



## NOTICE OF MEETING

|                                |   |
|--------------------------------|---|
| <b>Meeting:</b>                | <b>Cabinet</b>  |
| <b>Date and Time:</b>          | <b>Thursday, 6 November 2014 at 7pm</b>   |
| <b>Place:</b>                  | <b>Council Chamber, Civic Offices, Fleet</b>  |
| <b>Telephone Enquiries to:</b> | <b>01252 774141 (Mrs G Chapman)</b><br><a href="mailto:gill.chapman@hart.gov.uk">gill.chapman@hart.gov.uk</a> |
| <b>Members:</b>                | <b>Crookes (Chairman), Collett, Crampton,<br/>Neighbour, Oliver, Parker, Radley JE</b>                        |

Joint Chief Executive

CIVIC OFFICES, HARLINGTON WAY  
FLEET, HAMPSHIRE GU51 4AE

---

### **AGENDA**

**COPIES OF THIS AGENDA ARE AVAILABLE IN LARGE PRINT  
AND BRAILLE ON REQUEST**

#### **I MINUTES OF PREVIOUS MEETING**

The Minutes of the meeting of 2 October 2014 are attached to be confirmed and signed as a correct record. **Paper A**

#### **2 APOLOGIES FOR ABSENCE**

#### **3 CHAIRMAN'S ANNOUNCEMENTS**

#### **4 DECLARATIONS OF INTEREST**

To declare disclosable pecuniary or any other interests.

**5 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)**

**6 HEALTH AND WELLBEING PARTNERSHIP**

To note the Minutes of the meeting of 3 October 2014. **Paper B**

**7 LEISURE CENTRE WORKING PARTY**

To note the Minutes of the meeting of 15 September 2014. **Paper C**

**8 2014-15 BUDGET MONITORING – SECOND QUARTER**

To advise Members of the position on revenue and capital as at the end of September. This report was considered by Overview and Scrutiny Committee at its meeting on 21 October 2014. **Paper D**

**RECOMMENDATION**

- 1 To note and comment on the revised projections and reasons for the main variations shown in Paragraph 4 below.
- 2 To note and comment on the current spending position on the Capital Programme shown on Appendix I.

**9 TREASURY MANAGEMENT STRATEGY– HALF YEAR REVIEW 2014/15**

To report the Council's Treasury Management activities and performance during the first half of the 2014/15 financial year (April-September). **Paper E**

**RECOMMENDATION**

That Cabinet note the Treasury Management activities during the first half of the 2014/15 financial year.

**10 FROGMORE LEISURE CENTRE - REPLACEMENT OF BOILERS**

To agree to spend up to £44,000 to replace the one defective and two obsolete heating boilers at Frogmore Leisure Centre with two 2 new energy efficient boilers. **Paper F**

**RECOMMENDATION**

To approve the replacement of heating boilers at Frogmore leisure Centre (FLC) with boilers which will also provide additional future capacity.

**11 REGULATORS CODE AND REGULATORY SERVICES ENFORCEMENT POLICY**

To seek approval from Cabinet for the adoption of a revised Regulatory Services Enforcement Policy which has been devised to comply with the Regulators Code. **Paper G**

## **RECOMMENDATION**

That members note the new Regulators Code and approve the adoption of the Regulatory Services Enforcement Policy (Appendix 1) and the supporting document - What you can expect from Regulatory Services in Hart District Council, shown in Appendix 2.

### **12 REVIEW OF COUNCIL CONTACT CENTRE SERVICE**

To seek Cabinet approval for an upgraded contact centre service provision.  
**Paper H**

## **RECOMMENDATION**

That the changes to the contact centre services as outlined in Option 1 of the confidential appendix be authorised.

*NB Appendix 1 of this report is Confidential under Paragraph 3 of Part 1, Schedule 12A of the Local Government Act 1972 - Information relating to the financial or business affairs of any particular person (including the authority holding the information). Members must decide whether the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

### **13 REVIEW OF COUNCIL TELEPHONY SYSTEM**

To seek Cabinet approval for the procurement of telephony services for the Hart Leisure Centre, Frogmore Leisure Centre, Civic Offices and Ranger Station. **Paper I**

## **RECOMMENDATION**

That the procurement of telephony services as outlined in the confidential appendices be authorised.

*NB Appendices 1 and 2 of this report are Confidential under Paragraph 3 of Part 1, Schedule 12A of the Local Government Act 1972 - Information relating to the financial or business affairs of any particular person (including the authority holding the information). Members must decide whether the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

### **14 HART LOCAL PLAN: PREFERRED STRATEGY FOR HOUSING GROWTH**

To recommend a preferred housing distribution, subject to testing, for the purposes of preparing a local plan. **Paper J**

## **RECOMMENDATION TO COUNCIL**

I That the strategy as set out in Appendix I is the Council's preferred housing distribution, subject to testing

- 2 That the Local Plan should seek to identify a supply of specific, developable sites for the first 10 years of the Local Plan following its adoption.

## **15 CABINET WORK PROGRAMME**

The Cabinet Work Programme is attached for consideration and amendment.  
**Paper K**

**Date of Despatch: 28 October 2014**



**03 October 2014 14.00 pm  
Council Chamber – HDC Civic Offices  
Hart Health & Wellbeing Partnership Board Meeting**

**Attendees: Councillor Dr Anne Crampton (Chairman), Councillor Gill Butler, Patricia Hughes (HDC), Carl Westby (HDC), Jackie Priestman (HDC), Martine Fullbrook (HDC), Alison Wyld (Head teacher, All Saints Primary School) Anne Phillips (North Hants CCG) Bruce White (Community Agent) Jon Piper (Healthwatch), Caroline Winchurch (HVA), Sue Vincent (HVA), Jill Corbett (Public Health), Bob Schofield (Fleet Town Council)**

| <b>Item</b> | <b>Subject</b>   | <b>Actions</b> |
|-------------|--|----------------|
| 1           | <p><b>Apologies:</b></p> <p>Donald Hepburn(PPG), Dr Steven Clarke (Farnham and North East Hampshire CCG), Phil Turner (HDC) Nick Steevens (HDC)</p>  |                |
| 2           | <p><b>Minutes of previous meeting and matters arising</b></p> <p>The Minutes of the meeting held on 26<sup>th</sup> June 2014 were agreed.</p> <p><b>Matters arising</b></p> <p><b>Item 3 Section 106 funding of medical infrastructure – multi organisational meeting:</b></p> <p>It had proved difficult engaging with the NHS to organise a meeting so this action is ongoing.</p> <p><b>Item 4 Child and Adolescent Mental Health Services (CAMHS) in Hart – mapping exercise:</b></p> <p>PH informed the group that a new Health &amp; Strategy Officer had been recruited and that Sarah Jewell would be starting in the post later in the month. Mapping of mental health services is one of the tasks on her JD.</p> |                |
| 3           | <p><b>Update from Healthwatch Hampshire by Jon Piper:</b></p> <p>Jon explained that Healthwatch Hampshire is the consumer champion for health &amp; social care services. The experiences and opinions of patients</p>   |                |

are collected and then fed back to the CCGs to help make improvements. It has now completed its first year, and has become established across the county with Hampshire Citizens Advice providing the complaints advocacy service.

Jon added that many projects were now coming to an end and had produced some great outcomes, he gave the following examples::

**1 Young Carers** - Steve Manley had made contact with the Winchester & District Young Carers group and was able to get their views by setting up and filming a Big Brother style “Diary room.” One of the issues highlighted by a 14 year old who was caring for his mother was the difficulties he experienced when collecting her prescriptions because of his age. Possible solutions included A ‘Young Carers ID Card’ and Personalised Information Packs for professionals in which young carers could record all of their duties and understanding of their caring responsibilities. The Personalised Information pack was considered the best option and this simple intervention has helped make life easier for young carers.

Link to the Young Carers report:

[http://www.healthwatchhampshire.co.uk/sites/default/files/healthwatch\\_week\\_young\\_carers\\_evaluation\\_report\\_april\\_2014.pdf](http://www.healthwatchhampshire.co.uk/sites/default/files/healthwatch_week_young_carers_evaluation_report_april_2014.pdf)

Link to view the Young Carers video:

<http://www.youtube.com/watch?v=hEHhduAIDeY&feature=youtu.be>

**2 Chrysalis** – A support group for people who are transgendered. This is an underrepresented group and the report showed that there were real differences throughout the county in the way they were treated by GPs and other health professionals and a certain amount of prejudice was also shown. Chrysalis is one of the projects that received funding, please see below.

**3 Masonic Lodge Farnborough** – An open sight forum which resulted in a sight loss clinic and a lot of positive feedback about Frimley Park hospital.

A network of volunteer Healthwatch Champions is being created to work across Hampshire. These will be people who can speak to members of the public, explain the role of Health Watch Hampshire and then capture and pass on their stories.

Jon added that a Community Cash Fund of £30,000 had been made available for projects that would create improvements in health & social care. In the end £32,000 had been awarded for the following projects:

PH asked Jon for a list of the projects, and they are as follows:

| Grants awarded to:                       | Location         | Group                  |
|--|------------------|------------------------|
| Shore Leave Haslar                       | South East Hants | Service Veterans       |
| Step by Step                             | Aldershot        | Homeless young people  |
| Chrysalis                                | Hampshire        | Transgender community  |
| University of Winchester                 | Hampshire        | Adult Young Carers     |
| Community Action Fareham                 | Eastleigh        | Older People           |
| CISters                                  | Eastleigh        | Sexual Abuse           |
| Age Concern Hampshire                    | Winchester       | Older People           |
| Enham Trust                              | Andover          | Disabled people        |
| Helping Older People New Forest (HOPE)   | New Forest       | Older people           |
| Artscape                                 | Petersfield      | Young People           |
| Jose Harrap                              | Farnborough      | Deaf Women             |
| Hampshire Wellbeing Services             | Basingstoke      | Hard to reach (BME)    |
| Positive Action Aldershot                | Hampshire wide   | LGBT-HIV               |
| Andover Young Carers                     | Andover          | Young Carers           |
| HomeStart Winchester and District        | Winchester       | Troubled Families      |
| Hypermobility Syndromes Association      | Hampshire        | Hypermobility Syndrome |
| Disabled People's Voice Hampshire (DPVH) | Hampshire        | Disabled people        |

PH also asked if more funding would be available, and explained that the work carried out by Healthwatch could be useful in understanding issues experienced by Gypsies and Travelers when accessing health services. She suggested that the research could be used to secure funding to put things in place to help this group. Jon agreed that the Gypsy and Traveller project was something that Healthwatch would be interested in getting involved in and working in partnership over.

PH/JP

PH added that currently information about what Healthwatch is doing isn't being fed into the Districts Health & Wellbeing forum but it is important that it does. Jon agreed and offered to speak to Steve Taylor (manager) to see how Healthwatch could link in to this forum.

JP

JC asked how projects were prioritised. Jon replied that as many projects as possible are added to the database, and strands are pulled from these while at the same time using a strategic approach, so that there is a balance.

PH added that it would be useful to see the feedback on services to get a feel as to where we are succeeding and where we're struggling.

There was a brief discussion around advocacy, GP surgeries in Hart were given

|                 |   |                                   |
|-----------------|---|-----------------------------------|
|                 | <p>forms but not all chose to display them. Advocacy is provided on an individual basis. CW commented that it needs to be flagged up that the CABs provide advocacy and added that the advocacy role is popular with volunteers whereas champion roles are more difficult to fill. Jon agreed but added that students at Farnborough 6<sup>th</sup> form college, who are studying medicine, could take on this role.</p>   |                                   |
| <p><b>4</b></p> | <p><b>Increased Risk Drinkers (IRD) - Possible areas of intervention</b></p> <p>Patricia Hughes (PH) gave a brief overview of some of the Key findings from the Alcohol Research project. Home drinking patterns are deeply ingrained, and are a key part of lifestyle. They are even considered to be part of a ‘healthy lifestyle’ rather than being seen as causing jeopardy to it. Therefore the message will not be about abstinence but reduction, and Patricia suggested looking at 2 possible projects:</p> <ul style="list-style-type: none"> <li>• Peer to Peer intervention - Partners can influence an increase or decrease in drinking but also a change in behaviour (i.e. deciding to cut down or introduce dry days). Women tend to drink less and initiate positive behaviour. Points to a campaign to encourage women to influence the behaviour of their partners (and in so doing limit their own intake).</li> <li>• Children – There is high sensitivity amongst certain groups (men and women) around drinking in front of children. Therefore the message could be to encourage parents not to drink before 9pm on a school night. The chances are if they wait until 9pm to open a bottle of wine they may not open it at all. Looking at working with primary schools but not using full pesther power, the project will be sensitively handled. Intervention will be the difficult part but the evidence will be useful even if it shows that something doesn’t work.</li> </ul> <p>Alison Wyld, Head Teacher at All Saints very kindly offered to work with researchers on this and to provide links into other nearby schools.</p> <p>Jill Corbett suggested also engaging with the school nurse service and agreed to provide relevant contact details.</p> | <p><b>AW</b></p> <p><b>JC</b></p> |
| <p><b>5</b></p> | <p><b>Community Agents Project – update from Bruce White</b></p> <p>The Community Agent project follows on from the Village Agent project which is now well established with volunteers who signpost older people to the information they need to help them to stay independent and living in their own homes for as long as possible.</p> <p>The aim is to find Community Agents for Blackwater, Yateley, Eversley and Fleet. The Community Agents would be available for 4-6 hours per week in the same way as Village agents and Bruce is looking for individuals who can bring creativity and innovative ideas to the role.</p>   |                                   |

|                 |  |  |
|-----------------|--|--|
|                 | <p>The NEF (New Economics Foundation) tool, which is a means of measuring how something impacts the wellbeing of an individual, will be used to measure success, by means of a questionnaire that people will fill in before they have any contact with a Community Agent and again 6 weeks after they have had contact with a Community Agent.</p> <p>CW gave a reminder that the CVs could provide support for the Community Agents with volunteering services and information and asked Bruce to share the data he collects so that the group could see the impact.</p> <p>PH concluded that the Community Agents project compliments the Village agents scheme so through the NEF tool information could be brought back to the group. £10, 000 had been included in the budget for next year to make the project sustainable.</p> <p>SV asked how older vulnerable people in Yateley and Fleet would be identified and added that championing was sometimes difficult for volunteers. Bruce replied that the Community Agents would be given a list of the things that work already. BS added that health and age problems are more invisible without the neighbourliness of a village. The group agreed that Housing teams, U3A, Young at Hart club, Brendan Care and Neighbourhood Watch could be useful in identifying people. MF added that the Fire Service were looking at using retained fire fighters to engage with the community and had just rolled out a new fire safety campaign, aimed to make life safer for people aged 65 and over in Hampshire.</p> |  |
| <p><b>6</b></p> | <p><b>Feedback from LEAP meeting (North Hampshire CCG and North East Hampshire and Farnham CCG AGM)</b></p> <p>Councillor Crampton reported that she had attended a LEAP (Link Engagement and Partnership Committee) meeting on 9th September.</p> <p><b>North Hampshire CCG</b></p> <p>Hugh Freeman had opened the meeting by discussing the CCG's finances. The CCG in a challenging financial position with a £500,000 overspend. Many things have contributed to this, including GP referral rates, which have increased by 9.5%</p> <p>QIPP, (Quality, Innovation, Productivity and Prevention), was designed to save money while improving services. The target of £9.3 million will not be reached as they have only managed to save £2.2 million so far.</p> <p>MSK will start in April, this is an integrated service for common Orthopaedic conditions and usually has diagnostic facilities, physiotherapists etc.</p> <p>A&amp;E targets were reached but there were some long waiting times in the Orthopaedic department with 406 patients waiting over 18 weeks.</p>  |  |

Care.data NHS England gave a presentation on the scheme which was shelved last year. Patients will still be able to opt out but it is hoped that with an improved campaign fewer will want to opt out. The data will be anonymised and will be used to plan services. Councillor Crampton had questioned whether this had gone to the Ethics Committee and no one was aware that it had but all agreed it was something the Ethics Committee should look at.

Social prescribing starts in the New Year with a pilot project. Social prescribing is a formal means of enabling primary care services to refer patients with social, emotional or practical needs to a variety of local, holistic, non clinical services. It provides a pathway to refer patients to non clinical services, linking them to support from within the community to promote their wellbeing. The voluntary groups asked for help in presenting outcomes and asked if there was a template they could use.

#### **Commissioning intensions:**

A foot care service which was requested by the PPG group.

Mental health. Councillor Crampton had suggested that the CCG and public health work together on mental health and drug and alcohol dual diagnosis. Anne Philips from the CCG will be taking this forward as a possible QIPP saving.

A Spinal pathway was also being designed, mainly to deal with back pain. GPs will refer to a hub of physiotherapists, who will triage and decide on the next step with the patient. This may include further investigation or an appointment with a psychologist, or an orthopaedic surgeon.

Councillor Crampton presented an update on Hart health projects and was asked to provide a copy of the increased risk project at the next meeting.

#### **North East Hampshire and Farnham CCG**

The AGM began with an introduction about what a CCG does. It was announced that groups of neighbouring CCGs were looking at joint commissioning of services and that they were the lead CCG for CAHMS. A time out cafe has been set up in Frimley park for those people with mental health issues in crisis to prevent them from attending A&E.

A care home forum has been set up. The better care fund, joint services with County Adult services comes in next year.

Looking ahead they hope to help patients manage their own conditions, bring services closer to home and help people stay in their own homes longer.

|                 |   |  |
|-----------------|---|--|
|                 | <p>If spending continues as it is, in the next two years the CCG will have a £150 million deficit, therefore costs need to be reduced through improved General Practice and Community care and reduced hospital admissions. Money will be moved from hospitals into community care.</p> <p>Improvement programmes include improving access to GPs. Yateley is piloting an integrated care team. Integrated care is designed to meet the needs of frail older people and others with complex health and social care needs. It coordinates the health and social care providers for that individual thus reducing gaps in services, repetition, duplication, delay and people getting lost in the system.</p> <p>Urgent care and planned care are being looked at. For planned care Ophthalmology and dermatology pathways are being revised.</p> <p>Councillor Crampton had asked the following questions:</p> <p>How is GP access to be improved?</p> <p>With much increased development going on in HART and neighbouring districts, how are the CCGs Commissioning plans being formulated to deal with the increase in population in our area?</p> <p>Time out cafe designed to reduce A&amp;E attendances, how is this being measured and what are the figures to date?</p> <p>Councillor Crampton will report back when she receives the answers.</p> <p>The greatest challenges CCGs face are increasing demand and reduced finances. Work force shortages are becoming more of a challenge.</p> |  |
| <p><b>7</b></p> | <p><b>2014 Health Profiles - what the differences are and where we should focus for the coming year - PH</b></p> <p>The group discussed the key priorities to focus on for the following year, recognising that Hart has some of the best health outcomes in the country (e.g. life expectancy at birth of males) but reflecting that with the exceptional demographic that we have, there are other areas which seem by comparison to be sadly 'adrift'.</p> <p>Across the Board, it was agreed that new priorities for 2014/2015 would be:</p> <ol style="list-style-type: none"> <li>1.Smoking status at time of delivery (associated with work around breastfeeding)</li> <li>2.Levels of physically active adults (and the commensurate impact this can have on a variety of wider determinants of health including social isolation and weight)</li> <li>3.Hip fractures in people aged 65 and older</li> </ol> <p>The Board had been very active in moving forward on the priorities for</p>   |  |

|                 |   |                  |
|-----------------|---|------------------|
|                 | <p>2013/14:</p> <ol style="list-style-type: none"> <li>1. Social Isolation - with the new Community Agents initiative going live</li> <li>2. Dementia - with two new dementia friendly high streets in Hart (Fleet and Hartley Wintney) and with the Council signed up to the Dementia Action Alliance</li> <li>3. Increased risk drinking - with substantive research being carried out in this area, leading onto testing of interventions</li> <li>4. Health Inequalities - Military - the Community Covenant Group identified the issues as being awareness of the services available, rather than any barriers to services, so a special section for Service personnel was included in the Autumn edition of the Hart News which was delivered to every household in September. This information is also on the <a href="#">communities webpages</a> of the Hart website.</li> <li>5. Substantive research is currently underway into the barriers to health services for 'bricks and mortar' Gypsies and Travellers.</li> </ol> |                  |
| <p><b>8</b></p> | <p><b>Action Plan updates - PH</b></p> <p>We will undoubtedly continue to work on some of the 2013/14 priorities, however, it was identified that we could potentially use different mechanisms e.g. using the work around hip fractures or getting people physically active, to deal with issues of social isolation, to join many of these priorities together.</p> <p>AP raised concerns about the number of repeat hip fractures, as this is something that shouldn't be happening. JC added that processes were in place to prevent this from happening and asked if the data showed any differences between the 2 hospitals. PH agreed to contact the CCGs and Public Health to have a discussion around benchmarking support to those at risk of hip fractures or those who have suffered them, to see where there may be best practice or gaps in provision, where the Board Members could add real value.</p>  | <p><b>PH</b></p> |
| <p><b>9</b></p> | <p><b>UK Day of Older People (1<sup>st</sup> October)</b></p> <p>Hart District Council sponsored several Events throughout the district</p> <ul style="list-style-type: none"> <li>• <b>Hartley Wintney Over 55s forum:</b><br/>A Celebratory lunch was held on the 1<sup>st</sup> October in the Victoria Hall for people aged over 55 for the local residents in the surrounding areas.</li> <li>• <b>Crandall and Ewshot:</b><br/>Tony Hopkins, the Village Agent for Crondall &amp; Ewshott organised a talk about the benefits of keeping moving as part of your daily routine followed by a 2 course celebratory lunch.</li> <li>• <b>Odiham:</b><br/>Sarah Voycey and Valerie Cloke, the Village Agents for Odiham, organized a Celebration Tea Party, on Friday 3 October 2014 at</li> </ul>  |                  |

|    |  |    |
|----|--|----|
|    | <p>The Cross Barn, Odiham.</p> <ul style="list-style-type: none"> <li>• <b>Yateley event:</b><br/>The Yateley Older persons forum held an event at the Tythings, Yateley on Sunday 5 October 2014. The aim was to provide older and/or retired people in Yateley and its surrounding areas, an idea of what is available to them by way of sports, hobby or interest groups, volunteering opportunities, information on statutory/voluntary organisations as well as general information and advice, while also providing entertainment and refreshments</li> <li>• <b>Fleet RVS event:</b><br/>Fleet RVS celebrated older people's day by launching a competition to see who could take the most steps and will be providing people with free pedometers.</li> </ul> <p>MF added that Hampshire Fire and Rescue Service (HFRS) had launched a new campaign on the 1<sup>st</sup> October aimed at making life safer for people aged 65 and over in Hampshire. Research shows that people aged 65 and over are a significantly more vulnerable group in society when it comes to dwelling fire fatalities. Anyone who smokes, lives alone or has a physical or learning disability has a higher risk of dying in a fire. The simplest of safety precautions such as a working smoke alarm, can make a huge difference and friends, families and neighbours of elderly people are being urged to help them test smoke detectors in their homes. More information is available from <a href="http://www.hantsfire.gov.uk/athome">http://www.hantsfire.gov.uk/athome</a></p> <p>Electric blankets deteriorate over time and people are advised to replace them every 10 years and to have them checked on a yearly basis. Blankets can be checked at the <b>Fleet Fire Station on the 21 October</b> but people need to phone for an appointment. For the full list of dates and venues throughout Hampshire please see document attached with the minutes.</p> <p>The new Home Safety booklet is also attached and provides useful information for all households.</p> |    |
| 10 | <p><b>Any Other Business</b></p> <p>Carl Westby advised the group that NICE had produced new guidance that proposed reducing GP referrals for exercise</p> <p><a href="http://www.nice.org.uk/guidance/ph54/chapter/what-is-this-guideline-about/#evidence-on-exercise-referral">http://www.nice.org.uk/guidance/ph54/chapter/what-is-this-guideline-about/#evidence-on-exercise-referral</a></p> <p>AP advised that GPs look at NICE guidelines but don't always follow them and as there is no cost involved in the referrals, the CCG could recommend that GPs continue making them. AC suggested that the referrals could be incorporated into the Health checks, and involve nurses rather than GPs. AP to discuss with Gillian Trippner and Steven Clarke. The group agreed that referrals from GPs are required to help</p>   | AP |

|  |   |  |
|--|---|--|
|  | <p>maintain the profile for exercise.</p> <p>Caroline Winchurch added that the Voluntary sector may be able to help promote Social Prescribing, through Village and Community Agents, Dementia advisors, CAB and the Information kiosks</p> <p>Carl Westby also advised that Sam Knowles had done a lot of work on exercise classes for older residents and would be rolling out a pilot scheme in January as part of the Stayin' Alive programme. (Hart District Council's new activity programme for people who grew up in the 70's)</p> <p>Please see the HDC website for more information:</p> <p><a href="http://www.hart.gov.uk/council/news/remember-70%E2%80%99s-join-stayin%E2%80%99-alive-hart">http://www.hart.gov.uk/council/news/remember-70%E2%80%99s-join-stayin%E2%80%99-alive-hart</a></p> |  |
|  | <p><b>Date of Next Meeting</b></p> <p>Thursday 5<sup>th</sup> December 2014 14:00 – 16:00 – Council Chamber</p>   |  |



**Hart District Council**

**Leisure Centre Working Group (LCWG)**

**Minutes of meeting 15<sup>th</sup> Sept 2014 @ 5.30pm**

**In attendance**

**Councillors: Crookes (KC) - Chairman, Ive, Oliver**

**Apologies received from Cllr Crampton**

**Officers: Hughes (PH), Love (DL), Westby (CAW)**

**GT Architects; Mark Gowdrige (MG)**

**Willmott Dixon; Richard Bartlett (RB)**

**Observers; Cllr Bennison, Cllr Parker**

| No | Item   | Action             |
|----|--|--------------------|
| 1  | <p><b>Introduction.</b><br/>PH/ CAW provided an overview of the project to date.</p>   | <b>All to note</b> |
| 2. | <p><b>Design Presentation.</b><br/>Mark Gowdrige presented the final version of the facility mix and images of the external building and landscape design.</p> <p>Discussion occurred around.</p> <p><b>2.1</b> Hydrotherapy Pool; agreed to not progress as CCG has advised sufficient capacity already exists and fun water may be suitable for many elements (see below)</p> <p><b>2.2</b> Retail outlet; agreed to incorporate energy and utility services to a point in the landscape – not including concrete base - leaving open the option for the creation of a kiosk or a formal shop. A provisional cost will be included in the landscape element of the project.</p> <p><b>2.3</b> Country Park Visitor Centre. CAW confirmed that the proposed visitor centre will be constructed approx 1000m from the leisure centre so cannot be incorporated into the leisure centre landscaping scheme. It is anticipated that the visitor centre</p> | <b>All to note</b> |

|           |  |                    |
|-----------|--|--------------------|
|           | <p>will include toilets, educational space, waste and recycling facilities and a simple café style catering franchise.</p> <p><b>2.4</b> Fun water; All agreed on the social and educational value and the suitability of the slope for disabled swimmers/wheelchair users. Confirmation that swimming lessons could still be carried out effectively was given by officers and the architect. It was agreed to review the costings and to incorporate this element if it can be contained within the cost envelope</p> <p><b>2.5</b> Climbing wall; agreed to revise the location as proposed by the architect subject to the overarching cost envelope</p> <p><b>2.6</b> Project time scale; progress is presently matching the first milestone - which is the reserved matters planning application( Dec 2014)</p> <p><b>2.7</b> Construction will match the BREEAM “Good” rating</p> |                    |
| <b>3.</b> | <p><b>Frogmore Leisure Centre.</b><br/>The supply and demand analysis has been completed. Discussions with Frogmore Community College will be completed shortly. A Cabinet options report will be presented in November 2014.</p>  | <b>All to note</b> |
| <b>4.</b> | <p><b>CIlr Questions re: wider project</b><br/>KC – what is to happen with current Hart LC?<br/>CAW to meet with HCC and Calthorpe Park School (14<sup>th</sup> Oct) to progress the initial discussions relating to the future use of Hart LC.</p> <p>All – what energy saving technology has been incorporated?<br/>CAW/ RB. The LCWG originally agreed not to incorporate untried technology. A combined heat and power plant is included in the architects brief. RB confirmed that solar heating/ energy production/ energy saving options will be investigated as the project progresses.</p>  | <b>All to note</b> |
| <b>5.</b> | <p><b>External Operators</b><br/>“Soft “discussions with potential operators have commenced. The formal pre qualification questionnaire is almost complete and its availability will be advertised in industry journals and the South East business portal in October.</p> <p>The Invitation To Tender document is 80% complete with the anticipated production date matching the agreed time scale</p>  | <b>All to note</b> |
| <b>6</b>  | <p><b>Next Stages</b><br/>Date of next meeting to be agreed</p> <p>NB. Subsequent to this meeting the Chairman agreed that a presentation to Full Council on the 27<sup>th</sup> November would enable</p>   | <b>All to note</b> |

|  |   |  |
|--|---|--|
|  | <p>all Members to see the design of the new leisure centre ahead of the reserved planning matters application .</p> <p><b>END</b></p> |  |
|--|---|--|

**CABINET**

**DATE OF MEETING:** 6 NOVEMBER 2014

**TITLE OF REPORT:** 2014-15 BUDGET MONITORING – SECOND QUARTER

**Report of:** Head of Finance

**Cabinet Member:** Councillor Ken Crookes, Leader

**1. PURPOSE OF REPORT**

1.1 To advise Members of the position on revenue and capital as at the end of September. This report was considered by Overview and Scrutiny Committee at its meeting on 21 October 2014.

**2. OFFICER RECOMMENDATION**

2.1 To note and comment on the revised projections and reasons for the main variations shown in Paragraph 4 below.

2.2 To note and comment on the current spending position on the Capital Programme shown on Appendix 1.

**3. BACKGROUND**

3.1 This report covers the period from 1 April 2014 to 30 September 2014.

3.2 It is important that regular monitoring of budgets is undertaken to ensure financial targets being set by the Council are being met and to make any necessary changes to approved budgets.

**4. REVENUE BUDGET MONITORING**

4.1 The revenue budget for 2014/15 was approved allowing for a contribution to reserves of £312k. Based on the figures currently available it is projected the contribution to reserves will be £364k, a further under spend of £52k. This is lower than forecast at the end of quarter 1, but this is largely due to the increased use of consultants on work related to the Local Plan (£270k).

4.2 Details of all variances are shown in the attached appendices and the main areas of significant note are:

Planning Income

Income received to the end of September was £538k against a full year budget of £709k. The year end projection has been adjusted to allow for the fact that some big applications were received in the first six months, however it is highly likely that income for the whole year will significantly exceed budget.

Car Park Income

Car park income is running at a higher level than budgeted, however it is still too early in the financial year to draw definitive conclusions.

Business Rates

Business rates are now partially retained by the Council as part of the Government's finance settlement. If business rates payable are more than the Government assumes, then a percentage of any growth can be retained by the Council.

As in 2013/14 and reported previously, significant growth (if any) is not anticipated in the current year.

**5. CAPITAL EXPENDITURE MONITORING**

- 5.1 The Capital budget approved in February plus in year additions is £3,410k and is attached as Appendix 2. Only £625k had been spent as at the end of period 6, although it is anticipated that the full budget will be used by the end of the year. In particular, a significant number of leisure projects are in the process of being implemented.

**6. MANAGEMENT OF RISK**

- 6.1 Regular monitoring of budgets is undertaken by spending officers and reports provided to Management Team. This allows for early corrective action to maintain overall expenditure within budget.

**7. BUDGET PREPARATION 2015/16**

- 7.1 In order to ensure that the Council budgets reflect service needs as closely as possible, a "zero based" budgeting exercise is underway. This will involve assessing service needs from scratch, rather than relying on an incremental approach. The overall purpose is to align budgets with need as much as possible. Service Boards will receive the initial budget drafts, commencing in November.
- 7.2 The pattern of expenditure at period 6 and the variations (under and over spends) identified to date will help this exercise and ensure any budgets not required are omitted from the base budget for 2015/16.

**8. CONCLUSIONS**

- 8.1 The budget remains well on course to achieve the Council's financial objectives in 2014/15.

Contact Details: Tony Higgins, email: [Tony.Higgins@Hart.gov.uk](mailto:Tony.Higgins@Hart.gov.uk)

**APPENDICES**

- Appendix 1 Capital Programme Budget Monitoring 2014/5  
Appendix 2 Revenue Budget Outturn 2014/15

| REVENUE BUDGET OUTTURN 2014 / 2015 PERIOD 6 SEPTEMBER |                      |                            |                             |                | Commentary   |
|---|----------------------|----------------------------|-----------------------------|----------------|--|
| Original Budget                                       | Year to Date Actuals | Full Year Forecast Outturn | Projected Year End Variance |                |  |
| <b>COMMUNITY SAFETY</b>                               |                      |                            |                             |                |  |
| Community Safety - Shared Serv                        | 233,890              | 53,551                     | 233,890                     | 0              |  |
|   | 233,890              | 53,551                     | 233,890                     | 0              |  |
| <b>CORPORATE SERVICES</b>                             |                      |                            |                             |                |  |
| Civic Function & Chairman                             | 26,550               | 13,686                     | 26,050                      | -500           |  |
| Corporate - Apprentices                               | 50,000               | 7,700                      | 50,000                      | 0              |  |
| Corporate Communication                               | 52,690               | 26,846                     | 53,214                      | 524            |  |
| Leadership Team                                       | 738,510              | 346,088                    | 772,370                     | 33,860         | New Website: meeting corporate objective providing 100% of services online.  |
| Corporate Performance Team                            | 116,380              | 30,355                     | 115,239                     | -1,141         |  |
| External Audit  | 92,500               | 21,844                     | 88,500                      | -4,000         |  |
| Non Distributed Costs                                 | 446,420              | 138,098                    | 444,420                     | -2,000         |  |
| Climate Change  | 16,700               | -7,079                     | 16,700                      | 0              |  |
| Business Support Unit                                 | 95,995               | 369,538                    | 80,157                      | -15,838        | Vacancy Savings - Post transferred to Technical.   |
| Fleet Town Centre                                     | 0                    | 6,500                      | 0                           | 0              |  |
| Customer Services Contract                            | 4,500                | 116,397                    | -650                        | -5,150         | Actual RPI uplift lower than budget.   |
| IT Contract   | 4,000                | 157,554                    | -3,600                      | -7,600         | Actual RPI uplift lower than budget.   |
| HR Contract   | -30,000              | 43,032                     | -33,873                     | -3,873         | Actual RPI uplift lower than budget.   |
| Internal Audit  | 0                    | 28,875                     | 0                           | -16,590        | Savings from outsourced audit plan 14/15.  |
| Legal Services  | 0                    | -26,951                    | -6,663                      | -6,663         | Improvement on fees collected.   |
| Customer Services Client                              | 0                    | 22,552                     | 9,412                       | 9,412          | Additional postage charges £6k. Lagan and Capita costs for green waste £3k.  |
| IT Client   | 0                    | 153,783                    | -596                        | -596           |  |
| HR Client   | 0                    | 26,707                     | 10,056                      | 10,056         | Extra HR Professional Days, outside basic contract £10k.   |
| Print Room & Photocopying                             | 0                    | 17,199                     | 0                           | 0              |  |
| Local Land Charges                                    | -27,800              | -62,733                    | -26,880                     | 920            |  |
| Admin Bldgs - R & M                                   | -91,958              | 193,211                    | -52,921                     | 39,037         | Rates budget below actual. Ad hoc buildings maintenance shows some late March bills that were not accrued.   |
|   | 1,494,487            | 1,623,202                  | 1,524,345                   | 29,858         |  |
| <b>DEMOCRATIC SERVICES</b>                            |                      |                            |                             |                |  |
| Rechargeable Elections                                | 0                    | 19,980                     | 0                           | 0              |  |
| Register Of Electors                                  | 127,730              | 13,448                     | 132,239                     | 4,509          |  |
| Election Expenses                                     | 200,520              | 116,666                    | 205,744                     | 5,224          | Electoral Role data collection changes.  |
| Support To Elected Bodies                             | 231,700              | 110,015                    | 231,700                     | 0              |  |
|   | 559,950              | 260,109                    | 569,683                     | 9,733          |  |
| <b>FINANCE</b>  |                      |                            |                             |                |  |
| Revs & Bens Contractor Costs                          | 13,000               | 482,732                    | 6,400                       | -6,600         | Actual RPI uplift lower than budget.   |
| Revenues & Benefits Client                            | 0                    | -55,577                    | 8,926                       | 8,926          | Vale & South Client Team 10% quality checking on Revenue and Benefits work.  |
| Housing/Council Tax Benefits                          | 887,780              | -275,324                   | 884,780                     | -3,000         |  |
| Meals On Wheels                                       | 10,000               | 8,688                      | 7,804                       | -2,196         |  |
| Housing Act & Housing Ass. Adv                        | -50                  | -23                        | -50                         | 0              |  |
| Bank Charges  | 56,500               | 19,084                     | 50,000                      | -6,500         | Bank Charges for credit card use saving from new system.   |
| Finance Client  | 0                    | 37,104                     | 5,260                       | 5,260          | Pension - Auto enrolment.  |
| Finance Contract                                      | 8,500                | 189,183                    | -6,000                      | -14,500        | Actual RPI uplift lower than budget.   |
|   | 975,730              | 405,867                    | 957,120                     | -18,610        |  |
| <b>HOUSING SERVICES</b>                               |                      |                            |                             |                |  |
| Private Sector Housing                                | 240,500              | 73,989                     | 249,314                     | 8,814          | Staff salary variance. Training accrual missed at year end.  |
| Strategic Housing Services                            | 180,880              | 62,317                     | 190,833                     | 9,953          | Staff salary variance. Training accrual missed at year end.  |
| Housing Needs Service                                 | 789,060              | 206,347                    | 746,921                     | -42,139        | Net of secondment income & back fill £18k. Rent Deposit saving £30k. Vacancy saving £5k.   |
|   | 1,210,440            | 342,653                    | 1,187,068                   | -23,372        |  |
| <b>LEISURE &amp; ENV PROMOTION</b>                    |                      |                            |                             |                |  |
| Land Repossessions                                    | 4,480                | 0                          | 4,480                       | 0              |  |
| Leisure Centre Maintenance                            | 85,000               | 62,386                     | 110,000                     | 25,000         | Late last year bills being paid at start of this year.   |
| Leisure Strategy                                      | 141,020              | 55,145                     | 142,649                     | 1,629          |  |
| Fleet Pond  | 88,900               | 26,125                     | 91,876                      | 2,976          |  |
| Commons   | 73,910               | 2,019                      | 74,106                      | 196            |  |
| Odiham Common   | 54,320               | -4,978                     | 54,269                      | -51            |  |
| Elvetham Heath Nature Reserve                         | 38,740               | 18,012                     | 41,484                      | 2,744          |  |
| Hart Leisure Centre (Client)                          | 203,591              | -16,651                    | 219,423                     | 15,832         | Reduced Leisure Card Income.   |
| Frommore LC (Client)                                  | 346,679              | 111,060                    | 334,222                     | -12,457        | Net affect of casual staff saving, directly correlated with reduced income.  |
| Parks/Play Areas Outside Fleet                        | 50,280               | 0                          | 50,280                      | 0              |  |
| Harlinton Centre (Client)                             | 0                    | 0                          | 0                           | 0              |  |
| Edenbrook Country Park                                | 18,830               | 36,146                     | 0                           | -18,830        | Now drawing down SANG funds to cover recharges, extra drawdown brings full year outturn to nil (but credit variance to budget).                        |
| QE    Fields  | 1,250                | 11,315                     | 0                           | -1,250         | Now drawing down SANG funds to cover recharges, extra drawdown brings full year outturn to nil (but credit variance to budget).                        |
| Biodiversity  | 16,460               | 7,493                      | 16,460                      | 0              |  |
| Landscape & Conservation                              | 52,385               | 19,490                     | 46,547                      | -5,838         | Income from Secondment with Basingstoke & Deane.   |
| Environmental Promotion - Stra                        | 366,490              | 29,795                     | 368,787                     | 2,297          |  |
| Tree Preservation Orders                              | 197,630              | 25,533                     | 193,909                     | -3,721         |  |
|   | 1,739,965            | 382,890                    | 1,748,492                   | 8,527          |  |
| <b>ENVIRONMENTAL SERVICES</b>                         |                      |                            |                             |                |  |
| Dog Warden  | 95,780               | 25,363                     | 97,142                      | 1,362          |  |
| Pest Control  | -6,400               | -3,594                     | -1,450                      | 4,950          |  |
| Env Health Pollution                                  | 302,420              | 70,029                     | 282,986                     | -19,434        | Staffing Adjustment to cover additional duties. Equipment Saving.  |
| Env Health Commercial                                 | 229,810              | 43,881                     | 223,141                     | -6,669         | Staffing Adjustment to cover additional duties.  |
| Churchyards   | 7,000                | 1,930                      | 7,000                       | 0              |  |
| Env Health Public                                     | 65,420               | 10,459                     | 61,189                      | -4,231         |  |
| Out Of Hours Noise Service                            | 96,460               | 11,545                     | 95,395                      | -1,065         |  |
| Health & Safety                                       | 0                    | 27,649                     | -8,139                      | -8,139         | Staffing Adjustment to cover additional duties. Equipment saving.  |
| Licences  | 48,160               | -28,477                    | 58,256                      | 10,096         | 2nd year apprentice post.  |
| Hackney Carriages                                     | 22,320               | -24,553                    | 7,871                       | -14,449        | Staffing Adjustment to cover additional duties.  |
|   | 860,970              | 134,232                    | 823,391                     | -37,579        |  |
| <b>PLANNING</b>                                       |                      |                            |                             |                |  |
| Dev. Control - Fee Earning                            | 540,010              | -236,030                   | 253,445                     | -286,565       | Planning application charges 60% above budget, additional income of £366k. Consultant used to cover Senior Planning Officer and vacancies £85k.        |
| Building Control - Fee Earning                        | -72,290              | -104,643                   | -72,197                     | 93             |  |
| Building Control - Non-Fee                            | 175,290              | 43,686                     | 178,696                     | 3,406          |  |
| Planning Policy                                       | 502,470              | 158,916                    | 780,030                     | 277,560        | Additional Local Plan Support  |
|   | 1,145,480            | -138,071                   | 1,139,974                   | -5,506         |  |
| <b>TECHNICAL</b>                                      |                      |                            |                             |                |  |
| Emergency Planning                                    | 30,690               | 35,421                     | 60,614                      | 29,924         | Staffing pressure, post transferred from Corporate   |
| Waste Client Team                                     | -509,260             | -463,997                   | -519,978                    | -10,718        | Garden bins £36k Pressure offset Green Waste and MRF Income. Reduction in Glass prices have reduced dramatically £10k less expected in income.         |
| Hart Drainage   | 90,610               | 33,949                     | 94,605                      | 3,995          |  |
| Waste Contract  | 1,663,420            | 506,349                    | 1,660,249                   | -3,171         |  |
| Grounds Mtn Contract                                  | 0                    | 194,131                    | 0                           | 0              |  |
| Street Cleaning                                       | 485,300              | 216,819                    | 481,300                     | -4,000         |  |
| Clinical and Bulky                                    | -6,800               | -6,162                     | -4,867                      | 1,933          |  |
| Basingstoke Waste Contract                            | 0                    | -413,506                   | 0                           | 0              |  |
| Street Furniture                                      | 8,950                | 4,209                      | 8,642                       | -308           |  |
| Highways Traffic Management                           | 88,650               | 61,169                     | 80,975                      | -7,675         | Consultancy budget saving £5k.   |
| Highways Agency - Development                         | -12,590              | -17,878                    | -15,701                     | -3,111         |  |
| Estates/Asset Management                              | 324,068              | 41,450                     | 328,289                     | 4,221          |  |
| Off Street Enforcement                                | -220,630             | -174,141                   | -286,222                    | -65,592        | Additional Car Park Fees £62k. Toilet Block Rates - Transferred to Estates £5k. Budget variance due to Ticket Machine Contractors now capitalised £6k. |
| On Street Enforcement                                 | 179,130              | 46,824                     | 200,703                     | 21,573         | £10k pressure for new GIS Mapping system. Penalty Notice income pressure due to staff vacancies £10k.  |
| CCTV  | 119,360              | 66,317                     | 136,699                     | 17,339         | Additional salary estimate from Rushmoor.  |
| Flood repairs & Maint work                            | 0                    | -326                       | 0                           | 0              |  |
|   | 2,240,898            | 130,628                    | 2,225,308                   | -15,590        |  |
| <b>Grand Total</b>                                    | <b>10,461,810</b>    | <b>3,195,061</b>           | <b>10,409,271</b>           | <b>-52,539</b> |  |

| Capital Programme Budget Monitoring 2014/15             |  |                         |                 |                   |                |                      |                  |                      |  |
|---|--|-------------------------|-----------------|-------------------|----------------|----------------------|------------------|----------------------|--|
|   |  | Original Budget 2014/15 | Carried Forward | Current Available | Actual To Date | Forecast Expenditure | Variance 2014/15 | Approved for 2015/16 |  |
| <b>Capital resources available as at 1st April 2014</b> |  |                         |                 |                   |                |                      |                  |                      |  |
| <b>Receipts in year</b>                                 |  |                         |                 |                   |                |                      |                  |                      |  |
| Corporate Services                                      |  | 0                       | 464             | 564               | 58             | 470                  | (94)             | 0                    |  |
| Housing & Customer Services                             |  | 560                     | 74              | 634               | 113            | 634                  | 0                | 0                    |  |
| Leisure & Environmental Promotion                       |  | 570                     | 232             | 1,945             | 442            | 2,009                | 64               | 0                    |  |
| Technical Services                                      |  | 0                       | 241             | 266               | 12             | 355                  | 89               | 0                    |  |
| <b>TOTAL CAPITAL PROGRAMME</b>                          |  | <b>1,130</b>            | <b>1,012</b>    | <b>3,410</b>      | <b>625</b>     | <b>3,469</b>         | <b>59</b>        | <b>0</b>             |  |
| <b>Capital Resources available as at 1st April 2015</b> |  |                         |                 |                   |                |                      |                  |                      |  |

| Service Area                        | Scheme  |      | Original Budget 2014/15 | Carried Forward 2013/14 | Current Available Budget | Actual To Date | Forecast Expenditure | Variance    | Approved for 2015/16 |
|-------------------------------------|---|------|-------------------------|-------------------------|--------------------------|----------------|----------------------|-------------|----------------------|
| Corporate Services                  | CCTV-Rushmoor                                     | YY16 | 0                       | 294                     | 294                      | 0              | 264                  | (30)        | 0                    |
|                                     | Upgrade to IT infrastructure                      | YT07 | 0                       | 135                     | 135                      | 35             | 96                   | (39)        | 0                    |
|                                     | Revs and Bens Upgrade                             | YT08 | 0                       | 12                      | 12                       | 0              | 12                   | 0           | 0                    |
|                                     | Replacement IT Backup System                      | YL44 | 0                       | 0                       | 100                      | 0              | 75                   | (25)        | 0                    |
|                                     | Rural Broadband                                   | YL37 | 0                       | 23                      | 23                       | 23             | 23                   | 0           | 0                    |
|                                     |   |      | <b>0</b>                | <b>464</b>              | <b>564</b>               | <b>58</b>      | <b>470</b>           | <b>(94)</b> | <b>0</b>             |
| Housing & Customer Services         | Private Sector Renewal (Home trust Loans)         | YR03 | 60                      | 39                      | 99                       | 2              | 99                   | 0           | 0                    |
|                                     | Eversley Rural Exceptions site S106 (S106)        | YL38 | 0                       | 0                       | 0                        | 0              | 0                    | 0           | 0                    |
|                                     | Rotherwick Rural Exceptions site                  | YL43 | 0                       | 0                       | 0                        | 5              | 0                    | 0           | 0                    |
|                                     | Lea and Larmer Close S106 (S1060)                 | YL39 | 0                       | 35                      | 35                       | 0              | 35                   | 0           | 0                    |
|                                     | Disabled Facilities Grants                        | YR05 | 500                     | 0                       | 500                      | 106            | 500                  | 0           | 0                    |
|                                     |   |      | <b>560</b>              | <b>74</b>               | <b>634</b>               | <b>113</b>     | <b>634</b>           | <b>0</b>    | <b>0</b>             |
| Leisure and Environmental promotion | Fleet Pond Project-Restoration                    | YY00 | 0                       | 0                       | 0                        | 8              | 47                   | 47          | 0                    |
|                                     | Winton crescent (Parish)                          | YL24 | 0                       | 0                       | 0                        | 0              | 0                    | 0           | 0                    |
|                                     | Canoe Club (District) (S106)                      | YL41 | 0                       | 60                      | 60                       | 60             | 60                   | 0           | 0                    |
|                                     | Springfield Avenue Hartley Wintney (Parish)       | YL25 | 0                       | 0                       | 0                        | 0              | 0                    | 0           | 0                    |
|                                     | Broadoak Common (District) (S106)                 | YL27 | 0                       | 18                      | 18                       | 0              | 18                   | 0           | 0                    |
|                                     | Broadoak Common (District)                        | YL26 | 0                       | 0                       | 0                        | 0              | 0                    | 0           | 0                    |
|                                     | Edenbrook Country Park (S106)                     | YL28 | 30                      | 0                       | 30                       | 0              | 30                   | 0           | 0                    |
|                                     | Fleet pond Nature Reserve Visitor Strategy (S106) | YL29 | 20                      | 44                      | 64                       | (1)            | 64                   | 0           | 0                    |
|                                     | Frogmore leisure centre (S106)                    | YL30 | 310                     | (2)                     | 308                      | 310            | 325                  | 17          | 0                    |
|                                     | Hart leisure centre                               | YL31 | 0                       | (0)                     | (0)                      | 0              | (0)                  | 0           | 0                    |
|                                     | Odiham Common (S106)                              | YL32 | 30                      | 0                       | 30                       | 0              | 30                   | 0           | 0                    |
|                                     | Fleet Area Football (S106)                        | YL33 | 180                     | 0                       | 180                      | 0              | 180                  | 0           | 0                    |
|                                     | Yatley United FC (S106)                           | YL45 | 0                       | 0                       | 0                        | 6              | 0                    | 0           | 0                    |
|                                     | South Warnborough Parks (Parish)                  | YY97 | 0                       | 0                       | 0                        | 0              | 0                    | 0           | 0                    |
|                                     | Leisure Centre SCAPE project appraisal            | YL34 | 0                       | 70                      | 70                       | 0              | 70                   | 0           | 0                    |
|                                     | Strategic Leisure                                 | YL35 | 0                       | 43                      | 43                       | 10             | 43                   | 0           | 0                    |
|                                     | Leisure Centre Pre Construction Stage             | YL47 | 0                       | 0                       | 950                      | 9              | 950                  | 0           | 0                    |
|                                     | Hook Football Pitch Improvements (S106)           | YL46 | 0                       | 0                       | 89                       | 40             | 89                   | 0           | 0                    |
|                                     | Countryside Service Vehicles (S106)               | YL48 | 0                       | 0                       | 59                       | 0              | 59                   | 0           | 0                    |
| Cricket Hill Oond (Yateley) (S106)  | YL49  | 0    | 0                       | 45                      | 0                        | 45             | 0                    | 0           |                      |
|                                     |   |      | <b>570</b>              | <b>232</b>              | <b>1,945</b>             | <b>442</b>     | <b>2,009</b>         | <b>64</b>   | <b>0</b>             |
| Technical Services                  | Car Park Improvements                             | YR08 | 0                       | 0                       | 0                        | 0              | 0                    | 0           | 0                    |
|                                     | Fernhill Road, Pedestrian Facilities (S106)       | YT09 | 0                       | 74                      | 74                       | 2              | 74                   | 0           | 0                    |
|                                     | Hook Car Park Feasibility                         | YY15 | 0                       | 0                       | 0                        | 0              | 0                    | 0           | 0                    |
|                                     | Basingstoke Canal Car Park - Ticket Machines      | YL36 | 0                       | 8                       | 8                        | 5              | 7                    | (1)         | 0                    |
|                                     | Victoria Road Car Park - Pay on Foot              | YL42 | 0                       | 160                     | 160                      | 2              | 250                  | 90          | 0                    |
|                                     | Phoenix Green, Hartley Wintney                    | YT10 | 0                       | 0                       | 0                        | 2              | 0                    | 0           | 0                    |
|                                     | Mill Corner, North Warnborough                    | YT11 | 0                       | 0                       | 0                        | 0              | 0                    | 0           | 0                    |
|                                     | Hartley Wintney Pedestrian Access                 | YT12 | 0                       | 0                       | 25                       | 0              | 25                   | 0           | 0                    |
|                                     |   |      | <b>0</b>                | <b>241</b>              | <b>266</b>               | <b>12</b>      | <b>355</b>           | <b>89</b>   | <b>0</b>             |
| <b>TOTAL CAPITAL PROGRAMME</b>      |   |      | <b>1,130</b>            | <b>1,012</b>            | <b>3,410</b>             | <b>625</b>     | <b>3,469</b>         | <b>59</b>   | <b>0</b>             |

**CABINET**

**DATE OF MEETING: 6 NOVEMBER 2014**

**TITLE OF REPORT: TREASURY MANAGEMENT STRATEGY- HALF YEAR REVIEW 2014/15**

**Report of: Head of Finance**

**Cabinet Member: Councillor Ken Crookes, Leader of the Council**

**1 PURPOSE OF REPORT**

1.1 To report the Council's Treasury Management activities and performance during the first half of the 2014/15 financial year (April-September).

**2 OFFICER RECOMMENDATION**

2.1 That Cabinet note the Treasury Management activities during the first half of the 2014/15 financial year.

**3 BACKGROUND**

3.1 The Chartered Institute for Public Finance and Accountancy (CIPFA) issued the revised Code of Practice for Treasury Management (the code) in November 2009, following consultation with Local Authorities during the summer. The revised Code suggests that members should be informed of Treasury Management activity at least twice a year, but preferably quarterly. This report therefore ensures this Council is embracing best practice in accordance with CIPFA's revised Code of Practice.

**4 ECONOMIC UPDATE**

4.1 Capita Asset Services, the Council's Treasury Management advisors, has provided a commentary on the Economy and Interest Rates during first half of 2014/15, which is attached at Appendix I. This provides the backdrop to the difficult economic climate which continues to affect Treasury Management.

**5 2014/15 STRATEGY**

5.1 The Council approved the current Treasury Management Strategy Statement on 6 February 2014 the objectives of the policy are summarised below.

5.2 The overriding policy objectives of the Treasury Management Strategy are:

- To invest prudently having regard to the security of investments.
- To maintain liquidity in the investment portfolio to meet the council's spending plans.

5.3 The supplementary policy objectives of the Treasury Management Strategy are:

- To aim to achieve the optimum return on investments commensurate with the proper levels of security and liquidity.
- To minimise the cost of any temporary borrowing (which may be required for day to day cash flow reasons).

5.4 In the current economic climate it is considered appropriate to keep investments short term (maximum period of 12 months) and only invest with highly credit rated financial institutions using Capita Assets Services suggested creditworthiness approach, including sovereign credit rating and credit default swap (CDS) overlay information.

5.5 As outlined in Capita Assets Services summary of the Economy in Appendix I there is still considerable uncertainty and volatility in the financial and banking market both globally and in the UK. It is considered that the current strategy is still fit for purpose and investments during the first six months of the year have been in line with the strategy.

## **6 INVESTMENT PERFORMANCE**

6.1 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. It is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate. The continuing Euro zone sovereign debt crisis, and its potential impact on banks, prompts a low risk and short term strategy. Given this risk adverse environment, investment returns are likely to remain low.

6.2 The average level of funds available for investment purposes in the first six months of 2014/15 was £21.4m. These funds were available on a temporary basis and the level was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme. The Council does not hold cash balances for investment for more than one year. The investments held at 30 September 2014 are listed in Appendix 2.

6.3 The weighted average interest achieved during the first six months of the year was 0.51%. Advice from Capita Asset Services, and Treasury Management Policy has meant that investments are short term, a mix of local authorities and UK-based banks with rates ranging from 0.40% to 1.01%. This compares favourably benchmarked against the London Interbank Bidding Rate (LIBID) over the same period. The average 1-month LIBID was 0.47%, the average 3-months LIBID was 0.55% and the average 6-months LIBID was 0.66% over period 1 April-30 September 2014. Hart portfolio at the end of September was 52.63% < 1 Month, 36.84% 1-3 Months, 5.26% 3-6 Months and 5.26% 6-9 Months.

6.4 The Council is on target to overachieve the budgeted investment return of £120k.

## **7 BORROWING**

7.1 The Council borrowed an interest-free loan with SALIX Finance Limited to cover the cost of Voltage Optimisation equipment. This was repayable in 8-equal parts, and the last payment was made in September 2014.

## **8 FINANCIAL IMPLICATIONS**

8.1 There are no financial implications other than those identified in the report.

## **9 MANAGEMENT OF RISK**

9.1 The Treasury Management activity supports the overall revenue budget as the amount of interest generated through investments is an integral part of funding the Council's revenue budget.

9.2 The three main issues within Treasury Management are Security, Liquidity and Yield. The CIPFA code is clear that these should be addressed in that order. Only when it is clear that an investment will be repaid, and at a time that fits with predicted cash flow requirements should the yield, or interest rate to be paid, be considered. Obviously, the more secure an investment is, the lower the yield will be.

## **10 CONCLUSION**

10.1 This report provides Members with information on the level of investment and interest earned during the first half of the financial year and demonstrates the Council's compliance with the Treasury Management strategy.

**Contact Details:** Tony Higgins / 01252 774207 / [tony.higgins@hart.gov.uk](mailto:tony.higgins@hart.gov.uk)

## **APPENDICES**

Appendix 1 - Treasury Management Strategy Statement and Annual Investment Strategy  
Mid-year Review Report 2014/15 (Capita Asset Services)

Appendix 2 - Investments Held by Hart District Council as at 30 September 2014

Appendix 3 - Prudential Indicators as at 30 September 2014

## **BACKGROUND PAPERS:**

TM Strategy Review – 6 February 2014

**Treasury Management Strategy Statement and Annual Investment Strategy  
Mid-year Review Report 2014/15 (Capita Asset Services)**

**Economic performance to date and outlook**

**U.K.**

After strong UK GDP quarterly growth of 0.7%, 0.8% and 0.7% in quarters 2, 3 and 4 respectively in 2013, (2013 annual rate 2.7%), and 0.7% in Q1 and 0.9% in Q2 2014 (annual rate 3.2% in Q2), it appears very likely that strong growth will continue through 2014 and into 2015 as forward surveys for the services and construction sectors, are very encouraging and business investment is also strongly recovering. The manufacturing sector has also been encouraging though the latest figures indicate a weakening in the future trend rate of growth. However, for this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance. This overall strong growth has resulted in unemployment falling much faster through the initial threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, subsequently broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up. The MPC is particularly concerned that the current squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates. Most economic forecasters are expecting growth to peak in 2014 and then to ease off a little, though still remaining strong, in 2015 and 2016. Unemployment is therefore expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in pay rates at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.

Also encouraging has been the sharp fall in inflation (CPI), reaching 1.5% in May and July, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly near to 1%. Overall, markets are expecting that the MPC will be cautious in raising Bank Rate as it will want to protect heavily indebted consumers from too early an increase in Bank Rate at a time when inflationary pressures are also weak. A first increase in Bank Rate is therefore expected in Q1 or Q2 2015 and they expect increases after that to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008.

The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the 2013 Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018-19. However, monthly public sector deficit figures have disappointed so far in 2014/15.

**U.S.**

In September, the Federal Reserve continued with its monthly \$10bn reductions in asset purchases, which started in December 2014. Asset purchases have now fallen from \$85bn to \$15bn and are expected to stop in October 2014, providing strong economic growth

**Treasury Management Strategy Statement and Annual Investment Strategy  
Mid-year Review Report 2014/15 (Capita Asset Services)**

continues. First quarter GDP figures for the US were depressed by exceptionally bad winter weather, but growth rebounded very strongly in Q2 to 4.6% (annualised).

The U.S. faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although the weak labour force participation rate remains a matter of key concern for the Federal Reserve when considering the amount of slack in the economy and monetary policy decisions.

**Eurozone**

The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the ECB took some rather limited action in June to loosen monetary policy in order to promote growth. In September it took further action to cut its benchmark rate to only 0.05%, its deposit rate to -0.2% and to start a programme of purchases of corporate debt. However, it has not embarked yet on full quantitative easing (purchase of sovereign debt).

Concern in financial markets for the Eurozone subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed.

**China and Japan**

Japan is causing considerable concern as the increase in sales tax in April has suppressed consumer expenditure and growth. In Q2 growth was -1.8% q/q and -7.1% over the previous year. The Government is hoping that this is a temporary blip.

As for China, Government action in 2014 to stimulate the economy appeared to be putting the target of 7.5% growth within achievable reach but recent data has raised fresh concerns. There are also major concerns as to the creditworthiness of much bank lending to corporates and local government during the post 2008 credit expansion period and whether the bursting of a bubble in housing prices is drawing nearer.

**Interest rate forecasts**

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

|                | Sep-14 | Dec-14 | Mar-15 | Jun-15 | Sep-15 | Dec-15 | Mar-16 | Jun-16 | Sep-16 | Dec-16 | Mar-17 | Jun-17 |
|----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Bank rate      | 0.50%  | 0.50%  | 0.75%  | 0.75%  | 1.00%  | 1.00%  | 1.25%  | 1.25%  | 1.50%  | 1.75%  | 2.00%  | 2.00%  |
| 5yr PWLB rate  | 2.70%  | 2.70%  | 2.80%  | 2.90%  | 3.00%  | 3.00%  | 3.10%  | 3.20%  | 3.30%  | 3.40%  | 3.50%  | 3.50%  |
| 10yr PWLB rate | 3.40%  | 3.50%  | 3.60%  | 3.70%  | 3.80%  | 3.90%  | 4.00%  | 4.10%  | 4.10%  | 4.20%  | 4.30%  | 4.30%  |
| 25yr PWLB rate | 4.00%  | 4.10%  | 4.20%  | 4.30%  | 4.40%  | 4.50%  | 4.60%  | 4.70%  | 4.80%  | 4.80%  | 4.90%  | 4.90%  |
| 50yr PWLB rate | 4.00%  | 4.10%  | 4.20%  | 4.30%  | 4.40%  | 4.50%  | 4.60%  | 4.70%  | 4.80%  | 4.80%  | 4.90%  | 4.90%  |

**Treasury Management Strategy Statement and Annual Investment Strategy  
Mid-year Review Report 2014/15 (Capita Asset Services)**

Capita Asset Services undertook a review of its interest rate forecasts in mid August, after the Bank of England's Inflation Report. By the beginning of September, a further rise in geopolitical concerns, principally over Ukraine but also over the Middle East, had caused a further flight into safe havens like gilts and depressed PWLB rates further. However, there is much volatility in rates as news ebbs and flows in negative or positive ways. This latest forecast includes a first increase in Bank Rate in quarter 1 of 2015.

Our PWLB forecasts are based around a balance of risks. However, there are potential upside risks, especially for longer term PWLB rates, as follows: -

- A further surge in investor confidence that robust world economic growth is firmly expected, causing a flow of funds out of bonds and into equities.
- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

Downside risks currently include:

- The situation over Ukraine poses a major threat to EZ and world growth if it was to deteriorate into economic warfare between the West and Russia where Russia resorted to using its control over gas supplies to Europe.
- UK strong economic growth is currently dependent on consumer spending and the unsustainable boom in the housing market. The boost from these sources is likely to fade after 2014.
- A weak rebalancing of UK growth to exporting and business investment causing a weakening of overall economic growth beyond 2014.
- Weak growth or recession in the UK's main trading partners - the EU and US, inhibiting economic recovery in the UK.
- A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.
- A resurgence of the Eurozone sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios to the point where financial markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis.
- Recapitalising of European banks requiring more government financial support.
- Lack of support by populaces in Eurozone countries for austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- Italy: the political situation has improved but it remains to be seen whether the new government is able to deliver the austerity programme required and a programme of overdue reforms. Italy has the third highest government debt mountain in the world.
- France: after being elected on an anti austerity platform, President Hollande has embraced a €50bn programme of public sector cuts over the next three years. However, there could be major obstacles in implementing this programme. Major overdue reforms of employment practices and an increase in competitiveness are also urgently required to lift the economy out of stagnation.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.

**Treasury Management Strategy Statement and Annual Investment Strategy  
Mid-year Review Report 2014/15 (Capita Asset Services)**

- Heightened political risks in the Middle East and East Asia could trigger safe haven flows back into bonds.
- There are also increasing concerns that the reluctance of western economies to raise interest rates significantly for some years, plus the huge QE measures which remain in place (and may be added to by the ECB in the near future), has created potentially unstable flows of liquidity searching for yield and therefore heightened the potential for an increase in risks in order to get higher returns. This is a return of the same environment which led to the 2008 financial crisis.

Economic sentiment, in respect of the prospects for the UK economy to recover swiftly from recession, suffered a major blow in August when the Bank of England substantially

**Investments Held by Hart District Council as at 30 September 2014**

**Total investments as at 30 September 2014**

| Institution                                    | Period    |           | Rate  | Amount            |
|--|-----------|-----------|-------|-------------------|
|  | From      | To        | %     | £                 |
| <b>Fixed Investments (maturity date order)</b> |           |           |       |                   |
| Nationwide-FRD                                 | 01-Jul-14 | 01-Oct-14 | 0.490 | 5,000,000         |
| Lloyds Corporate-FRD                           | 01-May-14 | 14-Nov-14 | 0.700 | 2,000,000         |
| Standard Chartered Bank-CD                     | 07-Jul-14 | 07-Jan-15 | 0.560 | 1,000,000         |
| Lloyds Corporate-FRD                           | 01-May-14 | 01-May-15 | 0.950 | 1,000,000         |
|  |           |           |       | <b>9,000,000</b>  |
| <b>Corporate Investment Call Accounts</b>      |           |           |       |                   |
| HSBC - Deposit Account                         | 25-Jul-13 |           | 0.650 | 3,000,000         |
| HSBC - Deposit Account                         | 31-Jul-13 |           | 0.650 | 2,000,000         |
| Handelsbanken 35-day Notice Account            | 02-Dec-13 |           | 0.500 | 1,000,000         |
| Handelsbanken 35-day Notice Account            | 01-Apr-14 |           | 0.500 | 4,000,000         |
|  |           |           |       | <b>10,000,000</b> |

*\*Fixed-Rate Deposits (FRD) and Certificate of Deposits (CD)*

**The Council has no Borrowing as at 30 September 2014**

**Prudential Indicators as at 30 September 2014**

**Prudential Indicators**

| <b>Prudential indicators</b>                              | <b>2014/15</b>  | <b>2014/15</b>      | <b>2014/15</b> |
|---|-----------------|---------------------|----------------|
| <b>Extract from budget setting reports</b>                | <b>Original</b> | <b>Year to Date</b> | <b>Revised</b> |
|   | <b>£'000</b>    | <b>£'000</b>        | <b>£'000</b>   |
| <b>Capital Expenditure</b>                                | <b>2,142</b>    | <b>625</b>          | <b>3,629</b>   |
| <b>Ratio of financing costs to net revenue stream</b>     | <b>-1.12%</b>   | <b>-0.41%</b>       | <b>-1.31%</b>  |
| <b>Net borrowing requirement brought forward 1 April</b>  | <b>108</b>      | <b>108</b>          | <b>108</b>     |
| <b>carried forward 31 March</b>                           | <b>62</b>       | <b>62</b>           | <b>62</b>      |
| <b>in year borrowing requirement</b>                      | <b>-46</b>      | <b>-46</b>          | <b>-46</b>     |
| <b>In year Capital Financing Requirement</b>              | <b>2,142</b>    | <b>625</b>          | <b>3,629</b>   |
| <b>Capital Financing Requirement as at 31 March</b>       | <b>62</b>       | <b>62</b>           | <b>62</b>      |
| <b>Incremental impact of capital investment decisions</b> | <b>£ p</b>      | <b>£ p</b>          | <b>£ p</b>     |
| <b>Increase in Council Tax (band D) per annum</b>         | <b>0.01</b>     | <b>0.01</b>         | <b>0.01</b>    |

**Prudential Indicators as at 30 September 2014**

| <b>Treasury Management indicators</b>  | <b>2014/15</b>  | <b>2014/15</b> | <b>2014/15</b> |
|--|-----------------|----------------|----------------|
|  | <b>original</b> | <b>In Yr</b>   | <b>revised</b> |
|  | <b>£'000</b>    | <b>£'000</b>   | <b>£'000</b>   |
| <b>Authorised Limit for external debt - borrowing</b>                                      | <b>7,000</b>    | <b>7,000</b>   | <b>7,000</b>   |
| <b>other long term liabilities</b>   | <b>0</b>        | <b>0</b>       | <b>0</b>       |
| <b>TOTAL</b>   | <b>7,000</b>    | <b>7,000</b>   | <b>7,000</b>   |
| <b>Operational Boundary for external debt - borrowing</b>                                  | <b>5,000</b>    | <b>5,000</b>   | <b>5,000</b>   |
| <b>other long term liabilities</b>   | <b>0</b>        | <b>0</b>       | <b>0</b>       |
| <b>TOTAL</b>   | <b>5,000</b>    | <b>5,000</b>   | <b>5,000</b>   |
| <b>Actual external debt</b>  | <b>4</b>        | <b>-4</b>      | <b>0</b>       |
| <b>Upper limit for fixed interest rate exposure</b>  |                 |                |                |
| <b>Net principal re fixed rate borrowing / investments</b>                                 | <b>100%</b>     | <b>100%</b>    | <b>100%</b>    |
| <b>Upper limit for variable rate exposure</b>  |                 |                |                |
| <b>Net principal re variable rate borrowing / investments</b>                              | <b>100%</b>     | <b>100%</b>    | <b>100%</b>    |
| <b>Upper limit for total principal sums invested for over 364 days (per maturity date)</b> | <b>50%</b>      | <b>50%</b>     | <b>50%</b>     |

| <b>Maturity structure of new fixed rate borrowing during 2014/15</b> | <b>lower limit</b> |
|--|--------------------|
| <b>under 12 months</b>   | <b>0%</b>          |
| <b>12 months and within 24 months</b>                                | <b>0%</b>          |
| <b>24 months and within 5 years</b>                                  | <b>0%</b>          |
| <b>5 years and within 10 years</b>                                   | <b>0%</b>          |
| <b>10 years and above</b>  | <b>0%</b>          |

**CABINET**

**DATE OF MEETING: 6 NOVEMBER 2014**

**TITLE OF REPORT: FROGMORE LEISURE CENTRE – REPLACEMENT OF BOILERS**

**Report of: Head of Leisure and Environmental Promotion**

**Cabinet member: Councillor Anne Crampton, Community Wellbeing**

**1 PURPOSE OF REPORT**

1.1 To agree to spend up to £44,000 to replace the one defective and two obsolete heating boilers at Frogmore Leisure Centre with two 2 new energy efficient boilers.

**2 OFFICER RECOMMENDATION**

2.1 To approve the replacement of heating boilers at Frogmore Leisure Centre (FLC) with boilers which will also provide additional future capacity.

**3 BACKGROUND**

3.1 Two out of the three heating boilers at Frogmore Leisure Centre failed their gas safety test at the end of May 2014. Officers commissioned a report to identify the options available. This raised several concerns:

3.1.1 Any future breakdowns may prove difficult or impossible to repair.

3.1.2 In order to cope with periods of maximum demand the heating system was originally designed to operate on three boilers. Only two very old boilers are now serviceable and the system is unlikely to cope during periods of high demand. In addition an extreme loading could result in one or both breaking down during a cold spell, thus putting the building at risk of frost.

3.2 Hart DC has a long term maintenance contract with Kier Construction. This is delivered through a formal maintenance contract with Hants CC, the main supplier of repairs and maintenance services to HDC.

3.3 Following a serious breakdown at Frogmore Leisure Centre in August 2014, Kiers managed to make two boilers usable by utilising parts from the third boiler. They took this action when it became apparent that some of the parts required are no longer manufactured or available).

**4 CONSIDERATIONS**

4.1 If the boilers fail in the future the Leisure Centre will be without heating until they can be repaired, which we now know could prove difficult or indeed impossible. Customers are likely to expect or demand refunds for periods when the centre is unusable due to a lack of hot water as well as central heating.

- 4.2** Customers will be invited to use Hart Leisure Centre as an alternative but it is likely that some customers will migrate to competitors closer to Yateley.
- 4.3** The Frogmore Community School P E curriculum and pupil accommodation is reliant on access to the FLC during the school term. The Head Teacher is obviously concerned about the disruption that would be caused if the school did not have access to the leisure centre.

## **5 FINANCIAL IMPLICATIONS**

- 5.1** The Hampshire County Council quote from Kier Construction (preferred supplier from HCC framework) is £34,920 plus 12% HCC framework fee sum (project managing and overseeing the project) and 12% unforeseen works contingency making a total of £43,800. The Head of Finance has confirmed that appropriate funds are available
- 5.2** Whilst it is not possible to say with certainty what the effect of a closure would be the average income and attendances figures for the corresponding period in 2013 / 2014 are;
- Income £64,300
  - Attendances 20470

## **6 ACTION**

- 6.1** If Cabinet approves the recommendation a purchase order will be submitted immediately with a target completion date of 14 weeks.

**Contact Details: Carl A Westby, ext 4450**  
[Carl.westby@hasrt.gov.uk](mailto:Carl.westby@hasrt.gov.uk)

## **APPENDICES / CONFIDENTIAL APPENDICES**

Nil

## **BACKGROUND PAPERS:**

Formal quote from Kier Construction Ltd  
FLC condition survey November 2013  
Email from HCC confirming overall costs

**CABINET****DATE OF MEETING:** 6 NOVEMBER 2014**TITLE OF REPORT:** REGULATORS CODE AND REGULATORY SERVICES ENFORCEMENT POLICY**Report of:** Head of Regulatory Services**Cabinet member:** Councillor Adrian Collett, Regulatory Services**1 PURPOSE OF REPORT**

- 1.1 To seek approval from Cabinet for the adoption of a revised Regulatory Services Enforcement Policy which has been devised to comply with the Regulators Code.

**2 OFFICER RECOMMENDATION**

- 2.1 That members note the new Regulators Code and approve the adoption of the Regulatory Services Enforcement Policy (Appendix 1) and the supporting document - What you can expect from Regulatory Services in Hart District Council shown in Appendix 2.

**3 BACKGROUND**

- 3.1 The Regulatory Services Department incorporates a variety of regulatory functions including Environmental Health, Dog Warden, Licensing, Building Control and Planning Enforcement. The aim of Regulatory Services is to: Protect the public, businesses and the environment from harm; support the local economy to grow and prosper; and take a proportionate approach to enforcement.
- 3.2 The Regulators' Code (the Code) came into statutory effect on 6 April 2014 under the Legislative and Regulatory Reform Act 2006. It provides a clear, flexible and principle-based framework for how regulators should engage with those they regulate. One of the requirements of the Code is that Regulators should provide a clear Enforcement and Prosecution Policy that is used to guide colleagues within Regulatory Services and is available to businesses & members of the public. The Code does not apply to all elements of the regulatory Service as Building Control and Planning are currently not within the scope.
- 3.3 The new Code is divided into six sections and unlike the previous Regulators' Compliance Code: Statutory Code of Practice for Regulators, produced in 2007, now includes a requirement to support business growth and avoid imposing 'unnecessary regulatory burdens'. The Code also specifies that:
- Regulators should ensure that their officers are competent;
  - Regulators should carry out their activities in a way that supports those they regulate to comply and grow;
  - Regulators should provide simple and straightforward ways to engage with those they regulate and hear their views;
  - Regulators should base their regulatory activities on risk;

- Regulators should share information about compliance and risk;
- Regulators should ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply;
- Regulators should ensure that their approach to their regulatory activities is transparent.

- 3.4 Under the Legislative and Regulatory Reform Act 2006, regulators must explicitly consider the Code when determining relevant policies and principles, and any decision to deviate from the provisions contained within the Code should be properly reasoned and based on material evidence.
- 3.5 In its Corporate Plan Hart District Council has clearly demonstrated its commitment to 'Help business get established and grow' and this aspiration is fully supported by the Regulatory Services Department. Regulatory Services recognise that most businesses want to comply with the law, and will therefore, help businesses and others meet their legal obligations without causing unnecessary expense or hindrance. Those who deliberately, irresponsibly or recklessly fail to comply with the law will be met with firm action, including prosecution where appropriate. □
- 3.6 As part of its ongoing commitment to supporting business, Regulatory Services has recently entered into a Primary Authority Partnership with British Car Auctions to support consistent and proportionate regulation on a national level. The Primary Authority the Act also enables the council to recover the costs associated in providing these services to British Car Auctions which allows greater impact to be achieved from the existing resources in providing support to business on regulatory issues.

## 4 CONSIDERATIONS

- 4.1 The Regulatory Services department must have regard to the code when carrying out specified regulatory functions. Regulatory Services are satisfied that the way in which it approaches enforcement is already compliant with the requirements and provides a service which fully supports economic growth.
- 4.2 Adherence to the Code when taking enforcement action or providing advice and assistance is an absolute requirement. The Council must also demonstrate compliance through the production and publication of an up to date enforcement policy.
- 4.3 Regulatory departments must ensure that officers have the necessary knowledge and skills to support those they regulate, including having an understanding of those they regulate that enables them to choose proportionate and effective approaches. The Regulatory Services department is satisfied that it already achieves this requirement through the Continuing Professional Development (CPD) of its officers.

## 5 FINANCIAL IMPLICATIONS

- 5.1 There are no financial implications associated to the local authority as a result of the implementation of the Enforcement Policy.

5.2 Adherence to the Code and the Regulatory Services Enforcement Policy will provide businesses with a clear understanding of Hart's approach to enforcement.

## 6 ACTION

6.1 That Members approve the Officer recommendation in section 2.

Contact Details: Nick Steevens/ 4296 / [nick.steevens@hart.gov.uk](mailto:nick.steevens@hart.gov.uk)

## APPENDICES

Appendix 1 - Regulatory Services Enforcement Policy

Appendix 2 - What you can expect from Regulatory Services in Hart District Council

## BACKGROUND PAPERS

[The Regulators' Code, Better Regulations Delivery Office, Department for Business Innovation & Skills](#)



# HART DISTRICT COUNCIL REGULATORY SERVICES ENFORCEMENT POLICY

## 1. PURPOSE

Hart District Council (the Council) has formally adopted the principles of the central and local government "Concordat on Good Enforcement" (the Concordat). The Concordat commits the Council to ensure it puts in place good enforcement policies and procedures. This document sets out what those being regulated can expect from enforcement officers working within the Regulatory Services Department of Hart District Council.

This policy sets out the general framework that will be applied across Regulatory Services in their role of protecting the public, the natural and built environment, consumers and those at work. These services include:

- Environmental Health
- Building Control
- Planning Enforcement
- Licensing
- Dog Warden

## 2. AIMS & OBJECTIVES

Regulatory Services will endeavour to carry out its enforcement functions in an equitable, effective, efficient, practical and consistent manner having regard to its general aims as follows:

### **Purpose**

Regulatory Services will take a lead and work with others to improve the prosperity, environment and quality of life of all who live or work in the District.

### **Aims**

Regulatory Services aims to:

- Increase the prosperity of the Borough by supporting existing businesses, encouraging new employment and economic growth.
- Protect and enhance the built and natural environment.

### Objectives

The Regulatory Services Department will achieve its stated aim through a service delivery approach intended to allow businesses and others to meet their legal obligations and enforcement requirements without unnecessary expense. Firm action, including prosecution and other legal or enforcement action will however be taken where appropriate against those who flout the law.

### 3. LEGISLATION

The Legislative and Regulatory Reform Act 2006 requires all Local Authorities including Hart to have regard to the Principles of Good Regulation when exercising a specified regulatory function. For local authorities, the specified functions include those carried out by our environmental health, planning enforcement, building control and licensing services.

We will exercise our regulatory activities in a way which is:

- Proportionate – our activities will reflect the level of risk to the public and enforcement action taken will relate to the seriousness of the offence;
- Accountable – we will be open to public scrutiny, with clear and accessible policies, and fair and efficient complaints procedures;
- Consistent – the advice we provide to those we regulate will be robust and reliable. We will endeavour to act in a consistent manner with other local authorities;
- Transparent – those we regulate are able to understand what is expected of them and what they can anticipate in return; and
- Targeted – our resources will be focussed on higher risk enterprises and activities, reflecting local need and national priorities.

Hart has regard to the [Regulators' Code](#) in the preparation and delivery against this policy. In certain instances we may conclude that a specific part of the Code is either not relevant or is outweighed by another provision. We will ensure that any departure from the Code will be properly reasoned and based on material evidence.

For the purposes of the Human Rights Act 1998 Hart is a public authority. We therefore apply the principles of the European Convention for the Protection of Human Rights and Fundamental Freedoms. This Policy and all associated enforcement decisions take account of the provisions of the Human Rights Act 1998. In particular, due regard is had to the right to a fair trial and the right to respect for private and family life, home and correspondence.

Where there is a need for Hart to share enforcement information with other agencies, we will follow the provisions of the Data Protection Act 1988.

When deciding whether to prosecute the Council will have regard to the provisions of [The Code for Crown Prosecutors](#) as issued by the Director of Public Prosecutions.

The Code for Crown Prosecutors is a public document that sets out the general principles to follow considering legal action. The Code sets out two tests that must be satisfied, commonly referred to as the 'Evidential Test' and the 'Public Interest Test':

- **Evidential Test**  
When deciding whether there is enough evidence to prosecute, the Council will consider what evidence can be used in court and is reliable. The Council must satisfy itself that there is enough evidence to provide a "realistic prospect of conviction" against each alleged offender.
- **Public Interest Test**  
The Council will balance factors for and against prosecution carefully and fairly, considering each case on its merits. The public interest factors that we will take into account are detailed under the enforcement options available to us in Appendix A.

The Regulatory Enforcement and Sanctions Act 2008, as amended, established the Primary Authority scheme. We will comply with the requirements of the Act when we are considering taking enforcement action against any business or organisation that has a primary authority, and will have regard to guidance issued by the Secretary of State in relation to Primary Authority.

#### 4. COURTESY AND HELPFULNESS

The Council will wherever practical work with business and others being regulated, including small and medium sized businesses, to advise on compliance. In particular the Council will:

- Try to raise awareness of the Council's enforcement duties to achieve understanding and commitment and secure ownership of compliance arrangements, subject to available resources;
- Offer help, where possible to individuals, community groups and to local business, to help them to meet their obligations balanced against the need to achieve adequate protection for those being affected by unauthorised or illegal activities.
- Provide a helpful, courteous and efficient service with employees identifying themselves by name.
- Provide contact points and telephone numbers to encourage communication.
- Respond to complaints about our enforcement activities quickly and fairly, within the terms of the Council's Complaints, Comments and Compliments Scheme.

# Enforcement of Criminal and Civil breaches

## 1. Compliance Advice, Guidance and Support

Hart uses compliance advice, guidance and support as a first response in the case of many breaches of legislation that are identified. Advice is provided to assist individuals and businesses in rectifying breaches as quickly and efficiently as possible, avoiding the need for further enforcement action. A warning letter sets out what can be done to rectify the breach and to prevent re-occurrence. If a similar breach is identified in the future, this letter will be persuasive in considering the most appropriate enforcement action to take on that occasion. Such a letter or notice may be presented as evidence of previous non-compliance.

The Council recognises that where a business has entered into a partnership with a primary authority, the primary authority will provide compliance advice and support, and the Council will take such advice into account when considering the most appropriate enforcement action for it to take. It may discuss any need for compliance advice and support with the primary authority.

Where more formal enforcement action, such as a simple caution or prosecution, is taken, the Council recognises that there is likely to be an ongoing need for compliance advice and support, to prevent further breaches.

## 2. Voluntary agreements

In many instances the Council may accept voluntary agreements that breaches will be rectified and/or recurrences prevented. The Council will take any failure to honour voluntary agreements seriously and consider enforcement action where there is little confidence of compliance.

## 3. Statutory (Legal) Notices

In respect of many breaches the Council has powers to issue statutory notices. These include: 'Stop Notices', 'Prohibition Notices', 'Emergency Prohibition Notices', and 'Improvement Notices'. Such notices are legally binding. Failure to comply with a statutory notice can be a criminal offence and may lead to prosecution and/ or, where appropriate, the carrying out of work in default.

A statutory notice will clearly set out actions which must be taken and the timescale within which they must be taken. It is likely to require that any breach is rectified and/or prevented from recurring. It may also prohibit specified activities until the breach has been rectified and/or safeguards have been put in place to prevent future breaches. Where a statutory notice is issued, an explanation of the appeals process will be provided to the recipient.

Some notices issued in respect of premises may be affixed to the premises and/or registered as local land charges.

#### 4. Court Orders and Injunctions

In some circumstances the Council may seek a direction from the court (in the form of an order or an injunction) that a breach is rectified and/or prevented from recurring. The court may also direct that specified activities be suspended until the breach has been rectified and/or safeguards have been put in place to prevent future breaches. Failure to comply with a court order constitutes contempt of court, a serious offence which may lead to imprisonment.

The Council is required to seek enforcement orders after issuing some enforcement notices, providing the court with an opportunity to confirm the restrictions imposed by the notice. The Council will usually only seek a court order if it has serious concerns about compliance with voluntary undertakings or a notice or where the risk to safety or health is too great to consider lesser enforcement actions.

#### 5. Simple Caution

The Council has the power to issue simple cautions (previously known as 'formal cautions') as an alternative to prosecution for some less serious offences, where a person admits an offence and consents to the simple caution. Where a simple caution is offered and declined, the Council is likely to consider prosecution.

A simple caution will influence how the Council deals with any similar breaches in the future, and may be cited in court if the offender is subsequently prosecuted for a similar offence. Simple cautions will be used in accordance with Home Office Circular 016/2008 and other relevant guidance.

#### 6. Prosecution

The Council may prosecute in respect of serious or recurrent breaches, or where other enforcement actions, such as voluntary undertakings or statutory notices have failed to secure compliance. When deciding whether to prosecute the Council will have regard to the provisions of [The Code for Crown Prosecutors](#) as issued by the Director of Public Prosecutions.

Prosecution will only be considered where the Council is satisfied that it has sufficient evidence to provide a realistic prospect of conviction against the defendant(s). Before deciding that prosecution is appropriate, the Council will consider all relevant circumstances carefully and will have regard to the following public interest criteria:

- How serious was the offence committed?
- What is the level of culpability of the suspect?
- What are the circumstances and what harm could have or was caused?

- What was or could have been the impact on the community?
- Is prosecution a proportionate response?

A successful prosecution will result in a criminal record. The court may impose a fine and in respect of particularly serious breaches a custodial sentence. The court may order the forfeiture and disposal of non-compliant goods and/or the confiscation of any profits which have resulted from the breach. Prosecution may also lead, in some circumstances, to the disqualification of individuals from acting as company directors or food business operators.

## 7. Refusal/Suspension/Revocation of Licences

The Council issues a variety of licences and permits and also ensures that appropriate standards are met in relation to licences issued. Most licences include conditions which require the licence holder to take steps to ensure that a business is suitably run. Breach of these conditions may lead to a review of the licence which may result in its revocation or amendment.

When considering future licence applications, the Council may take previous breaches and enforcement action into account.



## What you can expect from Regulatory Services in Hart District Council

1. This document explains what you can expect of Regulatory Services in Hart. This document sits beneath the Corporate Enforcement Policy. Regulatory Services is committed to providing you with an efficient, courteous and helpful service and this document tells you how we aim to do that and what standards we will meet.
2. Regulatory Services is responsible for the following areas:
  - Environmental Protection
  - Planning Enforcement
  - Food Safety
  - Health and safety
  - Licensing
  - Building Control
  - Public Health
  - Dog Warden

### How we deliver our services

3. The Regulatory Services Department makes a fundamental contribution to the maintenance and improvement of the built environment, public health, quality of life and wellbeing. Our aims are to:
  - Protect the public, businesses and the environment from harm
  - Support the local economy to grow and prosper
  - Take a proportionate approach to enforcement
4. Enforcement activity is determined by national priorities, assessing the needs of local people and our business community, and addressing significant risks where they exist. We do this through close engagement with residents, businesses and other groups. We utilise data and available information to ensure our resources are targeted appropriately, in the light of local needs and national priorities.
5. Regulatory Services are committed to being transparent in our activities, delivering against clear priorities and publishing our performance against annual work programmes, internal performance indicators and national targets.

6. We carry out all our activities in a way that supports those we regulate to comply and grow:
- We ensure that information, guidance and advice is available to help you to meet legal requirements
  - We carry out inspections and other activities to check compliance with legal requirements, and we target these checks where we believe they are most needed.
  - We deal proportionately with breaches of the law as set out in our Enforcement Policy, including taking firm enforcement action when necessary.
  - We provide a range of services to residents and businesses, including pest control, development control, building control, environmental health, licensing and a dog warden service.

Our services will be delivered in accordance with the requirements of the [Regulators' Code](#).

### Working with you

7. In all your dealings with us you can expect, and will receive, an efficient and professional service. Our officers will:
- Be courteous and polite
  - Always identify themselves by name in dealings with you, and provide you with contact details
  - Seek to gain an understanding of how your business operates
  - Provide details of how to discuss any concerns you may have
  - Agree timescales, expectations and preferred methods of communication with you
  - Ensure that you are kept informed of progress on any outstanding issues.

### Helping you to get it right

8. The Regulatory Services Department at Hart is committed to working with businesses to ensure legislative compliance and success through the provision of accurate and timely advice. We make information and guidance on meeting legal requirements available through a variety of media including the council website, social media, newsletters and newspaper articles.
9. Where you need advice that is tailored to your particular needs and circumstances we will:
- Discuss with you what is required to achieve compliance
  - Provide advice that supports compliance and that can be relied on
  - Provide clear advice that can be easily understood and implemented
  - Distinguish legal requirements from suggested good practice

- Ensure that any verbal advice you receive is confirmed in writing if requested
- Acknowledge good practice and compliance.

### Inspections and other compliance visits

10. We monitor and support compliance in a number of different ways including through inspections, sampling visits, advisory visits and complaint investigations. These visits will always be based on an assessment of risk and an officer will not visit without a valid reason.
11. When we visit you our officers will:
  - Explain the reason and purpose of the visit
  - Carry their identification card at all times, and present it on request when visiting your premises
  - Exercise discretion in front of your customers and staff
  - Have regard to your approach to compliance, and use this information to inform future interactions with you
  - Provide information, guidance and advice to support you in meeting your statutory obligations, if required
  - Provide a written record of the visit where relevant.

### Responding to non-compliance

12. Where we identify any failure to meet legal obligations, we will respond proportionately, taking account of the circumstances, in line with our Corporate and departmental Enforcement Policy.
13. Where we require you to take action to remedy any failings we will:
  - Explain the nature of the non-compliance
  - Discuss what is required to achieve compliance, taking into account your circumstances
  - Clearly explain any advice, actions required or decisions that we have taken
  - Agree timescales that are acceptable to both you and us, in relation to any actions required
  - Provide in writing details of how to appeal against any advice provided, actions required or decisions taken, including any statutory rights to appeal
  - Explain what will happen next
  - Keep in touch with you, where required, until the matter is resolved

### Requests for our services

14. We shall clearly explain the services that we offer, including details of any fees and charges that apply. In responding to requests for our services, including requests for advice and complaints about breaches of the law, we will:

- Acknowledge your request within the timescales specified in our corporate standards
  - Explain what we may or may not be able to do, so that you know what to expect
  - Keep you informed of progress throughout our involvement
  - Inform you of the outcome as appropriate
15. Our officers will exercise their judgment to determine whether a more prompt response is required.

### How to contact us

16. You can contact us by:

Telephone: 01252 774421 (*Environmental Health including dog warden and pest control*)  
01252 774419 (*Development Control and Building Control*)  
01252 774496 (*Licensing*)

Email: [eh@hart.gov.uk](mailto:eh@hart.gov.uk)  
[Licence@hart.gov.uk](mailto:Licence@hart.gov.uk)  
[buildingcontrol@hart.gov.uk](mailto:buildingcontrol@hart.gov.uk)  
[planningadmin@hart.gov.uk](mailto:planningadmin@hart.gov.uk)

Web: [www.hart.gov.uk](http://www.hart.gov.uk)

By post: *Hart District Council  
Civic Offices  
Harlington Way  
Fleet  
Hampshire  
GU51 4EJ*

Or in person at the above address between 9am and 5pm (Monday-Thursday) 9am and 4:30pm (Fridays) excluding national holidays.

17. We will seek to work with you in the most appropriate way to meet your individual needs. We can make information available in different formats, and have access to translation and interpretation services.
18. If you contact us we will ask you for your name and contact details to enable us to keep in touch with you as the matter progresses. We treat all contact with the service in confidence unless you have given us permission to share your details with others as part of the matter we are dealing with on your behalf or there is an operational reason why we need to do so. We will respond to anonymous complaints and enquiries where we judge it appropriate to do so. Personal data will be managed in accordance with our Data Protection Policy.

## Complaints and compliments

19. Where we take enforcement action, there is often a statutory right to appeal. We will always tell you about your right to appeal at the appropriate time. We shall state the reasons taking such action and will always provide you with the contact details for the enforcing officer. We manage complaints about our service, or about the conduct of our officers, through Hart's Complaints and Compliments Policy which can be found at: <http://www.hart.gov.uk/feedback>
20. We value input from you to help us ensure our service is meeting your needs. We would like to hear from you whether your experience of us has been good or in need of improvement. This helps us to ensure we keep doing the right things and make changes where we need to. We use customer satisfaction surveys routinely but always welcome your constructive feedback at any time. You can provide feedback in the following ways:

Telephone: 01252 774421 (*Environmental Health*)  
01252 774419 (*Development Control and Building Control*)  
01252 774496 (*Licensing*)

Email: [enquiries@hart.gov.uk](mailto:enquiries@hart.gov.uk)  
[eh@hart.gov.uk](mailto:eh@hart.gov.uk)  
[Licence@hart.gov.uk](mailto:Licence@hart.gov.uk)  
[buildingcontrol@hart.gov.uk](mailto:buildingcontrol@hart.gov.uk)  
[planningadmin@hart.gov.uk](mailto:planningadmin@hart.gov.uk)

Web: [www.hart.gov.uk](http://www.hart.gov.uk)

By post: *Hart District Council*  
*Civic Offices*  
*Harlington Way*  
*Fleet*  
*Hampshire*  
*GU51 4EJ*

Or in person at the above address between 9am and 5pm (Monday-Thursday) 9am and 4:30pm (Fridays) excluding national holidays. Any feedback that we receive will be acknowledged, considered and responded to.

Dated: November 2014  
Job title: Head of Regulatory Services  
Review Due: November 2016

**CABINET****DATE OF MEETING:** 6 NOVEMBER 2014**TITLE OF REPORT:** REVIEW OF COUNCIL CONTACT CENTRE SERVICE**Report of:** Joint Chief Executive**Cabinet Member:** Councillor James Radley, Corporate and Customer Services**1 PURPOSE OF REPORT**

1.1 To seek Cabinet approval for an upgraded Contact Centre service provision.

**2 OFFICER RECOMMENDATION**

2.1 That Cabinet authorise the changes to the Contact Centre services as recommended in the confidential appendix.

**3 BACKGROUND**

3.1 The Contact Centre service is provided by Capita as part of a broader contract for customer services, which includes reception facilities, cash office and post room. The service has been in place since 2008 and this contract is due to expire in 2017.

3.2 The current Customer Relationship Management System (CRM ) is currently under-utilised in terms of available functionality partly due to cost of integration with 3<sup>rd</sup> party software. As identified in the report to Cabinet regarding the telephony, both the CRM and telephony systems and servers are out of support and their operating systems will become un-supported in July 2015.

3.3 Whilst the CRM becoming un-supported was the initial driver for change, unlike the telephony (which can be considered in isolation), changes to the CRM have to be considered in the context of the broader Contact Centre contract as well as recognising opportunities for 'channel shift' and improved customer focus. As part of this, the Council sought a proposal from the current incumbent, seeking their professional guidance on the best available options to the Council, having extensive knowledge of our needs and requirements, drawn from their experience of running the Contact Centre on our behalf.

3.4 In parallel to this, the Council was also approached by another local authority who considered that they would also be able to provide a high quality service to the Council.

3.5 The Council outlined to both parties the cultural change process that we are currently embedding within the organisation, a summary of which is outlined in Appendix 2. This organisational change is predicated on new corporate values which embed the principle of getting the best possible outcomes for our residents/customers at its very heart and improvements through:

- Have the right tools - using new technology to help provide more responsive or enhanced services to our residents/customer enabling them to self-serve as, with the unusual demographics in Hart, there will be a latent demand for this.
- Empowering and up skilling our staff and giving them the opportunity to streamline their work, to make the council more efficient in its services to customers.

3.6 This approach resulted in the Council receiving two proposals, which are summarised in confidential Appendix 1

3.7 Evaluation of these proposals has been based on two key elements,

- Serving the resident - how closely does it align to our cultural change strategy and how quickly can these improvements be embedded? and
- Serving the tax payer - how cost efficient is it?

3.8 The evaluation, which is aligned with the principles set out in the contract standing orders has enabled a clear officer recommendation, as set out in Appendix 1.

#### 4 CONSIDERATIONS

4.1 The Contact Centre is the 'front line' for many when accessing the Councils services. However, this review has provided the opportunity to consider how the council can more effectively join up the multitude of 'channels' making sure that, no matter how residents choose to contact us, they will be provided with the same quality of information.

4.2 The introduction of an upgraded Contact Centre could

- Improve customer experience
  - through the warm transfer of calls
  - increased number of services provided directly by the Contact Centre, which should increase the speed of response to our customers
  - Use of new approaches such as web chat to help residents use our website
  - Through customer advocacy, checking that calls passed through to the 'back office' have been tracked to completion.
  - Improved integration with other systems such as those for waste, which will enable us to give residents real time information on their refuse collection.
- Improve our understanding of key issues to our residents through improved and real time management information from the new CRM which could
  - Alert us to new or growing issues in the area (e.g. flooding) where we can not only seek to support those directly affected, but provide more detail on-line and through other media
  - Inform us of trends, and form part of the evidence base for future service planning

4.3 Option Appraisal

4.3.1 Option A – Do nothing Option

There is no realistic do nothing option. The current server is 9 years old and will be running an unsupported operating system in June 2015.

4.3.3 Option B - Upgrade and improve the Contact Centre service

The costs and associated benefits of upgrading the Contact Centre are attached as a confidential appendix.

5 FINANCIAL IMPLICATIONS

5.1 The costs of the two options under option B are outlined in the confidential Appendix 1, including both capital and revenue costs.

6 LEGAL IMPLICATIONS

6.1 None identified.

7 CONCLUSION

7.1 It is recommended that Cabinet agree to the capital and revenue expenditure outlined in the confidential appendices.

CONTACT: Patricia Hughes – Joint Chief Executive

EXTENSION: 01252 774450

EMAIL: [patricia.hughes@hart.gov.uk](mailto:patricia.hughes@hart.gov.uk)

APPENDICES

Appendix 1 - Confidential - Comparison of Options Available

Appendix 2 - Cultural Change



**CABINET**

**DATE OF MEETING: 6 NOVEMBER 2014**

**TITLE OF REPORT: REVIEW OF COUNCIL TELEPHONY SYSTEM**

**Report of: Joint Chief Executive**

**Cabinet Member: Councillor James Radley, Corporate and Customer Services**

**1 PURPOSE OF REPORT**

**1.1** To seek Cabinet approval for the procurement of telephony services for the Hart Leisure Centre, Frogmore Leisure Centre, Civic Offices and Ranger Station.

**2 OFFICER RECOMMENDATION**

**2.1** That Cabinet authorise the procurement of telephony services as outlined in confidential Appendix I.

**3 BACKGROUND**

**3.1** The current telephony infrastructure across the Council's estate has been in place for over ten years. It is currently run on a version of software that is no longer supported and whilst the majority of the network is digital, it is too old to support newer technologies, which the Council is likely to require as it moves to modern and efficient business processes.

**3.2** The Council is looking to undertake a number of improvements to the way it delivers services over the next 6 - 12 months; including the implementation of Office 365 and replacement of its Customer Relationship Management system (CRM) used by the contact centre, in particular for waste services. The current CRM is currently under-utilised in terms of available functionality partly due to limitations of the telephony system. Both the CRM and telephony systems and servers are out of support and their operating systems will become un-supported in July 2015.

**3.3** The procurement of telephony services is being sought to support these improvements. However, because of the complex, inter-related nature of some of these projects, the Council is seeking, where possible, to break them into manageable components. Telephony Services, as defined by the procurement specification, therefore focuses solely on the necessary hardware and software required, to allow the Council flexibility in its options for subsequent changes to the way it operates.

**3.4** Telephony services for the purpose of this procurement, does not include mobile telephony, although solutions which offer value for money in this regard are not precluded from the tender.

- 3.5** The procurement process began in August when a RFQ, request for quotation was issued on the South East Business Portal. Hart received 53 expressions of interests of which 23 providers attended an open morning to discuss Hart's requirements. Out of those that expressed interest 24 submitted formal quotations.
- 3.6** The procurement specification was left as open as possible to allow suppliers the opportunity to present a solution that they felt best met the requirements that were attached to the RFQ. The technical scope of these proposals were wide ranging from pure cloud to on premise solutions.
- 3.7** Suppliers were made aware that the contract would be awarded to the supplier who submitted the best offer overall for the provision of the service in line with the Council's specification and the evaluation criteria. The evaluation criteria was based and evaluated on a 40% cost, 60% quality basis and a requirement to meet all "required" functionality items within the specification.
- 3.8** A number of large suppliers such as Capita, BT, Southern Communications and Virgin Media declined to bid. This has left Hart with a number of competitive SMEs whose accounts are generally a similar size to Hart. This means that any potential business should understand the environment and constraints that the authority operates within.
- 3.9** The evaluation model allowed officers to rank each supplier against cost and quality and one clear winner from this exercise was identified. Further meetings and discussions have taken place with this supplier to ensure due diligence is carried out on its proposal and costs.
- 3.10** To ensure that all potential options have been considered officers have also held discussions with the incumbent telephony supplier regarding the possibility of upgrading the existing system. These discussions have explored the technology roadmap, functionality and ongoing costs of carrying out a targeted upgrade of elements of the infrastructure as well as exploring further functionality through the purchase of additional software modules.
- 3.11** One other option that was open to the council was the purchase of a solution via an existing framework. All Hampshire councils are part of the HPSN2 (Hampshire Private Services Network) framework which contains a hosted telephony element. Officers contacted Virgin Media and provided them with the specification but they failed to submit a bid.

## **4 CONSIDERATIONS**

- 4.1** As the Council considers its options in terms of how it delivers a number of services - often with increased partnership working across organisations - resilience, compatibility and future proofing of its communication infrastructure is becoming more important in terms of supporting service delivery.
- 4.2** The introduction of an upgraded or new phone system would
- Enable a standardised and simplified approach to telephony at Hart. Standardising would simplify support and administration
  - Reduce revenue costs by replacing the existing main telephone lines with more

cost effective lines (SIP trunks).

- Ensure that the system's hardware and software is on a supported and maintained platform that meets all security requirements
- Allow flexible working – extensions would follow staff and enable officers working from the field or home to take calls from mobile devices or desktops
- Reduce the costs of integrating into 3<sup>rd</sup> party software such as Office365, future CRM and contact centre by ensuring that the telephone system is running on the latest available software and hardware.
- Improve management reports. The current system has limited management reports, which make it very difficult to produce and report any meaningful call data. Call data forms an important part of the authority's channel strategy and without it, it will be difficult to base any future channel shift proposals on actual customer behaviour
- Reduce telephony integration costs if further shared services were agreed with other authorities

### 4.3 Option Appraisal

#### 4.3.1 Option A – Do nothing Option

There is no realistic do nothing option. The current server is 9 years old and will be running an unsupported operating system in June 2015. The Alcatel telephony application that is also being run is several versions behind on support.

4.3.2 It should be noted that the `do nothing` option currently costs approx. £15,000 per annum, or £75,000 over 5 years. This figure increases to £129,000 or £25,800 per annum if the costs associated with the civic ISDN lines are included. . In addition, Hart will need to replace the current system's server by July 2015 as the operating system will no longer be supported by Microsoft. Under Public Services Network requirements, authorities are not allowed to run unsupported operating systems.

#### 4.3.3 Option B - Upgrade the existing system

The costs and associated benefits of upgrading the existing system are attached as a confidential appendix. Option 2 in the appendix is upgrade of elements of the existing system. The incumbent supplier declined to bid through the formal tender process and therefore their proposal only focuses on a tactical upgrade of the existing infrastructure. This proposal contains no direct end user service improvements or savings through the replacement of existing telephone lines

#### 4.3.4 Option C - Buy a new system

The costs and associated benefits of buying a new system are attached as a confidential appendix. The option outlining the new system, is the result of the tender process that has taken place over the past couple of months and the proposal includes a change in design of the existing telephone system. During design discussions with the supplier further costs savings were identified which had not been specifically requested as part of the tender request, these savings focus on the replacement of our current ISDN telephone lines at the civic offices with SIP (Sessions Initiation Protocol) trunks. Costs to migrate to these and lines and their savings have been added to the overall proposal.

**4.3.5** Option D – Shared Service

The costs and associated benefits of entering into a shared service are attached as a confidential appendix.

**5 FINANCIAL IMPLICATIONS**

**5.1** The costs of the two options are outlined in the confidential appendix that is attached to this report including both capital and revenue costs, based on the current revenue cost of £25,800 per annum. In addition to these costs the Council will need to budget for Capita's costs in supporting any migration. The costs of this support will vary depending on the options chosen as each varies in complexity. We have budgeted between £10,000 and £30,000 for this support.

**6 LEGAL IMPLICATIONS**

**6.1** None identified.

**7 CONCLUSION**

**7.1** It is recommended that Cabinet agree to the capital and revenue expenditure outlined in the confidential appendices.

**CONTACT: Patricia Hughes – Joint Chief Executive**

**EXTENSION: 01252 774450**

**EMAIL: [patricia.hughes@hart.gov.uk](mailto:patricia.hughes@hart.gov.uk)**

**CONFIDENTIAL APPENDICES**

Appendix 1 Comparison of Options available for Future Telephony at Hart District Council

Appendix 2 Options Detail

**CABINET****DATE OF MEETING: 6 NOVEMBER 2014****TITLE OF REPORT: HART LOCAL PLAN: PREFERRED STRATEGY FOR HOUSING GROWTH****Report of: Joint Chief Executive****Cabinet Member: Councillor Stephen Parker, Planning****I PURPOSE OF REPORT**

- 1.1 To recommend a preferred housing distribution, subject to testing, for the purposes of preparing a local plan. This report deals only with the preferred options for growth at a strategic level so that testing for delivery can be commenced. It does not address the details of delivery. That will be determined through assessment with further reports back to Cabinet through the Local Plan Steering Group. At this stage therefore, the figures as set out in Appendix I are essentially indicative and will inevitably be adjusted in response to testing and assessment. One tested, the final preferred approach will form the basis of a Publication Local Plan which will be subject to wide public consultation in the summer of 2015.

**2 RECOMMENDATION TO COUNCIL**

- A. That the strategy as set out in Appendix I is the Council's preferred housing distribution, subject to testing
- B. That the Local Plan should seek to identify a supply of specific, developable sites<sup>1</sup> for the first 10 years of the Local Plan following its adoption.

**3 BACKGROUND**

- 3.1 In August the Council consulted on a Housing Development Options Consultation Paper. The paper recognised that across the Hart/Rushmoor/Surrey Heath Housing Market Area (SHMA) there was a need to deliver in total 24,413 new homes between 2011 to 2032. Hart's share is approximately **7,534** which is an average per annum of **359** dwellings.
- 3.2 Taking this into account Hart's current land supply (at 14<sup>th</sup> May 2014)

|  |              |
|--|--------------|
| SHMA-based 'objectively assessed housing needs' for Hart                                     | 7,534        |
| Housing completions for the three years 2011/12 to 2013/14                                   | -792         |
| Outstanding planning permissions (at 14th May 2014)  | -1,851       |
| Major sites identified by the Council for growth (Edenbrook II and North East Hook)          | -743         |
| Objectively assessed housing need where sites remain to be identified (residual requirement) | <b>4,018</b> |

<sup>1</sup> To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.

- 3.3 At this stage therefore, the new Local Plan needs to find sufficient land for at least **4,000** new homes<sup>2</sup>

#### 4 FEEDBACK FROM HOUSING DEVELOPMENT OPTIONS CONSULTATION

- 4.1 The Council published a Housing Development Options Paper for consultation in summer 2014. In summary the options were:

Option 1 – Settlement Focus

Option 2 – Dispersal Strategy

Option 3 – Focused Growth (Strategic Urban Extensions)

Option 4 – Focused Growth (New Settlement)

Option 5 – Focusing development away from the Thames Basin Heaths SPA Zone of Influence

The Paper recognised that whilst it may be possible for one of the options to meet this need in full, it is much more likely that two or more of the options will need to be taken forward in combination to ensure not only that overall housing numbers can be delivered within the plan period, but that a steady supply of housing can be achieved throughout that period.

- 4.2 In summary the key points emerging from the consultation are:

- There were 685 responses from residents, developers, planning agents, landowners and statutory consultees.
- When asked for their preference for the Options for growth **Option 1 (within settlements) and Option 4 (new settlement) emerge as the two preferred options. They are followed by Option 3 (Strategic urban extensions), Option 2 (Dispersal) and Option 5 (SPA avoidance) in that order.**
- When asked whether even the smallest villages ('Tier 5' villages) should see some new housing. 322 respondents said 'yes'; 151 said 'no'.
- Rushmoor and Surrey Heath both responded along the lines that a combination of options should be used as this would provide scope to meet any unmet needs that could arise in Rushmoor and/or Surrey Heath.
- Hampshire County Council prefers strategic developments to dispersal as it offers more scope for on-site school provision. In particular HCC states that the new settlement option provides the best opportunity to provide additional primary schools and to consider the provision of a new secondary school.
- Thames Water identified several areas with capacity issues in different parts of the district, and on the implications of different options. Large-scale development, particularly a new settlement, offers the best opportunity to deliver infrastructure solutions particularly for waste water.
- A number of responses challenge the SHMA methodology and suggest that the District's housing need is higher.
- 27 new or amended sites were submitted through the consultation, including:
  - a proposal for a new community of around 1,700 dwellings (plus community facilities including a secondary school) at Lodge Farm (Newlands) north of the A287 near North Warnborough;
  - 250 dwellings at Bramshill Police College

- 400 dwellings at Guillemont Park (replacing vacant offices on land adjoining that which is currently the subject of an appeal for 140 dwellings (100 in Hart).

## 5 COMMENTARY

- 5.1 The next stage in the process is to consider how the delivery of the identified housing need should be distributed across the District. It is essential that this is done now otherwise Officers cannot commission the necessary assessments to move the Plan further forward.
- 5.2 The initial assessment of potential delivery follows a relatively high level assessment of SHLAA site availability. It does not address the details of delivery. That will be determined through assessment with further reports back to Cabinet through the Local Plan Steering Group. At this stage therefore, any figures quoted are essentially indicative and will inevitably be adjusted in response to testing and assessment.
- 5.3 Policy NRM6 of the South East Plan requires priority to be given to development avoiding the need for SPA mitigation. In effect the Council needs to consider first how much development can reasonably be accommodated in the area beyond the 5km SPA zone of influence.
- 5.4 This means that **Option 5– SPA Avoidance** must be considered first. This Option has the potential to deliver between **150-200** new homes<sup>3</sup>. This includes an element for “windfalls”.
- 5.5 **Option 1 – Settlement Focus** would deliver new development within existing boundaries within the rest of the District’s main towns/villages<sup>4</sup>. Taking into account “windfall” and identified SHLAA sites, the capacity is estimated to be approximately **750** dwellings. This figure may ultimately rise if land not currently in the SHLAA, such as empty or obsolete business premises in Ancells Farm, Fleet or Bartley Wood, Hook for example, are released for development. This latter potential opportunity will be pursued with some rigor throughout next Spring.
- 5.6 This leaves the Local Plan to identify land for a further **3050-3100** new homes.

|                              |                  |
|------------------------------|------------------|
| Residual Housing requirement | 4,000            |
| SPA Avoidance                | 150-200          |
| Settlement Focus             | 750              |
|                              | <b>3050-3100</b> |

- 5.7 **Option 2 (Dispersal)** has the theoretical capacity to meet all remaining residual need. However, any over reliance on a dispersal strategy is, from experience, fraught with difficulties. It removes the element of certainty in terms of housing delivery. It would potentially leave the Council in no better position than it is now with adhoc planning decisions being made whilst the Council continually sought to eke out a ongoing 5 year land supply. It would also undermine the link between development and the delivery of new infrastructure - schools, roads, utilities etc. A more balanced

<sup>3</sup> This essentially comprises the settlements of Odiham, North Warnborough, Long Sutton South Warnborough, and Greywell

<sup>4</sup> This does not include the area subject to Option 5 -SPA Avoidance

approach is recommended to demonstrate deliverability but whatever the case, the Council must seek to ensure that it can demonstrate for the first 10 years following adoption, the Local Plan that it has identified a supply of specific, developable sites.

- 5.8 **Option 3 – Focused Growth (Strategic Urban Extensions)** would greatly confirm the certainty of future housing delivery, particularly for ongoing 5-10 year land supply purposes. It would also remove any uncertainty over excessive reliance on Option 2 – Dispersal. Further site assessment is needed to determine true suitability and quantum but it would help fill the need to provide a potential supply during the middle of the plan period prior to delivery of the new settlement option (Option 4). Acceptance of this Option, combined with Option 4 (New Settlement) would also potentially give the Council greater flexibility for change if in future it needs to adjust its housing delivery to accommodate any unmet needs from elsewhere within the housing market area<sup>5</sup>.
- 5.9 To bring certainty to the objective of identifying sufficient sites for delivery it is recommended that the decision is made now to test the preference for a new settlement: **Option 4 – Focused Growth (New Settlement)**. The estimate is that it could deliver between **1800-2400** dwellings within the Plan period. The only area where that scale of growth could realistically be delivered is centred on the area that comprises Winchfield.
- 5.10 The challenge to the Council is whether the scale of ambition for a new settlement solution is matched by a real and honest desire to meet the significant housing demand. The new Settlement option can, if designed and structured building on lessons from the past, provide a vehicle for large scale housing delivery in a manner sympathetic to the landscape as distinct from other forms of development. It is the best option to deliver a real community along with the necessary infrastructure (shops, employment, roads, schools, utilities etc). However, one has to be realistic about delivery and the timescales involved. Viability is also critical. The Council will also need a very early stage to consider what delivery model<sup>6</sup> is best placed to ensure the delivery of this option and also assesses measures to compensate for any potential housing shortfall if delivery of the new settlement option is impeded or significantly delayed.

## 6 FINANCIAL IMPLICATIONS

- 6.1 There are no unbudgeted financial implications arising from this report.

---

<sup>5</sup> The National Planning Policy Framework requires local planning authorities to meet their own housing need and meet the needs of other authorities in the same housing market area as far as is consistent with the policies set out in the Framework. In this regard both Rushmoor (1,700) and Surrey Heath (1,400) have indicated that they may not be able to meet their respective needs. At this stage this scale of need has not been properly assessed or tested. Any future Hart Local Plan may therefore, need to be flexible to enable it to be adjusted to accommodate the potential eventuality of Hart having to accommodate a proportion of any unmet housing market area needs.

<sup>6</sup> The Town and Country Planning Association (TCPA) identifies some overarching principles that are a distillation of the key elements that have made the new settlement model of development so successful, articulated for a 21st century context. <http://www.tcpa.org.uk/data/files/ArtBGC.pdf>

## **7 ACTION**

- 7.1 The recommendation is that a balanced approach is adopted to meet the Council's future housing needs. The proposal as set out in Appendix I reflects a recommended Preferred Approach to housing distribution for testing purposes only, but with a view that it will inform a full Publication Plan in the summer of 2015. It does not at this stage represent Council adopted policy and neither should it be read as the Council's final adopted approach to meeting housing needs.

**Contact Details: Daniel Hawes, Planning Policy Manager / x 4120 / [daniel.hawes@hart.gov.uk](mailto:daniel.hawes@hart.gov.uk)**

### **BACKGROUND PAPERS:**

Housing Development Options Consultation Paper, August 2014

Sustainability Appraisal of Housing Development Options, August 2014

Summary of Consultation Response: Hart Local Plan Housing Development Options Consultation Paper (August 2014), November 2014

| <b>Recommended Preferred Housing Distribution Strategy, <u>subject to testing</u>:</b>  |                         |
|---|-------------------------|
| Development (including windfalls) <u>beyond</u> the SPA 5km zone of influence (this comprises the settlements of Odiham, North Warnborough, South Warnborough, Greywell, and Long Sutton) | 150 – 200 dwellings     |
| Development <u>within</u> existing settlement boundaries (including windfalls) from those settlements that lie <u>within</u> the SPA 5km zone of influence.                               | Approx 750 dwellings    |
| Development <u>adjoining</u> settlements <u>within</u> the SPA 5km boundary zone of influence   | 100 – 650 dwellings     |
| Strategic urban extensions (no individual site identified)  | 0 - 600 dwellings       |
| New settlement at Winchfield  | 1,800 - 2,400 dwellings |
|   | <b>4,000 dwellings</b>  |

## CABINET

### KEY DECISIONS/ WORK PROGRAMME AND EXECUTIVE DECISIONS MADE

#### November 2014

Cabinet is required to publish its Key Decisions and forward work programme to inform the public of issues on which it intends to make policy or decisions. The Overview and Scrutiny Committee also notes the Programme, which is subject to regular revision.

| Report Title                                      | Ref (Note 1) | Outline/Reason for Report/Comments   | Original Due Date          | Revised Due Date | Key Decision Y? | Cabinet Member (Note 2) | Service (Note 3) |
|---|--------------|--|----------------------------|------------------|-----------------|-------------------------|------------------|
| Treasury Management Progress                      | Twice Yearly | Outturn and Report   | Nov 14<br>July 15          |                  |                 | KC                      | F                |
| Quarterly Budget Monitoring                       | Quarterly    | Quarterly monitoring   | Nov 14<br>Mar 15<br>Aug 15 |                  |                 | KC                      | F                |
| Review of Council Telephony System                | Aug 14       | Approval of the recommended telephony solution and bidder  | Nov 14                     |                  | Y               | JER                     | CCS              |
| Review of Council Contact Centre Service          | Oct 14       | Approval for upgraded Contact Centre provision   | Nov 14                     |                  |                 | JER                     | CCS              |
| Regulatory Services Enforcement Policy            | Oct 14       | For approval.  | Nov 14                     |                  |                 | ACO                     | RS               |
| Replacement of Boilers at Frogmore Leisure Centre | Oct 14       | For approval   | Nov 14                     |                  |                 | KC                      | CX               |
| Local Plan  | Oct 14       | Consideration of the distribution table to be recommended to Council as the preferred option for testing | Nov 14                     |                  |                 | SP                      | PP               |
| Refurbishment of Frogmore Leisure Centre          | July 14      | Proposals for approval   | Oct 14                     | Dec 14           | Y               | KC                      | CX               |

| <b>Report Title</b>   | <b>Ref (Note 1)</b> | <b>Outline/Reason for Report/Comments</b>   | <b>Original Due Date</b> | <b>Revised Due Date</b> | <b>Key Decision Y?</b> | <b>Cabinet Member (Note 2)</b> | <b>Service (Note 3)</b> |
|---|---------------------|---|--------------------------|-------------------------|------------------------|--------------------------------|-------------------------|
| Procurement of 'back office' services and others through a joint approach with four other local authorities | Sept 14             | Consideration of business case for testing the market for services currently not outsourced | Dec 14                   |                         |                        | JER                            | CS                      |
| Opportunities for increased recycling   | July 14             | For approval  | Dec 14                   |                         | Y                      | AO                             | TS&EM                   |
| Review of Implementation of the Corporate Plan  | July 14             | For approval  | Dec 14                   |                         |                        | KC                             | CX                      |
| Housing Strategy  | July 14             | For approval. Recommendation to Council.  | Dec 14                   |                         |                        | DN                             | HS                      |
| Development of Church Road Car Park   | Oct 14              | Consideration of proposals  | Dec 14                   |                         |                        | AO                             | TS&EM                   |
| Building Control Shared Service with Rushmoor Borough Council   | July 14             | Business case for shared services arrangement for Approval                                  | Sept 14                  | Dec 14                  | Y                      | ACO/JER                        | RS/CS                   |
| Setting the Council Tax Base  | Annual              | Report  | Jan 15                   |                         | Y                      | KC                             | F                       |
| Treasury Management Strategy  | Annual              | Update  | Feb 15                   |                         |                        | KC                             | F                       |
| Report of the Task and Finish Group into the car parking charges structure for Fleet                        | Oct 14              | For approval  | Feb 15                   |                         |                        |                                |                         |
| 2014/15 Revenue Budget, Capital Programme and Council Tax Proposals   | Annual              | Approval. Recommendation to Council.  | Feb 15                   |                         |                        | KC                             | F                       |
| New Leisure Centre Operation  | July 14             | For approval. Decision on the operator of the new leisure centre.                           | April/May 15             |                         |                        | KC                             | L&EP                    |
| Food Safety Service Plan  | Annual              | For approval  | April 15                 |                         |                        | ACO                            | RS                      |
| Service Plans   | Annual              | Service Plans 2014/15   | April 15                 |                         |                        | JER                            | All                     |
| Outside Bodies  | Annual              | To confirm representatives on Outside Bodies  | June 15                  |                         |                        | KC                             | CX                      |

| Report Title                        | Ref (Note 1) | Outline/Reason for Report/Comments             | Original Due Date | Revised Due Date | Key Decision Y? | Cabinet Member (Note 2) | Service (Note 3) |
|-------------------------------------|--------------|--|-------------------|------------------|-----------------|-------------------------|------------------|
| Revenue and Capital Outturn 2014/15 | Annual       | Report on outturn                              | July 15           |                  |                 | KC                      | F                |
| Sale of Hook Car Park               | Jun 14       | Deferred from July - for Approval              | Aug 15            |                  |                 | AO                      | TS&EM            |
| Medium Term Financial Outlook       | Annual       | To consider the medium term financial position | Sept 15           |                  |                 | KC                      | F                |

Notes:

1 Date added to Programme

2 Cabinet Members:

KC Crookes

AO Oliver

ACO Collett

SP Parker

ACR Crampton

JER Radley JE

DN Neighbour

3 Service:

JCX Joint Chief Executive

CS Community Safety

F Finance

SLS Shared Legal Services

HS Housing Services

CCS Corporate & Customer Services

PP Planning Policy

MO Monitoring Officer

RS Regulatory Services

L&EP Leisure and Environmental Promotion

TS &EM Technical Services and Environmental Maintenance

## EXECUTIVE DECISIONS

14/10/14 Cllr Oliver Agree the completion of a lease from HDC to Cross Barn, Odiham

Not called in

## **CABINET**

**Date and Time:** Thursday, 6 November 2014 at 7pm

**Place:** Council Chamber, Civic Offices, Fleet

**Present:**

## **COUNCILLORS**

Crookes (Chairman)

Collett, Crampton, Neighbour, Oliver, Parker, Radley JE

**In attendance:** Axam, Burchfield, Clarke, Cockarill, Forster S, Gorys, Kennett, Morris

## **Officers:**

|                 |   |
|-----------------|---|
| Patricia Hughes | Joint Chief Executive                       |
| Daryl Phillips  | Joint Chief Executive                       |
| Tony Higgins    | Head of Finance                             |
| Nick Steevens   | Head of Regulatory Services                 |
| Carl Westby     | Head of Leisure and Environmental Promotion |
| Daniel Hawes    | Planning Policy Manager                     |

## **58 MINUTES OF PREVIOUS MEETING**

The Minutes of the meeting of 2 October 2014 were confirmed and signed as a correct record.

## **59 APOLOGIES FOR ABSENCE**

None received.

## **60 CHAIRMAN'S ANNOUNCEMENTS**

The Chairman announced that Item 14 on the agenda would be brought forward after Item 10.

## **61 DECLARATIONS OF INTEREST**

None declared.

## **62 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)**

Item 64: Leisure Centre Working Party

Transition Fleet had submitted a question asking how the best environmental levels would be achieved in the face of any future budget pressures, and energy targets to ensure a low environmental impact.

Miss Hughes responded that as part of the stage 3 design process, a low and zero carbon energy feasibility study was being completed which would be issued to the Council on Friday next week. It was confirmed that this would be made public in due course.

**Item 67: Frogmore Leisure Centre Replacement of Boilers**

Councillor Bob Schofield of Fleet Town Council reported that the Chief Executive had indicated, during negotiations on the transfer of the Harlington Centre, that the boilers were the same breed and make as those in Frogmore Leisure Centre. It was further discussed that Frogmore Leisure Centre boilers would be sacrificed to ensure the ongoing functionality of the Harlington Centre. It was agreed the Joint Chief Executive would discuss this with Fleet Town Council

**63 HEALTH AND WELLBEING PARTNERSHIP**

The Minutes of the meeting of 3 October 2014 were noted, subject to a response from the CCG which the Portfolio Holder had received regarding infrastructure, being shared with Members of the Cabinet.

**64 LEISURE CENTRE WORKING PARTY**

The Minutes of the meeting of 15 September 2014 were noted.

**65 2014-15 BUDGET MONITORING – SECOND QUARTER**

Members were advised of the position on revenue and capital as at the end of September. The report had been considered by Overview and Scrutiny Committee at its meeting on 21 October 2014.

**RESOLVED**

- 1 The revised projections and reasons for the main variations be noted.
- 2 The current spending position on the Capital Programme be noted.

**66 TREASURY MANAGEMENT STRATEGY– HALF YEAR REVIEW 2014/15**

Members considered the Council's Treasury Management activities and performance during the first half of the 2014/15 financial year (April-September).

**RESOLVED**

That the Treasury Management activities during the first half of the 2014/15 financial year be noted.

## **67 FROGMORE LEISURE CENTRE - REPLACEMENT OF BOILERS**

Members were asked to agree to spend up to £44,000 to replace the one defective and two obsolete heating boilers at Frogmore Leisure Centre with two 2 new energy efficient boilers.

### **RESOLVED**

The replacement of heating boilers at Frogmore Leisure Centre (FLC) with boilers which will also provide additional future capacity be approved.

## **68 HART LOCAL PLAN: PREFERRED STRATEGY FOR HOUSING GROWTH**

Members were asked to consider a preferred housing distribution, subject to testing, for the purposes of preparing a local plan.

The Chairman invited members of the public present to speak. This included representation from a number of local residents, Parish Councils and CPRE.

A wide range of issues were raised including;

- The timetable for next stages of the process
- Concerns regarding the earlier consultation and perceptions of predetermination
- Could the Council reject the need to develop levels of housing at the numbers being put forward
- The ability of neighbouring authorities to deliver housing based on their own objectively assessed need.
- Availability of further sites which would be able to deliver the size of development of a new settlement
- Availability of land in Winchfield
- Public support for a single new settlement
- Evidential support for a single new settlement
- Concern regarding the destruction of rural areas

Councillor Crookes proposed an amendment to the recommendation, seconded by Councillor Collett, that the words "in Winchfield" be deleted from Appendix I. The amendment was debated and lost by 4 votes to 3, because members were concerned that this would result in a significant delay in the local plan.

After lengthy debate Cabinet agreed the recommendation to Council.

### **RECOMMENDATION TO COUNCIL**

- 1 That the strategy as set out in Appendix I be the Council's preferred housing distribution, subject to testing
- 2 That the Local Plan should seek to identify a supply of specific, developable sites for the first 10 years of the Local Plan following its adoption.

Councillor Crookes abstained from the vote.

**69 REGULATORS CODE AND REGULATORY SERVICES ENFORCEMENT POLICY**

Cabinet were asked to approve the adoption of a revised Regulatory Services Enforcement Policy which had been devised to comply with the Regulators Code.

**RESOLVED**

That the new Regulators Code be noted and the adoption of the Regulatory Services Enforcement Policy (Appendix 1) and the supporting document - What you can expect from Regulatory Services in Hart District Council (Appendix 2) be approved.

**70 EXCLUSION OF THE PUBLIC**

**RESOLVED**

That in accordance with Section 100A of the Local Government Act 1972, the public be excluded during the discussion of the matters referred to in items 71 and 72 listed below, on the grounds that it involved the likely disclosure of exempt information, as defined in the respective paragraph of Part 1 of Schedule 12A of the Act, and the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding the information).

**71 REVIEW OF COUNCIL CONTACT CENTRE SERVICE**

Approval was sought for an upgraded Contact Centre service provision.

**RESOLVED**

That the changes to the Contact Centre services as outlined in Option 2 be approved, subject the Portfolio Holder, Leader and Joint Chief Executive being confident that there is a reasonable chance of financial and service quality success.

**72 REVIEW OF COUNCIL TELEPHONY SYSTEM**

Cabinet were asked to approve the procurement of telephony services for the Hart Leisure Centre, Frogmore Leisure Centre, Civic Offices and Ranger Station.

**RESOLVED**

That subject to the Portfolio Holder Leader and Joint Chief Executive being confident that there is a reasonable chance of financial and service quality success as identified in the Contact Centre report (item 71 above) that the procurement of telephony services be option D.

### **73 CABINET WORK PROGRAMME**

The Cabinet Work Programme was considered and no amendments were made.

The meeting closed at 10.30pm