



RUSHMOOR BOROUGH COUNCIL

CABINET

*at the Council Offices, Farnborough on
Tuesday, 13th January, 2026 at 7.00 pm*

To:

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

Enquiries regarding this agenda should be referred to Chris Todd, Democratic Support Officer, on 01252 398825 or e-mail: chris.todd@rushmoor.gov.uk

A G E N D A

1. DECLARATIONS OF INTEREST –

Under the Council's Code of Conduct for Councillors, all Members are required to disclose relevant Interests in any matter to be considered at the meeting. Where the matter directly relates to a Member's Disclosable Pecuniary Interests or Other Registrable Interest, that Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation (see note below). If the matter directly relates to 'Non-Registrable Interests', the Member's participation in the meeting will depend on the nature of the matter and whether it directly relates or affects their financial interest or well-being or that of a relative, friend or close associate, applying the tests set out in the Code.

NOTE:

On 27th May, 2021, the Council's Corporate Governance, Audit and Standards Committee granted dispensations to Members appointed by the Council to the Board of the Rushmoor Development Partnership and as Directors of Rushmoor Homes Limited.

2. **MINUTES** – (Pages 1 - 6)

To confirm the Minutes of the meeting held on 15th December, 2025 (copy attached).

3. **BUDGET MANAGEMENT - MONTH 8** – (Pages 7 - 16)
(Cllr Gaynor Austin, Finance & Resources Portfolio Holder)

To consider Report No. FIN2517 (copy attached), which sets out the Council's forecasted financial position for 2025/26 as at the end of November, 2025.

4. **ALDERSHOT SKI CENTRE - CAPITAL EXPENDITURE AND NEXT STEPS** –
(Pages 17 - 22)
(Cllr Julie Hall, Economy, Skills & Regeneration Portfolio Holder)

To consider Report No. PG2543 (copy attached), which seeks the Cabinet's agreement to expenditure in relation to capital works to keep the Aldershot Ski Centre operational in the short term.

5. **EXCLUSION OF THE PUBLIC** –

To consider resolving:

That, subject to the public interest test, the public be excluded from this meeting during the discussion of the undermentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against such item:

Item No.	Schedule 12A Para. No.	Category
6	3	Information relating to financial or business affairs

6. **DISPOSAL OF NO. 101 HAWLEY LANE, FARNBOROUGH - UPDATE AND NEXT STEPS** – (Pages 23 - 28)
(Cllr Julie Hall, Economy, Skills & Regeneration Portfolio Holder)

To consider Exempt Report No. LEG2505 (copy attached), which sets out an update on the disposal of the freehold interest in No. 101 Hawley Lane, Farnborough and proposes appropriate next steps.

CABINET

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 whilstever 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.

CLLR GARETH WILLIAMS, LEADER OF THE COUNCIL

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CABINET

COUNCILLOR GAYNOR AUSTIN
FINANCE PORTFOLIO HOLDER
REPORT NO. FIN2517

13TH JANUARY 2026

KEY DECISION? NO

BUDGET MANAGEMENT – MONTH 8

SUMMARY AND RECOMMENDATIONS:

This report sets out the forecasted financial position for 2025/26 as at the end of November 2025.

CABINET is recommended to:

- i. Note the Revenue budget forecast as set out in Section 3 of the report;
- ii. Approve the virements as set out in Section 4 of the report;
- iii. Note the Capital budget forecast as set out in Section 5 of the report.

1. INTRODUCTION

- 1.1. The Budget is a major decision for the Council and setting and maintaining a balanced budget is a statutory requirement. This report provides an update on the forecasted outturn position against approved budget for the current financial year 2025/26 based upon service manager information as at the end of November 2025 with additional finance due diligence. The forecast position presented in this report therefore represents the Heads of Service and Service Managers forecast outturn assumptions and explanations.

2. BACKGROUND AND EXECUTIVE SUMMARY

- 2.1. The Council has a statutory obligation to set and maintain a balanced budget. In February 2025 the Council identified a significant challenge to its future financial sustainability (as set out at the February 2025 Budget Council).
- 2.2. The forecast outturn for 2025/26 projects the council is working within its approved budget and will achieve the full £1.8million savings requirement.

3. CURRENT YEAR FINANCIAL PERFORMANCE

Revenue Account

- 3.1. The Original Budget for 2025/26 was approved by Council at their meeting in February 2025. The latest Approved Budget also includes 2024-25 budget carry forwards of £101k as noted in the July 2025 Outturn report, a number of supplementary budget approvals and movements to and from Earmarked reserves. The month 8 forecast outturn and variance on approved budget is presented in the table below.

	2025-26 Original Budget £'000	2025-26 Approved Budget £'000	2025-26 Forecasted Outturn £'000	2025-26 Forecast Variance £'000
Economy, Skills & Regeneration	(4,868)	(5,218)	(5,491)	(273)
Finances & Resources	3,873	4,473	3,993	(480)
Healthy Communities & Active Lives	3,730	4,026	3,997	(28)
Housing & Planning	2,613	2,607	2,762	154
Leader/Communications	25	13	11	(2)
Policy, Performance & Sustainability	578	1,195	1,189	(7)
Pride in Place & Neighbourhood Services	7,929	8,056	7,850	(207)
Subtotal	13,879	15,153	14,310	(843)
Less: Reversal of Accounting Entries	(2,957)	(2,883)	(2,883)	-
Net Service Revenue Expenditure	10,922	12,269	11,427	(843)
<u>Corporate Income & Expenditure</u>				
Minimum Revenue Provision (MRP)	2,133	2,133	2,133	-
Interest Receivable	(1,402)	(1,401)	(2,257)	(855)
Interest Payable	6,490	6,489	7,181	692
Vacancy Savings	(400)	(422)	-	422
Recurrent Savings	(1,784)	-	-	-
Pooled Funds	1,000	-	-	-
NI Compensation Grant	(152)	(152)	(137)	15
Union Yard Holding Hosts Provision	221	-	-	-
Irrecoverable VAT	-	-	97	97
Contract Inflation	362	113	-	(113)
RCCO	-	35	35	-
Movement in Earmarked Reserves	587	(940)	(1,017)	(77)
Movement in General Reserves	(3,421)	(3,567)	(3,567)	-
Net General Fund Revenue Budget	14,556	14,556	13,896	(661)
Funded by:				
Council Tax	(8,039)	(8,039)	(8,039)	-
Business Rates	(5,071)	(5,071)	(5,427)	(356)
Collection Fund	(31)	(31)	(31)	-
New Homes Bonus	(512)	(512)	(512)	-
Extended Producer Responsibility	(615)	(615)	(870)	(255)
Other Grant Income	-	(39)	(39)	-
Funding Guarantee	(118)	(118)	(118)	-
Revenue Support Grant	(170)	(131)	(131)	-
Total Funding	(14,556)	(14,556)	(15,167)	(610)
Core (Surplus)/Deficit	-	-	(1,271)	(1,271)

(-) represent a saving on budget or additional income

- 3.2. Service budgets project an overall £843k underspend on approved budget in addition to the planned £1.8m savings which were removed from the approved

budget. The £843k underspend has been analysed in the table below to demonstrate the nature of the income and expenditure generating the saving across the service portfolio's.

	Economy, Skills & Regeneration	Finance & Resources	Healthy Comm & Active Lives	Housing & Planning	Leader	Policy, Perform & Sustain	Pride in Place /N'hood Service	Grand Total
EXPENDITURE								
Staff Costs	(131)	(395)	51	(92)	4	(15)	(126)	(704)
Contracted Services	-	-	(112)	(1)	-	-	(38)	(151)
Utilities	(138)	-	(13)	-	-	-	(220)	(371)
Maintenance	(8)	-	20	1	-	-	(2)	11
Other Costs	57	(4)	121	6	(3)	17	(2)	193
IT costs	-	(38)	-	-	-	-	-	(38)
Grant Support	-	0	(2)	-	-	-	-	(1)
INCOME								
Fees & Charges	-	(9)	(105)	202	(4)	(2)	140	221
Property Related Income	(50)	-	4	-	-	-	65	18
Grants & Contributions	(1)	(27)	11	34	-	(3)	(4)	10
Other Income	(1)	(7)	(3)	4	0	(3)	(19)	(30)
Grand Total	(273)	(480)	(29)	154	(2)	(7)	(207)	(843)
Vacancy Savings								422
Total								(420)

() represent a saving on budget or an additional income

Delivery of budget savings target

- 3.3. Full Council on 27th February 2025 approved the 2025/26 revenue and capital budget and the 2025-28 Medium Term Financial Strategy (MTFS). The council set a 2025-26 balanced budget with a planned reserve drawdown of £3.4m and a savings target of £1.8m of net budget reduction in 2025-26. As reported in the July Outturn Report, the latest forecast shows the savings target has been achieved through temporary service budget reductions and pooled fund dispensations being extended by government.

Key Service Variations

- 3.4. The staff salary budget forecasts an underspend of £704k, inclusive of temporary and interim staff, comfortably overachieving the £422k staff turnover/vacant posts savings target.
- 3.5. The contracted services £151,000 underspend includes £112,000 forecast underspend due to performance at the Aldershot Pools and Lido following a positive season.
- 3.6. Utilities are forecast an underspend of £371,000. £181,000 is due to the Crematorium site being out of use during the building works, reducing both energy costs and the Council has been successful in removing the site from

being charged Business Rates for the duration of works. A refund of £176,989 has been achieved and reflected in this forecast. These savings will be one-off, however the new site will deliver energy efficiency savings. In addition, the utility savings include £143,000 of energy savings at Union Yard energy centre which is set off by reduced income within the property related income line.

- 3.7. Other costs is currently forecast to be £193,000 overspent, including £148,000 of Union Yard holding costs pending disposal of the residential part of the site.
- 3.8. Fees and charges are forecast to be £221,000 short of the budget. This is made up of a number of demand-led areas including;
 - Crematorium – £186,000 – partially due to delay in opening site
 - Planning Application Income - £187,000
 - Car Parks Fines - £24,000
- 3.9. The council has managed its cashflow requirement in year to ensure temporary cashflow surpluses are invested on the money markets at the highest available rates resulting in an £855k over achievement of its investment income. The surplus cash has been generated by the council taking the opportunity to borrow to repay maturing debt (borrowing) when the rates were favourable. Despite this strategy, the cost of borrowing has exceeded the interest budget by £692k due to several capital receipts not materialised as planned within the cashflows, such as the Union Yard £14m due in August 2025.
- 3.10. The council has benefited from a reduction in its business rates appeals provision generating an additional £356k retained business rates funding.
- 3.11. Additional £255k of extended producer funding has been received for recycling waste packaging, the February budget included a provisional figure pending confirmation of the conclusion of the scheme negotiations.

4. Virements

- 4.1. The Interim Monitoring Officer was agreed to be extended by Council on 25 September 2025. Costs of the interim arrangements are beyond current staffing budgets within this service. It is therefore proposed to vire £75,000 from the corporately overachieved staff vacancy savings to cover these costs to the end of the 2025/26 financial year.
- 4.2. The Community Governance Review (CGR) consultation is currently underway, following approval to start by Council on 10th July, then approval to move to a second stage consultation by Council on 25th September 2025. To date costs have been maintained within the Local Government Review (LGR) budget of £100,000. However, due to ongoing requirements for costs for both CGR and LGR, it is proposed to utilise £35,000 of the reported General Fund underspend reported above to support these works.

5. Capital

- 5.1. The original Capital Programme estimate for 2025/26 was approved by Council at their meeting in February 2025 totalling £4.8million.
- 5.2. Cabinet also considered slippage requests in July 2025 of £3.6million, and supplementary budgets of £365k. Additional project approvals for the Leisure Centre site, Crematorium, Loungers and other externally funded projects resulted in a total revised budget of £13.0m.
- 5.3. The current anticipated outturn forecast for 2025/26 amounts to a spend of £10.3million – resulting in £2.7m reprofiled to 2026-27.
- 5.4. Details of forecast project expenditure and funding are detailed in Appendix 1.
- 5.5. Several of the projects detailed are subject to external requirements or further delegations:
 - Union Yard fit out contributions depend on lease negotiations and requirements of potential tenants.
 - The Asset Management provision and Service Review provision is subject to separate approvals and asset requirements that arise.
 - The Union Yard Right to Light budget is subject to claims submitted and negotiations.
- 5.6 Key items to note:
 - Some delays to S106 projects are reported, this is due to internal capacity, procurement process delays and availability of contractors.

6. Capital Receipts Delivery

- 6.1. The table below outlines the delivery of capital receipts, detailing the sources, values, and timing of receipts received or anticipated during the reporting period.

	Budgeted Value	Budgeted Disposal Month	Forecast Value	Forecast Disposal Month	Change in Value	Delay in months
	£		£		£	
Devereux House	1,500,000	May-25	1,500,000	May-26	-	12
Hawley Lane	3,600,000	Jul-25	3,600,000	Jan-26	-	6
Optrex Lane	1,500,000	Sep-25	1,600,000	Feb-26	100,000	5
Meads Block 3	2,000,000	Oct-25	2,000,000	Mar-27	-	17
Union Yard - 82 units	15,000,000	Sep-25	14,500,000	TBC	- 500,000	TBC
Farnborough International Loan repayment			0	n/a		n/a

- 6.2. The forecast Farnborough International Loan early repayment is now not moving forward in March 2026 and has been removed from this list.

7. Alternative Options

- 7.1. The Council has a legal obligation to produce a balanced budget and therefore there is not a 'Do Nothing' option. The Council must achieve its revenue and capital receipt targets, through implementation of the Financial Recovery Plan.
- 7.2. Progress on identifying and implementing measures is being financially monitored, the council does have the option to introduce targeted or broader temporary expenditure control to hold back expenditure and reduce the drawdown on reserves if the financial situation warrants. The Executive Head of Finance will consult at the earliest indication of this option being required.

8. Consultation

- 8.1. No specific consultations have been undertaken outside of the elected member of the council.

9. IMPLICATIONS

Risks and Uncertainties

- 9.1. The cost of borrowing remains a risk to the council at present for the MTFS period. The years planned borrowing has now been put in place for this financial year, with many transactions below the original 5% assumption. External borrowing was minimised throughout 2024/25, however, the value of borrowing the council holds remains high. Cashflow continued to be managed to minimise net interest costs.
- 9.2. Delays to disposals of capital receipts have had an impact on borrowing costs in year. Further delays will now have impact in 2026/27 and future years of the MTFS. Both interest costs and MRP savings reported in the MTFS will not be achievable in the 2026/27 financial year due to ongoing delays.
- 9.3. In addition, the financial performance of the energy centre at Union Yard is impacted by the disposals of residential units at the site and take up of the service by commercial tenants.
- 9.4. Property portfolio rental streams are a sizable contributor to the council's income, supporting the funding of debt costs. Properties remain at risk of vacancies which both prevent income achievement but can incur additional costs of rates, maintenance, and security.
- 9.5. As reported previously, the Crematorium project has created a partial exemption breach in 2025/26. The impact is forecast within reported numbers at £498k of additional VAT cost for capital and £97k of revenue. Officers are being supported by Tax Consultants to challenge this position, however the risk currently remains and a final position will not be known until the end of the financial year.

Legal Implications

- 9.6. Under the Council's Finance Procedure Rules, the Executive Head of Finance is responsible for the proper administration of the Council's financial affairs and advising on the corporate financial position. It is the responsibility of Executive Directors, Heads of Service, Corporate Managers and Service Managers to consult with the Executive Head of Finance and seek approval on any matter liable to affect the Council's finances materially, before any commitments are incurred.

Comments approved by Interim Monitoring Officer & Corporate Manager, Legal Services

Financial and Resource Implications

- 9.7. Financial implications are set out within the report.

Equalities Impact Implications

- 9.8. No direct impact.

Other

- 9.9. There are no further implications of this report to consider.

10. CONCLUSIONS

- 10.1. The council set a 2025-26 balanced budget with a planned reserve drawdown of £3.4m and a savings target of £1.8m of net budget reduction in 2025-26. The latest forecast shows the savings target has been achieved.
- 10.2. If the in-year financial situation determines, cost controls can be implemented to slow down the rate of expenditure until the situation is resolved.
- 10.3. Overall, the financial position over the MTFS period continues to be challenging, progress is being made and officers will continue to monitor closely and report updates regularly to councillors.

BACKGROUND DOCUMENTS:

- Budget Management - Outturn 2024/25– 8th July 2025
- General Fund Budget 2025/26 and Medium Term Financial Strategy 2025/26 to 2028/29 - Council – 27th February 2025

CONTACT DETAILS:

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Head of Service – Peter Vickers peter.vickers@rushmoor.gov.uk

APPENDIX 1

Scheme	2025/26 Budget	Additional Slippage	Additional Approved Schemes	Total Revised Budget	Expenditure to Date	Forecast Outturn	Variance	Carry Forward Request	Over / (Under) Spend
Union Yard / Meads commercial units lease contributions	850,000	175,000	-521,000	504,000	55,000	55,000	-449,000	449,000	
Union Yard construction				702,468	259,739	702,468	0		
Union Yard Right to light	400,000			400,000	4,332	200,000	-200,000	200,000	
Leisure and Civic Hub (Plot B)			1,795,000	1,795,000	852,168	1,690,682	-104,318	104,318	
Southwood Park (s106 / SANG)	0	285,000		285,000		285,000	0		
Crematorium	366,000	1,636,000	1,612,000	3,614,000	1,090,265	3,614,000	0		
Loungers (Meads)			521,000	521,000	3,310	521,000	0		
Hawley Lane	0			0	17,686	30,686	30,686		30,686
Ashbourne House	0	74,000		74,000		0	-74,000	74,000	
CQ Pinehurst Car Park Demolition / Infrastructure		605,000		605,000	0	0	-605,000	605,000	
CCTV	0			0	27,610	27,610	27,610		27,610
Food Waste	7,000			7,000	7,000	7,000	0		
Wheeled Bins	120,000			120,000	83,440	120,000	0		
Disabled Facilities Grants	1,111,000			1,111,000	372,758	1,111,000	0		
Aldershot Pools Solar panels	0	71,000		71,000		71,000	0		
Asset Management provision	800,000			800,000	13,365	500,000	-300,000	300,000	
ICT Services Capital Schemes	140,800	650,000		790,800	21,000	347,000	-443,800	423,800	-20,000
Meads block 4 contract costs UKSPF			95,400	95,400	86,252	95,400	0		
Ceremonial Asset Construction		13,000		13,000	10,368	10,368	-2,632		-2,632
Various S106 projects	0	115,000	364,900	479,900	86,866	366,682	-113,218	113,218	
Service review capitalised costs provision	1,000,000			1,000,000	0	500,000	-500,000	500,000	
TOTAL	4,794,800	3,624,000	3,867,300	12,988,568	2,991,159	10,254,896	-2,733,672	2,769,336	35,664

Scheme	2025/26 Budget	Additional Slippage	Additional Approved Schemes	Total Revised Budget	Expenditure to Date	Forecast Outturn	Variance	Carry Forward Request	Over / (Under) Spend
Funded by:									
Developer contribution to Wheeled bins	20,000			20,000	20,000	20,000	0		
S106/ SANG Grant (Southwood Park)	0	285,000		285,000	0	285,000	0		
S106 (Play Areas etc)	0	115,000	364,900	479,900	86,866	366,682	-113,218	113,218	
Disabled Facilities Grants	1,111,000			1,111,000	372,758	1,111,000	0		
LUF Grant			1,795,000	1,795,000	852,168	1,690,682	-104,318	104,318	
OPE Grant	0	605,000	0	605,000	0	0	-605,000	605,000	
Community Grant		13,000		13,000	86,252	10,368	-2,632		-2,632
Swimming Pool Fund		71,000		71,000	0	71,000	0		
UKSPF			95,400	95,400	10,368	95,400	0		
Capital Receipts	3,050,000	825,000	-521,000	3,354,000	93,697	1,602,000	-1,752,000	1,732,000	-20,000
Retention Funds				702,468	259,739	702,468	0		
Borrowing	613,800	1,710,000	2,133,000	4,456,800	1,209,311	4,300,296	-156,504	214,800	58,296
Total funding:	4,794,800	3,624,000	3,867,300	12,988,568	2,991,159	10,254,896	-2,733,672	2,769,336	35,664

CABINET

**COUNCILLOR JULIE HALL
ECONOMY, SKILLS & REGENERATION
PORTFOLIO HOLDER****13 JANUARY 2026****KEY DECISION: NO****REPORT NO. PG2543****ALDERSHOT SKI SLOPE – CAPITAL EXPENDITURE AND NEXT STEPS****SUMMARY AND RECOMMENDATIONS:**

A decision on short term investment into the Aldershot Ski Slope is required following recent advice from the replacement structural engineering partner. This follows a clear plan of maintenance and structural amendments that has now passed and left the slope at a point of major investment need or full replacement in the medium term.

The structure has been reported as end of life. However the incoming Structural Engineer has confirmed previous advice that with immediate spend, the slope can remain open short term. A high-level cost analysis has been worked up providing cost of circa £325k to ensure stability over the medium term, being 5 years. However consideration should be given to full replacement/major works package as these works do not provide a long term solution

The key requirement at this point is to approve £99k capital allocation for the prompt structural works needed to keep the slope open at this point. This quantum of forecasted spend was recognised and was to be programmed in for next years planned works requirement. Following the recent condition survey report that has raised concerns, this allocation now needs to come forward with the required work being aligned over the end of this and start of the new calendar year.

It is recommended that Cabinet:

1. Agrees an allocation of £99K consisting of 90k 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.
2. Notes the recommendations for medium term financial expenditure necessary to keep the slope open and that in the longer term, to maintain its structural integrity for public use, a full refurbishment and repair programme will be required or for the structure to be substantially replaced.
3. Agrees that a full strategic business case and option appraisal be undertaken to establish the medium to long term future of the ski slope once the new Leisure Operator is appointed.

1. INTRODUCTION

- 1.1. This report provides an update on the structural maintenance of the ski slope facility including forecasted costs and recommendation for immediate commitment of capital to undertake necessary structural work.
- 1.2. The report also outlines the proposed approach to determining the medium and long term future of the ski slope.

2. BACKGROUND

- 2.1. The ski structure was constructed by the army in 1969. This is a steel framed structure comprising of ex-army Bailey Bridge trusses, pinned together and braced with lacing beams to form a raking structure. Above this sits a series of timber planks upon which the ski surface is supported.
- 2.2. The slope operators use a 'Wet Mist System' to aid the ski experience. This has led to dripping through the deck and onto the structure, picking up dirt and depositing it onto joints and steel beams. This has then caused corrosion and weakening of joints and truss members.
- 2.3. Various repairs and renovations have been carried out over the years on the structure. Most recently a series of galvanised frames and foundation bases have been installed to provide additional support to the primary structure. Continuous maintenance is ongoing, including the replacement of the timber decks in small sections so that the slope can continue to be in operation. The slope is now detreating at speed due to its age, compounded corrosion, dilapidated condition and most relevantly the continuous saturation from the elements and water spray/mist system.
- 2.4. In June 2025 the Cabinet considered a report on the options for operating Aldershot Ski Slope following Active Nation ceasing trading and the termination of their contract and associated lease for the site. A temporary arrangement was put in place with Places for People to run the site pending procurement of a new leisure operator for the Council. That process is due to conclude in February 2026 and the running of the Ski Centre has been included but with options to remove it from the contract if required.
- 2.5. In the report in June 2025 the need for structural repair to the Ski Slope was identified as the ski slope has structurally reached the end of its life and there is a significant maintenance liability in the next 5 years that will require funding and is not currently factored into the MTFS and capital programme. It was noted the council will need to undertake a full options appraisal to agree a strategy for the continuation of the facility. The schedule of potential costs was included in Appendix 1 of that report.

3. DETAILS OF THE PROPOSAL

General

- 3.1. Following the previous structural engineer deciding not to continue consultancy on the Ski Slope a replacement company has been appointed who have reviewed the previous reports and inspected on site. They have advised the existing surveys are robust however the work scheduled for the first two years 2025 and 2026 needs to be undertaken as soon as possible to ensure that the slope remains safe to use. Six monthly inspections of the slope are undertaken to monitor its condition and check whether there is immediate risk. The next inspection is scheduled for January. If the inspection reveals any serious deterioration that requires immediate action, or for works to be brought forward, or alternative action then this would be taken. However, these cannot substitute for undertaking the short term works which both structural engineers have stated need to be undertaken swiftly.
- 3.2. The following summarises recommendations for the short-to-long term retention of the ski slope structure and its continued use. Overall, this concurs with the previous recommendations on which the cost estimates were based.
- 3.3. Short Term (1-2 years): -
- Continue to replace the surface timbers as currently in operation.
 - Install scaffold platform to access all areas to allow modification to the existing steel frame below deck.
 - Replace existing bridging beams with new steel members. This can be carried out by leaving the existing beams in place until the new ones are installed, then removing the existing beams.
 - New beams will be galvanised. This will incorporate all new fixings and bolting into existing trusses using isolating washers if appropriate.
 - Installing new stringing beams alongside existing, incorporating new fixings into existing beams. - Galvanised beams do not need to be replaced at this stage.
 - Prepare steelwork by cleaning down all other bridging beams and re-painting with an appropriate corrosion system.
- 3.4. Medium Term (3-5 years): -
- Reinspect the structure and undertake a structural analysis to inform any structural alterations required.
 - Repaint all steelwork to reduce risk of further corrosion.
 - All other members are galvanised to 140 microns dft. - Carry out any new plating repairs found to be necessary found prior to cleaning down / painting works.
 - Replace the decking membrane to reduce the moisture / water fall through the decking onto the steel frame below.
 - Investigate lower section of the ski slope – steels and supports currently at ground level and concealed by ground. This can only take place once deck

is lifted in this area. If the stringers and bridging beams are as the rest of the structure this could become critical in the next 2-5 years.

- Estimated costs are:
 - 2027 - £50K
 - 2028 - £50K
 - 2029 - £45K
 - 2030 - £90K

- 3.5. For the longer term, to maintain its structural integrity for public use, a full refurbishment and repair programme will be required or for the structure to be substantially replaced.
- 3.6. It is therefore proposed that a strategic business case and full option appraisal be undertaken in cooperation with the new Leisure Operator to determine the long term future of the ski slope. The Council has received advice from a Ski Slope operator and is of the view itself that a full year's operating income is necessary to complete this exercise. The business case will consider the strategic situation, opportunities and risks and the options appraisal will consider those options that appear viable in more detail. Undertaking this exercise will enable the Council to consider what options exist to secure the facility in the medium and long term. It will also provide a basis to assess the value for money of any future expenditure. The leisure procurement requires the Council to work in partnership with the new operator to consider the future of the facility.

Alternative Options

- 3.7. To not undertake the immediately required works and to remove the slope from service. This would remove a popular facility from public use which has been included in the Leisure Operator procurement and prejudice future options. It is considered that it is important to ensure a full option appraisal is undertaken before determining the long term future of this Council asset.

Consultation

- 3.8. The Leader and relevant Portfolio Holders were consulted on the continuation of the ski slope and the potential capital implications previously. The recently completed structural survey has highlighted the necessity of the works previously discussed being undertaken as soon as possible and prior to completion of a full option appraisal.

4. IMPLICATIONS (of proposed course of action)

Risks

- 4.1. Delay in undertaking the work will result in non-alignment with the Structural Engineers recommendations, which could lead to slope failure and therefore the need to close at short notice in order to mitigate risk to the users of the facility and the Council.

- 4.2. There is a potential risk that the Council will not continue the use of the ski slope for long enough to achieve best value from the capital expenditure.

Legal Implications

- 4.3. There are no specific legal implications arising from this report in terms of the proposal for release of funds to undertake the urgently required work. Assurance that the site remains safe for use should be sought by way of a site inspection to take place in January, and any report from the site inspection should specify whether the slope will remain safe for use over the very short-term while preparations are undertaken for the works to commence.

Financial Implications

- 4.4. A capital allocation of £800,000 for asset management was agreed by Council on 27 February 2025. To date £20,000 has been allocated to Beaumont Community Centre, therefore £780,000 remains available for these works.
- 4.5. The Ski Slope is currently run by the Council's leisure operator in a temporary arrangement following the Active Nation contract being terminated in April 2025. On 3 June 2025 Cabinet approved an additional budget for 2025/26 of £100,000 to support the reopening of the site. However, in prior years the site has generated an annual income of over £50,000.

Resource Implications

- 4.6. Capacity is available within the Property Services team. The Senior Programme and Buildings Manager is responsible for progressing client-side responsibilities associated with the delivery of works including procurement, contract management and CDM/site management.

Equalities Impact Implications

- 4.7. No direct equality implications have been identified from this report.

5. CONCLUSIONS

The proposed works are necessary in the short term to ensure the ski slope can remain open. A full option appraisal is required to determine the appropriate medium and long term options for the facility.

LIST OF APPENDICES/ANNEXES:

None

BACKGROUND DOCUMENTS:

Cabinet Report June 2025 OS2510 – Aldershot Ski Centre Proposed Operational Arrangements

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