend to the Senior Leadership Team in consultation with the relevant Portfolio Holder.

- 3.7. In addition, the budget also includes a schedule of activity to deliver the Council Delivery Plan priorities amounting to £237k to be funded as one off activities from useable reserves. The detail is listed on a schedule in **appendix 1**. Members are requested to delegate authority to the Senior Leadership Team in as per the schedule.

Treasury Management Strategy

- 3.8. The council as part of its previous strategy for funding prior year capital programmes will have a need to borrow £149m by the end of 2026/27 before the application of capital receipts, this will be borrowed from other local Authorities and the Public Works Loan Board (PWLB), except for where the Council can use its own surplus cashflow to avoid external borrowing. The council will have £74m of external borrowing mature during 2026/27 that will have to be replaced with new borrowing.
- 3.9. The council's chief objective when borrowing is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty. The 2026/27 MTFs assumes an interest rate of 4.5%. The council's treasury advisors recommend a strategy to extend borrowing maturity towards 5-year maturity, with the expectation that the rates will settle at 4.5% as can be seen on the interest projection slide on appendix 1.
- 3.10. Treasury management operation is monitored and managed daily, with a strategic officer oversight panel reviewing market forecasts against the borrowing and cashflow forecasts. The Finance Portfolio holder will be briefed regularly on the overall position and strategy going forward. Audit and Governance Committee receive quarterly updates.

Capital Programme

- 3.11. The council's Capital Strategy and Capital Programme are considered over multiple years. The Strategy provides the framework for the Council's capital expenditure and financing plans to ensure they are affordable, prudent, and sustainable over the longer-term. The detailed capital programme and funding strategy is on **appendix 1**.
- 3.12. Work on scoping the cost of a leisure centre on the Civic Quarter site is still underway and nearing completion. A proposal will be considered by Cabinet in March 2026. The budget proposals do not include any assumptions on the revenue impact of the proposal at this time, and the budget and Treasury Management Strategies will have to be adjusted at the point Cabinet decide to recommend to Full Council on proceeding to RIBA stage4/build contract.
- 3.13. Refurbishment of the Aldershot Crematorium was completed this year and is now in operation with the revenue implications adjusted within the budget.

- 3.14. The Capital Programme includes £800k per year supporting the refurbishment of the council's-built estate, funded from anticipated long leasehold capital receipts. All expenditure against this budget will require a business case and cabinet approval, unless it is under the Cabinet delegated limit (ELT approval). The funding must also be secured prior to the expenditure being incurred.
- 3.15. The forward programme now includes £200k per year funding to refurbish playgrounds across the borough. This recognises that many playgrounds are nearing end of useful life and incurring increasing emergency maintenance costs. Refurbishment will be funded from existing capital receipts.

Flexible use of Capital Receipts

- 3.16. In 2022 the Government issued a new directive under the Local Government Act 2003 which allows flexibility regarding the use of capital receipts from sale of non-housing assets to fund revenue costs of service reform. This applies to capital receipts that meet the statutory definition and have been received since April 2016. The provisional finance settlement has extended this directive to end in 2030.
- 3.17. Where the council incurs costs to make significant changes to its service provision including efficiencies, the Flexible use of Capital Receipts Directive avoids pressure on revenue reserves by using capital receipts and makes the required council resolution to enable this to be done. It is the Council's proposed strategy for 2026/27 to use capital receipts for certain revenue costs where these directly lead to the delivery of an ongoing revenue budget saving or efficiency gain, including service review.

Council Tax Support Scheme (CTSS)

- 3.18. The Council has a statutory duty to set out its Council Tax Support Scheme prior to 1st April of a new financial year. The CTSS has been monitored by a CTSS Group for several years, including monitoring the effects of welfare reform changes, the implications of Covid 19 on people's employment and more recently further consequences of the cost-of-living crisis on those residents in receipt of CTS. The CTSS 2025/26 was recommended to Council under report FIN2501 adopting a full entitlement to CTS for qualifying individuals. The council is not proposing to change any of these terms, it aligns with our near neighbours and proposes that the current scheme remains unchanged.

External review and oversight

- 3.19. Given the financial situation, the Council has sought external perspectives on its financial plans and overall performance through a LGA Peer challenge and by commissioning CIPFA to undertake an independent review. The outcome of these reviews has been reported to Council during 2024. Cabinet has established a cross-party Cabinet Working Group to be known as the 'Financial Recovery Working Group' with the primary role of overseeing delivery of the Financial Recovery Plan. The group has engaged an experienced local government finance specialist from CIPFA as an independent member.

Alternative Options

- 3.20. The council must produce and keep under review a MTFS that by its nature includes several assumptions and options to deal with a range of transactions and service delivery strategy. Where there are options, these have been brought out in the relative section of this report.

Consultation

- 3.21. All Members of the Council are invited to a budget briefing seminar prior to the February 2026 Full Council to discuss the budget proposals and the full budget report is available online.
- 3.22. The Financial Recovery Working Group (FRWG) meet regularly to review progress in delivering the budget savings and effectiveness of the strategy to address the budget deficit.

4. IMPLICATIONS

Risks

- 4.1. There are a range of risks associated with the delivery of the MTFS and plan to address the budget shortfall. A full schedule and analysis of risk is given on **Appendix 4**. A summary of the key risks over the MTFS period are included below:
- Local Government Review delay beyond April 2028 will require significant budget savings to be implemented to address the adverse projections identified in this report.
 - Financial Statements disclaimed audit backlog to 2020/21 carries risk around impact on available reserves. Full audit assurance will not be achieved until the 2026/27 financial statements audit is completed by audit deadline of February 2029. There may be matters that affect the reserves identified at any point within this period.
 - Timing and value of capital receipts are a material element of achieving the budgeted reduction in borrowing interest and MRP and capacity to resource the work required has proven to be challenging for the council. Specific oversight is in place to assess the capacity and performance of this work.
 - Assumptions on interest rates may not materialise as planned. Securing cost certainty to Vesting Day is a key priority.
 - The airport planning application is a financial risk from the cost that could arise from any legal proceedings following the decision. This could be a significant revenue expense.
 - The Waste collection contract with Serco (circa £5m) negotiations to extend the contract have not been concluded. There are some significant cost and capital commitment risks associated with this contract that must be engaged with and understood as early as possible to enable any potential mitigation to be effective. A provision for cost risk has been included in the MTFS forecast.

- Local Government Reorganisation capacity cost to prepare the council during 2026/27 is budgeted at £300k. Work is now underway with the KPMG data Hub, the true capacity requirement will become clear by the end of April 2026.
- There is an unsecured loan to Farnborough International Limited (FIL) of £6.482m due for repayment in tranches in the next three years. The financial stability of FIL is reviewed quarterly to understand their trading and cashflow position and the risk to the council.
- Vacancy margin annual establishment savings target requires active management to achieve £400k, from staff turn-over.
- There is a contingent liability on the grant funding for the Civic Quarter, One Public Estate, with a potential repayment of £0.8m if grant conditions are not met by 31st March 2027. In addition, the Rushmoor Development Partnership (RDP) holds £750k representing the council's share of 50:50 development agreement costs on RDP balance sheet, if written off will be funded by useable revenue reserve.
- If the divestment of Union Yard 82 PRS units is delayed beyond May 2026 there will be an unbudgeted cost of circa £44.5k per month consisting of council tax, utilities, service charge.

Legal Implications

- 4.2. Section 151 Local Government Act 1972 requires the Council to make arrangements for the proper administration of their financial affairs and to secure that one officer has the responsibility for those affairs (the s151 officer).
- 4.3. The Council's legal duty to set a balanced budget is set out in section 31 Local Government Finance Act 1992, which provides that the Council must balance its expenditure with its revenue.
- 4.4. Section 114(3) Local Government Finance Act 1988 requires that: "The Chief Finance Officer of a relevant authority shall make a report under this section if it appears that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure."
- 4.5. The Council appears to be able to balance the 2026/27 General Fund budget, with the use of reserves, and therefore the Chief Finance Officer is not making a report under s114 at the current time. However, the MTFS projects a £11.94million deficit in the period to 31 March 2030. The position of the MTFS is more challenging to assess whether the Chief Finance Officer's statutory obligation will become relevant and whether there will be a requirement to report in accordance with s114 in due course.
- 4.6. The process for the issuing of a s114 report is set out in the Local Government Finance Act 1988. Section 115 provides that the Chief Finance Officer must consult in preparing such a report with the Council's Head of Paid Service and the Monitoring officer. The Chief Finance Officer must provide a copy of their s114 report to the Council's auditors as well as to every elected member of the Council. The Act provides that the Council must meet within 21 days and decide whether it agrees or disagrees with the views contained in the report and what

action it proposes to take, including financial controls. There is a prohibition of incurring any expenditure under any new agreement, other than in respect of funding statutory services, between the date of the report and the Council meeting without the authority of the Chief Finance Officer.

- 4.7. The Council must continue to act lawfully in making decisions on service delivery, regardless of any s114 report. There continues to be a requirement to conduct needs assessments, undertake consultation where appropriate, assess and have regard to equalities implications, and consider all other relevant considerations to inform their decisions about service delivery.
- 4.8. What cannot and should not be underestimated is how precariously balanced the financial position currently is, and the implications of just one of the risk factors coming to fruition. It will be vital for officers to highlight to the s151 officer (via SLT) any early indications of risks developing into reality.

Financial Implications

- 4.9. The priority focus on developing the longer-term FRP Service review has been affected by the need to participate in the development of the Local Government Review business plan, subsequent preparation for Vesting Day, development of the Corporate Delivery Plan priorities, changes within the senior leadership team and the impact of the administration moving to “no overall control”. The council’s officer capacity has been stretched to deliver continuity of services, ramp up work on preparing for the new council and ensure budget plans are delivered.
- 4.10. The proposed 2026/27 revenue and capital budgets and the revised MTFS include many assumptions, supported by explanations of the risks and implications within the body of this report. From the S151 perspective the budget and MTFS has been set out on an even-handed basis without optimism bias or over prudence. The messages within this report are understandably challenging and not easy to accept or necessarily politically agreed with. It is very important regardless of perspectives that members and officers have confidence and belief in the budget projections and not to propagate alternative spending strategies without further testing and diligence. If necessary, the S151 will seek external diligence on the budget and MTFS by engaging CIPFA as early as possible to complete a review and provide a third-party impartial view of the financial projections to ensure members have as much confidence as possible.
- 4.11. The S151 has discussed the proposed budget and MTFS with the council’s external auditor, Ernst Young (EY). The 2024/25 Annual Audit report was presented to the Audit and Governance committee on 28th January 2026, and being consistent with the previous year’s report, raises concerns regarding the council’s progress on achieving financial sustainability and resolving its deficit. EY have a duty to consider if it is appropriate to raise a public interest report, with the very grave effect of overriding the democratic control of the council. EY have expressed a continuing concern and will be keeping the councils progress

under review. EY attended a member only (i.e., no officers present) pre-meeting session of the committee on the 28th January to raise their concerns.

Resource Implications

- 4.4 As this report notes, the Council has a significant challenge ahead to prepare the council for Vesting Day and continue delivering services. The resource implications have been factored into the budget.

Equalities Impact Implications

- 4.5 This report sets out several actions that will lead to changes to the services and provisions the Council provides for residents across the Council. These proposals are subject to further work and decisions in relation to the budget are reserved for Council.
- 4.6 As a public body, the Council is required to comply with the Public Sector Equality Duty (PSED), as set out in the Equality Act 2010. The PSED requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. Failure to meet these requirements may result in the Council being exposed to costly, time consuming and reputation damaging legal challenges.
- 4.7 The Council must, therefore, ensure that it has considered any equality implications prior to decisions taken on proposals that will arise from the actions in the Financial Recovery Plan.
- 4.8 An equality impact assessment has been completed and is available on request.

5 CONCLUSIONS

The Council can set a balanced budget with the use of reserves to Vesting Day. There is a £11.94million deficit over the MTFS term. To resolve this, the budget will require capital receipts to reduce capital charges in the revenue account whilst drawing down reserves to fund the balance of the deficit of £3.962m. The new council Executive will have to be informed of the MTFS position as early as possible before February 2027 Budget Council.

CLLR GAYNOR AUSTIN
FINANCE & RESOURCES PORTFOLIO HOLDER

LIST OF APPENDICES:

Appendix 1: Medium Term Financial Strategy 2025/26 to 2028/29
Appendix 2: Earmarked Reserves schedule
Appendix 3: Section 25 report
Appendix 4: Risk Register

BACKGROUND DOCUMENTS:

Budget Council agenda 22nd February 2024: including the MTFS and Capital strategy reports.
25th July 2024 Council agenda item 5: MTFS update and 2023/24 budget outturn
15th October Cabinet agenda item 4: Financial Recovery Plan.
Budget Council agenda 27th February 2025: including the MTFS and Capital strategy reports.
MTFS 2025/26 to 2028/29 – Mid Year review: Cabinet agenda item 4 14th October 2025
Budget management – Month 8: 13th January 2026 Cabinet agenda item 3.

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MTFS 2026/27 – 2029/30



Financial Overview

	2025-26	Forecast	2026-27	2027-28	2028-29	2029-30
2026-27 MTFS	`000	`000	`000	`000	`000	`000
Deficit (surplus) before savings	5,623	5,623	(226)	4,002	3,809	4,352
Planned budget reductions:						
Interest saving on expected capital receipts	(418)	0	(812)	(1,196)	(1,304)	(1,332)
MRP savings from expected capital receipts	0	0	(30)	(1,012)	(1,017)	(1,271)
Service savings	(1,784)	(2,070)	0	0	0	
Total: Planned budget reductions	(2,202)	(2,070)	(842)	(2,208)	(2,321)	(2,603)
Deficit (Surplus) funded from reserves	3,421	3,553	(1,068)	1,794	1,488	1,748
Reserves available to fund deficit:						
Available to fund deficit:	10,931	9,608	5,147	5,497	1,828	(897)
Supplementary approvals	(1,128)	(908)	(400)	(400)		
Budget deficit	(3,421)	(3,553)	1,068	(1,794)	(1,488)	(1,748)
Delivery plan	0		(237)			
<i>Risk Items: Serco and Property voids</i>				(750)	(1,000)	(1,000)
<i>Leisure Centre revenue impact</i>			(81)	(725)	(237)	0
Reserves remaining	6,382	5,147	5,497	1,828	(897)	(3,645)
Reserves remaining excluding risk and Leisure centre			5,578	3,384	1,896	148
Reserves supporting specific initiatives:						
Reserves supporting specific initiatives		3,472	2,455	2,656	2,958	3,229
In year reserve movement to revenue account		(1,017)	201	302	271	273
Reserves remaining		2,455	2,656	2,958	3,229	3,502
Working Balance:		2,000	2,000	2,000	2,000	2,000

() implies a negative number, deduction from reserves

Financial Overview

The financial overview table shows the budget deficit on the revenue account over the MTFS period starting with the current year's approved budget and forecast outturn (i.e., February 2025 MTFS). Without any ongoing mitigation the council cannot rely upon reserves alone to set a legally compliant budget in the remaining two years of the council, i.e., 2026/27 revenue surplus £226k less supplementaries' £637k = net deficit £411k drawing from an available £5.147m estimated reserve, the following year 2027/28, the last year of the council, the deficit is £4.002m plus supplementary £400k with £4.736m of reserves i.e., reserve headroom of £334k. Before accounting for risks and the leisure centre project.

The council does have an asset disposal programme underway which is expected to deliver £842k reduction in capital costs (i.e., interest on borrowing and MRP) in 2026/27 and a further £2.2m reduction in 2027/28. Any further slippage in this programme will put the council's budget sustainability at serious risk.

The deficit, planned savings and reserves projections indicate that the council will end on Vesting Day with circa £3.384m of remaining useable reserves available to fund a deficit, excluding the risk and leisure centre and £1.828m including these items, plus £3.5m of reserves held to fund specific activity and the £2m working balance. The first year of the new council the reserves will be overdrawn.

There are several significant risks within the annual deficits that are described within this budget pack, there is a high probability that in 2027/28 the budget will be impacted by circa £500k to £1m of property and operational contract changes. Whilst the council is projecting to set a legally balance budget with the use of reserves in 2027/28, the following year it cannot after taking account of the risk and leisure centre and therefore this must be brought to the attention of the Shadow Unitary's attention as early as possible after the Structural Change Order is issued in the Summer.

The reserves also account for one off costs of next years Corporate Delivery Plan objectives, detailed on the following slide. In addition to this there will be some call upon reserves to fund the development of a new Local Plan. There is a high-level costing for the work to be undertaken of £345k in the next two years, in addition to the £200k of additional staffing included within the budget estimates. The specific purpose and timing of the expenditure is not certain enough at this point to earmark this expenditure within the reserve drawdown and will be reviewed in-year as work progresses and then under the Shadow authority in 2027/28 where the Unitary may wish to take a wider view on the production of the plan. The council is also relying upon interim staff to fill key posts such as legal, finance and regeneration. A delegation will be requested to draw upon reserves as required.

Corporate Delivery Plan

	2026-27
Corporate Delivery Plan one off revenue items	'000
Aldershot and Farnborough Growth Partnership	10
Community Partnership Projects	25
Events Programme	29
Health Inequalities Projects	32
Physical Activity Projects	25
Pride-in-Place Educational and Engagement Activities	6
Pride-in-Place Street Art Projects	3
Resident Survey	20
Rushmoor Together Projects	36
Urban Realm Improvement Projects	25
What's on calendar	26
Total: Revenue one off items	237

The budget includes £237k of one-off items supporting the Corporate Delivery Plan to be funded from reserves and not forming part of the ongoing base budget. There is also a proposal to increase the Place Protection officer's capacity at circa £160k per year to be built into base budget. This proposal can only go ahead once an equivalent permanent revenue saving is achieved to fund this change in base budget, it would not be appropriate to fund an increase in base budget from reserves. Detailed project proposals have been developed to support each item on the Corporate Delivery Plan cost schedule and are available on request.

In addition to these revenue items, the capital programme includes £200k per year to support playground refurbishment funded from existing capital receipts repurposed from the 2025/26 capital programme underspend.

Summary of Key Changes by year

	2025-26	2026-27	2027-28	2028-29	2029-30	
2026-27 MTFS high level of changes in base budget	`000	`000	`000	`000	`000	
Budget deficit	3,421	(1,068)	1,794	1,488	1,748	
Required Savings	1,784					
Total: deficit	5,205	(1,068)	1,794	1,488	1,748	
Budget changes for the following year :						
Total: Service Budgets	(333)	(112)	(28)	(499)		Includes £614k pay inflation
Net interest	(600)	(227)	17	100		See separate slide for analysis
Interest delay in Union Yard	418	0	0	0		Delayed sale to end of May 2026
Interest on expected Cap Receipts	(812)	(384)	(108)	(28)		£29.6m over MTFS
Minimum Revenue Provision	129	64	2	46		Crematorium borrowing on CFR
MRP expected reduction	(30)	(982)	(5)	(255)		Impact of £21m in 26/27 affected in 27/28
Pooled Fund provision	(1,000)	0	0	0		Reversal of provision no longer required
Pay inflation provision	0	480	489	499		26/27 is costed into service
Contract Inflation provision	80	748	582	418		See separate schedule
LGR provision	300	500	(800)	0		Structural Change Order requires a contribution to the Shadow
Local Plan Preparation	200	0	0	0		Additional officer capacity
Union Yard PRS holding costs provision	(89)	(132)	0	0		£221k in 25/26 : assumes sale completes by end of May 2026
Disposal of Civic Quarter Assets	0	0	(415)	0		Assumes capital receipt equates to the outstanding borrowing
Council Tax precept	(290)	(257)	(302)	(312)		Growth in tax base and 2.99% max uplift
Retained Business Rates	(640)	2,879	57	0		Released £2.5m 2023 appeals provision and 2024/25 surplus
Finance Settlement	(2,741)	183	236	290		See separate slide for analysis
Extended Producer Receipts	(479)	0	0	0		assumes same level of income each year from 2026/27
Earmarked Reserves funding	(386)	101	(30)	2		See separate slide for analysis
Total changes :	(6,273)	2,862	(306)	260		
Following year budget Surplus() and deficit:	(1,068)	1,794	1,488	1,748		

() implies improvement/income

Budget summary

2026-27 MTFS Summary	Budget 2025/26	Change 26/27	Budget 2026/27	Change 27/28	Budget 2027/28	Change 28/29	Budget 2028/29	Change 29/30	Budget 2029/30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Economy, Skills & Regeneration	(5,388)	(514)	(5,901)	285	(5,617)	216	(5,400)	(276)	(5,676)
Finance & Resources	3,454	(304)	3,150	(3)	3,147	3	3,150	(3)	3,147
Healthy Comm & Active Lives	2,893	210	3,103	(46)	3,058	(47)	3,011	(48)	2,962
Housing & Planning	3,337	162	3,499	(27)	3,472	(29)	3,443	(29)	3,414
Leader	(28)	8	(20)	0	(20)	0	(20)	0	(20)
Policy, Perform & Sustain	450	359	809	(4)	805	(4)	800	(4)	796
Pride in Place /N'hood Service	6,918	(254)	6,664	(317)	6,347	(168)	6,179	(138)	6,040
Total: Service Budgets	11,636	(333)	11,303	(112)	11,192	(28)	11,163	(499)	10,664
Total: Net Borrowing cost	7,165	(895)	6,270	(1,528)	4,742	(94)	4,648	(137)	4,511
Total: Corporate Costs	1,540	(508)	1,031	1,596	2,627	(144)	2,483	917	3,400
Total: Government determined funding	(15,724)	(4,151)	(19,874)	2,805	(17,069)	(9)	(17,078)	(22)	(17,100)
Earmarked Reserves funding	587	(386)	201	101	302	(30)	271	2	273
Required Savings	(1,784)	1,784	0	0	0	0	0	0	0
Surplus(), Deficit funded from reserves	3,421	(4,489)	(1,068)	2,862	1,794	(306)	1,488	260	1,748

() implies improvement/income

This is the high-level summary of the key elements of the council's budget requirement. The council was pursuing a service review process to delivery future savings beyond 2026/27. Service review was focused predominantly on the staffing capacity cost as the last remaining unscrutinised element of the base budget. Reshaping services has a long lead in time to drive out cost, with only two years left of the council's existence, there is insufficient time to realise savings beyond quick wins such as deletion of vacant posts. Significantly more work and close collaboration of all members and officers would be required to achieve a meaningful reduction in staff cost; it will be very challenging in the next two years to support and robustly deliver any savings target built into the budget in a managed way. Therefore, no ongoing savings target will be included in the budget. Based upon the last three years outturn, it is possible that there could be an underspend resulting from a culture of over budgeting/optimism within the services. The new unitary council will be in a much stronger position to reframe the Rushmoor financial contribution through economies of scale and new priorities, therefore the deficits beyond 2027/28 are not a significant challenge for a unitary to resolve and the council can rely upon reserves for the next two years to fund the annual deficits if sufficient capital receipts achieved.

Service budgets: summary of changes

	Budget 2025/26	Change 26/27	Budget 2026/27
	£'000	£'000	£'000
2026-27 MTFS: analysis of changes in service budgets			
Total: Service Budgets	11,636	(333)	11,303
Budget change analysis:			
Pay award 3.5%		386	
2025/26 additional pay award, budget assumed 2.5%, settlement was 3.2%		131	
Pay contractual increment drift		97	
Pension employer contribution reduction: pension fund overfunded		(340)	
Net changes in posts and grades during the year		(69)	
Total Establishment change		206	
Business rates payable: result of business rates reset new multipliers and rateable values		384	
Savings: Budget reductions before virement to new expenditure		(1,301)	
Growth between 25/25 and 26/27 excluding virement and inflation: i.e. new expenditure		689	
Growth: 2025/26 inflation allocated to services from the inflation provision		362	
Change in Government grants included within services		15	
Increase in fees and charges		(689)	
Total change in service budgets:		(333)	

() implies improvement/income

The change in net service budgets between 2025/26 (i.e., this financial year) and next year (2026/27) is £333k reduction. The table provides a high-level summary of the key components. Full schedules of the changes are available to review outside of this report. The savings and growth lines are predominantly service management level changes in budget. Rushmoor has a culture of significant autonomy at service level with limited oversight, despite financial procedure and delegation limits within the constitution. The budget outturn in the last three years has been a significant underspend compared to the service forecasts, indicating that there is a level of over budgeting and insufficient attention to actual costs compared to budget. Going forward it is proposed that the Quartey budget reporting is presented by the Executive Heads of Service to Overview and Scrutiny committee before Cabinet consideration.

Net Borrowing Cost

	Budget 2025/26	Change 26/27	Budget 2026/27	Change 27/28	Budget 2027/28	Change 28/29	Budget 2028/29	Change 29/30	Budget 2029/30
2026-27 MTFS Summary									
Net interest	5,450	(600)	4,850	(227)	4,623	17	4,640	100	4,739
Interest on planned Cap Receipts	(418)	(394)	(812)	(384)	(1,196)	(108)	(1,304)	(28)	(1,332)
Minimum Revenue Provision	2,133	129	2,263	64	2,327	2	2,329	46	2,375
MRP planned reduction	0	(30)	(30)	(982)	(1,012)	(5)	(1,017)	(255)	(1,271)
Total: Net Borrowing cost	7,165	(895)	6,270	(1,528)	4,742	(94)	4,648	(137)	4,511

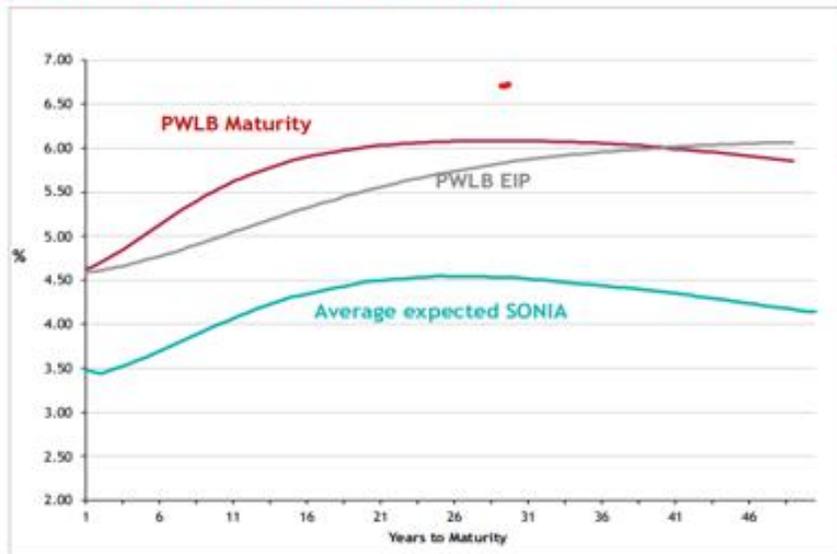
	Budget 2025/26	Change 26/27	Budget 2026/27	Change 27/28	Budget 2027/28	Change 28/29	Budget 2028/29	Change 29/30	Budget 2029/30
Net Interest Summary									
Borrowing Interest Payable	6,852	9	6,861	(248)	6,613	(116)	6,497	22	6,519
Interest from Money Market investments +Pooled Funds	(955)	(731)	(1,686)	0	(1,686)	0	(1,686)	0	(1,686)
Interest from loan to RHL	(94)	0	(94)	0	(94)	0	(94)	0	(94)
Interest on Farnborough International loan	(294)	63	(231)	21	(210)	133	(78)	78	0
Capitalised Interest	(59)	59	0	0	0	0	0	0	0
Total: Net interest	5,450	(600)	4,850	(227)	4,623	17	4,640	100	4,739

() implies improvement/income

Borrowing strategy is to gain cost certainty with borrowing maturity circa 3 years, budget assumes 4.5% on borrowing replacement. Net interest assumes that the council will minimise its external borrowing by careful cashflow management using as much surplus cash as possible. The timing of capital receipts has an impact on the amount reborrowed to replace maturing borrowing. The overall target interest rate on borrowing has been reduced from 4.78% to 4.5% going forward, in line with market projections and the continuing need for cost certainty within the next two years. The level of interest earned on surplus cash has been projected as a flat amount over the MTFS, this is entirely dependant upon the levels of surplus cash, affected by capital receipts timing, performance of the Pooled Funds and the interest rates available on the Money Market funds. The Farnborough International Loan (FIL) will be repaid in tranches, as planned, and this will reduce interest earned on the principal, and is factored into the borrowing interest reduction as borrowing is reduced by the cash received from the repayment of the FIL loan.

Borrowing Interest Rate data: Council policy is to borrow on maturity profiles between 1yr and 4.5yr, ideally 3+yr to give cost certainty

PWLB Interest Rates/Yields 16/01/2026 PM

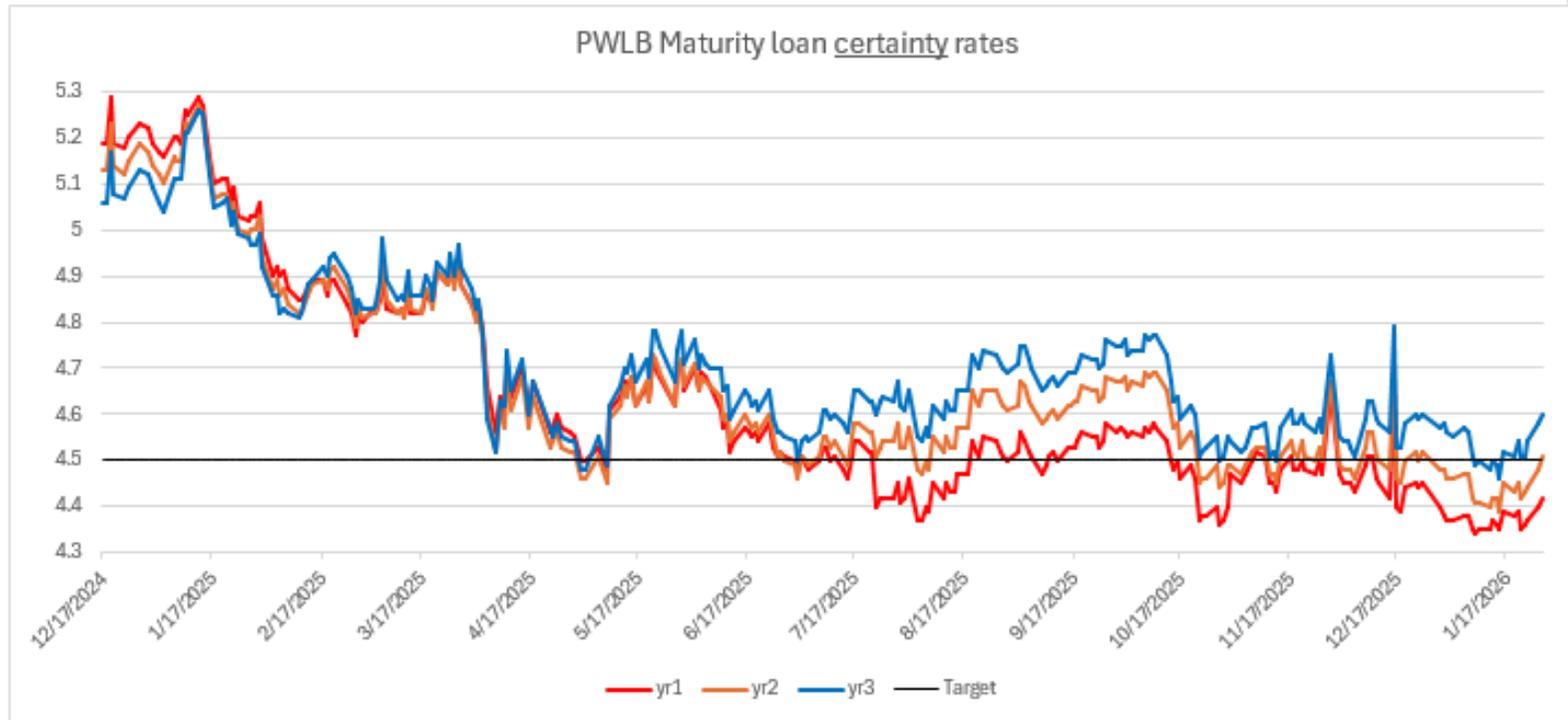


PWLB BORROWING (MATURITY)				
Maturity	16 January 2026	MINIMUM 2025-26	MAXIMUM 2025-26	AVERAGE 2025-26
1 YR	4.58	4.54	5.04	4.71
4.5 - 5 YR	4.90	4.82	5.19	5.00
6.5 - 7 YR	5.13	5.05	5.43	5.24
9.5 - 10 YR	5.45	5.37	5.82	5.58
14.5 - 15 YR	5.81	5.72	6.26	5.98
29.5 - 30 YR	6.08	6.00	6.65	6.29
49.5 - 50 YR	5.85	5.66	6.34	6.01

The council borrows at the PWLB certainty rate, 20 basis points lower than the rates in the table above (i.e. subtract 0.2)

The graph above demonstrates the interest rate on borrowing across a range of maturities on the 16th January. The council borrows Maturity from the PWLB to give interest rate certainty for the duration of the borrowing. The EIP line assumes the council will prepay borrowing in instalments. This would require the council to reborrow to finance the instalments and therefore be exposed to interest rate changes. The table on the right provides the rate on the 16th for one and 4.5 ½ year borrowing as well as the minimum and maximum rate for those terms year to date. The council's average cost of borrowing is 4.73% with 50% of the borrowing being for maturities longer than one year. The MTFS assumed 4.78% and this has been adjusted to 4.5%.

PWLB rates over last 12 months: for maturities between 1 and 3 years – certainty rate i.e. gilt plus 80 basis points (i.e. add 0.8), already adjusted on the chart.



The graph demonstrates the daily interest rates on borrowing for 1,2 and 3 year maturities. The trend over the last 12 months has been downward with in year volatility. Going forward the council will, within its remaining two years, look to borrow for as longest maturity as possible up to 4.5% interest. The graph indicates that 3-year maturities may be more difficult to achieve. During 2025/26 the target rate included in the MTFs was 4.78%, 3-year maturity were available during the year.

Borrowing interest projection: look at the 5 year gilt and add 0.8 to the figures

	Current	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28
Official Bank Rate													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	3.75	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
3-month money market rate													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	3.82	3.55	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.35	3.35	3.35
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
5yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	3.96	3.85	3.80	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.80	3.80	3.80
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
10yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.52	4.40	4.35	4.30	4.30	4.30	4.30	4.30	4.30	4.30	4.35	4.35	4.35
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
20yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	5.16	5.00	4.95	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.95	4.95	4.95
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
50yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.74	4.65	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.65	4.65	4.65
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%; PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%
 PWLB HRA Rate (Maturity Loans) = Gilt yield + 0.40%; National Wealth Fund Rate (Maturity Loans) = Gilt yield + 0.40%

- In line with our long-held forecast, Bank Rate was cut to 3.75% in December.
- Continuing disinflation, rising unemployment, softening wage growth and low confidence suggests that monetary policy will continue to be loosened.
- Arlingclose expects Bank Rate to be cut to 3.25% by middle of 2026. However, near-term upside risks to the forecast have increased.
- Medium and long-term gilt yields continue to incorporate premia for UK government credibility, global uncertainty and significant issuance. These issues may not be resolved quickly and we expect yields to remain higher than would normally be consistent with Bank Rate expectations.

This table presents the forecast rates for borrowing as well as investing surplus cash. The relevant borrowing rate for the council is the 5-year gilt, the shorted time projection given. The council will be looking to borrow around 3-year maturity, so below the projected figure. The projection depicts a stable rate in the next 2.5 years, with some upside and downward volatility as seen in the previous graph.

Borrowing projections: including impact of planned capital receipts, linked to the Treasury

Management Strategy

Borrowing projection over MTFS period	Mar-26		Mar-27		Mar-28		Mar-29		Mar-30	
Borrowing profile	£m	Ave Rate	£m	Ave Rate	£m	Ave Rate	£m	Ave Rate	£m	Ave Rate
Contracted borrowing: PWLB and other councils	149	4.73%	75	4.57%	65	4.55%	25	4.56%	0	0%
Future borrowing forecast	0	0.0%	74	4.5%	81	4.5%	118	4.5%	141	4.5%
Total: Borrowing assumed in MTFS & interest cost	149	7.0	149	6.8	146	6.6	143.0	6.5	141	6.3

Planned capital receipts in MTFS:

Meads Block 3: March 2027 £2m		(2.0)	0.0	(2.0)	(0.1)	(2.0)	(0.1)	(2.0)	(0.1)
Union Yard: PRS £14.4m: end of May 26		(14.4)	(0.5)	(14.4)	(0.6)	(14.4)	(0.6)	(14.4)	(0.6)
Optrex: Feb 2026 £1.5m		(1.5)	(0.1)	(1.5)	(0.1)	(1.5)	(0.1)	(1.5)	(0.1)
Hawley April 2026 £3.6m		(3.6)	(0.1)	(3.6)	(0.2)	(3.6)	(0.2)	(3.6)	(0.2)
Devereux House: May 2026 £1.5m		(1.5)	(0.1)	(1.5)	(0.1)	(1.5)	(0.1)	(1.5)	(0.1)
168 High Street Guildford: March 2027 £2m		(2.0)	0.0	(2.0)	(0.1)	(2.0)	(0.1)	(2.0)	(0.1)
FIL loan 2: funded by cap rec June 26		(2.1)	(0.1)	(2.1)	(0.1)	(2.1)	(0.1)	(2.1)	(0.1)
FIL loan 2: funded by cap rec June 28						(2.5)	(0.1)	(2.5)	(0.1)
Total: Capital receipts and interest saved	0	(27)	(0.9)	(27)	(1.1)	(30)	(1.2)	(30)	(1.2)

Net borrowing projection and interest in MTFS

	0	122	5.9	119	5.5	113	5.3	111	5.2
Over borrowed:	1	-1		0		0		0	

Capital Financing Requirement (CFR)

	2026	2027	2028	2029	2030
Liability benchmark (i.e. minimum borrowing to avoid bank overdraft)	148	123	119	113	111
Loans CFR: capital expenditure funded by borrowing less cap receipts and MRP	171	145	142	136	134
Internal borrowing: Temp use of surplus cash to avoid external borrowing	23	22	22	23	23
Investments (cash float £5m + pooled funds £13m)	19	18	18	18	18
Balance sheet resources: Debtors less creditors and add useable reserves	(41)	(40)	(40)	(41)	(41)
Should be zero	1	0	0	0	0

The top panel demonstrates the maturity profile of existing borrowing and the need to reborrow, prior to capital receipts, along with the average interest. The middle panel shows the reduction in borrowing and interest saved. The bottom panel reconciles the projected borrowing to the councils Liability Benchmark, i.e., the least amount of borrowing the council will require to ensure it doesn't run out of money. Whilst the council has circa £40m of cash within its balance sheet, it also handles cash belonging to the government and HCC during the year resulting in surplus cash in the bank, available to delay borrowing in year or temporarily invest.

Planned Capital Receipts

Impact of planned capital receipts	MRP Policy	Capital Receipts	2026-27	2027-28	2028-29	2029-30
Planned MRP reduction		£'000	£'000	£'000	£'000	£'000
Meads Block 3: March 2027 £2m	Annuity	(2,000)	0	(9)	(9)	(10)
Union Yard: PRS £14.4m: end of May 26	Annuity	(14,400)	0	(61)	(64)	(67)
Optrex Feb 2026 £1.5m	Annuity	(1,500)	(30)	(31)	(32)	(33)
Hawley April 2026 £3.6m	10 yr straight line	(3,600)	0	(351)	(351)	(351)
Devereux House: May 2026 £1.5m	10 yr straight line	(1,500)	0	(150)	(150)	(150)
168 High Street Guildford: March 2027 £2m	10 yr straight line	(2,000)	0	(200)	(200)	(200)
FIL loan 2: funded by cap rec June 26	10 yr straight line	(2,105)	0	(211)	(211)	(211)
FIL loan 2: funded by cap rec June 28	10 yr straight line	(2,500)	0	0	0	(250)
Total: Planned MRP reduction		(29,605)	(30)	(1,012)	(1,017)	(1,271)

Interest saving on planned capital receipts 4.5%:

Meads Block 3: March 2027 £2m	(2,000)	0	(90)	(90)	(90)
Union Yard: PRS £14.4m: end of May 26	(14,400)	(540)	(648)	(648)	(648)
Optrex: Feb 2026 £1.5m	(1,500)	(68)	(68)	(68)	(68)
Hawley April 2026 £3.6m	(3,600)	(149)	(162)	(162)	(162)
Devereux House: May 2026 £1.5m	(1,500)	(56)	(68)	(68)	(68)
168 High Street Guildford: March 2027 £2m	(2,000)	0	(90)	(90)	(90)
FIL loan 2: funded by cap rec June 26	(2,105)	0	(71)	(95)	(95)
FIL loan 2: funded by cap rec June 28	(2,500)	0	0	(84)	(113)
Total: Interest on planned capital receipts	(29,605)	(812)	(1,196)	(1,304)	(1,332)

() implies improvement/income

Capital receipts from assets that the council is not carrying any borrowing are allowed to reduce the annual MRP charge by 1/10th of the receipt each year. This is a significant advantage for the budget deficit. Hawley is specifically important to the budget estimates. Union yard is significant for its interest saving but doesn't attract much MRP.

Minimum Revenue Provision

Minimum Revenue provision (MRP)	2024/25	2025-28	2025/26	2026/27	2027/28	2028/29	2029/30
	CFR	Capital receipts	MRP	MRP	MRP	MRP	MRP
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Civic Quarter	7,357	0	64	80	82	84	86
Crematorium	3,145	0	0	91	96	101	107
Meads	10,467	0	47	49	52	55	58
Meads Block 3: March 2027 £2m	0	(2,000)	0	0	(9)	(9)	(10)
Operational	13,577	0	400	415	424	368	356
RHL	694	0	16	16	17	17	17
Union Yard	53,805	0	423	440	456	472	488
Union Yard: PRS £14.4m end of May 26	0	(14,400)	0	0	(61)	(64)	(67)
Commercial property	82,006	0	1,201	1,231	1,263	1,295	1,328
Frimley £3.3m received April 2025	0	(3,300)	0	(60)	(61)	(63)	(64)
Optrex Feb 2026 £1.5m	0	(1,500)	0	(30)	(31)	(32)	(33)
Devereux House: May 2026 £1.5m	0	(1,500)	0	0	(150)	(150)	(150)
168 High Street Guildford: March 2027 £2m	0	(2,000)	0	0	(200)	(200)	(200)
Hawley April 2026 £3.6m	0	(3,600)	0	0	(351)	(351)	(351)
FIL loan 1: funded by borrowing	2,200	0	0	0	0	0	0
FIL loan 1: funded by borrowing June28 +Sept 28	0	(2,200)	0	0	0	0	0
FIL loan 2: funded by cap rec June 26	0	(2,105)	0	0	(211)	(211)	(211)
FIL loan 2: funded by cap rec June 28	0	(2,500)	0	0	0	0	(250)
Total: MRP	173,252	(35,105)	2,150	2,233	1,315	1,312	1,104
MRP before planned capital receipts			2,150	2,263	2,327	2,329	2,375
MRP on planned capital receipts			0	(30)	(1,012)	(1,017)	(1,271)

() implies improvement/income

Corporate Costs

	Budget 2025/26	Change 26/27	Budget 2026/27	Change 27/28	Budget 2027/28	Change 28/29	Budget 2028/29	Change 29/30	Budget 2029/30
2026-27 MTFS: Corporate costs									
Pooled Fund provision	1,000	(1,000)	0	0	0	0	0	0	0
Insurance	356	36	393	0	393	0	393	0	393
Pay inflation provision	0	0	0	480	480	489	969	499	1,468
Contract Inflation provision	362	44	406	748	1,154	582	1,736	418	2,153
LGR provision	0	300	300	500	800	(800)	0	0	0
Local Plan Preparation	0	200	200	0	200	0	200	0	200
Union Yard PRS holding costs provision	221	(89)	132	(132)	0	0	0	0	0
Disposal of Civic Quarter Assets	0	0	0	0	0	(415)	(415)	0	(415)
Vacancy Target	(400)	0	(400)	0	(400)	0	(400)	0	(400)
Total: Corporate Costs	1,540	(508)	1,031	1,596	2,627	(144)	2,483	917	3,400

Pay inflation is costed into the establishment in 2025/26 £419k at 2.5% and 2026/27 3.5% 614k. Pay inflation in 2026/27 higher than usual due to the additional 0.7% awarded in 2025/26 above the 2.5% assumed inflation.

Contract inflation is a mix of specific contractual uplifts and an assumed 3.8% across the MTFS period.

Union Yard 82 PRS units' sale is assumed to be completed by the end of May 2026, this is the monthly cost of council tax and utilities, not capital costs.

Civic Quarter assets were assumed to be sold at a value of circa £12m by the end of 2027/28. The sale proposal is not viable; however, some land will be required to be put to housing development by the end of March 2027 under the terms of the One Public Estate (OPE) grant conditions provided to facilitate site development to prevent repayment of the demolition costs of Pinehurst car park. The council is in negotiations with OPE to extend this deadline. The valuation assumption is only recognising the amount of land assembly debt on the CFR i.e., £7.4m (see MRP schedule).

LGR provision includes £300k for 2026/27 preparatory work. A Structural Change Order (SCO) is expected in 2026/27 requiring the council to pay towards the cost of setting up the Shadow Unitary, therefore an estimate of an additional £500k has been included, based upon the Surrey SCO. This figure will be confirmed at the time the SCO is made. Costs of LGR preparation in 2027/28 will be reimbursable from this figure by the Shadow in 2027/28.

Contractual Inflation provision

Inflation	Base budget	2025-26	2026-27	2027-28	2028-29	2029-30
	£000	£000	£000	£000	£000	£000
Audit Fees	144.0	11.2	11.6	12.1	12.5	13.0
CCTV contract Runnymede DC	80.0	3.0	3.2	3.3	3.4	3.5
CCTV broadband connection	150.5	5.7	5.9	6.2	6.4	6.6
Clayton Court top up	39.0	1.5	1.5	1.6	1.7	1.7
Airport Lodge	95.0	3.6	3.7	3.9	4.0	4.2
Community Patrol contract	16.0	0.6	0.6	0.7	0.7	0.7
LSH contract	95.0	3.6	3.7	3.9	4.0	4.2
SIAP	100.6	3.8	4.0	4.1	4.3	4.4
Council Tax	12.7	0.5	0.5	0.5	0.5	0.6
Electricity	512.1	19.5	20.2	21.0	21.8	22.6
Gas	183.5	7.0	7.2	7.5	7.8	8.1
Ground Maintenance	152.7	7.6	6.1	6.3	6.6	6.8
Insurance	392.7	0.0	14.9	15.5	16.1	16.7
IT infrastructure and equipment	1,138.6	34.2	44.6	46.3	48.0	49.8
Leisure Centres contract	284.0	10.8	11.2	11.6	12.1	12.5
Members Allowances	380.7	13.3	13.8	14.3	14.8	15.3
Non-Domestic Rates	1,084.6	0.0	21.7	22.1	22.6	23.0
Playground Apparatus contract	64.6	2.5	2.5	2.6	2.7	2.9
Serco	4,861.9	243.1	194.0	562.2	389.4	217.0
Trade Refuse	37.1	0.0	0.0	0.0	0.0	1.4
Water	55.6	2.1	2.2	2.3	2.4	2.5
Misc growth		0.0	32.9	0.0	0.0	0.0
Total: inflation provision		374	406	748	582	418

Inflation has been assumed at circa 3.8% across the MTF5 2025/26 has been costed into the services future years shown in the budget as a single line provision within the corporate costs schedule. Inflation will only be transferred (vired) to service budgets based upon contractual evidence.

Central Government support, Council Tax and retained Business Rates

2026-27 MTFS Summary	Budget 2025/26	Change 26/27	Budget 2026/27	Change 27/28	Budget 2027/28	Change 28/29	Budget 2028/29	Change 29/30	Budget 2029/30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax precept	(8,069)	(290)	(8,360)	(257)	(8,617)	(302)	(8,918)	(312)	(9,231)
Retained Business Rates	(5,071)	(640)	(5,711)	2,879	(2,832)	57	(2,775)	0	(2,775)
Finance Settlement	(1,968)	(2,741)	(4,709)	183	(4,526)	236	(4,290)	290	(4,000)
Extended Producer Receipts	(615)	(479)	(1,094)	0	(1,094)	0	(1,094)	0	(1,094)
Total: Government determined funding	(15,724)	(4,151)	(19,874)	2,805	(17,069)	(9)	(17,078)	(22)	(17,100)

() implies improvement/income

Local government finance settlement	2025-26	26/27	27/28	28/27
	£ m	£ m	£ m	£ m
Retained Business Rates Income	5.071	2.930	3.158	3.404
Revenue Support Grant	0.132	3.721	3.476	3.210
Domestic Abuse Safe Accommodation Grant	0.039			
New Homes Bonus	0.512			
Recovery Grant	0.118	0.118	0.118	0.118
Homeless Grant	1.015	0.870	0.932	0.967
Employers NI compensation	0.152			
Total grants:	1.968	4.709	4.526	4.296
Change in grants:		2.741	(0.183)	(0.231)

Retained Business rates is an estimate pending the finalisation of the NNDR1 return. There has been significant changes in the calculation basis set by the government, the 2nd table compares the Finance Settlement baseline projection to the budget projection, which includes a one-off release of the 2023 appeals provision in 2026/27 and tapering mechanism going forward.

Capital Programme

Capital Programme	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000	2029/30 Budget £'000
Union Yard / Meads commercial units lease contributions	449			
CCTV	12			
Food Waste Bins	7	7	7	7
Wheeled Bins	120	120	120	120
Disabled Facilities Grants	1,493	1,493	1,493	1,493
Aldershot pools & gym buildings refurbishment				
Asset Management capital expenditure provision	800	800	800	
IT Equipment Replacement	77	77	77	77
IT Infrastructure Investment - Domain Controllers migration	20			
IT Infrastructure Investment - Firewalls upgrade	100			
North Town Portacabin	35			
Playground refurbishments	200	200		
Princes Hall	160			
Southwood Country Club Store Building	25			
Total	3,568	2,697	2,497	1,697

Funded by:				
Developer contribution to Wheeled bins	20	20	20	20
Disabled Facilities Grants	1,493	1,493	1,493	1,493
Capital Receipts	2,055	1,184	984	184

There will be some project budgets reprofiled from 2025/26 financial year once the outturn is finalised at the 31st March year end. These will be additional reprofiled approved budgets added to this programme.

Earmarked Reserve movements in the revenue account

2026-27 MTFS Earmarked Reserve movements in the Revenue Account	2025-26 £' 000	2026-27 £' 000	2027-28 £' 000	2028-29 £' 000	2029-30 £' 000
Rowhill SANG	0	73	(21)	(21)	(21)
Skilled Up	(12)	0	0	0	0
Domestic abuse	(32)	0	0	0	0
Homes for Ukraine support	(34)	(47)	0	0	0
Community Recovery Fund	0	(53)	0	0	0
New Burdens Elections	0	(4)	0	0	0
Southwood 2 (Woodlands in Perpetuity)	0	109	(16)	(16)	(16)
Guillemont Tree Maintenance s106	0	(1)	0	0	0
Sports Pitch Land Commuted Sum	0	(7)	0	0	0
Amenity Areas s106	0	(4)	0	0	0
Climate Emergency Reserve	(48)	(13)	0	0	0
Southwood Country Park SANG Earmarked Reserve	0	9	(9)	(9)	(9)
Extended Producer Receipts: glass recycling	0	199	199	199	199
SANG/SAMM/S106	(91)	(61)	153	123	125
Total: Earmarked reserve movements	(218)	201	306	276	278

Brackets () means income to the revenue account

Financial risks and contingencies

- Armed forces day £100k underwritten cost
- Timing of capital receipts, key concerns – Hawley and Union Yard are both singularly significant to the next two years budget providing a total of 2026/27 £689k savings and 2027/28 £1.214m saving.
- Commercial property: Bridge house lease ends in September 2027 full lease is £464k per year, with an assumption of 6 months vacancy (optimistic) and the void costs. £264k reduction reflected in the budget.
- Ashbourne House tenancies are reducing impacting income and incurrng future void costs
- Serco contract extension negotiation under way: +£500k per year additional to what is already in the budget and inflation provision.
- Reported forecast surplus (budget underspend) this year 2025/26 is likely to be wrong, historically, the year-end position is always different to the service manager forecasts.
- Interest on borrowing is assumed at no more than 4.5% and interest on TM investments (MMF + LA's) at 4%
- Extended producer receipts are included on a flat 4 year profile, this is likely not to be the case.
- Retained business rates – significant change, not settled down, higher cost impact, recoverability may be an issue when businesses are under pressure.
- Further risk analysis included in the budget report.

APPENDIX 2

Schedule of Earmarked Reserves

Earmarked Reserves	At 31 March 2024 £'000	At 31 March 2025 £'000	Forecast 31 March 2026 £'000	Forecast 31 March 2027 £'000	Forecast 31 March 2028 £'000	Forecast 31 March 2029 £'000	Forecast 31 March 2030 £'000
Reserves available to fund deficit							
Total: Revised useable reserves	(11,263)	(10,517)	(9,608)	(5,147)	(5,497)	(1,828)	(897)
Reserves supporting specific initiatives							
Mercury abatement	(528)	(553)	0	0	0	0	0
Community Recovery Fund	0	(489)	(84)	(32)	(32)	(32)	(32)
Homes for Ukraine support A	(320)	(362)	(276)	(229)	(229)	(229)	(229)
Asylum Dispersal	(144)	(298)	(364)	(364)	(364)	(364)	(364)
Flexible Housing Support Grant	(812)	(414)	(414)	(414)	(414)	(414)	(414)
Other grants (below £45k)	(154)	(225)	(118)	(118)	(118)	(118)	(118)
Tennis Court Sink Fund	0	(168)	(168)	(168)	(168)	(168)	(168)
Budget carry fwds	0	(129)	0	0	0	0	0
Deprivation reserve	(106)	(86)	(86)	(86)	(86)	(86)	(86)
LAHF	(42)	(80)	(68)	(68)	(68)	(68)	(68)
Climate emergency reserve	(124)	(67)	(13)	0	0	0	0
Afghan relocation scheme	(24)	(33)	(33)	(33)	(33)	(33)	(33)
Cyber security	(27)	(17)	0	0	0	0	0
Homes for Ukraine support B	(19)	(11)	(11)	(11)	(11)	(11)	(11)
Supp & Temp Accom. Work	(7)	(7)	(7)	0	0	0	0
A331 Air Quality Project	(213)	(5)	0	0	0	0	0
Control outbreak	(8)	(3)	0	0	0	0	0
Covid Council tax hardship	(43)	0	0	0	0	0	0
UK shared prosperity fund	(7)	0	0	0	0	0	0
Total: Reserves supporting specific initiatives	(2,578)	(2,947)	(1,642)	(1,523)	(1,523)	(1,523)	(1,523)
Reserves legally restricted - commuted sums							
Insurance Reserve	(253)	(253)	(253)	(253)	(253)	(253)	(253)
Developer contributions	(5,934)	(7,968)	(8,146)	(8,265)	(8,372)	(8,449)	(8,528)
Pipeline env imp res	(134)	(138)	(130)	(130)	(130)	(130)	(130)
Farnborough airport env Fund	(129)	(134)	(134)	(134)	(134)	(134)	(134)
Workforce Reserve	(312)	0	0	0	0	0	0
Total: Reserves legally restricted - commuted sums	(6,762)	(8,493)	(8,663)	(8,782)	(8,889)	(8,966)	(9,045)
Total Earmarked Reserves	(20,603)	(21,957)	(19,913)	(15,452)	(15,909)	(12,317)	(11,465)

APPENDIX 3

Local Government Finance Act 2003, Section 25: Budget calculations: report on robustness of estimates

1. Section 25 of the Local Government Finance Act 2003 requires the chief finance officer (CFO) (section 151 of the Local Government Act 1972) of the Council to report to Full Council on the following matters:
 - the robustness of the estimates included in the budget
 - and the adequacy of the financial reserves in the budget
2. The Act requires councillors to have regard to this Section 25 report in making decisions at the Council's budget setting and council tax setting meeting(s).
3. Section 26 of the Local Government Finance Act 2003 Minimum reserves: requires the CFO to ascertain a minimum level of reserves for the council and to determine the level of reserve at the end of the financial year under consideration, which cannot be less than the minimum set by the CFO.

Robustness of Estimates

4. Budget setting is based on a standstill approach in cash terms, with inflationary provision normally only made for specified expenditure (e.g., Pay Award, contracts with agreed uplift mechanism). The revenue budget is increased by unavoidable budget pressures that cannot be mitigated elsewhere.
5. The basis on which the budget for 2026/27 and the MTFS have been prepared has been set out clearly in this report, including sensitivity testing to specific changes in risk and assumptions. The key financial issues addressed within the budget estimates are described in this report.
7. The MTFS shows a £11.96million budget deficit as described in the report. The savings target has been set predicated on the assumptions on interest rates, capital receipts and a number of other significant assumptions set out within the MTFS.

Risk

8. As indicated in the reports to Cabinet and Full Council, there are several financial risks that the Council will face over the medium-term. The 2026/27 Budget and the MTFS have been prepared with consideration of the risks summarised in the report. It has not been possible to mitigate these risks through use of reserves alone and a budget recovery plan has been proposed.

Adequacy of the Reserves

9. The Budget Strategy set a target for the General Fund balance (working balance) to be maintained at a minimum of £2m. In addition to the £2million working balance, the Council is projecting to have £3.384m of useable reserves on 1st April 2026, before risk items and Farnborough Leisure centre is decided. The MTFS presented in appendix 1 forecasts that a significant repurposing of earmarked reserves will be required during 2025/26 (i.e., current year forecast deficit) to fund the forecast deficit.
10. The level of reserves shown in appendix 1 of the report indicates that the Council has sufficient reserves to set a legal budget for 2026/27, and potentially 2027/28, depending upon how the assumptions play out and progress made in achieving the planned capital receipts in the coming months.

11. Therefore, I am satisfied that the level of reserves the Council holds for the forthcoming year is adequate to support the budget although members should consider the level of reserves utilised in 2026/27 and the need to ensure reserves remain adequate over the medium-term.

Peter Vickers
Executive Head of Finance and Section 151 Officer

25th January 2026

APPENDIX 4

Risk Register

Ref	Risk category	Risk description	Inherent risk			Mitigations currently in place	Residual risk			Action required	Owner of further action	Target date for further action
			Likelihood	Severity	Risk Score		Likelihood	Severity	Risk Score			
1	Financial Statements	As the external audit of the Council's Financial Statements was disclaimed back to 2020/21 assurance cannot be provided on the opening balances of the Council's reserves. Full audit assurance cannot be achieved until the 2026/27 financial accounts, where opening reserve balances would have been assured, which is due to be completed by Feb 2029. Therefore, at any point during this period there is a risk that the reserve balances could be affected impacting the availability of reserves.	3	3		Building up stronger balance sheet controls and increase capacity/ technical capability within the finance team. (See risk 2) EY building up audit assurances over the next few years to have a clean audit report.	1	1	Low	The team has increased qualified financial capacity to lead the council through the next year end and audit with continuity in staff from last year end. Specific management review is now in place to ensure adequate working papers and balance sheet control.	Peter Vickers, Executive Head of Finance	Done

Page 168	Staffing, skills and capacity	There is insufficiently experienced capacity within the Finance team to support the Council through its current MTFS challenges and achieve a balanced MTFS without the use of reserves.	4	2	High	The finance team now has four qualified accountants in place for the last 12 months. A refocusing of the wider team is happening organically as priorities are being identified and resolved.	1	1	Low	The key priority is to focus on the financial support for service managers to help them improve their budget and forecasting accuracy and compliance with the Financial Procedure Rules (i.e., financial governance), an area identified as a significant weakness.	Peter Vickers, Executive Head of Finance	March-27
3	Financial Sustainability	Capital receipts are not achieved on time or at the value set out in the MTFS, which will have a material impact on the Council achieving the budget reduction in borrowing and MRP.	3	4	High	Two weekly reviews with Statutory Officers to sense check progress.	3	4	High	Monthly reporting of progress to Cabinet, escalating issues and resolutions.	Tim Mills, Executive Head of Property and Growth	March-27

4	Treasury Management	Assumptions on interest rates and inflation reductions do not materialise as planned.	3	4	High	The Council utilise Arlingclose for specialist advice on market assumption around interest and inflation rates. A strategic Treasury Management panel are in place in the Council who meet monthly to review positions from a strategic point of view with officers in place reviewing more regularly with an aim to lock in rates in line with the MTFS over the longer term when they materialise to provide more certainty over the MTFS period.	3	4	High	The requirement to borrow is managed through daily cashflow projection. Interest rates are monitored and borrowing is taken out at the most optimum time to align to gain cost certainty over as long a maturity period as possible.	Peter Vickers, Executive Head of Finance	Ongoing review
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Page 170	Property portfolio	Work on identifying and evaluating the latent liability (such as energy efficiency standards, major component replacement or dilapidations) on the substantial property holdings and additional capital expenditure on lease transactions has not been concluded and incorporated into the capital programme or revenue account through planned maintenance and income projections.	3	3	High	Some work has been progressed on the identification and needs to be completed to inform the Revenue budget. The Capital programme has £800k per years earmarked for capitalisable works.	2	3	Medium	An agreed planned maintenance schedule that is risk assessed and funded within the MTFS and actively managed.	Tim Mills, Executive Head of Property and Growth	Apr-27
6	Financial Sustainability	There is an unsecured loan to Farnborough International Limited (FIL) of £6.482m due for repayment in tranches in the next three years. There is a risk of the loan not being repaid.	2	3	Medium	The financial stability of FIL is reviewed quarterly by S151 to understand their trading and cashflow position and the risk to the council.	2	3	Medium	Continue engagement	Peter Vickers	Ongoing review
7	Financial Sustainability	Vacancy margin annual establishment savings target is not achieved as set out in the MTFS.	3	3	High	Carry out service reviews to reduce establishment cost in line with the target set within the MTFS.	2	3	Medium	Active management to ensure the council achieves the £400k saving.	Peter Vickers	Ongoing review

8	Financial Sustainability/ Treasury Management	Borrowing interest rates are higher than assumed within the MTFS. A 0.5% increase is an additional circa £300k per year	3	3	High	Borrowing is actively managed and longer-term borrowing is being taken out whilst also ensuring the cost is in line with the MTFS.	3	3		Daily oversight of PWLB rates and cashflow requirements	Peter Vickers	Ongoing review
9	Financial Statements	The Government could request repayment of grants due to conditions on grant funding not being met within timescales. This will require new borrowing and will have revenue implications currently not included within the MTFS.	3	4	High	Detailed analysis of the respective legal agreements, dialogue with the funders and conversation with the respective services re meeting the conditions.	3	4	High	Regeneration team gain confirmation of an extension of time with One Public Estate and not spend any further grant monies without the confirmation.	Peter Vickers	Ongoing review
10	Financial Sustainability	Divestment of Union Yard 82 PRS units is delayed beyond May 2026 will create circ. £44.5k per month council tax, utilities, service charge etc which have not been factored into the MTFS.	3	3	High	Cabinet have agreed the sale and conveyancing is underway. There is a political challenge to the sale that could result in significant delay and cost.	3	3	High	Complete the diligence on the options appraisal. Seek Political approval for the agreed action.	Karen Edwards	May 25

Rating Consistency Guidance

	Likelihood of Occurrence (L)	Severity of Outcome (S)
1	<p>Very unlikely Very unlikely to occur, (no history or near misses etc). Less than 5% probability.</p>	<p>Minor Risk to specific role. Legal action unlikely. No significant illness or injury. Negative customer complaint. Financial impact negligible.</p>
2	<p>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</p>	<p>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.</p>
3	<p>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</p>	<p>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.</p>
4	<p>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</p>	<p>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.</p>

ANNEX 5

COUNCIL MEETING – 26TH FEBRUARY 2026

AGENDA ITEM NO. 5

COUNCIL TAX SETTING 2026/27

SUMMARY

This report sets out the necessary resolutions in relation to the setting of Council Tax for 2026/2027. As billing authority for the purposes of Council Tax is required to set its Council Tax before 11th March in the financial year preceding that for which the Council Tax is set. This report summarises all the appropriate budgetary decisions that will have been taken to enable the level of Council Tax for 2026/2027 to be determined and specifies all the individual levels of Council Tax for approval by the Council.

RECOMMENDATIONS

It is recommended to Council that they approve the following Council Tax Resolution as detailed in Section 2 below.

1 INTRODUCTION AND BACKGROUND

- 1.1 This report sets out the necessary resolutions in relation to the setting of Council Tax for 2026/2027.
- 1.2 The Council, in approving the earlier budget reports, will have approved its Revenue Estimates for 2026/2027.
- 1.3 Rushmoor, as a billing authority for the purposes of Council Tax, is required approve the billing amounts which includes amounts due for all preceptors. Preceptors are the other types of public sector bodies that deliver services in the area. Rushmoor then collects the council tax on behalf of all preceptors and distributes this as per this Council Tax Resolution.
- 1.2 The formal Council Tax Resolution is given below. If the Resolution is approved the Council Tax for 2026/27 will be as follows:

Preceptor	2025/26	2026/27	Increase	Increase
	£	£	£	%
Rushmoor Borough Council	239.70	246.87	7.17	3.0
Hampshire County Council	1,609.83	1,690.11	80.28	5.0
Police & Crime Commissioner for Hampshire	275.46	290.46	15.00	5.4
Hampshire & Isle of Wight Fire & Rescue Authority	87.84	92.84	5.00	5.7
Total Band D	2,212.83	2,320.28	107.45	4.9

2 Council Tax Resolution

- 2.1 The overall council tax base is 33,721.50.
- 2.2 The Council Tax requirement for the Council's own purposes for 2026/27 is £8,324,826.71
- 2.3 Base for the year 2026/27 in accordance with Section 31B(3) of the Local government Finance Act 1992 as amended by the Localism Act 2011 (the 'Act').
- 2.4 That the following amounts are calculated by the Council for the year 2026/27 in accordance with Sections 31 & Sections 34 to 36 of the Act.

- a. £46,531,725.10 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
- b. £38,206,898.39 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- c. £8,324,826.71 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. £246.87 being the amount at 2(c) above, all divided by the amount in 2.1 above, calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of it Council Tax for the year.

e.

Valuation Band	Rushmoor Borough Council £
A	164.58
B	192.01
C	219.44
D	246.87

E	301.73
F	356.59
G	411.45
H	493.74

being the amounts given by multiplying the amount at 2(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 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.

- 2.5 That it be noted that for the year 2026/27 Hampshire County Council, the Police and Crime Commissioner for Hampshire, and Hampshire and Isle of Wight Fire and Rescue have stated the following amounts in precepts issued by 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)	56,993,044.37
Police & Crime Commissioner for Hampshire (PCCH)	9,794,746.89
Hampshire & Isle of Wight Fire & Rescue Authority (HIWFRA)	3,130,704.06

Valuation Band	Hampshire County Council £	Police & Crime Commissioner for Hampshire £	Hampshire & Isle of Wight Fire & Rescue Authority £
A	1,126.74	193.64	61.89
B	1,314.53	225.91	72.21
C	1,502.32	258.19	82.52
D	1,690.11	290.46	92.84
E	2,065.69	355.01	113.47
F	2,441.27	419.55	134.10
G	2,816.85	484.10	154.73
H	3,380.22	580.92	185.68

- 2.6 That, having calculated the aggregate in each case of the amounts at 2(e) and 3 above, the Council, in accordance with Section 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2026/27 for each of the categories of dwellings shown below:

Valuation Band	Total
A	1,546.85
B	1,804.66
C	2,062.47
D	2,320.28
E	2,835.90
F	3,351.51
G	3,867.13
H	4,640.56

- 2.7 That the council determines that the Council's basic amount of Council Tax for 2026/27 is not excessive in accordance with principles approved under Section 52(ZB) of the Local Government Finance Act 1992. Therefore, the increase in Council Tax is not such to trigger a referendum.

3 IMPLICATIONS

Financial

- 3.1 The Council's portion of Council Tax for 2026/2027 is a funding stream for the provision of services.

Legal Implications

- 3.2 Under the Local Government Finance Act 1992, the Council is required to determine the level of Council Tax for the Borough for 2025/26 by 11 March 2025. The Act prescribes the calculations to be set out in the Resolution while Section 67 of the Act allows for the Resolution to be considered following confirmation of the precepts. The amounts of Council Tax have been set in accordance with Sections 31 to 36 of the Local Government Finance Act 1992.

Equalities Impact Implications

- 3.3 There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010. The assessment is available on request.

4 CONCLUSIONS

The Cabinet recommended Council approve the Council's General Fund Budget for 2026/2027 on 10 February 2026 of which Council Tax is a funding stream. This report meets the statutory requirements to ensure billing of Council Tax to residents.

BACKGROUND DOCUMENTS:

There are no background papers as defined by Section 100D(5) of the Local Government Act 1972.

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COUNCIL MEETING – 26TH FEBRUARY 2026**AGENDA ITEM NO. 7****EXTENSION OF TERM OF OFFICE FOR DESIGNATED
INDEPENDENT PERSON**

A report from the meeting of the Licensing and Corporate Business Committee held on 15th January 2026.

SUMMARY

This report recommends an extension to the term of office for the Council's Designated Independent Person (DIP), Mr Matt Smith, up to the end of April 2028. This is a role which is required under the Localism Act to assist the Council in promoting and maintaining high standards of conduct amongst its elected Members. The Licensing and Corporate Business Committee supported the extension, and a copy of the role description is attached as Appendix 1.

RECOMMENDATION

The Council is recommended to approve an extension to the term of office of Mr Matt Smith as the Council's Designated Independent Person (DIP), for the period from July 2026 to end of April 2028.

1. BACKGROUND

1.1 Mr Matt Smith was appointed by the [Council in July 2023](#) as the Council's Designated Independent Person for a three-year term from July 2023 to July 2026. The appointment followed a public advertisement, application and interview process which included Member representation.

1.2 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: -

- They are, or have been within the last five years, an elected or co-opted member or an officer of the Council.
- They are, or have been within the last five years, an elected or co-opted member of any Committee or Sub-Committee of the Council; or
- They are 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 £604 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 is recommended that the Council extend Mr Smith’s term of office from July 2026 to April 2028 to align with the current timescale for vesting day for a new unitary authority. It would be open to the Council to carry out a fresh recruitment; however, there is precedence for a two-year extension and since his appointment, Mr Smith has attended regular update meetings with the Monitoring Officer, engaged diligently and ensured his availability, and developed an excellent understanding of the ethical framework as it operates within Rushmoor Borough Council.

2.6 Members have been canvassed to establish that there are no close personal relations with Mr. Smith.

Candidate Details

2.7 Mr. Matt Smith has over 20 years’ experience working for Housing Associations in the public sector, preceded by eleven years’ experience working for local authorities. During this time, Mr Smith has built significant experience in investigating issues, and has led numerous HR investigations including disciplinaries, grievances and formal consultation meetings. Mr Smith also has qualifications in life coaching and mentoring and is a member of the Association for Coaching. He has lived in and around the Rushmoor area for most of his life and has a keen interest in public life having been involved with several community organisations and projects over the years.

CLLR JACQUI VOSPER
CHAIR OF LICENSING AND
CORPORATE BUSINESS COMMITTEE

ROLE OF INDEPENDENT PERSON (STANDARDS) – RUSHMOOR BOROUGH COUNCIL

ROLE DESCRIPTION

Responsible to: The Council

Liaison with: Monitoring Officer, Deputy Monitoring Officers, Licensing and Corporate Business Committee, Officers and Members of the Council and 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 as part of an initial assessment of a complaint that a councillor has failed to comply with the Code of Conduct, before a decision is taken as to whether to carry out an investigation or that other action should be taken e.g., informal resolution.
3. To be consulted by the Council through the Monitoring Officer and/or via a Standards Hearing 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.
4. To be available to attend meetings of a Standards Hearing Panel appointed by the Licensing and Corporate Business Committee.
5. To be available for consultation by any elected member, who is the subject of a standards complaint.
6. To develop a sound understanding of the ethical framework as it operates within Rushmoor Borough Council.
7. 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.
8. To attend any relevant training events organised and promoted by the Council.
9. To act as advocate and ambassador for the Council in promoting ethical behaviour.

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COUNCILMEETING – 26TH FEBRUARY 2026

AGENDA ITEM NO. 8

REPORT ON THE WORK OF THE CROSS-PARTY COMMUNITY
ENGAGEMENT TASK AND FINISH GROUP**SUMMARY**

This report outlines the work undertaken by the cross-party Community Engagement Task and Finish Group. The Group was established following a Council motion in 2024 to understand and address community concerns following protests and instances of social unrest.

RECOMMENDATIONS

- Consider the report and note the achievements and effective cross party working of the Task and Finish Group.
- Confirm the work of Task and Finish Group is now concluded and that improving cohesion and integration is embedded in business as usual within service planning and day to day operations
- Continue to receive updates on cohesion activity through regular all Member Briefings and written updates.

1. INTRODUCTION

- 1.1. This report outlines the work overseen by the Members Community Engagement Task and Finish Group.
- 1.2. It provides details of the activities delivered by the Belong Network and the Council's Community & Partnership team and recommends a future approach to supporting cohesion and integration activity.

2. BACKGROUND

- 2.1. In August 2024 an extraordinary meeting of the Council was called to consider a Notice of Motion relating to the increasing tensions in the community. The Motion received unanimous support.
- 2.2. Members acknowledged that Rushmoor was a welcoming Borough in which no individual or group should feel unheard and/or fearful and it was important to ensure the concerns of the whole community were listened to and heard.
- 2.3. A cross-party Member Community Engagement Task and Finish Group was set up with an overall purpose *to work with local community groups and*

leaders to better understand and address community concerns. Remit of the group included:

- To be open and transparent.
- To understand concerns by facilitating constructive engagement with community groups and residents.
- To create a safe environment to discuss issues of concern including hate crime, safety and wellbeing.
- To work with community groups and develop an enhanced programme of community events and activity.

(Full Terms of Reference at Appendix One)

- 2.4. The Group was allocated a budget of £50k from the Asylum Dispersal Fund, to carry out their work, supported by officers from the Council's Community and Partnerships Service.

3. DETAILS OF THE WORK OVERSEEN BY THE MEMBER TASK & FINISH GROUP

Working with the Belong Network

- 3.1. In October 2024 the Task and Finish Group unanimously agreed to commission the support of the Belong Network, a national organisation specialising in community cohesion and inclusion. Belong acted as an independent body working with community groups and leaders supporting the Council to better understand community issues and concerns.
- 3.2. Between November 2024 and March 2025 Belong delivered a programme of activity in the local community focused predominantly on listening, understanding concerns, engaging, and creating safe environments. This work became known as 'Rushmoor Voices' and included the following activities:
 - Facilitating a public meeting on 20th November for approximately 40 participants, including members of Rushmoor People First, anti-racist campaigners, voluntary sector groups, community members and Councillors from the Task and Finish Group.
 - Delivering a workshop for all Councillors about conflict and tensions.
 - Hosting a series of informal local meetings with community members to explore and address key issues, emotions and experiences.
 - Conversations with local agencies: Including Rushmoor Councillors and officers, Police, MP, voluntary, community and faith sector representatives, housing providers, youth workers, educationalists, and MHCLG colleagues.
 - Facilitated workshops for partner groups – developing an understanding of local issues and exploring hopes, frustrations and ambitions and exploring opportunities for change.

- 3.3. The total cost of this work was £18k and was funded from the Council's Asylum Dispersal budget.
- 3.4. In April 2025, the Task and Finish Group received a report on the Rushmoor Voices programme. The report presented key findings and set out a range of options for the Council's consideration, including the continuation of work with Belong and an outline of proposed further activities (Appendix Two).
- 3.5. Key findings:
- Wider social issues including economic disparity, cost of living pressures and health inequalities contribute to a feeling of unjust unfairness and are a factor in community tensions
 - There is a perceived lack of trust by some residents with the Council and the democratic process
 - Misinformation and disinformation can create additional tensions
 - A need for clear communications to promote the Borough as a great place to live and to nurture and celebrate shared identities.
 - A need for a plan or programme of work for the Council to promote social cohesion and build strong and resilient communities.
- 3.6. A further meeting between Belong and the Task and Finish Group took place in May 2025 to review the report and the options for additional work. Following this, the Group agreed to continue its partnership with Belong for a further 18 months. To date the following has been delivered:
- Continued community engagement through the Rushmoor Voices programme – working with local groups, faith groups and partners
 - Working with young people in youth clubs to talk about what is important to them and what concerns they have
 - Facilitating local community meetings in specified locations to see what improvements local communities would like to see for their areas
 - Specialist consultancy support for the Council to consider a broader cohesion approach
 - Delivery of Partner Workshops – 3 skills workshops on conflict awareness, positive messaging and countering misinformation
- 3.7. The cost of this work is up to £55k and will continue for the remainder of 2026. This is funded using the remaining £32k from the original £50k Asylum Dispersal allocation, and a contribution of £23k from the Community Recovery Fund (CRF). The CRF is £600K grant money received from Government as a direct result of the community unrest in the Borough.

Cohesion & Integration

- 3.8. In addition to the Rushmoor Voices programme and working with Belong, the Council has implemented a range of initiatives to support cohesion and integration. This work specifically aligns to the following objectives of the Task and Finish Group: *Work with community groups, develop an enhanced programme of community events and activity and being open and transparent.*

3.9. Cohesion activity is now co-ordinated by the Council's cohesion and integration team of two, a Resettlement Manager and a Cohesion and Integration Officer (two year fixed term post). During 2024 and 2025 the team, supported by the Communities and Partnerships Service and Service Manager, delivered the following:

- Prepared the Rushmoor Together Partnership Plan, which was endorsed in July 2025 [Rushmoor Together Plan - Rushmoor Borough Council](#) The plan includes a Community Belonging priority and seeks to develop strong, resilient communities where people support and respect one another.
- Creation and delivery of a Rushmoor Together Grant programme to fund partner projects that support and encourage cohesion and community belonging.
- A monthly written Member briefing on resettlement and cohesion to ensure transparency and help prevent the spread of misinformation across the Borough. The briefing includes feedback from Elected Members on what answers residents need
- Dedicated Community Engagement pages on the Council website providing regular updates on the Rushmoor Voices programme [Rushmoor Voices - Rushmoor Borough Council](#),
- Regular updates to the resettlement and cohesion pages [Resettlement and asylum schemes - Rushmoor Borough Council](#) on the Council website in a bid to be transparent about Council support and data and to counter misinformation
- Allocated funding to partners to help deliver local projects aimed at strengthening community cohesion. This includes funding for a mediation service, to be delivered by Citizens Advice, providing a free service for residents to resolve community disputes. (A summary of other projects can be found at Appendix Three)
- Co-ordination of regular partner meetings to disseminate local offers of support for all residents including refugees and asylum seekers.

3.10 In addition, work outside the scope of the Task and Finish Group has also been delivered to support the Council's approach to cohesion including;

- Introduction of a new housing portfolio lead overseeing all aspects of housing
- Planning for an Armed Forces Covenant Conference for the North East and Hampshire to celebrate and strengthen the partnership between armed forces and civilian communities
- Successful bid to secure the hosting of Armed Forces Day celebrations in June 2026 with a strong focus on inclusive communities
- Developed a process inviting residents to ask questions at Council meetings to improve engagement and transparency of Council decision making.

Embedding Cohesion and Integration Work – Approach for 2026/7

- 3.11 On 3rd September, Council officers and the Police delivered a confidential briefing to all Members on asylum, resettlement, and cohesion. The briefing provided an overview of cohesion and integration activities to date, a summary of the work delivered through the Task and Finish Group, and a proposal outlining plans for cohesion for the next 6–9 months
- 3.12 The proposal outlined work including, delivering community place-based meetings in identified neighbourhoods where engagement is low and establishing multi agency strategic officer meetings.
- 3.13 The proposed approach to cohesion and integration, alongside work on asylum and resettlement, for 2026/27 will form part of the Community and Partnerships Service Plan and become fully embedded as business as usual. Members will continue to receive monthly briefings keeping them regularly informed and ensuring prevention of misinformation where possible. Work will include, but not be limited to the following:
- Homes for Ukraine Programme of activity including case work and outreach activity
 - Delivery of community place-based meetings in areas of low engagement
 - Rushmoor Together and pride in place grant applications to support local community led activity
 - Workshops and skills sessions for partner groups
 - Partnership approach to reducing street drinking and supporting mental health
 - Regular all Member briefings including an opportunity for Members to feedback about what answers residents need
 - On going communications – through website pages including countering misinformation
- 3.14 This work will be delivered by the Council, with the support of Belong in line with the agreement in place. There will be no additional costs to the Council

4 IMPLICATIONS (of proposed course of action)

Risks

- 4.1 This is a sensitive area of work that carries some reputational risk. Whilst the Council must support resettlement activity as required by the Government, it also needs to balance this responsibility with an awareness of local perception and the potential impact on local services. The Council recognises it needs to provide clear information and assurance to residents.

Legal Implications

- 4.2 There are no legal implications directly associated with this report.

Financial and Resource Implications

- 4.3 Resettlement and cohesion resource and activity is currently funded through Government Asylum Dispersal grants, Homes for Ukraine and the Community Recovery Fund Grant. This funding is ringfenced with strict criteria.
- 4.4 Funding for these grants is held in the Council's reserves and drawn down as required for resettlement and cohesion purposes/activity. This includes the cost of the Resettlement Manager and the Cohesion and Integration Officer.
- 4.5 The current status of the reserves is as follows. These figures may fluctuate due to any unspent funds or further Government funding received.
- Asylum Dispersal: £231, 528
 - Homes for Ukraine: £413, 543

This funding will be used to deliver cohesion and integration activity highlighted in 3.20. This includes work that benefits the wider settled community (where it is in line with grant criteria), and costs of the Resettlement and Cohesion posts.

- 4.6 The Community Recovery Grant has been fully allocated as outlined in the report to Cabinet in July 2025 [Microsoft Word - Community Recovery Fund - Report No. ED2502](#)). No further CRF funding is available.

The work identified in this report will be carried out using existing resources in the Community and Partnership Service and the funding already allocated to Belong. Where possible Asylum Dispersal funding will be used to support the community place meetings. There is no other broader cohesion funding available.

Equalities Impact Implications

- 4.7 An impact assessment will be carried out against any future cohesion work. The nature of cohesion and integration activity is that it focuses on individuals who may already face discrimination and inequality.

5 CONCLUSIONS

- 5.1 Members of the Member Task and Finish Group have been consulted on this report and ask that Council note that the Group has worked well together and delivered a programme of community engagement in line with its Terms of Reference. Whilst there is still work to be done, the Group is satisfied with the progress made to date and recognises that work is now fully embedded in service plans and day to day operations.
- 5.2 The Council is therefore recommended to (a) note the work of the group and the plans for ongoing activity and (b) confirm that the work of the Task and

Finish Group is concluded on the basis that work is now embedded in business as usual.

LIST OF APPENDICES/ANNEXES:

Appendix One: Terms of Reference

Appendix Two: Belong Report

Appendix Three: Programme of current Cohesion Activity

SOPHIE PORTER
PORTFOLIO HOLDER
HEALTHY COMMUNITIES & ACTIVE LIVES

Community Engagement Task and Finish Group

Terms of Reference

Scope and Purpose

The Community Engagement Task and Finish group has been set up following a Council motion. The motion agreed that the Council would:

Establish a cross-party working group to work with local community groups and leaders to better understand and address community concerns.

Objectives of the group

- To work together to mitigate community tensions.
- To understand concerns by facilitating constructive engagement with community groups and residents to ascertain their views and experiences.
- To work with community and voluntary groups to develop an enhanced programme of community engagement events and activities.
- To identify and learn from external speakers who have experience in community cohesion.
- To create a safe environment to discuss matters of concern and wellbeing, such as hate crime and personal safety.
- To encourage respectful participation in civic life and interaction between different community groups.
- To be open and transparent about the work and progress of the group and ensure frequent communication updates on cohesion related issues are shared.

Membership

Cllr Sophie Porter (Chair)
Cllr Craig Card
Cllr Sue Carter
Cllr Alex Crawford

Cllr Halleh Koohestani

Cllr Sarah Spall

Cllr Stuart Trussler

Meetings

Frequency of meetings to be agreed.

Accountability

There is a budget of £50,000 to support this work.

The group will report back to the Council on the findings, progress and allocation of funding.

Report on ‘Rushmoor Voices’ project

April 2025

About this document

This note sets out

- Information on work carried out by Belong between November 2024 and March 2025 in line with a commission from Rushmoor Council to support the delivery of the workplan of the Community Engagement Task and Finish Group, which has the aim of ‘working with local community groups and leaders to better understand and address community concerns’
- Information on issues which have been raised during our work, with brief observations on those issues
- Suggestions and proposals about further work that the council could do – often with partners. Belong proposes making inputs and providing support to some strands of this work, on the basis of a further commission

This note is intended as a working document for Rushmoor Council officers and elected members involved in the Community Engagement Task and Finish Group, rather than as a public document or as the content of a report to committee/s.

Following feedback from the Community Engagement Task and Finish Group, Belong will be happy to contribute to formal reporting to council committees as appropriate.

Work carried out by Belong

A small team¹ from the charity Belong has worked on the Rushmoor Voices project, by making in-person visits to the borough, taking part in Teams meetings, and having multiple phone conversations and email exchanges. We have carried out the following work:

Supporting council officers in preparing for and running a public meeting (20 November 2024) which attracted around 40 participants, including members of Rushmoor People First, anti-racist campaigners, voluntary sector groups and community members

Regular liaison with key council officers

¹ Belong’s practice was led by Jon, with support from Mike and practice inputs from Chrissie and Laura.

A briefing session / interactive workshop with council officers as part of gathering views and perspectives (27 January)

Meetings, conversations and email exchange with workers and volunteers from a range of organisations, including an informal group made up of disabled people, groups of asylum seekers / refugees, a litter-picking group and:

- Aldershot Football Club
- Citizens Advice Bureau
- Grub Hub
- Hampshire Constabulary
- Holy Trinity Church
- Nepali Women's Group
- Potters International Hotel
- Resettlement Team (CAB)
- Rushmoor Voluntary Service
- Shiva Cultural Centre

Meetings, conversations and email exchange with members of a range of campaigning organisations:

- Friends of the Earth
- Rushmoor People First
- Rushmoor Welcomes Refugees
- Stand Up To Racism

In some cases, our meetings, conversations and email correspondence with members of these groups has been recurrent.

We have met the local MP and have regularly engaged with local councillors:

- Update (online) to Community Engagement Task and Finish Group (17 December)
- Evening briefing and seminar open to all members (16 January)
- Meeting (online) with those members of the Conservative Group who were unable to attend evening briefing and seminar (5 March)
- Meetings (online and in person) with individual councillors as appropriate

We have liaised with other agencies working in the borough or with a direct interest in the borough, including local arts and culture organisations who want to deliver events and

activities that support community cohesion and celebrate integration and diversity; the Thinking Place consultancy; and Civil Service colleagues from the Ministry of Housing, Communities and Local Government.

We have also spoken with many diverse members of the public in informal settings including cafes and pubs.

Issues and observations

In this section, we highlight the issues in respect of which views and feelings which were shared recurrently through our work. Team members can provide verbally a great deal of additional information, including specific quotes and particular observations which have been put to us: when sharing information in this way, it is our definite practice to respect the commitments we have made to people who have spoken to us in respect of confidentiality.

Given the context of our commission, our conversations have often taken in views and feelings about the protests over and opposition to ‘migrant hotels’; the disorder in summer 2024; a meeting at Holy Trinity Church on 6 December which was disrupted by ‘counter-protestors’; issues to do with behaviour at and the handling of issues at an Extraordinary Council meeting on 5 February; a protest planned outside the Potters Hotel on 12 March, and a planned counter-protest; and other altercations between people with different views on issues around migration.

It should be noted that we have not always ‘steered’ people towards such topics, especially when talking to members of community groups, and to residents in general, so as to help us ascertain the extent to which issues around migration and race are – or are not - key concerns for Rushmoor community members overall.

Impact of / perceptions around immigration

- Concern over migrants / asylum seekers being housed in particular locations, some of which are seen as ‘high profile’
- Antipathy towards migrants
- Racism and Islamophobia
- Activity of an anti-migrant campaigning group
- Activity of pro-migrant campaigning groups
- Support offered by some to residents of Potters Hotel
- Experience of Nepali community members / integration of Nepali people into Aldershot

- Protest / counter-protest dynamic: meetings and disruption of meetings
- Extent to which political actors from outside Rushmoor are involved in / encouraging / orchestrating dynamics of protest and counter-protest
- Role of social media in relation to these issues: ‘misinformation’; ‘disinformation’
- Sense of vulnerability on the part of campaigners (expressed in particular forms by both pro-migrant and anti-migrant campaigners)

Wider relevant social issues

- Cost of living pressures
- Issues of economic and social disparity
- A sense of competition (‘are others getting what we should be getting?’)
- Community safety (especially at night, especially in Aldershot)
- Physical improvements promised but not delivered? ‘Landscape’ / appearance of urban centres seems ‘stuck’ (though the recent unveiling of Union Yard shows that things have been happening behind hoardings, and this development has been well-received)

Trust in / responsiveness of council and other agencies; health of democratic process

- Some evidence of lack of trust in / distance from / alienation from ‘council’ (referring both to the council and to public sector agencies more generally)
- Uneven understanding of council role and powers
- Desire by police to further improve links with council / councillors and to build increased public trust and confidence in the police
- Questions about quality and effectiveness of communication (episodic rather than regular, responsive rather than sustained?)
- Political disagreement about extent to which council is open / secretive’ / engaged
- Questions about extent to which ‘the council’ and other agencies are ‘fluent’ and confident in respect of race and equalities issues
- Political disagreement has sometimes been expressed in polarised and hostile terms: local expressions of wider shifts in political culture / culture wars’?
- Issues about ‘terms of engagement’ during political debate / disputes over social issues: what are the levels of ‘tolerance’ for dissent expressed in blunt terms? What language is appropriate / inappropriate?
- Concern on part of some elected representatives about personal safety / well-being given context of polarisation

Potential future directions

- Most people express a desire to get ‘back to normal’
- Reaction against the idea that disturbances of summer 2024 or campaigns against migrants do or should define the borough
- Interest from a range of people and organisations in taking steps to build links and connections across lines of difference: ‘a desire to forge more useful dynamics’
- Interest from a significant number of people in taking steps to increase capacity to have difficult conversations / handle contention well

Suggestions and proposals for practical steps to address issues

In this section, we propose some further work that the council could do – often with partners. Belong proposes making inputs and providing support to some strands of this work, and this would be on the basis of a further commission. The work areas listed below cannot and should not all be done ‘at once’: prioritisation and sequencing is appropriate, as is alignment with other plans and processes.

Overall cohesion approaches

There should be a process of identifying the approaches and actions which the council and its partners are taking and could take to promote social cohesion in the coming years. In settled circumstances, this could take the form of developing a cohesion strategy which would not replace or rework existing strategies, plans and intentions, but complement them and sit alongside them, confirming and looking to maximise the extent to which these contribute to good relations and cohesion. Such a strategy or framework might cover:

- The case for building strong and resilient communities²
- Acknowledging and addressing social issues and concerns – specific local issues and those which are expressions of wider national and international developments

The process would include focus groups and design lab process on specific issues and particular areas of work to maximise the extent to which these can contribute to cohesion; and to ensure that services activities are appropriately coordinated and publicised.

² More socially connected, cohesive local areas generate individual and community level benefits: higher levels of individual subjective wellbeing; increased levels of volunteering / active social engagement / more extensive participation; cohesive communities have increased resilience against problems / crisis / shock; improved capacity to anticipate, manage and make the best of social change (handling its negative aspects, maximising its positive opportunities).

The resulting document would guide the work of the council, working through both mainstream services and future plans and initiatives to look at how to

- Deliver and promote these well
- Deliver and promote them in ways which attend to the specific needs of particular groups of people (including but not limited to the needs of people with protected characteristics in equalities legislation)
- Deliver and promote them in ways which attend to everybody's interests

Rushmoor's current position in the context of proposed local government reorganisation should be taken into account in scoping and managing such processes: the ambitions formed on the basis of Rushmoor Council's assessment of needs and possibilities should inform a partnership approach and become central to the shaping of future local governance arrangements. This is corporate management and governance work which Belong is not placed to lead, but in respect of which we could provide substantial specialist consultancy and peer support.

Respond to the need / desire for shared community spaces

In the future development of public space and facilities, attention should be given to maximising the extent to which these can be shared spaces, facilitating interaction between people from different backgrounds. Belong is not placed to lead on this work, but members of our network – both local councils and particular organisations – have relevant expertise. Related issues in respect of public space include the need to address community safety issues through design.

Developing skills, capacity and confidence – addressing contested issues and building good relations

A range of skill-sharing sessions and training programmes could be delivered so as to increase the extent to which contention and disagreement in the borough can be handled well, and to increase the extent to which relationships can be made, developed and strengthened across lines of difference. These sessions and programmes would combine established approaches with bespoke material and sessions which would be specifically tailored to Rushmoor.

The quote set out below is for a comprehensive programme, comprising a variety of types and formats of sessions which would be delivered so as to suit different potential participants:

- Elected councillors
- Council officers (from senior level to ‘front line’) and workers from partner organisations
- Residents and volunteers involved with community, voluntary and faith organisations
- Members of campaigning organisations

The content of these sessions and programmes would cover

- Sharing skills in conflict awareness and in having difficult conversations on potentially divisive issues, including – for council members, political activists and campaigners – identifying the basis for some (possibly partial) agreements about behaviours and appropriate use of language in relation to democratic process and debate
- Skills to initiate positive encounters and build links and develop stronger connections across lines of difference, between people from varied backgrounds
- Skills to run dialogue programmes, including through development of skills to facilitate dialogue
- Confirming appropriate means to work through democratic process on conflicted issues, including in respect of language use
- Further developing relationship mapping, tension monitoring and community sentiment analysis systems and mechanisms
- Partnership work between agencies and community organisations to identify and develop appropriate and effective approaches to countering misinformation, challenging prejudices and stereotypes, and building trust, including through work to develop and promote critical thinking in relation to social media

Belong would propose leading this programme, whilst working closely with some local people who we see as having a great deal to offer the borough as potential practitioners.

Belong would then work with some of those who have taken part in the training to run appropriate ‘exemplary’ sessions, such as live ‘community dialogue’ evenings using the skills and confidence acquired. A key overall aim of the comprehensive programme would be to build capacity amongst some workers in agencies and some people involved in voluntary groups so that there is a basis for using and sustaining these approaches going forward. There is significant capacity and interest on the part of a number of people in the borough to take this kind of initiative, as part of the wider work of contributing to positive change, and to handling change well, thus making the most of what the borough can be going forward.

Positive communications

Communications work both to underpin cohesion and to promote the borough as great place to live, work and invest is needed around the long-term promotion of Rushmoor, its towns and its places, and the nurturing and celebration of shared identities. This should take place in the context of changing structures of local governance, but the basis for this work could be laid now.

More immediately, there is a need for a review of the language and key points in council communications, including promoting agreed and clear messaging on some controversial issues on which residents and campaigning groups have raised concerns and questions, and which could be answered. Specifically, and as an example, some of the queries and concerns that have been raised about issues to do with migrants being allocated places in local hotels could be answered with accurate information which the council holds, and which can be put into the public domain, and this would be a response to requests from members of campaigning groups which are perceived as both ‘anti-migrant’ and ‘pro-migrant’. Such work would form part of effectively responding to misinformation and divisive disinformation detailed above.

Future possibilities and visibility

Whilst there is the need to hold further discussion about the specific details of initiatives envisioned within this proposal, there is clear value in now progressing a range of activities, which could be implemented and would evolve in line with the Council’s priorities and policies and would be visible by stakeholders and the public (when both appropriate and possible).

These activities and initiatives could include but are not limited to

- Programmes of effective communications in relation to Rushmoor Borough Council’s core services, new and planned initiatives and one-off events
- Facilitated ‘have your say’ sessions for groups of people on topics raised as important by members, officers, stakeholders, groups which have been consulted or members of the public (e.g. discussions on personal safety in town centres). These could take the form of facilitated Town Hall meetings, with training in facilitation provided by Belong to co-facilitators from the council and partner organisations
- Facilitated ‘community dialogue’ events which invite members of the public into RBC buildings, or in which RBC representatives and people from partner organisations hold events in community venues to share views, feelings and suggestions about a range of

issues

- Sessions and ‘training’ workshops on messaging and communication

The above proposals are offered as realistic and useful possibilities which could be delivered from April 2025 and into the first part of 2026. Delivery and timetabling would be shaped by consultation with relevant members and officers.

Further details on work proposed by Belong over coming period

The aspects of work indicated above which Belong proposes contributing to would be carried out by a team of Belong associates led by Jon, supported by Laura, with ongoing overview, support and inputs from Mike, and with inputs from other colleagues from the charity as appropriate. This would ensure continuity with work already carried out, so as to make use of personal insights and connections already made, and also to utilise specialist skills of a range of Belong’s consultants, researchers and trainers as relevant to the work.

Initiative / support	Timeline	Cost
Ongoing community engagement and peer support so as to build on the ‘Rushmoor Voices’ work	April 2025 to March 2026	£8, 000 plus VAT
Specialist consultancy support contribution to developing cohesion approaches as central to future local governance	April 2025 to summer 2026	£8,000 to £12,000 (plus VAT) depending on level of input determined
Comprehensive programme of skill-sharing sessions and training courses: <ul style="list-style-type: none"> • Conflict awareness • Having Difficult Conversations • Skills in democratic process on conflicted issues • Promoting positive encounters • Dialogue initiatives, including through ‘Town Hall meetings’ • Language use and promoting positive messages / countering misinformation 	April 2025 to March 2026	£35, 000 (plus VAT) Should the cost proposed be judged too high, particular aspects of the proposed programme could be run at a smaller cost
Total cost of programmes detailed in this proposal if delivered in full		£55, 000 plus VAT

For more information on the content of this report, please contact Jon or Mike, Belong:

jon@belongnetwork.co.uk / mike@belongnetwork.co.uk

**For issues re contracting further work from Belong, please contact James Williams,
Director of Partnerships and Products, Belong: The cohesion and integration network -**

james@belongnetwork.co.uk

Appendix 3: Summary of RBC funded projects supporting cohesion

Project	Summary of Activity
CA	Community Mediation Service – providing free mediation support for community disputes.
RVS Buddying	Project delivered by RVS providing ‘buddies’ to residents at Potters. Buddies provide individual support and confidence, attending local services with residents to enable support integration into the local community.
ESOL projects	Delivering English lessons to support integration and future employability.
Roots in Community	Volunteering Project with Karuna coffee – Supporting refugees, Ukrainians and asylum seekers to earn a formal, qualification as baristas, improve English skills and become part of the local community
A Taste of Rushmoor	A community-led project celebrating the borough’s rich cultural heritage through food accumulating in a cookbook ‘A Taste of Rushmoor’. Residents, local restaurants, and community groups will share recipes and personal stories, collected via outreach in Aldershot, Farnborough, and North Camp. Catering students from The Vine Centre will recreate the dishes for a showcase while photography and graphic design students from Farnborough Sixth Form College will design and photograph the cookbook which will celebrate the diversity and traditions of Rushmoor.
Gift of Winter Tales	A Gift of 7 fairy tales for children from 7 different cultures. Winter Tales is an inclusive storytelling and art initiative promoting intercultural understanding among local primary schools. Each child will receive a winter-themed booklet of cultural stories alongside a teacher support pack for class discussions. The project culminates in a Wintertime Gift Box display on Sunday, 7 December in Farnborough town centre, featuring live storytelling from the booklet. There will be a display of large decorated wooden gift boxes which pupils have decorated that represent different winter traditions from around the world.
Pilot Community Meeting - November	An informal meeting for residents of Aldershot Park with the hope to gain a clearer understanding of local needs, foster pride in the neighbourhood, strengthen connections between residents and the Council, and identify small community-led actions that can make a positive difference through a small budget. The meeting will be facilitated by Belong along with support from RBC officers.
Famous & Inspiring People - H4U	A project led by a Ukrainian Guest to create mini clay figurines of famous and inspiring people from Rushmoor and Ukraine to develop a sense of community and belonging amongst the community. The aim of the activity is to identify people who are notable to the area, create a short story of their journey along with a headshot taken so the public can be inspired by the everyday people who

	have had a transformative journey and see how diverse their community is. Pictures painted by Ukrainian guests of local streets of Rushmoor will also be exhibited.
Together we Thrive	A volunteering/work experience scheme to enable asylum seekers and refugees to join a structured volunteering cohort within CA Rushmoor, where they will have the opportunity to work with the team, improve their English, learn about the system in the UK, and give back to the community.
Seeking Sanctuary	Project in partnership with CA – providing a case worker for 4 days a week to support those with new refugee status e.g. UC application, homelessness referrals, etc.
New Directions' employability	A pilot to support asylum seekers and refugees with English, CV writing, interview training, and applying for job opportunities.
Creative Response' Art Therapy	A weekly session led by 2 Ukrainian artists to support those who are affected by war; the pilot will run for 6 months.
Aldershot Cricket Club	Supported the club with funding to enable 4 asylum seekers to join the team and play during the summer of 2025.

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CABINET

Report of a meeting held on Tuesday, 25th November, 2025 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr Gareth Williams, Leader of the Council
Cllr Sophie Porter, Deputy Leader and Healthy Communities & Active Lives Portfolio Holder

Cllr Gaynor Austin, Finance & Resources Portfolio Holder
Cllr Keith Dibble, Housing & Planning Portfolio Holder
Cllr Christine Guinness, Pride in Place / Neighbourhood Services Portfolio Holder
Cllr Julie Hall, Economy, Skills & Regeneration 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 **8th December, 2025**.

39. **DECLARATIONS OF INTEREST –**

Having regard to the Council's Code of Conduct for Councillors, no declarations of interest were made.

40. **MINUTES –**

The Minutes of the meeting of the Cabinet held on 14th October, 2025 were confirmed and signed by the Chairman.

41. **COUNCIL DELIVERY PLAN, PERFORMANCE AND RISK REGISTER QUARTERLY UPDATE Q2 JULY TO SEPTEMBER 2025/26 –** (Cllr Gareth Williams, Leader of the Council)

The Cabinet received Report No. ED2509, which set out the performance monitoring information for the Council Delivery Plan and key service measures for the second quarter of 2025/26. Members were informed that key projects and activities from the Council Plan and key service indicators and measures used by the Council to monitor how the Council runs services were included in the report. The Cabinet heard that the Council's Corporate Risk Register identified factors that could impact on the future delivery of the Council's services and key priorities. A summary of those risks was provided in the report for discussion. Annex D to the report set out an updated Corporate Risk Management Policy and Procedures for approval. Members were informed that where, at paragraph 2.5.2 of the Policy, it was stated that the Council's Audit and Governance Committee would review the risk management arrangements on a quarterly basis, this should have read annually. The Cabinet would continue to receive quarterly updates.

In discussing the report, Members were satisfied that good progress was being made by the Council towards delivering this year's Council Delivery Plan.

The Cabinet RESOLVED that

- (i) the progress made towards delivering the Council Delivery Plan and the latest performance information in relation to Council services, as set out in Report No. ED2509, be noted;
- (ii) the changes highlighted in the Corporate Risk Register, as set out in Section 5 of the Report, be noted; and
- (iii) the updated Corporate Risk Management Policy and Procedures, as set out in Annex D of the Report and amended at the meeting, be approved.

42. EXCLUSION OF THE PUBLIC –

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned items to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the items:

Minute Nos.	Schedule 12A Para. No.	Category
43 and 44	3	Information relating to financial or business affairs

**THE FOLLOWING ITEMS WERE CONSIDERED
IN THE ABSENCE OF THE PUBLIC**

43. DISPOSAL OF OPTREX BUSINESS PARK, ROTHERWICK, HOOK –
(Cllr Julie Hall, Economy, Skills & Regeneration Portfolio Holder)

The Cabinet considered Exempt Report No. PG2540, which sought approval to dispose of the freehold interest in Optrex Business Park, Rotherwick, Hook, subject to the finalisation of terms.

Members were informed that this disposal would contribute to the delivery of the Council's Financial Recovery Plan and was, therefore, a key priority. The Exempt Report set out the process that had been carried out so far and Members were informed that a preferred purchaser had been selected.

The Cabinet expressed strong support for the proposed approach as making a significant contribution towards improving the Council's financial position.

The Cabinet RESOLVED that

- (i) the agreement, in principle and subject to final legal due diligence, to the disposal of the freehold interest in Optrex Business Park, Rotherwick, Hook, as set out in Exempt Report No. PG2540, be approved; and
- (ii) the Executive Head of Property and Growth, in consultation with the Executive Head of Finance, the Interim Monitoring Officer and Corporate Manager –

Legal Services and the Economy, Skills & Regeneration Portfolio Holder, be authorised to confirm the final terms of the disposal.

44. **PROPOSAL TO ACCEPT A GOVERNMENT GRANT –**
(Cllr Sophie Porter, Healthy Communities & Active Lives Portfolio Holder)

The Cabinet considered Exempt Report No. PG2541, which set out details of Government funding that was due to be received in respect of an event which, potentially, would be held in the Borough in Summer 2026.

Members were informed that details of this event could not be made public at this time but that it would be prestigious for the Borough to host and would deliver benefits that would be in line with the Council's priorities. At this point, Members were informed that the event would represent a significant undertaking and that it would be necessary to ensure the event was resourced sufficiently.

The Cabinet expressed strong support for the proposed hosting of this event as a significant opportunity for the Borough.

The Cabinet RESOLVED that

- (i) the opportunity to host the event set out in Exempt Report No. PG2541 be welcomed and accepted, with the arrangements for a launch date in early December being noted;
- (ii) the grant to support the event, in the sum set out in the Exempt Report, be accepted;
- (iii) the underwriting of the cost, up to the estimated figure set out in the Exempt Report to be raised from commercial sponsorship, be approved;
- (iv) in the case of insufficient private sponsorship being realised, funding of the sum set out in the Exempt Report, along of the split between the 2026/27 events budget and the Community Recovery Fund, be approved;
- (v) the proposals for seeking sponsorship to cover the remaining costs and the commencement of fundraising activity to meet the projected costs net of grant costs of hosting the event, as set out in the Exempt Report, be approved; and
- (vi) the Cabinet to be informed of the projected net cost as the project progresses and a formal request for additional funding to be made beyond the sum set out in the Exempt Report before it is committed, including how this would be funded.

The Meeting closed at 8.17 pm.

CABINET

Report of the meeting held on Monday, 15th December, 2025 at the Council Offices, Farnborough at 6.30 pm.

Voting Members

Cllr Gareth Williams, Leader of the Council

Cllr Gaynor Austin, Finance & Resources Portfolio Holder

Cllr Keith Dibble, Housing & Planning Portfolio Holder

Cllr Christine Guinness, Pride in Place / Neighbourhood Services Portfolio Holder

Cllr Julie Hall, Economy, Skills & Regeneration Portfolio Holder

An apology for absence was submitted on behalf of Cllr Sophie Porter.

The Cabinet considered the following matters at the above-mentioned meeting. The executive decisions made at this meeting are classified as urgent and exempt from call-in and, therefore, shall become effective immediately.

45. **DECLARATIONS OF INTEREST –**

Having regard to the Council's Code of Conduct for Councillors, no declarations of interest were made.

46. **MINUTES –**

The Minutes of the meeting of the Cabinet held on 25th November, 2025 were confirmed and signed by the Chairman.

47. **EXCLUSION OF THE PUBLIC –**

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

Minute No.	Schedule 12A Para. No.	Category
48	3	Information relating to financial or business affairs

THE FOLLOWING ITEM WAS CONSIDERED IN THE ABSENCE OF THE PUBLIC

48. **UNION YARD, ALDERSHOT – APPROACH TO DISPOSAL OF RESIDENTIAL APARTMENTS SEACOLE PLACE AND BURTON HOUSE (BLOCKS C & D) –**
(Cllr Gareth Williams, Leader of the Council)

The Cabinet considered Exempt Report No. REG2542, which set out options for the disposal of 82 residential units contained within the Union Yard scheme in Aldershot town centre. The Leader of the Council welcomed Cllr M.J. Tennant who had requested to address the Cabinet on this issue.

Members were reminded that, at its meeting held across 8th and 14th April, 2025, the Cabinet had resolved to dispose of the units to Prime Developments Limited. Work had commenced to effect that decision when, on 11th November, 2025, Prime had notified the Council that the company were not in a position to proceed with the acquisition. It was for this reason that the matter was back in front of Members. It was considered that the remaining alternative options had not changed materially since they had previously been evaluated. The Cabinet had previously considered and discussed the risks of each option and had decided that disposal to Rushmoor Housing Limited (RHL) had carried a significant short-term risk to the Council's revenue account, meaning that this option had been the least favourable in terms of short-term financial risk. The Cabinet had agreed, therefore, to discount this option and it was not felt that this option had become any more viable over the following time period. The options relating to the direct sale or rent of the units to the open market had been discounted as it had been considered that this would carry a high risk in terms of potential delays in receiving the capital receipts when compared to the other options. There had been a further risk in respect of the future sales of the units not achieving the same value as agents had forecasted. For these reasons, those options had also been discounted. Although it was acknowledged that, since that time, optimism within the sales and rental market had increased, it was not felt that this was sufficiently substantive to make these options viable in terms of risk at this time. The remaining option was for the disposal of the units to a named registered housing provider. When considered previously, this option had been narrowly ruled out in favour of the Prime Developments key worker option. It was considered that this now offered the most viable option for the disposal of the units.

The Cabinet heard from Cllr Tennant, who expressed concern that the report did not contain new financial information on the impact of this matter on the Council's Medium Term Financial Strategy (MTFS). He suggested that the adversity of the Council's financial position had been exaggerated over the previous two financial years and that each year had ended up in surplus. It was also felt that there was a lack of evidence as to the urgency of the disposal to help to deliver financial sustainability to the Council. Cllr Tennant explained that it was the belief of his Group that there was sufficient time to explore the alternative options more fully, with fresh financial modelling being carried out. In particular, it was suggested that the rental market was more buoyant now and that the Council retaining the units and renting out might provide the best return. Cllr Tennant urged the Council to consider carefully before making a decision that he felt was being unnecessarily rushed.

The Leader thanked Cllr Tennant for his contribution to the meeting and the Cabinet proceeded to discuss the issues.

In discussing the disposal to the named registered provider, Cabinet Members confirmed that constructive meetings had taken place in recent weeks and there was now more confidence that the placemaking aspects of the site management arrangements would be suitably addressed than there was when this option was first considered. A major advantage over this option was that all 82 units would be used to reduce the Council's social housing waiting list, which was one of the Council's most important priorities.

In response to some queries, the Council's Corporate Manager – Legal Services and Interim Monitoring Officer provided the following clarifications:

- The opinion was held that the offer under consideration would satisfy the Best Value requirement.
- The process to obtain the agreement of the Secretary of State was expected to take around six weeks but the Council could carry out work to progress matters during this period.
- It was thought that other parties would not have the opportunity to make representations to the Secretary of State during this process.
- In relation to the Council Constitution's Overview and Scrutiny Committee (OSC) Rules at paragraph 11, this matter was considered to be both a key decision and urgent and, as such, would not be subject to call-in. It was confirmed that the requirements of the Constitution had been fulfilled and that the permission of the Chair of OSC and the Mayor had been obtained, with notice of the decision to be made advertised appropriately. The urgency related to the need of the registered provider to get the matter to its January Board meeting to facilitate completion of the acquisition in the 2025/26 financial year. To achieve this, the registered provider would need the agreement of Heads of Terms by 17th December, 2025.
- Due to the matter not being subject to call-in, a special meeting of the Council's Audit and Governance Committee had been convened for 11th December, 2025 to allow matters in relation to the disposal to be scrutinised in a cross-party setting. The Corporate Manager – Legal Services read out a statement from the Committee Chair that expressed broad approval for the process that had been carried out in relation to the disposal of the units.

Lambert Smith Hampton (LSH) had been commissioned to prepare a short report as to the current state of the market. It was confirmed, however, that more detailed analysis would carry costs that were considered to be prohibitive, especially as it was not considered that this exercise would reveal anything new or of significance in deciding this matter.

LSH had originally been commissioned with the sale of Blocks C&D. The advice given by LSH based upon consultation with its investment business was that the asset would not be of interest to the open market, such as wealth funds, due to being a "disparate" asset and advised of an approach to locally based property companies resulting in a list of bids that were evaluated in the April Cabinet Report. LSH were

approached again to advise on the current marketing conditions. It transpired, as set out in the current Cabinet Report, that there might be, potentially, more interest from the market. I was confirmed, however, that values would not be any different and were described by LSH as “stagnant”, though there was a possible upturn in rental values over the following year.

A red book valuation was obtained, based upon market rent expectation, discounted by 15% for the sale as a block, producing a yield of around 5.5%. The red book valuation rental increase was not materially different from the previous valuation and on a par with the LSH net operating income, after allowing for around 20-25% operating costs at a similar yield.

LSH had advised a market value of between £14m and £15.5m based upon a mix of market rent and affordable rent (i.e.80% of market rent). The red book valuation indicated £16.4m based upon 100% market rent. Effectively the valuations based upon end market tenure were consistent and reasonable.

LSH had advised that pursuing a new buyer on the open market would not see a materially different sale value and this had been confirmed by the red book valuation. Every £1m increase in capital value (i.e. capital receipt) would deliver circa 4.8% saving on the revenue account, namely an annual saving of £48k. By comparison, the annual cost of the units was £1.26million of unrecoverable unbudgeted revenue, at a time when the Council already had a deficit on its revenue account and was relying upon its reserves to fund that deficit and manage risk events and key priorities.

The original offer from RHL was documented in the Cabinet papers and was summarised at the meeting. A sale to RHL would require the Council to loan RHL £16.4m for an indeterminate number of years. This loan would be impaired every year, based upon the overall recoverability determined by the underlying value of RHL as an entity (namely whilst RHL was in negative equity and/or not generating sufficient cash to be self-supporting). This impairment would be set against the future loan balance (a deferred capital receipt). In addition, the Council would at the same time make a financial commitment to support RHL with working capital for 27 years until it generated sufficient operating profit to repay the borrowing interest. This would amount to a total of £10m, also to be impaired every year by around the amount of interest that was accrued by not being paid in cash and set off in the Council’s revenue account, making it a real cost to the Council.

Members were informed that the Council had to take account of its current financial position. The Council’s agreed priority was to preserve its revenue reserves, manage financial risks and preserve services for residents by ensuring it maintained sufficient reserves to manage financial shocks. Property speculation was not one of these priorities.

In summary, the Leader expressed regret that more value could not be extracted from the disposal of the units at this time but reasserted that the offer from the registered provider represented the best value to the Council, a view that was corroborated by the Council’s Corporate Manager – Legal Services and Interim Monitoring Officer and the Executive Head of Finance and S151 Officer. The

Members of the Cabinet expressed support for the suggested approach to dispose of the 82 units to the registered provider.

The Cabinet RESOLVED that

- (i) having revisited the options appraisal for the disposal of Blocks C and D in light of the withdrawal by Prime Developments and considering the Council's current financial position and the current market position, the acceptance of the renewed offer by the registered provider, as set out in Exempt Report No. REG2542, be approved;
- (ii) the Executive Head of Property and Growth, in consultation with the Leader of the Council, the Economy, Skills and Regeneration Portfolio Holder, the Executive Head of Finance and the Corporate Manager – Legal Services, be authorised to enable the disposal of the 82 residential apartments in line with the approach set out in the Exempt Report and subject to agreement being received from the Secretary of State; and
- (iii) the disposal would also be subject to revised Heads of Terms, ensuring that no unreasonable restrictions would be placed on the use of the commercial units involved.

The Meeting closed at 7.47 pm.

CABINET

Report of the meeting held on Tuesday, 13th January, 2026 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr Gareth Williams, Leader of the Council
Cllr Sophie Porter, Deputy Leader and Healthy Communities & Active Lives Portfolio Holder

Cllr Gaynor Austin, Finance & Resources Portfolio Holder
Cllr Keith Dibble, Housing & Planning Portfolio Holder
Cllr Christine Guinness, Pride in Place / Neighbourhood Services Portfolio Holder

An apology for absence was submitted on behalf of Cllr Julie Hall.

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 **26th January, 2026**.

49. **DECLARATIONS OF INTEREST –**

Having regard to the Council's Code of Conduct for Councillors, no declarations of interest were made.

50. **MINUTES –**

The Minutes of the meeting of the Cabinet held on 15th December, 2025 were confirmed and signed by the Chairman.

51. **BUDGET MANAGEMENT - MONTH 8 –**

(Cllr Gaynor Austin, Finance & Resources Portfolio Holder)

The Cabinet considered Report No. FIN2517, which set out an update on the Council's forecasted financial position for 2025/26, as at the end of November, 2025.

Members were reminded that the Council had a statutory obligation to set and maintain a balanced budget. It was reported that, in February 2025, the Council had identified a significant challenge to its future financial sustainability. Members were informed that the forecast outturn for 2025/26 was on track, with the full £1.8 million savings requirement achieved. The report set out a number of key service variations, mostly where service budgets had been underspent. It was discussed that, whilst the savings produced from budget underspends were welcomed as contributing towards the Council's financial position overall, it was also important that budget-setting was carried out accurately and it was confirmed that work was ongoing to ensure that this process would be more rigorous in future. It was confirmed that work was ongoing to identify long term sustainable savings to achieve financial sustainability and resolve the savings requirements for 2026/27 and 2027/28, as set out in the Council's Medium Term Financial Strategy.

The Cabinet was pleased with the progress that had been made in addressing the Council's challenging financial position.

The Cabinet RESOLVED that

- (i) the revenue budget forecast, as set out in Section 3 of Report No. FIN2517, be noted;
- (ii) the virements, as set out in Section 4 of the Report, be approved; and
- (iii) the capital budget forecast, as set out in Section 5 of the Report, be noted.

52. **ALDERSHOT SKI CENTRE - CAPITAL EXPENDITURE AND NEXT STEPS –**
(Cllr Julie Hall, Economy, Skills & Regeneration Portfolio Holder)

The Cabinet received Report No. PG2543, which set out a requirement for immediate repair works to allow the Aldershot Ski Centre to remain operational in the short term.

Members were informed that the Council remained committed to the long term future of the centre, which was recognised as a valuable and well-liked venue within the Borough that provided excellent facilities to individuals and community groups alike. It was noted that the slope would require major investment or full replacement in the medium term. The Council's structural engineering partner had confirmed previous advice received that, with the immediate spend of around £90,000, the slope would remain safe and able to remain open for the next two years. A high-level cost analysis had been worked up providing a cost of around £325,000 to ensure stability over the medium term, although even this level of expenditure would not provide a long term solution. Members were informed that it was proposed to undertake a full strategic business case and option appraisal to establish the medium to long term future of the ski slope. It was explained, however, that it would not be prudent to carry this out until the new Leisure Operator had been appointed.

In discussing the Report, Members expressed strong support for the Aldershot Ski Centre and for the suggested approach to address the issues identified in ensuring the continuation of this valuable facility over the short term and to consider options to provide for the future of the centre over the longer term.

The Cabinet RESOLVED that

- (i) an allocation of £99,000, consisting of £90,000 of estimated cost and a 10% contingency, from the capital allocation for asset maintenance, to undertake immediately necessary capital works to secure the use of the ski slope in the short term, as set out in Report No. PG2543, be approved;
- (ii) the recommendations for the medium term financial expenditure necessary to keep the slope open, along with the need over the longer term, to maintain the structural integrity for public use of the slope, to provide a full refurbishment and repair programme or for the structure to be substantially replaced, be noted; and

- (iii) following the appointment of the new Leisure Operator, the undertaking of a full strategic business case and option appraisal, to establish the medium to long term future of the ski slope, be approved.

53. EXCLUSION OF THE PUBLIC –

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

Minute No.	Schedule 12A Para. No.	Category
54	3	Information relating to financial or business affairs

**THE FOLLOWING ITEM WAS CONSIDERED
IN THE ABSENCE OF THE PUBLIC**

54. DISPOSAL OF NO. 101 HAWLEY LANE, FARNBOROUGH - UPDATE AND NEXT STEPS –

(Cllr Julie Hall, Economy, Skills & Regeneration Portfolio Holder)

The Cabinet considered Exempt Report No. LEG2505, which provided an update in relation to the Council’s disposal of the freehold interest in No. 101 Hawley Lane, Farnborough.

Members were reminded that this disposal had been approved by the Cabinet at its meeting on 16th September, 2025. It was reported that an issue had arisen regarding part of the land and the Exempt Report set out a proposed mechanism to overcome this issue. This included the use of the Council’s powers to appropriate the Site for planning purposes under Section 122 of the Local Government Act 1972.

The Cabinet expressed support for the proposed approach and requested that appropriate changes should be made to the Council’s property disposals process to prevent, where possible, similar issues reoccurring in the future.

The Cabinet RESOLVED that

- (i) the use of the Council’s powers to appropriate the Site for planning purposes under Section 122 of the Local Government Act 1972, as set out in Exempt Report No. LEG2505, be approved, noting that the decision to appropriate the Site for planning purposes would enable easements and third party rights to be overridden, in accordance with Section 203 of the Housing and Planning Act 2016, to enable the development;
- (ii) the conducting of a consultation process regarding appropriations and the use of Section 203 of the Housing and Planning Act 2016, as set out in the Exempt Report, be approved;

- (iii) the possibility of compensation claims and payments under 203-204 should Section 203 be used be noted;
- (iv) the Interim Monitoring Officer and Corporate Manager – Legal Services be authorised to:
 - consider any objections following the consultation; and
 - approve the appropriation of the Site from its current purpose to planning purposes, in accordance with Section 122 of the Local Government Act 1972, if considered appropriate to do so;
 - use Section 203 to remove any legal constraints to development if considered appropriate to do so; and
- (v) the Interim Monitoring Officer and Corporate Manager – Legal Services and Executive Head of Finance and Section 151 Officer, in consultation with the Executive Head of Property and Growth, be authorised to agree any compensation payable to the beneficiaries of rights following due diligence of any claims, to be funded from disposal receipts.

The Meeting closed at 7.35 pm.

CABINET

Report of the meeting held on Tuesday, 20th January, 2026 at the Council Offices, Farnborough at 5.30 pm.

Voting Members

Cllr Gareth Williams, Leader of the Council
Cllr Sophie Porter, Deputy Leader and Healthy Communities & Active Lives Portfolio Holder

Cllr Gaynor Austin, Finance & Resources Portfolio Holder
Cllr Keith Dibble, Housing & Planning Portfolio Holder
Cllr Christine Guinness, Pride in Place / Neighbourhood Services Portfolio Holder
Cllr Julie Hall, Economy, Skills & Regeneration 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 **2nd February, 2026**.

55. **DECLARATIONS OF INTEREST –**

Having regard to the Council's Code of Conduct for Councillors, no declarations of interest were made.

56. **EXCLUSION OF THE PUBLIC –**

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

Minute No.	Schedule 12A Para. No.	Category
57	3	Information relating to financial or business affairs

THE FOLLOWING ITEM WAS CONSIDERED IN THE ABSENCE OF THE PUBLIC

57. **SECURING HOMELESSNESS SUPPORT SERVICES AT GROSVENOR ROAD, ALDERSHOT FROM 1ST APRIL, 2026 –** (Cllr Keith Dibble, Housing & Planning Portfolio Holder)

The Cabinet considered Exempt Report No. PG2601, which set out options for the continuation of homelessness support services at a premises in Aldershot.

Members were informed that the identity of the premises was considered to be confidential due to the vulnerability of the residents that lived there. The site provided accommodation with intensive support for up to twenty single adults with complex

needs. Support was currently funded by the Hampshire Council Council Social Exclusion Fund and delivered by Two Saints but Members were informed that this funding would end on 31st March, 2026 and that, without replacement funding, the service would close. The Exempt Report set out costed options to mitigate the risk of street homelessness from 1st April, 2026, including the Council covering the cost of the service ongoing, the closing of the service and placing of residents into B & B accommodation with outreach support or the closing of the service with the residents receiving accommodation and support through another provider.

In discussing the options, Members expressed strong support for the continuation of the service, preferably on the current site. It was explained that the existing service provider, Two Saints, was not able to deliver the service for the budget the Council had available therefore, should the Council take on the funding of the existing service, residents would remain in the same premises and existing staff would be transferred over to the new provider, Home Group, using TUPE provisions. Members felt this was the best option to continue to provide this important service to its vulnerable residents.

The Cabinet RESOLVED that

- i) the implementation of Option 1, to provide funding to secure a support service in the existing building, as set out in Exempt Report No. PG2601, be approved;
- ii) the provision of supplementary estimates for the sums set out in the Exempt Report be approved for the financial years 2026/27 and 2027/28, to be funded from the Council's Homelessness Prevention Fund (Legacy and Current allocation); and
- iii) the submitting of a request for an exemption under the Contract Procedure Rules for a support contract direct award, utilising the Council's form of contract, be approved.

The Meeting closed at 5.50 pm.

CABINET

Report of the meeting held on Tuesday, 10th February, 2026 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr Gareth Williams, Leader of the Council
Cllr Sophie Porter, Deputy Leader and Healthy Communities & Active Lives Portfolio Holder

Cllr Gaynor Austin, Finance & Resources Portfolio Holder
Cllr Keith Dibble, Housing & Planning Portfolio Holder
Cllr Christine Guinness, Pride in Place / Neighbourhood Services Portfolio Holder
Cllr Julie Hall, Economy, Skills & Regeneration 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 **23rd February 2026**.

58. **DECLARATIONS OF INTEREST –**

Having regard to the Council's Code of Conduct for Councillors, no declarations of interest were made.

59. **MINUTES –**

The Minutes of the meeting of the Cabinet held on 13th January and 20th January, 2026 were confirmed and signed by the Chairman.

60. **ANNUAL PEOPLE REPORT AND OTHER PEOPLE MATTERS –** (Cllr Gaynor Austin, Finance & Resources Portfolio Holder)

The Cabinet considered Report No. PEO2601, which set out a number of updates in relation to the Council's workforce.

Members were informed that the report contained updates on the implementation of elements of the Council's People Strategy implemented in 2021, which had since been reviewed to reflect the new Council Delivery Plan and the future effects of devolution and Local Government Reorganisation (LGR). The Cabinet were advised that a new two-year People Plan 2026-28, had been developed to strengthen support to staff. It also provided key data on the Council's workforce for 2025, the latest Pay Policy Statement and Gender Pay Gap and Ethnicity Pay Gap calculations, which would be considered by the Licensing and Corporate Business Committee and the Council.

In discussing the Report, Members acknowledged the great job the People Team did in supporting the wider staff cohort and expressed their thanks to all staff.

The Cabinet RESOLVED that

- (i) the People Plan 2026/28, be agreed,
- (ii) the Annual People Report 2025, as set out in Report No. PEO2601, be noted; and,
- (iii) the Pay Policy Statement, Gender Pay Gap and Ethnicity Pay Gap report to the Licensing and Corporate Business Committee and the Council, as set out in Appendix 3 of the Report, be noted.

61. **COUNCIL DELIVERY PLAN, PERFORMANCE AND RISK REGISTER QUARTERLY UPDATE Q3 OCTOBER TO DECEMBER 2025/26 –**
(Cllr Gareth Williams, Leader of the Council)

The Cabinet received Report No. ED2601, which set out the performance monitoring information for the Council Delivery Plan and key service measures for the third quarter of 2025/26. Members were informed that key projects and activities from the Council Plan and key service indicators and measures used by the Council to monitor how the Council runs services were included in the report. The Cabinet heard that the Council's Corporate Risk Register identified factors that could impact on the future delivery of the Council's services and key priorities. A summary of those risks was provided in the report for discussion. At the request of the Cabinet an additional data set had been provided, which set out the largest risk gap (residual vs target).

In discussing the report, Members were satisfied that good progress was being made by the Council towards delivering this year's Council Delivery Plan.

The Cabinet RESOLVED that

- (i) the progress made towards delivering the Council Delivery Plan and the latest performance information in relation to Council services, as set out in Report No. ED2601, be noted; and,
- (ii) the changes highlighted in the Corporate Risk Register, as set out in Section 5 of the Report, be noted.

62. **GENERAL FUND BUDGET 2026/27 AND MEDIUM TERM FINANCIAL STRATEGY 2026/27 TO 2029/30 –**
(Cllr Gaynor Austin, Finance & Resources Portfolio Holder)

The Cabinet considered Report No. FIN2603, which set out the draft General Fund Budget for 2026/27 and Medium Term Financial Strategy (MTFS) up to 2029/30.

The Cabinet were advised that the MTFS sets out the financial context of the Council over the next two years and beyond into the new council after Vesting Day on 1st April 2028.

It was reported that the Council could set a balanced budget, with the use of reserves, to Vesting Day. There was a deficit of £11.94 million over the MTFS term,

but this could be resolved through capital receipts, which would reduce capital charges in the revenue accounts whilst during down reserves to fund the balance of the current deficit of £3.962 million.

The Cabinet discussed the report and felt that it was a sensible and appropriate budget, based on factual assumptions, that supported the Council's Delivery Plan and protected services. Members expressed their gratitude for the hard work of the finance team.

The Cabinet

- (i) **RECOMMENDED TO THE COUNCIL** that approval be given to:
 - (a) the Medium-Term Financial Strategy and the strategy, set out in this report, to mitigate the 2026/27 and 2027/28 MTFS deficit;
 - (b) the General Fund Revenue Budget Estimates Summary 2026/27 Appendix 1;
 - (c) the Council Tax Requirement of £8,324,717 for this Council;
 - (d) the Council Tax level for Rushmoor Borough Council's purposes of £246.87 for a Band D property in 2026/27 (an increase of £7.17);
 - (e) the Capital Programme as per Appendix 1; and
 - (f) the Strategy for the Flexible use of Capital Receipts as per paragraph 3.16 of this report.
- (ii) **RESOLVED** that the requested earmarked reserves and delegations, as set out in paragraph 3.05 – 3.07 of Report No. FIN2603, specifically:
 - (a) supplementary approvals in respect of legal, finance and planning expenditure that may not be managed within existing budget, such as Interim professional capacity, advice and consultation up to a total of £400k from useable reserves, delegated to the Senior Leadership team in consultation with the relevant Portfolio Holder; and
 - (b) supplementary approvals in respect of activity to deliver the Council Delivery Plan priorities amounting to £237k to be funded as one off activities from useable reserves, delegated to the Senior Leadership Team in as per itemised scheduled in Appendix 1, be approved.

63. COUNCIL DELIVERY PLAN 2026-28 – (Cllr Gareth Williams, Leader of the Council)

The Cabinet considered Report No. ED2602, which set out a Council Delivery Plan for 2026-28.

Members were informed that the plan set out the Council's priorities and the key projects and activities that the Council would undertake over the following two years

to contribute to delivering the new strategic priorities. The plan was structured across five themes:

- Skills, Economy and Regeneration
- Homes for All: Quality Living, Affordable Housing
- Community and Wellbeing: Active Lives, Healthier and Stronger Communities
- Pride in Place: Clean, Safe and Vibrant Neighbourhoods
- The Future and Financial Sustainability

In discussing this matter, the Cabinet were very pleased that the Council Delivery Plan was delivering on priorities that residents wanted and that the financial sustainability of the Council had settled and funds were available to achieve the priorities set out.

The Cabinet **RECOMMENDED TO THE COUNCIL** that the Council Delivery Plan 2026-28, as set out in Report No. ED2602, be approved.

64. **NATIONAL ARMED FORCES DAY JUNE 2026 - FORMATION OF WORKING GROUP –**
(Cllr Sophie Porter, Healthy Communities & Active Lives Portfolio Holder)

The Cabinet received Report No. ED2603, which set out the background to the Council's successful bid to host the National Armed Forces Day event in June 2026, a launch for which had been held on 5th December, 2025.

A multi-agency Project Delivery Board (PDB) was being established and an event director, to support the delivery of the event, had been sought. However, in addition, to ensure good governance around the event, it was being proposed that a cross-party, politically balanced, Cabinet Working Group be established to meet on a four weekly cycle to receive updated from the PDB.

The Cabinet RESOLVED to establish a National Armed Forces Day Working Group to oversee the delivery of the National Armed Forces Day Event 2026.

65. **MATTERS ARISING FROM OVERVIEW AND SCRUTINY COMMITTEE MEETING - 5TH FEBRUARY, 2026 –**

It was noted that no recorded recommendations had been made as a result of the Overview and Scrutiny Committee meeting held on 5th February 2026, in respect of Farnborough Leisure Centre - Leisure Operator Procurement and Union Yard, Aldershot - Disposal of Blocks C & D.

66. **EXCLUSION OF THE PUBLIC –**

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

Minute No.	Schedule 12A Para. No.	Category
67	3	Information relating to financial or business affairs

**THE FOLLOWING ITEM WAS CONSIDERED
IN THE ABSENCE OF THE PUBLIC**

67. LEISURE OPERATOR CONTRACT AWARD –

(Cllr Sophie Porter, Deputy Leader and Healthy Communities & Active Lives Portfolio Holder)

The Cabinet considered Report No. OS2603 and the Exempt Appendices, which sought approval to award the operator contract to run the existing and proposed new leisure facilities in the Borough.

The Cabinet were apprised of the procurement process based on a 60% quality and 40% cost criteria and were provided with a summary of the outcomes.

The Cabinet RESOLVED that

- (i) the successful completion of the procurement process to secure a leisure operator for the Council's existing leisure facilities and the proposed new centre in Farnborough, be noted;
- (ii) the implications of the risks highlighted in sections 3.1 – 3.4 of the Report, be noted;
- (iii) the award of the leisure operating contract be made to the highest scoring bidder, as outlined in Exempt Appendix 1, subject to the completion of the standstill period. The contract was on the basis of an agency agreement and covered a 15 year term, (with an option to extend by five years), plus an additional interim phase whilst the new centre was under development, be agreed;
- (iv) the adjustment to budgets from 2026/27 to reflect the proposed contract requirements as detailed in Exempt Appendix 2, be approved;
- (v) a feasibility study revenue budget for the Alpine Snowsports Centre of £30,000 to be funded from the remaining balance of the 2025/26 ski centre revenue budget, as referenced in section 3.6, be approved, and;
- (vi) authority be delegated to the Executive Head of Operations, in consultation with the Corporate Manager – Legal Services, to finalise and enter into the leisure operating contract with the successful bidder, be approved.

The Meeting closed at 8.41 pm.

AUDIT AND GOVERNANCE COMMITTEE

Report of the meeting held on Wednesday, 26th November, 2025 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr Bill O'Donovan (Chair)
Cllr P.J. Cullum (Vice-Chair)

Cllr C.W. Card
Cllr A.H. Crawford
Cllr Sarah Spall
Cllr P.G. Taylor
Cllr Ivan Whitmee
Cllr Becky Williams

Apologies for absence were submitted on behalf of Cllr Sue Carter, Cllr C.P. Grattan and Cllr Jacqui Vosper.

Cllrs Rhian Jones and S.J. Masterson attended the meeting as Standing Deputies.

1. APPOINTMENT OF CHAIR

RESOLVED: That Cllr. Bill O'Donovan be appointed as Chair of the Committee for the remainder of the 2025/26 Municipal Year.

2. APPOINTMENT OF VICE-CHAIR

RESOLVED: That Cllr. P.J. Cullum be appointed as Vice-Chair of the Committee for the remainder of the 2025/26 Municipal Year.

3. MINUTES

The Minutes of the Meeting held on 24th September, 2025 were approved and signed as a correct record of proceedings.

4. VOTE OF THANKS

A vote of thanks was recorded for Tom Davies, Independent Member of the Corporate Governance, Audit and Standards Committee. It was noted that Mr Davies had completed his three-year term. The Chair, Cllr Bill O'Donovan, recommended that a letter of thanks be sent to Mr Davies from the Committee.

It was noted that an Independent Member for the Audit and Governance Committee would be appointed in due course.

5. EXTERNAL AUDIT - DRAFT PROGRESS UPDATE 2024/25

The Chair welcomed Kalthiemah Abrahams, Audit Manager, from the Council's external auditors, Ernst and Young (EY), who joined the meeting remotely via Microsoft Teams.

The Committee received the Audit Progress Report. This report aimed to provide the Audit and Governance Committee with a summary of progress on the 2024/25 Council audit, and any issues identified to date. The Committee noted that, having updated and completed the planned procedures, the auditors identified a risk of significant weakness and actual significant weakness in the Council's value for money (VFM) arrangements in respect of financials. They would issue their VFM narrative commentary in the draft 2024/25 Auditor's Annual Report, which was expected to be issued on 30th November 2025.

During discussion, Members raised questions regarding International Financial Reporting Standard 16 (IFRS 16). The Committee noted that IFRS 16 was a new standard, which was complex and had only recently been implemented. Consequently, there were some absent disclosures from the financial statements in relation to the standard, however, it was a control observation that EY would raise in the audit results report, but stated that it would not impact the audit conclusion.

RESOLVED: That the Auditor Progress Report, be noted.

6. INTERNAL AUDIT - AUDIT PROGRESS REPORT

The Chair welcomed Neil Pitman, Head of Southern Internal Audit Partnership (SIAP), the Council's internal auditors, who joined the meeting remotely via Microsoft Teams.

The Committee received SIAP's Report No. SIAP25/05 which set out the Internal Audit Progress Report, for the November 2025 accounts, which provided the Audit and Governance Committee with an overview of internal audit activity against assurance work completed in accordance with the approved audit plan. The Report also provided an overview of key updates pertinent to the discharge of the Committee's role, in relation to internal audit.

During discussions, questions were raised regarding Disabled Facilities Grants, cyber security arrangements and Homes for Ukraine. The Committee noted that an informal meeting had been organised for the IT Service Manager to meet with Members of the Committee to discuss the cyber security arrangements in place, which was scheduled for January 2026.

ACTION:

What	By Whom	When
Provide an update to the Committee, by email, on Homes for Ukraine and the six overdue audit actions.	James Duggin – Executive Head of Operations	Before the next AGC meeting – 28th January 2026

RESOLVED: That:

(i) changes to audit dates, once agreed by management, will require approval from the Committee; and

(ii) SIAP's Report No. SIAP25/05, be noted.

7. RISK MANAGEMENT PROCESS 2024/25

The Committee received the Executive Director's Report No. ED2510, which provided an update on the ongoing development and maintenance of the Council's risk management processes during 2025/26. The Leader of the Council, Cllr Gareth Williams, was in attendance as Portfolio Holder for Risk Management.

The report provided an update on the risk management activity that had taken place and was planned for the remainder of 2025/26, in line with arrangements set out in the Council's updated Risk Management Policy, which was presented to Cabinet for approval on 25th November, 2025. The Committee had a duty to provide independent assurance of the adequacy of the risk management framework.

The Committee noted that 2025 had continued to be a period of significant uncertainty across a broad range of economic, social and political matters. Circumstances such as high interest rates and slow growth in the economy, had continued to impact the Council's financial position, operations and capital projects. It was noted that the wider implications for the Council required continued focus on mitigation plans, which were adapted to meet the ongoing challenges presented. The Committee acknowledged that the Council's risk management process had played an important role in identifying the possible impact of potential risks faced by the Council and ensured that the Senior Leadership Team and Cabinet Members were regularly updated. It was noted that risks were routinely reviewed and discussed at both service level and among senior management.

During discussion, Members raised questions regarding the redacted corporate risk register, horizon scanning and the alignment of Audit and Governance Committee meetings with the quarterly performance report publication and Cabinet meetings. The Committee noted that the Overview and Scrutiny Committee could raise specific issues around Council performance and risk management.

ACTION:

What	By Whom	When
Raise the alignment of meetings at the Programme Management Group.	Cllr Bill O'Donovan, Chair of the Committee	Before the next AGC meeting – 28th January 2026
Share the unredacted version of the corporate risk register each quarter.	Roger Sanders, Service Manager – Risk, Performance and Procurement	Quarterly
Members to identify any risks they wished to bring to Committee for scrutiny, through	Members of AGC	Quarterly

the Chair or officers.		
Organise risk process training for Members.	Roger Sanders, Service Manager – Risk, Performance and Procurement	Before the March AGC meeting

RESOLVED: That the Executive Director’s Report No. ED2510, be noted.

8. INTERNAL AUDIT REPORT - USE OF AGENCY STAFF

The Committee received a verbal update from Executive Head of Finance, Peter Vickers, regarding the internal audit report and the use of agency staff.

The Committee noted the recent internal audit review on the use of agency staff and the governance processes the organisation followed for starters and leavers to the Council.

Members noted that the audit was currently in draft form and would be due to go to the Committee in January, 2026. However, it was noted that the audit had focused on agency staff and consultants, and how the process had been managed from a governance perspective, but no assurance had been given at this time. The Management Team had reviewed the report and prepared a schedule of actions that were being implemented to ensure that the matter was resolved and assurance could be given.

During discussion, Members sought clarification about how the induction procedure would be managed in the future. The Committee were assured that the process would be centralised and the People Team had procedures in place to address the matter, however, compliance would need to be managed.

RESOLVED: That the update on the Internal Audit Report – Use of Agency Staff, be noted.

9. ANNUAL GOVERNANCE STATEMENT UPDATE

The Committee received the Financial Governance Manager’s Report No. FIN2518, which gave details of work carried out towards the implementation of the actions defined within the Annual Governance Statement, which had been presented to the Committee in May 2025.

It was noted that the Corporate Peer Challenge and the Chartered Institute of Public Finance and Accountancy (CIPFA) Report had been considered and changes had been implemented. Work towards the financial resilience plan was continuing by the Senior Management Team. The Committee were advised that self-assessment actions towards compliance against the CIPFA Financial Management Code were ongoing, with elements forming part of the Financial Resilience Plan.

During discussion, Members asked questions regarding the self-assessment against the CIPFA Financial Management Code.

ACTION:

What	By Whom	When
Provide requirements which are outstanding within CIPFA Financial Management Code to the Committee.	Nikki Fleming – Financial Governance Manager	Before the next AGC meeting – 28th January 2026

RESOLVED: That the Financial Governance Manager’s Report No. FIN2518, be noted.

10. **TREASURY MANAGEMENT AND NON-TREASURY INVESTMENT OPERATIONS 2025/26**

The Committee received the Executive Head of Finance’s Report No. FIN2517, which set out the main activities of the Treasury Management and Non-Treasury Investment Operations during Quarter 2 of the 2024/25 financial year, and reported on compliance with Prudential Indicators. This was a statutory requirement under the CIPFA Code of Practice on Treasury Management.

The Committee were advised that all treasury activity had been conducted within the approved Treasury Management Practices (TMPs). Borrowing had started to move towards longer term rather than short term, to provide more interest rate stability on borrowing in line with the MTFS rate of 4.78%. The Committee noted that the Council had borrowed substantial sums of money and was therefore exposed to financial risks which included the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remained central to the authority’s Treasury Management Strategy. The Committee were advised that the key risks to the Council’s delivery of successful treasury and non-treasury investment options included inflation levels, the Bank of England base rate and delivery of the Capital Programme. The Committee were advised that borrowing under 12 months was at 14%, whereas it was 100% under 12 months at the same point in 2024. The Council were changing the way in which they borrowed to provide more certainty with interest rates, which was in line with the external auditors’ request to reduce short term borrowing.

The Committee noted that there were some typos in the report, on:

- Page 63, Table 2 – the PWLB was £102.0m and Other was £7.0m;
- Page 64, Table 3A – the net movement total borrowing was £27m; and
- Page 71, Capital Financing Requirement table – 31.3.2026 forecast was 147.5.

RESOLVED: That the Executive Head of Finance’s Report No. FIN2517, be noted.

The meeting closed at 8.33 pm.

AUDIT AND GOVERNANCE COMMITTEE

Report of the meeting held on Thursday, 11th December, 2025 at the Council Offices, Farnborough at 6.00 pm.

Voting Members

Cllr Bill O'Donovan (Chair)
Cllr P.J. Cullum (Vice-Chair)

Cllr C.W. Card
Cllr Sue Carter
Cllr A.H. Crawford
Cllr C.P. Grattan
Cllr Jacqui Vosper
Cllr Becky Williams

Apologies for absence were submitted on behalf of Cllrs Sarah Spall, P.G. Taylor and Ivan Whitmee.

Cllrs Thomas Day and S.J. Masterson attended the meeting as Standing Deputies.

11. EXCLUSION OF THE PUBLIC

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

Minute No.	Schedule 12A Para. No.	Category
46	3	Information relating to financial or business affairs

12. GOVERNANCE ARRANGEMENTS FOR THE DISPOSAL OF BLOCKS C AND D, UNION YARD, ALDERSHOT

The Committee considered the joint Report of the Monitoring Officer and Executive Head of Finance (Section 151 Officer) No. LEG2506, regarding the governance arrangements for the disposal of Block C and D, Union Yard, Aldershot, for review by the Committee.

Following discussions relating to exempt report REG2542, the Chair of Audit and Governance Committee convened a special meeting to consider the due diligence leading to the recommendations in the report to dispose of the Blocks, and to agree that the disposal was in line with best value considerations. Members acknowledged

that the meeting had been called to discuss the governance arrangements for disposal of Block C and D, Union Yard and the options for disposal would be considered by Cabinet on 15th December.

RESOLVED: That the Committee were satisfied as to the due diligence undertaken leading to the recommendation within Cabinet Report No. REG2542 and concurred that the recommendation was a Best Value proposition.

The meeting closed at 7.07 pm.

LICENSING AND CORPORATE BUSINESS COMMITTEE

Report of the meeting held on Thursday, 15th January, 2026 at the Concorde Room, Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr Jacqui Vosper (Chair)
Cllr Sarah Spall (Vice-Chair)

Cllr C.W. Card
Cllr Sue Carter
Cllr Jules Crossley
Cllr P.J. Cullum
Cllr Lisa Greenway
Cllr Rhian Jones
Cllr Bill O'Donovan

Apologies for absence were submitted on behalf of Cllrs A.H Crawford and P.G. Taylor.

Cllrs C.P. Grattan and S.J. Masterson attended the meeting as Standing Deputies.

5. MINUTES

The Minutes of the Meeting held on 21st October, 2025 were approved and signed as a correct record of proceedings.

6. COMMUNITY GOVERNANCE REVIEW

The Committee considered the Monitoring Officer's Report No. LEG26/01, which set out the outcome and recommendations following the second-round consultation on the Council's community governance review (CGR) for consideration in advance of a report to the Council on 29th January, 2026.

The Committee noted that, following approval by the Council of the Terms of Reference for a Community Governance Review (CGR) (report LEG25/10) in July 2025, the CGR process had commenced, and the first-round consultation had demonstrated some public support for an additional tier of local governance. On 25th September 2025, Council approved a recommendation for a second-round consultation and agreed that the Committee should consider the results, in order to make recommendations to Council, on 29th January 2026.

The Committee were advised that those who had responded to the consultation demonstrated some support for an additional tier of community governance in Rushmoor. However, the number of such respondents was so low that it could not be said there had been public support for it. The findings were particularly important

when balanced with the fact that the creation of parish councils would bring with it a council tax precept.

During discussion, Members raised a question regarding council tax precepts. It was noted that, if Parish Councils were introduced in 2026/27, the Council tax precept would be approximately £30 per year, in the first year. After that, the precept amounts would not be in the control of the Council. Members sought assurance about the Council’s capacity to set up parish councils and were advised that there were large financial and staffing implications. Regarding a question concerning the possibility of setting up parish councils once the unitary authority had been formed, Members were advised that they could petition to set them up. It was noted that, if parish councils were set up, and there were not enough candidates to stand, there would need to be another Community Governance Review (CGR) to dissolve the parish councils.

ACTION:

What	By Whom	When
Investigate what rights a Parish Council has to borrow funds.	Amanda Bancroft – Monitoring Officer	Before the Council meeting – 29th January
Check with the Finance Team what the implications would be should a Parish Council run out of funds.	Amanda Bancroft – Monitoring Officer	Before the Council meeting – 29th January

The Committee **RECOMMENDED TO THE COUNCIL** that there should be no change in the community governance arrangements across the Borough.

7. EXTENSION OF TERM OF OFFICE FOR DESIGNATED INDEPENDENT PERSON

The Committee considered the Corporate Manager – Democracy’s Report No. DEM0601, which recommended an extension to the term of office for the current Designated Independent Person (DIP) until end of April 2028.

The Committee noted that the Designated Independent Person (DIP) role was required under the Localism Act to assist the Council in promoting and maintaining high standards of conduct amongst its elected Members. Mr Matt Smith was appointed by the Council in July 2023 as the Council’s DIP for a three-year term from July 2023 to July 2026. The appointment followed a public advertisement, application and interview process which included Member representation. It was recommended that the Council extend Mr Smith’s term of office from July 2026 to April 2028, to align with the current timescale for vesting day for a new unitary authority. The Council had the option of carrying out a fresh recruitment; however, there was precedence for a two-year extension and since his appointment, Mr Smith had attended regular update meetings with the Monitoring Officer, engaged diligently and ensured his availability, and developed an excellent understanding of the ethical framework as it operated within Rushmoor Borough Council.

During discussion, Members acknowledged that Mr Smith had been an excellent appointment and they were happy to extend the term. It was noted that Members

who had joined the Council since 2023, had not been canvassed as to any personal relationship with Mr Smith, and arrangements should be made to undertake this piece of work by officers.

- (i) **RESOLVED** that the Committee approve an extension to the term of office of Mr Matt Smith as the Council's Designated Independent Person (DIP), for the period from July 2026 to end of April 2028, subject to all new Members being canvassed to ensure there were no personal relationships with Matt Smith; and
- (ii) **RECOMMENDED TO THE COUNCIL** to approve an extension to the term of office of Mr Matt Smith as the Council's Designated Independent Person (DIP), for the period from July 2026 to end of April 2028.

The meeting closed at 9.08 pm.

AUDIT AND GOVERNANCE COMMITTEE

Report of the meeting held on Wednesday, 28th January, 2026 at the Council Offices, Farnborough at 7.15 pm.

Voting Members

Cllr Bill O'Donovan (Chair)
Cllr P.J. Cullum (Vice-Chair)

Cllr C.W. Card
Cllr Sue Carter
Cllr A.H. Crawford
Cllr Jacqui Vosper

Apologies for absence were submitted on behalf of Cllrs C.P. Grattan, Sarah Spall, P.G. Taylor, Ivan Whitmee and Becky Williams.

Cllrs Thomas Day and S.J. Masterson attended the meeting as Standing Deputies.

13. MINUTES

The minutes of the meeting held on 26th November 2025, and the Special meeting held on 11th December 2025, were agreed and signed as a correct record of the proceedings, subject to an amendment to the attendance of the meeting held on 11th December 2025.

14. DRAFT AUDIT RESULTS REPORT

The Chair welcomed Simon Mathers, Director, from the Council's external auditors, Ernst and Young (EY).

The Committee received the Audit Results Report. The audit was designed to express an opinion on the 2024/25 financial statements and addressed current statutory and regulatory requirements. The report contained EY's findings related to the areas of audit emphasis, their views on Rushmoor Borough Council's accounting policies and judgements, and material internal control findings.

The Committee noted that a disclaimed audit opinion had previously been issued on the 2020/21 to 2023/24 accounts as part of the national reset and recovery of local government audit. For 2024/25, assurance over the closing balance sheet and in-year transactions had improved, but sufficient evidence had not been obtained to provide reasonable assurance over all movements and balances. The lack of assurance over the 2023/24 opening balances, following the prior year disclaimer, also prevented full assurance over the 2024/25 figures and the comparative disclosures. Given the continued absence of adequate evidence and the requirement to conclude work by the statutory backstop date, EY advised that they were unable to confirm that the 2024/25 accounts were free from material and pervasive

misstatement. Therefore, the financial statements in 2024/25 would again have a disclaimed audit opinion.

During discussion, Members raised questions regarding the valuation of investment properties and the process the Council used to engage new external valuers. The Committee noted that a significant weakness in the Council's Value for Money arrangements was concerning financial sustainability, which had been disaggregated into two separate risks. These were identified as the need to identify recovery revenue savings to balance future budgets and the necessity to deliver the asset disposal programme, considering the high level of external borrowing.

RESOLVED: That the Draft Audit Results Report, be noted.

15. **DRAFT 2024/25 AUDITOR'S ANNUAL REPORT**

The Committee received the EY's draft Auditor's Annual Report, including the commentary on the Value for Money (VFM) arrangements for Rushmoor Borough Council. The report and commentary explained the work EY had undertaken during the year and highlighted any significant weaknesses identified along with recommendations for improvement. The commentary covered the findings for audit year 2024/25. As the financial statements audit was still in progress as at 30 November 2025, the report had been issued as draft and would be finalised as part of issuing the 2024/25 audit report.

The aim of the report was to bring together all of the auditor's work over the year, including the Value for Money commentary and confirmation of the financial statement opinion. It also referenced any use by the auditor of their additional powers and duties under the Local Audit and Accountability Act 2014. In doing so, the auditors comply with the requirements of the 2024 Code of Audit Practice (the Code) published in November 2024 and the supporting guidance of the National Audit Office (NAO) published within their Auditor Guidance Note 3 (AGN 03). The report provided an overview to the Council and the public, detailing current recommendations and a review of prior years' actions, including the auditor's assessment of whether they had been satisfactorily implemented.

The Committee were advised that EY had identified two significant weaknesses in the Council's arrangements that they intended to report, by exception, in the audit report. The recommendations were to:

- Urgently identify recurrent savings to bridge the budget gap forecast by the Council's updated Medium Term Financial Strategy (MTFS);
- Improve delivery of the asset disposal programme, both in terms of the identification of asset sales and level of capital receipts achieved to reduce the ongoing cost pressures this created on the Council's revenue budget; and
- Continue to seek to replace short-term with long-term borrowing to reduce the Council's exposure to interest rate risk and allow for more certainty in its medium-term financial planning arrangements.

During discussion, Members raised questions regarding property valuations, asset disposals and how capital receipts could be monitored.

ACTION:

What	By Whom	When
The capital receipts live document to be shared with all Members.	Peter Vickers, Executive Head of Finance	Before the March AGC meeting

RESOLVED: That the draft Auditor’s Annual Report, be noted.

16. ANNUAL STATEMENT OF ACCOUNTS/EXTERNAL AUDIT OPINION - UPDATE

The Committee received the Executive Head of Finance’s Report No. FIN2602, setting out the 2024/25 accounts which required approval in line with the statutory Local Government Audit backstop position, and included an update on prior years.

The Committee were advised that, for the 2024/25 Statement of Accounts, the unaudited accounts were required to have been published by 30 June 2025, and the statutory audit backstop date was 27 February 2026. Due to prior years having been a disclaimed opinion, and therefore not having reasonable assurance for prior years’ balances brought forward, the external auditors therefore could only give limited assurance for 2024/25 rather than a clear audit opinion. Work to rebuild assurance was ongoing and an unqualified opinion was anticipated to be achieved for the 2026/27 financial year accounts.

The Committee noted that there were two amendments within the report:

- Reference to regeneration of the Civic Quarter, Farnborough; and
- Clarity over the date of the table showing the political make-up of the Council.

RESOLVED: That:

- (i) approval of the Statement of Accounts for 2024/25 be delegated to the Chair of the Audit and Governance Committee and the S151 Officer;
- (ii) the signing of the Letter of Representation for 2024/25 be delegated to the Chair of the Audit and Governance Committee and the S151 Officer; and
- (iii) the 2024/25 accounts be confirmed as having been prepared on a going concern basis.

17. INTERNAL AUDIT - AUDIT PROGRESS REPORT UPDATE

The Chairman welcomed Neil Pitman, Head of Southern Internal Audit Partnership (SIAP), the Council’s internal auditors.

The Committee received SIAP’s Report No. SIAP26/01, which set out the Internal Audit Progress Report, as at December 2025, which provided the Audit and

Governance Committee with an overview of internal audit activity against assurance work completed in accordance with the approved audit plan. The Report also provided an overview of key updates pertinent to the discharge of the Committee's role, in relation to internal audit.

During discussion, questions were raised regarding the agency staff audit and revised audit action dates.

ACTION:

What	By Whom	When
Share actions for the Agency Staff audit with the Committee.	Peter Vickers, Executive Head of Finance.	Before the March 2026 Committee meeting.
Confirm with Statutory Officer Group, that changes to audit dates, once agreed by management, will require approval from the Committee.	Peter Vickers, Executive Head of Finance	At the next meeting of the Statutory Officer Group.

RESOLVED: That SIAP's Report No. SIAP26/01, be noted.

18. INTERNAL AUDIT - EXTERNAL QUALITY ASSESSMENT - FINAL REPORT

The Committee received SIAP's Report No. SIAP26/02, which set out the External Quality Assessment – Outcome Report. As required by the Global Internal Audit Standards in UK Public Sector, the report presented the outcomes from the External Quality Assessment of the Southern Internal Audit Partnership against the new Standards. The external assessor report of the External Quality Assessment conducted on the Southern Internal Audit Partnership provided an independent oversight of conformance against the new Global Internal Audit Standards in the UK Public Sector as required under Standard 8.4 (External Quality Assessment).

During discussion, Members sought clarification of SIAP's role, regarding the Council's journey towards Local Government Reorganisation.

ACTION:

What	By Whom	When
Share SIAP's Internal Audit Strategy with the Committee.	Neil Pitman, Head of Southern Internal Audit Partnership (SIAP).	Before the March 2026 Committee meeting.

RESOLVED: That SIAP's Report No. SIAP26/02, be noted.

19. ANNUAL CAPITAL STRATEGY 2026/27

The Committee considered the Executive Head of Finance's Report No. FIN2605, which set out the proposed Capital Strategy for the year 2026/27 to 2028/29, including the Prudential indicators for capital finance for 2026/27. The Report gave a high-level overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of local public services, along with

an overview of how associated risk was managed and the implications for future financial sustainability. The Strategy had been written in accordance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) "Prudential Code", the "Treasury Management Code of Practice" 2021, and the Department for Levelling Up, Housing and Communities (DLUHC) guidance on Local Government Investment.

The Committee were advised that decisions made during the year on capital and treasury management would have financial consequences for the Authority for many years into the future. They were therefore subject to both a national regulatory framework and to local policy framework, which were summarised in the Report.

During discussion, Members requested further information concerning the Council borrowing at lower interest rates, the authorised limit and the impact of delays to capital receipts.

The Committee **RECOMMENDED TO THE COUNCIL** that the Capital Strategy for 2026/27 to 2028/29, including the Prudential indicators for capital finance for 2026/27, as set out in the Executive Head of Finance Report No. FIN2605, be approved.

20. **ANNUAL TREASURY MANAGEMENT AND NON-TREASURY MANAGEMENT STRATEGY 2026/27**

The Committee considered the Executive Head of Finance's Report No. FIN2606, which set out the proposed Treasury Management Strategy and Non-Treasury Investment Strategy for the year 2025-26, including the borrowing and investment strategies and treasury management indicators for capital finance for 2025-26 and the Minimum Revenue Provision (MRP) Statement.

Treasury Risk Management at the Council was conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code), which required approval of a treasury management strategy before the start of each financial year. The Executive Head of Finance's Report No. FIN2606, fulfilled the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code. The CIPFA Code also required the Authority to have a separate Non-Treasury Investment Strategy (as set out in Appendix 2 to the report) which had to be approved before April 2026. Local authorities were also required, by regulation, to have regard to the provisions of the Prudential Code for Capital Finance in Local Authorities (Prudential Code) 2021.

Members sought clarification on Farnborough International loan repayments and the accuracy of property valuations by external valuers.

The Committee

- (i) **RECOMMENDED TO THE COUNCIL** that:

- (a) the Treasury Management Strategy 2026-27 and the Annual Borrowing Strategy 2026-27 (as set out in Appendix 1 of the Executive Head of Finance Report No. FIN2606) be approved;
- (b) the Annual Non-Treasury Investment Strategy 2026-27 (set out in Appendix 2) be approved; and
- (c) the Minimum Revenue Provision (MRP) Statement (set out in Appendix 3) be approved.

21. **QUARTERLY REPORT OF TREASURY PRUDENTIAL INDICATORS (Q3)**

The Committee received the Executive Head of Finance's Report No. FIN2607, which set out the activities of the Treasury Management and Non-Treasury Investment Operations for Quarter 3 in the financial year 2025/26 and reported on compliance with Prudential Indicators, as required by the CIPFA Code of Practice on Treasury Management. Full Council approved the Annual Treasury Management Strategy and Non-Treasury Investment Strategy for the financial year 2025/26 in February 2025. The Council's treasury management activity was underpinned by CIPFA's Code of Practice on Treasury Management 2021 ("the Code") and was fully incorporated into the Council's adopted strategy.

The Committee noted that, during Quarter 3, it had exceeded its Treasury Management limits for investment in counterparties. Due to high cash balances and money market funds being fully invested, the Section 151 Officer authorised a temporary investment of £10m with another local authority, above the usual £6m limit. This was considered low risk as local authorities had access to Public Works Loan Board (PWLB) borrowing. The funds were due to be repaid on 30th January. Members were informed that borrowing maturity continued to shift towards longer-term arrangements to provide cost certainty, with 6% of the portfolio maturing within 12 months, supporting interest rate stability in line with the Medium Term Financial Strategy (MTFS) assumption.

When discussing the item, Members sought clarification pertaining to the Council's investment in South Yorkshire Mayoral Combined Authority Police Fund, which had exceeded the £6m local authority's limit. The Committee were assured that the limit was exceeded on this occasion, as the Council held too much cash at that time and the borrowing was taken at a low interest rate.

RESOLVED: That:

- (i) appreciation be given to the Finance Team for the work completed and the progress made; and
- (ii) the contents of the report, in relation to the treasury management and non-treasury investment operations carried out, be approved.

The meeting closed at 9.34 pm.

POLICY AND PROJECT ADVISORY BOARD

Report of the meeting held on Tuesday, 9th December, 2025 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr S.J. Masterson (Chair)
Cllr Lisa Greenway (Vice-Chair)

Cllr A. Adeola
Cllr Steve Harden
Cllr Rhian Jones
Cllr Mara Makunura
Cllr M.J. Roberts
Cllr Dhan Sarki

Apologies for absence were submitted on behalf of Cllrs Abe Allen, T.W. Mitchell and Ivan Whitmee.

Cllr C.W. Card attended the meeting as a Standing Deputy.

24. MINUTES

The minutes of the meeting held on 18th November, 2025 were agreed as a correct record.

25. FREE PARKING FOR SHOPPERS

The Board welcomed Mr Lee McQuade, Economy and Growth Service Manager, who provided information that had been established in response to the approval of a Motion at the October, 2025 Council meeting that had called upon the Board to consider whether free or discounted car parking might be offered to shoppers in Aldershot and Farnborough town centres. The wording of the agreed Motion was attached to the agenda and requested that officers, under guidance from PPAB, should develop a suitable method of consulting residents, local businesses and potential investors about the likely impact of free or discounted parking and how it might work best. Furthermore, it was requested that the Portfolio Holder should present the findings to PPAB to allow it to make recommendations to the Cabinet in time for next year's budget.

The Board was advised that the evidence showed that parking cost could influence behaviour and that high charges could discourage short visits, impulse shopping and the use of cafes and other hospitality outlets but it was also acknowledged that cost was not the only factor. In terms of cost, charges in Aldershot and Farnborough town centres appeared to be comparable to or lower than those levied in Camberley, Basingstoke and Guildford town centres. Research showed that visiting shoppers valued a range of factors including:

- Retail and leisure offer
- Ease of parking / availability of spaces
- Proximity to shops
- Safety and attractiveness of the town
- Cost - though evidence suggested that convenience, relative to what the visitor wanted to purchase or experience, mattered more than price of parking

Mr McQuade explained that the Welsh Government had commissioned a report called 'Assessing the impact of car parking charges on town centre footfall' and that this had concluded that parking cost was only 'one aspect of a complex interplay' influencing visitor behaviour and that the evidence linking changes in parking charges to changes in footfall was 'very weak'. The report added that towns performed best when parking policy was combined with:

- Strong retail and leisure mix
- Events and animation
- Attractive public spaces
- Market and place branding

Other evidence had come to similar conclusions; that parking costs were a factor in town centre performance but not the main one. In concluding his presentation, Mr McQuade explained that some parking in town centres was already free, such as the privately owned car park at Morrisons' in Aldershot. It was also pointed out that any reduction in car parking income would have a negative impact on the Council's revenue position, which would need to be evaluated and considered. The proposed approach to progress this matter was to;

- Assess the impact of limited / targeted changes e.g. time limited offers at specific car parks
- Test those approaches with businesses and residents (would require resources)
- Come back to PPAB with options, possibly at the meeting in March

In discussing the content of the presentation, the Board raised the following points:

- Promotion to local resident and visitors of any parking offers would be key
- Infrastructure within town centres would also need to be in place, such as working escalators and lifts at the Wellington Centre in Aldershot

- Should consider reducing cost of parking at periods before and after school run / work, such as 9am to midday and 3pm to 6pm
- Must remember the green agenda and encourage alternative forms of transport, such as busses, ensuring that public transport services are joined up
- Recall that free parking was offered in High Street Multi Storey in Aldershot in late 90s/early 00s – thought to have had some effect on footfall but not much
- If wanting to support local businesses, should the Council look at rent and rates instead? It was considered that these would be likely to have a greater impact in supporting businesses than changes to parking costs and it was important to consider what outcomes any policy changes were trying to achieve
- PPAB would need to understand revenue implications of free parking to make an informed recommendation
- Requested that Mr McQuade should share the data used for presentation with PPAB members
- Important that PPAB focusses on the wording of the Motion in relation to free parking as opposed to other initiatives, such as the suggested refund of parking charges as a result of spending a certain amount in town – the motion requested that only changes to parking charges be considered, not any other interventions to support town centre businesses
- Should Council be encouraging residents to park outside of town centres and walk in, whilst protecting blue badge holders?
- ‘Pop in bays’ appeared to work well elsewhere
- What events / special days could be hosted / supported to bring footfall into town centres?
- Could any initiatives be advertised on Council Tax bills?

The Chair thanked Mr McQuade for his input and confirmed that this item would be programmed to be discussed again at the Board’s meeting on 24th March, 2026.

26. **WORK PLAN**

The Board noted the current Work Plan. Further to Minute No. 25 above, it was agreed that ‘Free Parking for Shoppers’ would be added to the agenda for the meeting on 24th March, 2026.

It was further agreed that the work plan would be updated following the next meeting of the Programme Management Group. The Chair invited Board members to submit any items for consideration by email.

27. EXCLUSION OF THE PUBLIC

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

Minute No.	Schedule 12A Para. No.	Category
28	3	Information relating to an individual, financial or business affairs and labour relations

THE FOLLOWING ITEM WAS CONSIDERED IN THE ABSENCE OF THE PUBLIC

28. COUNCIL BUDGET 2026/27 - SERVICE REVIEWS

The Board welcomed Mr Ian Harrison, Interim Managing Director, Mr Peter Vickers, Executive Head of Finance and Section 151 Officer and Mr Alex Shiell, Service Manager – Policy, Strategy and Transformation, who provided a briefing on the options under consideration by the Cabinet to improve the Council's financial sustainability, with a view to enabling the Board to make recommendations to the Cabinet if it wished. Cllr Gareth Williams, Leader of the Council had also been invited to attend the meeting for this item.

The Board was advised that work to set the Council's budget for 2026/27 was well underway, with final proposals going to the Council meeting on 26th February, 2026. There were a number of areas of uncertainty, such as the impact of Fairer Funding arrangements this year, along with a reset of business rates. After many years of finding ways of delivering sufficient savings to deliver a balanced budget without cutting services, it was felt that it would now be necessary to review expenditure on staffing, being a major cost centre that had not shown much change over the previous decade. It was explained that the Cabinet had worked through the base budget on a line-by-line basis with a view to a redesign in the new year that would look to identify savings of £2 million. The Board was informed that, given the influence of local government reorganisation, the need for financial sustainability and the achievement of political priorities, the Council would need to:

- Refocus budgets to support political priorities
- Reduce budgets to achieve a prudent minimum reserves balance
- Achieve financial sustainability

- Have a clear Council Delivery Plan that focussed activity on the most desired outcomes to produce improvements in residents' lives and places, with a framework for accountability and performance monitoring

The Cabinet had provided the following steer in relation to the service review process in the context of its political priorities:

- **Grow** – relevant to services producing a net income
- **Sustain** – services or activity that would not provide any financial benefit from review
- **Refocus / retreat** – services where there were options to achieve a budget reduction and / or improved value for money through doing something different or less
- **Stop** – services or activity that had no statutory implication and were not a political priority or offered poor value for money

It was noted that growth in base budget cost, namely the expansion of a service, would be dealt with outside of this process. The Cabinet had provided a list of areas to grow income from current net income and this was included in the presentation. Also listed within the presentation were cost centres where it was recommended to sustain at the current budget level and areas where it was recommended to refocus to achieve either a budget reduction or better outcomes.

The Board was being asked for its views on:

- Approach to service reviews
- Categorisation of service budgets – grow income / sustain / refocus
- Implementation priority order
- Strategy to get to unitary council vesting day

In discussing the content of the presentation, the Board raised the following points:

- Will continue to be a challenge to explain the Council's complex financial challenges to the public
- Acknowledged that staffing reductions would have an effect on service delivery
- Council is ensuring services are provided to a required standard by benchmarking with neighbouring authorities
- Clarified that this would be a managed process over time, with the opportunity to reshape as the process goes on and, dependent on the budget position and

savings requirement at the time, compulsory redundancy would be a last resort

- Councillors suggested some areas where more information would be required before a view could be taken
- Where areas had been identified for reduce/refocus, teams have been asked to carry out their own review and bring forward proposals for how the service could be delivered in future – no targets for reductions set at this stage of the process
- Could maintenance of Council assets, including skateparks, be incorporated into one budget?

In thanking Mr Harrison, Mr Vickers and Mr Shiell for their contributions to the meeting, the Chair asked Members to submit any further views on this subject to Mr Shiell via email.

The meeting closed at 9.00 pm.

OVERVIEW AND SCRUTINY COMMITTEE

Report of the meeting held on Thursday, 11th December, 2025 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr Halleh Koohestani (Chair)
Cllr Thomas Day (Vice-Chair)
Cllr M.J. Tennant (Vice-Chair)

Cllr Leola Card
Cllr C.P. Grattan
Cllr Steve Harden
Cllr G.B. Lyon
Cllr Bill O'Donovan
Cllr M.J. Roberts
Cllr S. Trussler

Cllr Nadia Martin joined the meeting online and was therefore unable to vote on any of the items.

21. MINUTES OF THE PREVIOUS MEETING

The minutes of the meetings held on 23rd October, 2025 were agreed as a correct record.

22. REGISTERED PROVIDERS TASK AND FINISH GROUP

The Committee welcomed Zoe Paine, Strategy and Enabling Officer who was in attendance to advise the Committee of the work undertaken to review the Terms of Reference and working arrangements of the Registered Providers Task and Finish Group since the meeting in June 2025.

The Committee were being asked to agree a name change for the Group to the Housing Oversight Group and agree new Terms of Reference.

The Committee discussed the Terms of Reference and agreed both changes, subject to the following additions/changes to the Terms of Reference:

- An increase in the regularity of meetings, three a year wasn't considered enough
- Inclusion of a process for the Portfolio Holder to report back to the Committee
- A greater number of Members on the Group, which currently had five Members, seven was suggested and political balance would need to be considered

- Confirmation that Private Rented Housing would be included in the Group's remit
- Inclusion of a mechanism in the Terms of Reference to ensure that the widening of the Group did not affect the ability to hold Registered Providers to account - this was considered a priority.

Mrs Paine, agreed to rework the Terms of Reference to incorporate the changes/additions. The revised Terms of Reference would then be shared via email with Members for agreement.

The Chair thanked Mrs Paine for her time.

23. **SERCO ANNUAL REPORT 2024/25**

The Committee welcomed Ruth Whaymand, Environmental Contracts Manager and Aaron Straker, Serco Contracts Manager, who were both in attendance to report on the Serco Annual Report 2024/25.

The Committee received a presentation from Ms Whaymand which provided an overview of the Serco contract, including a background to the procurement, how the contract was audited, service changes, new legislation timetables and the introduction of 'Simpler Recycling'. Mr Straker then gave a presentation which covered details on the workforce, the services delivered in Rushmoor (Collections, Street Cleansing and Grounds Maintenance), contract management and compliance, whitespace, Supatrak and onboard CCTV, health and safety and wellbeing, recycling, innovation, added value and the future.

The Committee discussed the presentations and raised the following issues:

- Street Cleansing changes in some areas were considered to not be successful, in particular in the North Camp area, and as a gateway into the Borough for the forthcoming 2026 Airshow and Armed Forces Day, a request was made for attention to be given to all gateways into the Borough to ensure all were well maintained and clear of rubbish for these important events.
- Food waste KPIs and what targets were considered realistic? - Mr Straker advised that work was underway to set realistic targets for food waste collections and advised he hoped these would be fairer in the future.
- Simpler Recycling – how would residents understand what could and could not be recycled? – it was noted that the new recycling rules aimed to make it easier for residents, as all counties would be aligned with the same recycling requirements. It was reported that metals, plastics and glass would be co-collected, and paper and card would be collected separately to avoid co-contamination. Consideration was being given, by the Working Group, to the receptacle to collect paper and card, and a wheeled bin was thought to be most appropriate to avoid any cross contamination or manual handling issues.

Members requested that the Group thought about space for wheeled bins, from a residents' point of view, when deliberating the matter.

The Portfolio Holder advised that the cost of any new bins and vehicle infrastructure, due to changes as a result of Simpler Recycling, were currently being discussed with Hampshire County Council, as the disposal authority. Should the County Council order local authorities to make changes, they would be responsible for the additional cost, but at present the cost would be the responsibility of the local authorities.

In response to a query regarding the income from PackUK, the Government's chosen administrator for the UK's Extended Producer Responsibility for packaging programme, in relation to Simpler Recycling, it was estimated that the Council were expected to receive around £1m for 2025/26, however only £615k was guaranteed as it was dependent on the funds being collected from manufacturers by PackUK. The funds would be ringfenced for waste and recycling services.

- Apprenticeships – in response to a question regarding apprenticeships leading to permanent positions, it was advised that this was not always possible but there was a potential to transfer to other sites in the area.
- Bin Contamination – It was noted that the Serco Communications Team worked with the Council to help educate residents in relation to contamination of waste and recycling bins. It was understood that the Team thoroughly investigated bins, that were not collected due to contamination, to inform residents what the issue was so it could be avoided going forward. Tools were available to help with education, including posters, stickers, reusable bags and mailshots. Issues relating to food waste contamination could be from the use of thick or black plastic sacks instead of small thin bags. It was hoped that the new Simpler Recycling would help reduce contamination rates, as residents were already putting some of the new items into their recycling bin, which was contributing to contamination, for example, currently approximately 6% of contamination was plastic pots, tubs and trays which would be excepted for recycling under the new legislation.
- Tracking data – a request was made for vehicle tracking data to be made more publicly available to residents. It was noted that the system could not be accessed until after 15:00hrs and the info was shared with the Council's Customer Services Unit, and the Contracts Team, so was available when residents called to report missed bins.
- Electric vehicle maintenance costs – it was advised that the two vehicles in use currently were only on trial and any decisions to use electric vehicles permanently, going forward, would be for the Working Group to discuss and would ultimately be dependent on the details of the contract extension.
- Business waste – in response to a query relating to waste from businesses being blown on people's driveways/gardens, it was noted that it would be

unrealistic to ask the street cleansing teams to litter pick on private property and many residents would not welcome it.

- Bulky waste – it was commented on that the cost of bulky waste collections was not reasonable. The Portfolio Holder advised that consideration was being given to the cost depending on the number of items being collected.
- Electrical waste – it was noted that the limiting factor for electrical waste was size. The pink bins had a limited size opening for items, and the kerbside vehicles only had a small cage to collect items in. It was advised that if the item fit in a standard supermarket bag the item should be accepted. With regard to laptops, mobile phones, tablets, etc. these were disposed on at the owners’ risk and the owner should be aware of potential data protection risks.
- Clinical waste – It was noted that clinical waste collections could only be arranged if referred by a medical professional who would provide details on how to dispose of the clinical waste to the disposal authority. In cases where a medical professional referral was not possible, items should be able to be returned to the individuals GP.

Other issues raised included, broken wheelie bins, legionella flushing, commercial waste, proposed road tax increases, the Human Rights Bill and co-funded pay increases.

The Committee discussed the management of shrub beds since changes, driven by the climate emergency and cost savings were introduced in 2022. It was noted that the weeds had gone from being controlled with chemicals to stopping any kind of control. As a result, the brambles had now taken hold and were well established in the shrub beds. During discussions, it was suggested that a one-off intensive programme could be put in place to clear the weeds and brambles. However, this was considered to be a costly, significantly difficult and challenging manual task. The Committee also discussed pockets of grassland that had been left unmown to encourage biodiversity and data had been requested on the overall size of such areas.

The Portfolio Holder confirmed that the existing Cabinet Working Group was proposing to review the weed treatment of the Borough’s shrub beds, that had been reduced in 2022.

The Committee voted unanimously to support this review and RECOMMENDED that the reinstatement of a greater focus on weed treatment in beds should be prioritised in the Council’s contract negotiations with Serco.

ACTION:

Detail	By Whom	When
Provide data on the size of land left unmown (conservation grass) to encourage biodiversity.	Andy Ford, Parks Manager	January, 2026

The Chair thanked, Mr Straker, Mrs Whaymand and Cllr Guinness for their contribution to the discussions.

24. **WALK THIS WASTE PILOT**

Environmental Contracts Manager, Ruth Whaymand gave a presentation on the Walk this Waste Pilot which aimed to reduce fly-tipping in the Borough. Fly-tipping had a significant impact, especially in deprived areas, and encouraged crime and anti-social behaviour.

The Pilot, to provide a free bulky waste collection, was aimed at reducing fly-tipping in the most deprived areas and targeted residents with no access to transport or funds to dispose of their own bulky waste. A mobile collection vehicle undertook nine events, each with multiple stopping points, and was limited to collecting three items per household. It was reported that, 178 residents used the service and 333 items were collected, totalling 8.34 tonnes of waste. It was noted that the Pilot did not have the desired effect of reducing incidents of fly-tipping and overall, a slight increase was recorded. The Pilot had cost approximately £5,700.

The Portfolio Holder advised that the Pilot had been well received by residents, and the choice to use a mobile vehicle had been more positive than the original choice to use a static skip. However, despite the service not reducing incidents of fly-tipping during the pilot, it was felt that should the service be extended to include one event in each ward per year at a cost of £7,970 (7p per resident a year), an impact could be achieved. The Pilot had also had a positive impact on the communities where it had been carried out.

Cllr Harden expressed his thoughts on the Pilot, and it was noted that he felt the funds could be used in a different way by targeting vulnerable or elderly people or those with more items and no ability to dispose of them themselves. He was supportive of the community aspect of the Pilot but felt that the funds shouldn't be spent on a scheme that had been proven not to work.

During discussion, the Committee acknowledged that the Pilot period had been short, and impacts may be seen if the Pilot were allowed to carry on for a longer period. Alternative options were also raised including, using funds from the Bulky Waste scheme to support initiatives around potential reduced rates or ward specific schemes as agreed with ward councillors. It was noted that it was important to reach those that needed the service the most and alternatives needed to be considered.

In summary, the Committee's key observations and recommendations to the Cabinet were:

- There was no evidence that the Pilot had achieved its primary purpose of reducing fly-tipping, although it was acknowledged that this may have followed should the scheme have run over a longer period
- The Pilot clearly helped engage communities in achieving 'Pride in Place'

- Concerns were expressed that the scheme excluded residents who were unable to carry large items to the vehicles
- The Committee requested Cabinet consider the following as alternatives to the Walk This Waste scheme:
 - A review of residents' accessibility to the bulky waste service, employing pricing incentives to encourage participation,
 - bespoke ward specific measures to be agreed in consultation with Ward Councillors, and
 - that both the above options should focus on the wards that experience the highest incidences of fly-tipping.

The Chair thanked Mrs Whaymand and Cllr Guinness for their presentation.

25. **WORK PLAN**

The Committee noted the current Work Plan and were advised that the next meeting on 5th February, 2026, would be used to carry out pre decision scrutiny on the Farnborough Leisure Centre.

The meeting closed at 11.00 pm.

OVERVIEW AND SCRUTINY COMMITTEE

Report of the meeting held on Thursday, 5th February, 2026 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

Cllr Halleh Koohestani (Chair)
Cllr Thomas Day (Vice-Chair)
Cllr M.J. Tennant (Vice-Chair)

Cllr Leola Card
Cllr G.B. Lyon
Cllr Nadia Martin
Cllr Bill O'Donovan
Cllr M.J. Roberts
Cllr S. Trussler

Apologies for absence were submitted on behalf of Cllr C.P. Grattan and Cllr Steve Harden.

Cllr Mara Makunura attended the meeting as a Standing Deputy.

26. MINUTES OF THE PREVIOUS MEETING

The minutes of the meetings held on 11th December, 2025 were agreed as a correct record.

It was also agreed that an update would be provided on the recommendations made at the December meeting on the Walk this Waste Pilot and changes to the new Housing Oversight Group Terms of Reference, at the meeting to be held on 24th February, 2026.

27. EXCLUSION OF THE PUBLIC

RESOLVED: That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned items to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

Minute Nos.	Schedule 12A Para. No.	Category
28 & 29	3	Information relating to financial or business affairs

28. FARNBOROUGH LEISURE CENTRE - LEISURE OPERATOR PROCUREMENT

The Committee carried out pre-decision scrutiny on the procurement and approval of an operator for the Aldershot Pools and Lido, Alpine Snowsports Centre and the proposed new Farnborough Leisure Centre prior to consideration by the Cabinet at its meeting on 10th February, 2026.

Report No. OS2603 set out the outcome of the Leisure Operator procurement process which commenced in June 2025 and was assessed to take account of both quality (60%) and cost (40%). Operators had the option to bid on two different lots, a standard concession contract or an agency agreement.

The Committee were provided with some background information to the preferred operator, noting their purpose and values, health and wellbeing programme, investment throughout the contract term, the added social and environmental value, and financial deliverability and sustainability. Members were also apprised of a number of risks, and the mitigations in place to address these.

During discussions the Committee asked a number of questions:

- Can we guarantee that costs won't be put on residents through membership fees – it was noted that the preferred bidder had proposed a pricing model to ensure equity of access and commercial performance. Price increases would be aligned to industry best practice, benchmarked annually against Sport England, comparators, and user feedback. Prices would be reported to the Council for agreement annually.
- What were the implications of targets not being met – it was noted that the Council would retain an agreed minimum financial return that was guaranteed.
- What were the financial implications of a mechanical or plant failure at the Lido – it was advised that responsibility for maintenance of the lido plant would remain with the Council.
- Car parking capacity at the Aldershot Pools and Lido – this was an ongoing issue and was discussed as part of the process. It was noted that additional parking had been made available in recent years with a new lido overflow at the rear of the grounds (100 spaces), utilising a small area of Aldershot Park (up to 100 spaces) and on rare occasions the Crematorium car park (up to 50 spaces) for use in busy periods.
- Due diligence, in particular holding to account over promises of social value at procurement stage – it was noted that provision would be included in the contract terms to cover areas such as social value.
- Procurement process costs – it was noted that the Council had a contract with Portsmouth Council who carried out procurement work with the Council's officers.
- Community outreach – some target areas had been identified, in particular those areas of multiple deprivation, however, it was noted that these were negotiable.

The Committee also discussed rebuilding relationships with clubs, in particular the swimming and synchronised swimming clubs. It was advised that the project team had been in contact with key stakeholders, including these clubs, during the process.

ACTIONS:

What	By Whom	When
Confirm any penalties for contract failure by the operator?	David Phillips – Deputy Head of Operations	ASAP
Confirm whether the Council should ask the preferred operator for a performance bond?	David Phillips – Deputy Head of Operations	ASAP
Confirm that appropriate balance sheet checks had been undertaken for the preferred operator?	David Phillips – Deputy Head of Operations	ASAP

29. DECLARATIONS OF INTEREST

Having regard to the Council's Code of Conduct for Councillors, the following declarations of interest were made:

Item No.	Member	Interest	Reason
30	Cllr S. Trussler	Personal and non-pecuniary	Director Rushmoor Homes Limited
30	Cllr Gareth Williams	Personal and non-pecuniary	Director Rushmoor Homes Limited

The Committee agreed that the Directors of RHL could remain and participate in the meeting in line with the previous dispensation provided by the Council's Corporate Governance, Audit and Standards Committee, in May 2021, who had granted dispensations to Members appointed by the Council to the Board of the Rushmoor Development Partnership and as Directors of Rushmoor Homes Limited.

30. UNION YARD, ALDERSHOT - DISPOSAL OF BLOCKS C & D

The Committee considered the decision made by the Cabinet at its meeting on 15 December, 2025, to dispose of Blocks C & D at Union Yard, Aldershot to Vivid Housing.

It was noted that since the Cabinet meeting in December, some key dependencies had changed, and it had been confirmed that Vivid's Board decision would now take place in mid-February. The Committee were given the opportunity to speak with Chris Hodgkinson of Lambert Smith Hampton (Investment Management) (LSH) regarding their recent soft market testing on the value of Blocks C & D. Mr Hodgkinson advised that six companies had come forward with offers all of which were under the value being offered by Vivid Housing, therefore, LSH's recommendation was to pursue the sale with Vivid Housing.

The Committee discussed the financial implications of selling to Vivid Housing against the alternative options set out in Exempt Report No. REG2502 and were advised that whilst red book valuations were used as a benchmark a property's actual sale value was that value the market was willing to pay at the time. It was also noted that soft market testing was, in general, a true reflection of value, however, on occasion off market sales could result in over valuation as well as under valuation. Members asked and received responses to a number of questions regarding the detail of the sale.

The Committee also discussed selling the properties individually on the open market and shared views on the difference in income this could provide. In response to a query, it was noted that selling the properties in a piecemeal way, which could take between 14-21 months, would result in additional costs whilst sales were still progressing when compared to a single sale of both blocks. Although the total capital receipt achieved from individual disposals could be higher once all were sold this would need to be 'netted off' against the additional holding costs and was considered a higher risk compared to the immediate benefit of a larger single capital receipt

Executive Director, Karen Edwards advised that Option 4(a), as set out in Exempt Report No. REG2502, had been the original preferred option for disposal on the units back in April 2025. That offer had been withdrawn and the current offer from Vivid Housing was the quickest to progress in line with the Council's Financial Recovery Programme and help minimise further costs associated with holding onto the property for a longer period. In addition, it was noted that the mix of properties and restrictions on the commercial units had also been adjusted as part of the negotiations. With regards to nomination rights, it was noted that affordable housing nominations would sit with the Council's current arrangements and would help address the number of residents currently on the housing list, whereas shared ownership would be managed through Vivid Housing.

In response to a query regarding Anti-Social Behaviour (ASB), and Vivid's perceived inaction on these matters, it was advised that meetings were being held at a strategic level to address such concerns in a timely and effective manner going forward. Members were made aware that 18 units were already occupied by Vivid tenants and no issues of ASB had been reported to date.

The Committee noted the financial implications of not taking forward the current sale to Vivid Housing and what that could mean for the Council going forward.

The Committee had raised and discussed relevant points on both a financial and social level but had no specific recommendations to make to the Cabinet.

The meeting closed at 9.08 pm.
