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SUMMONS

NOTICE IS HEREBY GIVEN THAT A MEETING OF THE HART DISTRICT COUNCIL WILL BE HELD IN COUNCIL CHAMBER ON THURSDAY 22 FEBRUARY 2024 AT 7.00 PM

Chief Executive

CIVIC OFFICES, HARLINGTON WAY
FLEET, HAMPSHIRE GU51 4AE

AGENDA

This Agenda and associated appendices are provided in electronic form only and are published on the Hart District Council Website.

Please download all papers through the Modern.Gov app before the meeting.

- **At the start of the meeting, the Lead Officer will confirm the Fire Evacuation Procedure.**
- **The Chairman will announce that this meeting will be recorded and that anyone remaining at the meeting had provided their consent to any such recording.**

1 MINUTES OF PREVIOUS MEETING (Pages 7 - 15)

To confirm the Minutes of the Council Meeting held on 25 January 2024.

2 APOLOGIES FOR ABSENCE

To receive any apologies for absence from Members*.

***Note:** Members are asked to email Committee Services in advance of the meeting as soon as they become aware they will be absent.

3 DECLARATIONS OF INTEREST

To declare disposable pecuniary, and any other interests*.

***Note:** Members are asked to email Committee Services in advance of the meeting as soon as they become aware they may have an interest to declare.

4 COUNCIL PROCEDURE RULE 12 - QUESTIONS BY THE PUBLIC

To receive any questions from members of the public submitted pursuant to Council Procedure Rule 12.

*Note: The text of any question under Council Procedure Rule 12 must be given to the **Chief Executive** (email committeeservices@hart.gov.uk) no later than **Noon on Friday, 16 February 2024.***

5 COUNCIL PROCEDURE RULE 14 - QUESTIONS BY MEMBERS

To receive any questions from Members submitted pursuant to Council Procedure Rule 14.

*Note: The text of any question under the Council Procedure Rule 14.3 must be given to the **Chief Executive** (email committeeservices@hart.gov.uk) not later than **5.00pm on Monday 19 February 2024***

The text of any question under Council Procedure Rule 14.4 must be submitted to the **Chief Executive before 10.00am on Monday 19 February 2024.**

6 CHAIRMAN'S ANNOUNCEMENTS

7 CABINET MEMBERS' ANNOUNCEMENTS

8 CHIEF EXECUTIVE'S ANNOUNCEMENTS

9 MINUTES OF COMMITTEES (Pages 16 - 29)

The Minutes of the following Committees, which met on the dates shown, are submitted.

In accordance with Council Procedure Rule 14.1, Members are allowed to put questions at Council without Notice in respect of any matters in the Minutes to the Leader of the Council or any Chairman of the relevant meeting at the time those Minutes are received by Council.

Meeting	Date	Page Numbers	For Decision
Cabinet (draft)	01 February 2024	17-23	
Overview and Scrutiny	16 January 2024	24-30	

10 BUDGET 2024/25 (Pages 30 - 95)

Purpose Of Report

1. The Council must set a balanced budget for 2024/2025. The draft revenue and capital budget proposals are summarised in this report.

Recommendation

2. Cabinet is recommending to Council that it:
 - i. approves a 2.99% increase in Hart District Council's Band D Council Tax Charge for 2024/25,
 - ii. agrees changes to fees and charges for 2024/25 in line with the principles set out in this report, and approves the full schedule included at Appendix 4,
 - iii. approves the draft Revenue Budget for 2024/25 as summarised in paragraph 15 and Appendix 1, incorporating the baseline net service cost variations included at paragraph 17 and Appendix 1,
 - iv. approves the Capital Bids as detailed in Appendix 2,
 - v. approves the Medium-Term Financial Strategy as set out in Appendix 3,
 - vi. notes the emerging pressures and risks set out in the report and the S151 Officer's intention to undertake a mid-year review of detailed budgets
 - vii. approves the continuation of the capital receipt flexibility strategy detailed in the report under the Direction issued by the Government early in 2022.
 - viii. approves not to change the Council's existing Council Tax Support Scheme other than the required statutory uprating,

11 COUNCIL TAX SETTING 2024/25 (Pages 96 - 104)

- 1 The purpose of this report is to provide the Council with the necessary information to make decisions regarding the setting of Council Tax for the year 2024/25. It summarises all the relevant budgetary decisions that have been made to determine the level of Council Tax for the year 2024/25. The report includes the specifics of each individual level of Council Tax that requires approval by the Council. Council approved the overall council tax base on 25 January 2024, 42,690.97 dwellings.

Recommendation

- 2 It is recommended that Council agrees to the following council tax resolutions:
 - A. The Council Tax requirement for the Council's own purposes for 2024/25 (excluding Parish precepts) is £8,460,069.52

- B. That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 and 34 to 36 of the Act:

38,849,929	being the aggregate of the amounts the Council estimates for the items set out in Section 31A(2) of the Act takes into account all precepts issued to it by Parish Councils.
£26,175,014	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
£12,674,915	being the amount by which the aggregate at B(i) above exceeds the aggregate at B(ii) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B(1) of the Act).
£296.90	being the amount at B(iii) above divided by 42,690.97, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
£4,214,846	being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per Column 2 of Appendix 1A).
£198.17	being the amount at B(iv) above less the result given by dividing the amount at B(v) above by 42,690.97, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
The amounts set out in column 6 of Appendix 1A for each part of the Council's area being the amounts given by adding to the amount at B(vi) above the amounts of the parish precepts relating to dwellings in those parts of the Council's area mentioned in Appendix 1A divided in each case by the dwellings in those parts of its area to which a Parish Precept relates, calculated by the Council in accordance with Section 34 of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which	

one or more special items relate.

The amounts set out in columns 1 to 9 of Appendix 1B for each part of the Council's area being the amounts given by multiplying the amounts at B(vii) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- C. For each financial year, a major precepting authority shall issue a precept or precepts in accordance with Section 40 of the Local Government Finance Act 1992. The draft Hampshire County Council's precept figures are subject to approval on 22 February 2024 and the Hampshire Fire and Rescue Authority's on 26 February, and these draft figures are listed below. In the event of changes arising for decisions made by the major precepting authorities (i.e. Hampshire County Council, the Police and Crime Commissioner for Hampshire, and Hampshire Fire and Rescue), it is recommended that the Executive Director for Corporate Services & Section 151 Officer, in consultation with the Cabinet Portfolio Holder for Finance, be authorised to update the final council tax calculations to reflect the final decisions of the major precepting authorities. The Council Tax requirement for the Hart District Council's own purposes for 2024/25 (excluding Parish precepts) is £8,460,069.52

Valuation Band	Hampshire County Council (HCC) (£)	HCC Adult Social Care (£)	Police & Crime Commissioner for Hampshire (£)	Hampshire Fire and Rescue (£)
A(R)	729.07	122.73	145.26	46.02
A	874.88	147.28	174.31	55.23
B	1,020.69	171.83	203.36	64.43
C	1,166.51	196.37	232.41	73.64
D	1,312.32	220.92	261.46	82.84
E	1,603.95	270.01	319.56	101.25
F	1,895.57	319.11	377.66	119.66
G	2,187.20	368.20	435.77	138.07
H	2,624.64	441.84	522.92	165.68

- D. That, having calculated the aggregate in each case of the amounts at B(viii) and Recommendation C above, the Council, in accordance with section 30(2) of the Local Government Finance Act 1992, hereby **AGREES** to set the amounts shown in Appendix 1E of the report as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings in each of the Parishes.
- E. That for the purposes of section 35 (2) (d) of the Local Government Finance Act 1992, any expenses incurred by the District Council in the financial year 2024/25 in performing functions in a part of the district where elsewhere in the district are performed by a Parish Council, shall not be special expenses of the District Council.
- F. That the Council concludes the 2.99% increase in Council Tax for Hart District Council for 2024/25 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

12 TREASURY MANAGEMENT, STRATEGY STATEMENT, ANNUAL INVESTMENT STRATEGY AND CAPITAL STRATEGY (Pages 105 - 149)

- 1. To present the draft Treasury Management Strategy Statement for 2024/25 which incorporates the Annual Investment Strategy, Minimum Revenue Provision (MRP) Policy and Prudential and Treasury Indicators.
- 2. It is a legal obligation to set a Capital Strategy, which is also presented for review. This strategy provides the strategic framework for the treasury activity. The 2024/25 draft documents do not suggest any major changes as compared to the approved ones for the current year.

Recommendation

- 3. Cabinet is recommending to Council that it:
 - i. approves the Treasury Management Strategy Statement 2024/25 and the revised Minimum Revenue Provision policy contained within it,
 - ii. approves the Annual Investment Strategy for 2024/25 and;
 - iii. Approves the Capital Strategy 2024/25.

13 OUTSIDE BODIES - FEEDBACK FROM MEMBERS (Pages 150 - 151)

To receive any feedback from Members who are representatives of the Council on an Outside Body.

Date of Dispatch: Wednesday 14 February 2024

COUNCIL

Date and Time: Thursday 25 January 2024 at 7.00 pm

Place: Council Chamber

Present:

COUNCILLORS -

Wildsmith (Chairman)

Smith	Davies	Oliver
Axam	Delaney	Quarterman
Bailey	Dorn	Radley
Blewett	Engström	Southern
Butcher	Farmer	Thomas
Butler	Forster	Vernon
Clarke	Harward	Worlock
Cockarill	Kennett	Wright
Crampton	Makepeace-Browne	
Crisp	Neighbour	

Officers Present:

Daryl Phillips - Chief Executive

Sharon Black - Committee and Member Services Manager

Emma Evans - Committee and Member Services Officer

Kathy Long - Committee and Member Services Officer

47 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of 30 November 2023 were confirmed and signed as a correct record.

48 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Coburn, Collins, Hale and Woods.

Councillor Worlock announced that Councillor Coburn had given birth to a boy last week, congratulations were offered.

49 DECLARATIONS OF INTEREST

No declarations made.

50 COUNCIL PROCEDURE RULE 12 - QUESTIONS BY THE PUBLIC

No questions received.

51 COUNCIL PROCEDURE RULE 14 - QUESTIONS BY MEMBERS

No questions received.

52 CHAIRMAN'S ANNOUNCEMENTS

The Chairman's engagements since the last meeting were noted:

3 December	Hampshire & IOW Constabulary Xmas Concert - Vice Chairman Cllr Smith attended on behalf of Hart
9 December	Hart Chairman's Carol Service at St Barnabas Church, Darby Green
20 December	HVA Wreath Making Workshop
7 January	Hart Leisure Centre Family Fun Day
13 January	Dean & Chapter of Winchester Cathedral Service welcome Rt Rev Mounstephen as the 98th Bishop of Winchester
16 January	Visit to Yateley Manor School
17 January	Men's Shed Meeting
22 January	HVA AGM/Forum
24 January	Chairman HCC Civic Dinner, Winchester

The Chairman thanked Members that had attended the Chairman's Carol Concert in December and highlighted the amazing work undertaken by volunteer groups across the district following his attendance at the HVA AGM last week.

53 CHIEF EXECUTIVE'S REPORTS

The Chief Executive reported that changes are being made to the electoral system specifically around the handling of postal votes. These changes would be in place for the 2 May 2024 elections. A guidance note will be issued with the election packs.

It was confirmed that Hart was operationally prepared for a general election and although accommodation for the polling stations cannot be booked in advance, the venues have been written to regarding their possible future use.

54 CABINET MEMBERS' ANNOUNCEMENTS

The Leader of the Council, and Portfolio Holder for Strategic Direction, and Partnerships, Councillor Neighbour reminded Members that it was Holocaust Memorial Day on 27 January. The Council would be flying a flag over the weekend, the ambition this year is to 'join the nation and light the darkness' with people encouraged to light a candle in a window at 8pm on Saturday to remember those murdered for who they were and to stand against prejudice today.

The awarding of this year's community grants was announced, this £28K worth of funding comes from roundabout sponsorship. Seven excellent projects had

been supported, addressing health and well-being, biodiversity, sustainability and educational benefits. The two projects that received the most funds were:

- Oakwood Infants and Greenfield Junior Schools in Hartley Wintney have formed the Green Oaks Foundation to provide a school vegetable garden and the impact of solar energy.
- Church Crookham Junior School for a sensory garden.

The Deputy Leader and Portfolio Holder for Finance, Councillor Radley had nothing to report.

The Portfolio Holder for Communities, Councillor Bailey gave Members updates on 2 issues.

- VIVID has completed on the purchase of a 4-bed home, using funding that Hart secured from central government. The home is for an Afghan family – and they are thrilled after the trauma of hotels, to be settling in a local community. They will be receiving resettlement support to help them find their feet.
- The Housing Team have been working with You Trust and Basingstoke and Deane to explore how we can provide additional support to residents surviving domestic abuse, without the need to go into refuge. We have been successful in bidding for a grant from Hampshire County Council to enable us to joint fund a Domestic Abuse Worker dedicated to the Hart and Basingstoke area, who will navigate support for our residents in these situations. The service will launch in coming weeks.

He recorded his thanks to Penny Woodrow in the Housing Solutions Service for her service to the Council.

The Portfolio Holder for Digital and Communications, Councillor Clarke informed Members that next week sees the launch of the new 'Impact Hart' website, designed to help residents live more sustainably. He thanked Members for their input to the new Digital Strategy and advised that the new Strategy will be going out for consultation in February.

The Portfolio Holder for Planning Policy and Place, Councillor Cockarill made no report.

The Leader of the Council on behalf of The Portfolio Holder for Regulatory, Councillor Collins made no report.

The Portfolio Holder for Community Safety and Development Management, Councillor Oliver made no report:

The Portfolio Holder for Climate Change and Corporate Services, Councillor Quarterman reported that:

A full update on the council's climate change progress has been presented to December's O&S and January's Cabinet meetings, in line with the process set out in July last year. The original Climate Change motion also required six-monthly updates to Full Council, this is the first six-monthly update, and the next ones will be provided in June and July 2024.

37 items from the total action plan of 63 are being investigated and are currently on target, including nine live projects. The key points highlighted were:

- Electrical charging infrastructure across Hart car parks – positive progress has been made with legal agreements and installation will be rolled out during 2024.
- Buildings energy efficiency – Decarbonisation reports have been drafted for four of our buildings and relevant applications have been made for Public Sector Decarbonisation Fund and the Swimming Pool Support Fund, and we expect to hear the outcome in February 2024. This includes the project to investigate options for solar panels and a data centre at Hart Leisure Centre which was the subject of a Full Council motion last July – work is underway with a leading technology provider in this field who are proving to be very busy, but we are working hard to complete the viability appraisal within this Council year.
- Resident housing retrofit project – a new project is underway to support residents identify potential home energy savings and access grant funding. This will include the lending of thermal imaging cameras piloted last winter.
- Transport upgrades – two vehicles from Hart's Fleet have been replaced with electric alternatives, and waste vehicles are being upgraded to hydrogenated vegetable oil (HVO), which is on target for completion in 2024.
- Sustainable brand and microsite – A new website to encourage behavioural change in the community and provide support to residents to reduce their emissions will be launched in February 2024.
- Work is underway with the Countryside team and residents on a Tree Strategy for Hart, to deliver the health, wildlife and climate resilience benefits afforded by good healthy tree cover.
- The first Stakeholder Engagement Group met in September and will meet again 30 January.

The full updates are available to read on the Council's website, and there is more information about climate change on our dedicated climate change web pages.

Hampshire County Council have launched a consultation on reductions in future services to meet a £132 million budget shortfall by April 2025. One of the options being considered for Household Waste and Recycling Centres is the reduction of sites, with Hartley Wintney identified as one of the potential sites for closure.

It was highlighted that the current administration at Hart strongly objects to this proposed closure, as it would significantly impact the local area by increasing fly-tipping, littering, and pollution. The loss of this facility would be a setback for the community and would undermine our efforts to promote sustainability and environmental responsibility. We are therefore planning to respond accordingly to the consultation and requesting the County Council to collaborate with the community to find a solution to keep the recycling centre open.

Also, a Hart resident has started an online petition on Change.org calling for the site to be kept open, residents were encouraged to sign this if they also feel that the site should be kept open.

Upcoming Planned changes to the Garden Waste collection schedules will improve both the reliability and the cost and carbon efficiencies of the service. This will mean that for some subscribers, their collection day will change and will not always coincide with their waste and recycling collection. These changes are planned to take place in February as it is the lowest volume month for garden waste. Subscribers will be informed by letter of the changes, which will start being sent in the next few days.

MINUTES OF COMMITTEES

The Minutes of the following Committees, which met on the dates shown, were received by Council.

Meeting	Date
Cabinet	07 December 2023
Cabinet (draft)	04 January 2023
Overview and Scrutiny (draft)	19 December 2023
Planning (draft)	
Staffing	21 November 2023

It was advised that a Councillor Substitution at the Overview and Scrutiny Panel of 19 December had been incorrectly recorded.

22/01859/FUL - MARSH FARM, BOWLING ALLEY, CRONDALL, FARNHAM, HAMPSHIRE 13 December 2023 Planning Committee Minute number 45

It was noted that no requests for debate had been received for the Planning Committee Minute number 45, and therefore, **the Executive Director of Place was authorised to grant planning permission** for planning application 22/01859/Ful - Marsh Farm, Bowling Alley, Crondall, Farnham, Hampshire,

GU10 5RJ **subject to** submission of a revised Land Ownership Certificate with notification to Hampshire County Council as landowner of the highway verge and expiry of the required notification period, and completion of a Section 106 agreement to secure Suitable Alternative Natural Green Space (SANG) at Naishes Lane and payment of the Strategic Access and Management and Monitoring (SAMM) fee, and conditions as set out within the agenda as updated in the Addendum.

56 COUNCIL TAX BASE 2024/25

The Chairman explained that this item was to agree on the setting of the council tax base for 2024/25, advising that no questions had been previously raised requiring a debate.

A member queried a drop in the number of Band E equivalent properties recorded for the Council Tax Support Scheme, asking for an explanation of the trend.

A member reminded the Council that at the Council meeting in February 2023, a budget amendment was introduced approving a Council Tax exemption for care-leavers aged 18-25 who were living independently. He queried how many care-leavers have benefited from this in 23/24 and what assumptions have been made for the year ahead.

The Portfolio Holder for Finance stated that a written reply would be provided to Members.

Proposed by Councillor Radley; Seconded by Councillor Butler.

DECISION

It was agreed that in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount calculated by Hart District Council as its council tax base for the 2024/25 year shall be set at 42,690.97 (2023/24 - 42,313.27)

57 POLLING DISTRICT AND POLLING PLACE REVIEW 2023

The Chairman explained that this item was to agree on the details of the proposed new polling stations for Yateley North, Stockton and Dogmersfield and had been drafted in consultation with all ward members.

A member queried if free parking arrangements and support for residents with mobility issues would be implemented for users of the new polling station at the Fleet Parish Community Centre. Mr Philips agreed to consider these issues and report back to the Member.

Proposed by Councillor Neighbour; Seconded by Councillor Bailey.

DECISION

It was agreed:

- A. That Yateley Industries, Mill Lane be designated as the polling place for the Yateley North (YN) polling district.
- B. That Fleet Parish Community Centre, Church Road be designated as the polling place for the Stockton (FS) polling district.
- C. That Dogmersfield C of E Primary School, Chatter Alley be designated as the polling place for the Dogmersfield (D) polling district after the May 2024 elections.

58 WINCHFIELD NEIGHBOURHOOD PLAN 2022-2037

The Chairman explained that this item was to 'make' the Winchfield Neighbourhood Plan 2022–2037 and congratulated Winchfield Parish Council for an excellent piece of work.

Several Members thanked all the volunteers who had dedicated their time in helping to produce this plan, particularly singling out Christine Strudwick for her exceptional effort.

It was noted that this was the second plan produced by Winchfield Parish Council and community support for the plan was strong.

Proposed by Councillor Cockarill; Seconded by Councillor Farmer.

DECISION

It was agreed:

That Council 'makes' the Winchfield Neighbourhood Plan 2022–2037.

59 URGENT ACTION: LICENSING COMMITTEE: CHANGE IN SIZE

The Chairman introduced the immediate constitutional change in the size of the Licensing Committee.

A Member queried the constitutional validity of some recently held panels, asking if affected applicants should be advised of their right to appeal.

Mr Phillips stated that legal advice had been provided on this issue and that, at this stage, it was not the recommended approach as it would not be in the public interest. A pragmatic approach has been adopted, and the period for appeal has passed in most cases. However, it was agreed that officers would relook at any cases within the appeal period.

Proposed by Councillor Worlock; Seconded by Councillor Smith.

DECISION

It was agreed:

To endorse the confirmation of urgent action taken by the Chairman and the Chief Executive, in consultation with the three Group Leaders, the Chairman of the Licensing Committee and the Licensing Committee itself to implement an immediate material constitutional change. The authorised change to the make-up and composition the Licensing Committee until May 2024 is:

Conservatives	5
CCH	5
LD	4
Independent	1
	15

The additional Councillors to serve on the Licensing Committee are Axam, Butler, Southern, and Worlock. The Monitoring Officer was, therefore, authorised to update the Constitution, including making the appropriate adjustments to the terms of reference for the Committee.

60 OUTSIDE BODIES - FEEDBACK FROM MEMBERS

Councillor Dorn reported that the Farnborough Aerodrome Consultative Committee was involved in a process called FARS-S, which was separate to the ongoing planning application related to Farnborough Airport. This is a re-examination of the airspace in the southern regions and how Farnborough's airspace integrates with the airspaces of other major airports following the CAP1616 process. He stated that they are currently at the outline options stage of the process that aims to improve the Farnborough airspace, the criteria consider noise, pollution, and routing. The options appear to be limited due to the impact of Heathrow's airspace, but there are areas where potential improvements could be made. Councillor Dorn confirmed he has responded to the consultation received, querying how the impact of noise and any climate benefits from re-routing would be measured.

Councillor Dorn informed Members that after meeting the team last week, good progress is being made on working towards the Silver accreditation for the Military Covenant; the application period is now open, and an application will be submitted in the next few months.

Councillor Quarterman updated members on a recent extraordinary Blackbushe Airport Consultative Committee meeting. The Committee had been presented with details of the Section 16 Common Land Exchange they have recently submitted. Under the proposal, the airport intends to deregister approximately 35.3 acres of the active aerodrome from Yateley Common in exchange for 35.3 acres of land at Cottage Farm, Yateley, which is adjacent to the existing Yateley Common. This scheme has several advantages for both the airport management and residents, as it would allow the airport to improve its hangar,

maintenance and visitor facilities while also providing additional common land for recreational use by residents. Full details are available on the Blackbushe Airport website, and the proposal is open for consultation until 16 February 2024.

Councillor Southern informed Members that there had been a meeting of the Thames Basins Heath Management Committee on 6 December 2023 and requested a report from the Hart representative on the Committee Councillor Radley. Councillor Radley explained the role of Hart in working with the Thames Basin Heaths Management Committee, highlighting the success of the development of the Suitable Alternative Green Spaces (SANGs).

The meeting closed at 7.35pm.

CABINET

Date and Time: Thursday 1 February 2024 at 7.00 pm

Place: Council Chamber

Present:

Neighbour (Leader), Bailey, Clarke, Cockarill, Collins, Oliver and Quarterman

In attendance: Axam (virtual), Dorn, Forster and Smith

Officers:

Daryl Phillips, Chief Executive

Graeme Clark, Executive Director, Corporate Services & S151 Officer

Joanne Rayne, Finance & Property Manager

Nicola Jenkins, Community Partnerships & Projects Officer

Christine Tetlow, Planning Policy - Strategic & Corporate Projects Manager

Sharon Black, Committee and Member Services Manager

80 MINUTES OF THE PREVIOUS MEETING

The minutes of 4 January 2024 were confirmed and signed as a correct record.

Proposed by Cllr Neighbour; Seconded by Cllr Bailey. Agreed unanimously by those present at the January meeting.

81 APOLOGIES FOR ABSENCE

Apologies had been received from Cllr Radley.

82 DECLARATIONS OF INTEREST

Cllr Oliver declared a non-prejudicial interest in Agenda Item 9, UKSPF, as he was a member of Fleet Town and one of the bids was from the Town Council. However, he had not worked on the bid.

Cllr Bailey declared a personal interest in Agenda Item 9, UKSPF, as a close family member had been involved in writing one of the bids. He also declared a non-prejudicial interest as he was a member of Yateley Town Council although he had not been involved in the team working on the bid. Due to the personal interest, Cllr Bailey declared that he would leave the meeting at the end of agenda item 8. Cllr Bailey also wished it to be noted that he had previously declared an interest when discussions on UKSPF had taken place.

Cllr Cockarill declared a non-prejudicial interest in Agenda Item 9, UKSPF, as he was a member of Yateley Town Council, although he had not worked on the bid.

Cllr Quarterman declared a non-prejudicial interest in Agenda Item 9, UKSPF, as he was a Member of St Peter's Church which had submitted a bid for funding. Cllr Quarterman's wife had been part of the bid submission team, but he felt that this would not prejudice his decision.

Cllr Dorn declared a non-prejudicial interest in Agenda Item 9, UKSPF, as he sat on the District Executive for the Scout Groups, although they had no operational control of the individual scout groups.

It was queried whether those organisations that might benefit through either an individual or a member of their family should be declared as part of the declarations of interest process. It was confirmed by the Chief Executive that so long as the individual was not personally involved in the bid and had come to the meeting with an open mind, then that was acceptable. However, it was for the individual members to determine themselves.

83 CHAIRMAN'S ANNOUNCEMENTS

The Chairman had no announcements.

84 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)

There were no items of public participation.

85 Q3 FORECAST OUTTURN REPORT 2023-24

This report set out the 2023/24 budget outturn latest forecast.

Members heard:

- the headline figures were similar to those presented in Q2
- employee costs were now showing a surplus of £480k since the last forecast, primarily due to the pay settlement, pension payments and current vacancies
- service suppliers had shown some movement following Cabinet decisions made at the December meeting
- Planning income was showing an increase of £100k
- Interest rates on reserves continued to be over 5%

Members queried:

- Whether the movement updates were against the original budget
- Whether the figures were the most up to date available

Cabinet:

- i. Noted the projected outturn
- ii. Noted the capital overview
- iii. Noted the project overview
- iv. Noted the treasury management position

This report summarised the draft revenue and capital budget proposals, for a balanced budget for 2024/25 together with the revised medium term financial strategy for the following three years.

Members heard:

- That a reserves review had been completed during the summer 2023
- The review of the detailed budgets had been completed, and the S151 Officer gave his thanks to those involved in the exercise
- That effective monitoring was in place and quarterly reports were presented to both Overview and Scrutiny and Cabinet
- A mid year medium term strategy forecast had last been brought to Cabinet in the autumn of 2023
- There was a balanced budget for 2024/25 being presented together with a plan on how the Council was aiming to address the projected shortfall in future years
- The Government grant bundle had been increased slightly, although there was no certainty around future increases
- Variations from the current year's budget were set out in the appendices to the report, including some growth proposals in targeted high priority areas where there was increased demand
- Capital investment across the district had also been set out in the report appendices

Members queried:

- Whether potential lower interest rates in future would have a detrimental effect on future budgets.
- The Heathlands Court project was included in the capital programme being proposed. The S151 Officer confirmed that it was not and that funding would need to be agreed for this project once the options appraisals were received and approved by Cabinet.
- Whether the suggestion of Overview and Scrutiny that additional "health checks" on the budget be undertaken had been actioned. The S151 Officer advised that this suggestion would be taken up from Q1 2024/25, and that a discussion would be held to determine how additional monitoring would be undertaken until then.

Members noted:

- That several fixed-term investments had been secured which paid a higher rate of interest that was locked in for at least 2024/25
- That a funding bid for climate change had been submitted on a matched funding basis, and a decision should be heard soon.

It was agreed to move the recommendations in one block.

Proposed by: Cllr Neighbour; Seconded by: Cllr Bailey

Members debated:

- This was an encouraging budget, particularly as several other local authorities were finding it difficult to produce a balanced budget in the current economic situation.
- The proposals for growth items in some of the high-priority areas such as housing and community safety were very much welcomed

Thanks were given to the Portfolio Holder for Finance, the S151 Officer, and the finance team for all their work on producing a balanced budget for 2024/25.

Decision

Cabinet unanimously recommended to Council:

- a 2.99% increase in Hart District Council's Band D Council Tax Charge for 2024/25,
- changes to fees and charges for 2024/25 in line with the principles set out in this report, with full details being reported to the full Council,
- approval of the draft Revenue Budget for 2024/25 as summarised in paragraph 15 and Appendix 1, incorporating the baseline net service cost variations included at paragraph 17 and Appendix 1,
- approval of Capital Bids as detailed in Appendix 2,
- approval of the Medium-Term Financial Strategy as set out in Appendix 3,
- noting the emerging pressures and risks set out in the report and the S151 Officer's intention to undertake a mid-year review of detailed budgets
- approval of the continuation of the capital receipt flexibility strategy detailed in the report under the Direction issued by the Government early in 2022
- agreeing not to change the Council's existing Council Tax Support Scheme other than the required statutory uprating

87 TREASURY MANAGEMENT POLICY AND CAPITAL STRATEGY ANNUAL STATUTORY REVIEW

To present the draft Treasury Management Strategy Statement for 2024/25 which incorporates the Annual Investment Strategy, Minimum Revenue Provision (MRP) Policy and Prudential and Treasury Indicators.

Members were reminded that it was a legal obligation to set a Capital Strategy, which was also presented for review. This strategy provided the strategic framework for the treasury activity.

The 2024/25 draft documents did not suggest any major changes as compared to the approved ones for the current year.

Members noted:

- there had previously been significant changes to the policy statements to update ESG assessment and credential-checking requirements
- Policy and practice had been robust in year, with quarterly reports to Overview and Scrutiny on treasury

Members questioned:

- Whether requiring ESG for our investments had any impact on fund managers to move money into best details. It was confirmed that this was not the case as highly rated institutions on the whole had good ESGs.

Proposed by: Cllr Neighbour; Seconded by: Cllr Collins

Decision

Cabinet unanimously recommended that Council:

- i. approves the Treasury Management Strategy Statement 2024/25 and the revised Minimum Revenue Provision policy contained within it,
- ii. approves the Annual Investment Strategy for 2024/25 and;
- iii. approves the Capital Strategy 2024/25.

(Cllr Bailey left at 7.36pm)

88 UKSPF PROJECTS UPDATE

Cllr Forster declared a non-prejudicial interest as Hampshire County Councillor Cabinet Member with responsibility for Schools. Some of the projects on the list were from schools across the district.

Members were reminded that Hart District Council (HDC) had been granted £1million through the Government's UK Shared Prosperity Fund (UKSPF) to fund projects identified in HDC's Local Investment Plan (LIP).

This report provided details of the Community Hub and Young Persons projects to be delivered in 2024 and provided an update on the programme to date.

Members heard:

- UKSPF was part of the levelling up programme
- A major data mining exercise had been undertaken to help inform spending plans and the criteria for the two funding rounds
- There had been a good response and both funding rounds had been oversubscribed
- An Officer evaluation group had marked the bids against pre-determined criteria – all projects had to be completed by 31 March 2025
- In the light of questions raised at Overview and Scrutiny, the officer recommendations and the financial summary had been updated
- Stakeholder engagement and communications had been through a wide variety of methods

Members questioned:

- Whether any of the recommendations had been updated since they had been presented to Overview and Scrutiny. It was noted that both the paper and some of the recommendations had been updated
- Who had been the senior officer who had reviewed the process

- Whether there had been any weighting applied to the scoring criteria as suggested in the Cabinet Office guidance
- How was the reach of each bid analysed in the scoring process
- Was reach part of any of the scoring criteria in the bid process
- Whether any minority groups were involved in the bid at any point, and if any were likely to benefit
- Whether any consideration had been given to making sure that there was a fair geographical spread of funding being allocated

Members noted:

- That the applicants provided an answer as to how the reach was used and that if there was any clarity required from a bidding organisation then further information had been sought
- That reach formed part of the value-for-money criteria for all bids
- The main criteria in the scoring each had an equal rating
- Any funding not committed by the end of March 2025 would likely be clawed back by the Government
- That if an organisation was unable to deliver a scheme within the timescale then it would be possible to return to Cabinet with alternative projects to use the funding for
- That no financial assessment of any of the applying organisations had been undertaken
- Overview and Scrutiny would receive a half year review to monitor spending on these projects
- There was an anomaly in that two projects had scored the same, with one being accepted and one not
- Whilst there were some minor concerns regarding the criteria used, it would not be feasible to ask organisations to rewrite bids in line with revised criteria

The Chairman thanked everyone involved in both submitting the bids from the community and also the officers involved in the scoring process.

In light of the anomaly that had arisen, the Chairman wished to propose that funding for the Hook Access Project (Hook Village Hall Charitable Association) be added to the list of recommendations being put before the Cabinet. It was noted that there was a contingency in the UKSPF funds of £30K, although the project would cost £60K. It was proposed that the contingency be used and then alternative source of funding for the additional cost be found. The S151 Officer agreed with this proposal.

Both the recommendation and the amendment were proposed by Cllr Neighbour and seconded by Cllr Clarke. Both were agreed unanimously.

Decision

That Cabinet agrees:

- i. To approve the Community Hub and Young Persons Engagement applications recommended to be delivered in 2024
- ii. To approve the revised financial plan in **Appendix 1** which includes all changes since Cabinet last approved the plan in March 2023 and reflects the officer-recommended grant amounts in the report
- iii. To approve the revised Programme Plan in **Appendix 2**
- iv. To add the Hook Access Project (Hook Village Charitable Association) project to be funded in part from the UKSPF contingency funds

89 CABINET WORK PROGRAMME

The Cabinet Work Programme was considered, but no amendments were made.

The meeting closed at 8.24 pm

OVERVIEW AND SCRUTINY COMMITTEE

Date and Time: Tuesday 16 January 2024 at 7.00 pm

Place: Council Chamber

Present:

Dorn (Chairman), Butler (Vice-Chairman), Smith, Butcher, Davies, Engström, Harward, Farmer, Thomas, Vernon and Worlock

In attendance:

Forster, Neighbour

Officers:

Daryl Philips, Chief Executive

Graeme Clark, Executive Director, Corporate Services & S151 Officer

Joanne Rayne, Finance & Property Manager

Christine Tetlow, Strategic and Corporate Projects Manager

Nikki Jenkins – Community Partnerships & Projects Manager

93 MINUTES OF PREVIOUS MEETING

The minutes of 19 December 2023 were confirmed and signed as a correct record.

94 APOLOGIES FOR ABSENCE

Apologies had been received from Councillor Coburn – Councillor Worlock attended as substitute.

Councillor Worlock announced that Councillor Coburn had given birth to a boy last week, congratulations were offered.

95 DECLARATIONS OF INTEREST

No declarations made.

96 CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed everyone to the first Overview & Scrutiny Committee of 2024 and thanked Cllr Butler for chairing the last meeting.

Mr Clark introduced the new Committee Services Officer, Kathy Long.

The Chairman also thanked members of the CCTV Task and Finish Group and Butterwood Homes Scrutiny Panel for their hard work.

97 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)

None.

98 GYPSY AND TRAVELLER TEMPORARY PITCHES TASK AND FINISH GROUP

Mr Philips explained that he was asking members to indicate what they wished to be included in the draft terms of reference for the Task and Finish Group to agree at a later date. This Task and Finish Group would start in the new municipal year.

Members were advised of some areas to consider:

- Non-enforcement options. The aim was to get to the root of the issue and consider the evidence-based unmet need for temporary stopping spaces and transits in the area.
- To focus not on finding sites but on how Hart could get the Community to help find sites and move the discussion on from enforcement only
- Not being asked to replicate planning policy that covered the need for permanent pitches.
- The main issues that affected Hart were having no transit sites (non-permanent sites where people could stay for a few months whilst passing through) and no temporary stopping spaces (non-permanent sites where people could stay for a few nights). This latter group was often chased around the district and neighbouring authorities at public expense.
- What would providing temporary stopping sites mean for Hart?
- How Hart can work with Parish, Town Councils, neighbouring authorities, and Hampshire County Council to find sustainable solutions.

It was stated that these were not easy conversations and that there would be no easy solutions.

The aim was to develop draft terms of reference that covered how to engage with communities about the current situation and how to encourage them to help work toward solutions.

Members discussed various issues, including:

- The use of blanket banning injunctions was raised. It was confirmed that the Supreme Court had decided on this while it was not common to serve injunctions on persons unknown, if it was targeted with a specific evidence base it might be appropriate to use them.
- The number of stopping sites that might be required across the district. It was stated that any increase in the current situation of no sites would be useful.

- Identify best practice from other areas. Members were told that the LGA had looked at this in the past and that exemplar sites did exist, which were managed by liaison officers who understood the specific needs.
- How to engage people in these complex discussions and whether a level of expertise was needed to achieve this. It was confirmed that advice from the LGA will be sought.
- What consultation would occur specifically if new potential sites were identified? It was stated that as part of any planning application process full notification would be carried out but at this stage, it is a scoping exercise.
- The focus would be on changing the language around engagement to emphasise the benefits and positive outcomes rather than focusing purely on the negative consequences of not engaging.

Mr Philips requested Councillor support for drafting the terms of reference if there was interest.

A small group of members agreed to meet with Mr Philips to move this forward. Councillors Butler, Farmer and Harwood put themselves forward.

99 FEEDBACK FROM COMMUNITY SERVICE PANEL MEMBERS

Councillor Butler gave a summary of the meeting attended. Members were informed that it had been a very positive meeting and well attended by managers. Only one project had slipped within Housing, this was due to staffing issues and increased workloads. Hampshire Council County funding was being used to refurbish empty homes for rent and the Community Safety Team was working with businesses in Fleet Town Centre to reduce shoplifting.

Members suggested that more challenging KPI's should be set for the next round of Service Plans.

100 DRAFT BUDGET 2024/25 AND MEDIUM-TERM FINANCIAL STRATEGY

Mr Clark introduced and set the context for the report. It was explained to the meeting that the comments they made would be put to Cabinet for consideration and the budget itself would then be taken to Full Council for approval. During the current year various work had been undertaken to support this:

- reviewed the purpose of reserves and realigned budgets accordingly
- reviewed the detailed budget eliminating any unnecessary budgets
- reviewed the Medium-Term Financial Strategy
- provided quarterly monitoring reports

Members were informed that this was the first full year of the in-house finance team being in post and thanked them for their work.

The headlines were:

- There is still budget volatility, estimates were based on a set of assumptions and forward forecasts, using the best information available
- The government grant settlement had been increased this year and was higher than expected. It was again a one-year settlement, so offered no certainty to project forward.
- The Medium-Term Financial Strategy still shows a budget shortfall for the next 3 years.
- Forecasted reduction in government grant.
- Future changes to waste collection services.
- Impact of exiting external contracts and bringing services in house
- A bid has been submitted under the governments public sector decarbonisation fund, the overall scheme was £2.2M and we anticipate receiving £1.6M from that fund. The balance had been approved by Cabinet to be from an earmarked reserve, this would be added to the capital schemes listed in the annex.

Members queried:

- The value of the New Home's Bonus and it was confirmed to be a reduction to £790K .
- Leisure centre charges and it was stated that they were CPIX August which was 7.8%.
- The level of decrease in parking income from 2019/20 until now. It was established that it had reduced by approximately £150K.
- The increase in green waste subscriptions, and what profit was being made, December year to date subscriptions have increased by 118%. As it is a seasonal service it is difficult to predict.
- Investment property rental income was confirmed as a reclassification of the income to track the reclassification of the asset.
- The cost and timescales of the car park ticket machine rollout. It was confirmed that upgrading 22 of 26 machines for £74K during 2024/25 year
- Clarification of the new roles in Community Services, Community Safety and Housing Needs. It was explained that a new role within the Community Safety Team focusing on antisocial behaviour, crime prevention role and covering statutory safeguarding. The second role was within the Housing Solutions team and focused on the increased use of bread and breakfast, homelessness and keeping residents in their homes.
- Funding for the planning resources, and whether the costs were anticipated to be one-off or ongoing. The 80K set aside for planning resources was dependent on the nature of the business case being recommended from the efficiency review.
- Funding for the peer review was confirmed as a one-off cost and the tree planting work was for backlog clearance.
- Whether it was possible to give an indication of the tests the budget met and whether it was just met or exceeded.
- Were there any other stress tests that could be used above the statutory test listed. It was confirmed that additional tests were available such as

sensitivity analysis for income and use of prudential indicators for treasury activity.

Members were invited to contact Mr Clark if they had any other questions and drop-in sessions would be offered.

101 TREASURY MANAGEMENT POLICY AND CAPITAL STRATEGY ANNUAL STATUTORY REVIEW

Mr Clark introduced the report, stating that much was prescribed by regulation and statutory guidance. It provided a framework for our banking, borrowing and investment. No changes had been proposed as the policy had served Hart well this year.

A Member requested that the interest rate return and maturity date be added into the Treasury investment tables.

102 UK SHARED PROSPERITY FUNDING BIDS

Ms Tetlow introduced the report that detailed applications received for UKSPF funding for either community hubs or young people engagement projects. Many applications had been received, and it had been over-subscribed. The report contained recommendations as to which applications should be successful. Non-successful applicants would receive assistance with accessing other funding streams.

Members queried;

- Scoring criteria, specifically if detailed objective information was available to justify individual scores. One application was highlighted as showing anomalies. It was explained that applications were scored by a team, each score for each application was available. Officers explained that the organisations could request their own scoring sheet and that members could request any of them.
- How was the reach information was used in the decision-making process. Concern was raised over the checking process of the reach claims
- Whether applicants had any contact with the team after the initial selection phase. It was stated that most applicants had been contacted for clarification.
- Whether any scoring weight had been given to match-funding given that this was suggested in the UKSPF guidance. It was confirmed that no weight had been given to match-funding following consultation with stakeholders to maximise the level of applications received.
- Which officers sat on the panel, Ms Tetlow explained that it comprised 4 officers and varied in grading and from different departments, The Young Peoples Panel also had a representative who sat on the Local Children's Partnership
- It was stated that no submission had been confirmed as successful prior to the closing date.

- Concern was raised over the change of the fund allocation between the two projects. One unsuccessful application was highlighted as scoring the same as a successful bid.
- Concern raised that the funds had been moved unilaterally across the two streams.
- The lack of consideration for organisations with access to other funds or match-funding was highlighted in relation to one application.
- The level and nature of stakeholder involvement.

Members were reminded that the scoring criteria in the two projects were different. It was confirmed that there had been no stakeholder involvement in the scoring or recommendation stages of the process.

Councillor Forster declared a non-pecuniary interest as the Hampshire County Council Cabinet Member with responsibility for schools.

Members raised questions in relation to:

- the number of applications given to organisations based in Yateley
- consideration of affordability to the individual organisations
- exclusion of areas of high deprivation if in an area of wider affluence
- subjectivity of the scoring, requesting clarity of what each score meant
- catchment areas of the applications
- the capping of awards or offering funds for just one phase
- the level of applications in some areas had been low, was this linked to poor publicity of the fund
- the spread of funds across the whole district.

It was explained that:

- the area of Yateley had two of the 4 deprivation areas in Hart and that within the scoring criteria deprivation levels had been considered.
- no assessment had been undertaken of organisations' accounts, however the projects had to be able to show they were self-sustaining once the funding ended.
- applicants had been informed that they have been recommended for funding, subject to approval.
- support would be given to non-successful applicants.
- the consideration of partial awards had been made but applicants had to have a completed project to meet UKSPF requirements.
- The team had publicised the bidding process across the whole district and had worked with Town and Parish Councils, stakeholder organisations, Here for Hart Forum and had also launched an early expression of interest period to publicise the opportunity for fundraising.

Cllr Thomas left at 20.35.

The Chairman summarised the views of many Members of the committee as having concerns about the scoring criteria, the way it had been applied and therefore the outcomes of it. Additionally significant concerns were voiced about the shift in the boundary between the two work streams after the event. The rejection of the consideration of match -funding.

A Motion was proposed by Councillor Dorn and seconded by Councillor Butcher.

At this time, we do not recommend this paper for approval at Cabinet for the reasons of, concern for the scoring system, the change to funding boundaries and the lack of matched funding.

The vote was not unanimous.

A recorded vote was held on the Motion:

For: Butcher, Butler, Davies, Dorn, Farmer, Smith, Worlock
Abstentions: Engström, Harward, Vernon
Against: None.

The Motion was CARRIED.

103 CABINET WORK PROGRAMME

The Cabinet work programme was noted.

104 OVERVIEW AND SCRUTINY WORK PROGRAMME

It was agreed that the following changes be made to the work programme:

- Approval of the Gypsy and Traveller Task and Finish Group terms of reference should be added for April 2024.
- The Quarters 2 and 3 Complaints report should be added for February 2024.
- The on-street parking item should be removed.

The meeting closed at 8.48 pm

COUNCIL

Date Of Meeting: 1 February 2024

Title Of Report: Draft Budget 2024/2025 And Medium-Term Financial Strategy

Cabinet Member: Councillor James Radley, Deputy Leader and Finance

Purpose Of Report

1. The Council must set a balanced budget for 2024/2025. The draft revenue and capital budget proposals are summarised in this report.

Recommendation

2. Cabinet is recommending to Council that it:
 - i. approves a 2.99% increase in Hart District Council's Band D Council Tax Charge for 2024/25,
 - ii. agrees changes to fees and charges for 2024/25 in line with the principles set out in this report, and approves the full schedule included at Appendix 4,
 - iii. approves the draft Revenue Budget for 2024/25 as summarised in paragraph 15 and Appendix 1, incorporating the baseline net service cost variations included at paragraph 17 and Appendix 1,
 - iv. approves the Capital Bids as detailed in Appendix 2,
 - v. approves the Medium-Term Financial Strategy as set out in Appendix 3,
 - vi. notes the emerging pressures and risks set out in the report and the S151 Officer's intention to undertake a mid-year review of detailed budgets
 - vii. approves the continuation of the capital receipt flexibility strategy detailed in the report under the Direction issued by the Government early in 2022.
 - viii. approves not to change the Council's existing Council Tax Support Scheme other than the required statutory uprating,

Local Government Finance Settlement

3. The draft budget reported to O&S and Cabinet included funding from the provisional finance settlement for the year 2024/2025, which was released on 18th December 2023. The final settlement was published 5th February 2024. Hart has been awarded an additional £116k of one-off funding guarantee grant in 2024/25. The tables in paragraphs 11 and 15 have been updated and it is proposed to transfer these additional funds to the budget pressures reserve in the light of future years' budget shortfalls in the Medium-Term Financial Strategy.
4. The Government has again only provided a one-year funding settlement which limits accurate financial planning to only one year. The Medium-Term

Financial Strategy (MTFS) has made the best estimates of government funding for future years.

5. The key Government principles in the draft Settlement for 2024/25 are:
 - Referendum principles of up to 3% for core Council Tax and up to 2% for the Adult Social Care Precept, with additional flexibilities for some authorities. No limit for Town and Parish Councils.
 - A repeat of the one-year funding guarantee ensures all local authorities will see a minimum 3% increase in their Core Spending Power before any local decisions on raising Council Tax.
 - Another round of New Homes Bonus for eligible councils, again with no legacy payments
 - No 'negative' Revenue Support Grant applied in 2024/25

Council Tax and Collection Fund

6. As with previous years, the government has set a limit on the amount by which council tax can be increased. For the year 2024/25, the limit is either 3% or £5 on a Band D property (whichever is greater). Any increase above 2.99% will require a local referendum. The government expects that councils will increase council tax up to the limit in order to maintain their budget..
7. The proposed budget therefore assumes a 2.99% increase in 2024/2025, which is higher than £5. This equates to an annual council tax increase of £5.75pa for an average Band D property. This will generate £243,000pa of additional income.

New Homes Bonus (NHB)

8. The Council depends on funding from the NHB to support its base budget, with roughly 7% of the net revenue budget being funded by the NHB in 2023/2024. It's worth noting that in 2023/24 and 2024/25, the Government has compensated for the termination of legacy payments by introducing a one-year funding guarantee grant.
9. The provisional Local Government Settlement retains NHB but without the legacy grant. The value for 2024/25 is now only £739k (a reduction of £50k from the 2023/24 settlement and significantly less than the £1.6m received in 2022/23 - the main difference being the ending of legacy payments).
10. There is a significant future risk to the Council of losing this funding, and from 2025/26, there is no certainty as to what amount, if any, will be received.

Summary of Core Government Grant Funding

11. The 2024/25 Finance Settlement figures for the Council are summarised below compared to the 2023/24 amounts. The table has been updated to reflect the final settlement announced 5 February 2024.

	2023/24 £000	2024/25 Provisional £000	Notes
Retained business rates	1,326	1,386	Budgeted at safety net amount
New Homes Bonus	790	739	2024/25 is one year only
Revenue Support Grant	69	73	
Services Grant	54	9	
One-off funding guarantee	1,029	1,285	Repeat of one-year grant to ensure that LAs get at least 3% increase in Core Spending Power overall
Additional one-off funding guarantee		116	Announced in final settlement
Total	3,268	3,606	

Table 1 Core Government Grant Funding

Reserves and Provisions

12. The S151 Officer reviewed reserves and provisions within the revenue budget and MTFs scope. Purpose, use, and amount held for each reserve were reviewed to ensure justification and flexibility. Changes were then made to align reserves with risks and service needs. These were approved by Council in September 2023.

Council Tax Support Scheme

13. Local authorities in England have been responsible for running their Council Tax Support schemes since 2013. Pension-age claimants are entitled to a scheme equivalent to the previous council tax benefit scheme by law. For working-age claimants, councils can either reduce the discount paid or find income to make up for the reduction. In previous years, the Council has agreed not to reduce the discount paid to such claimants but to fund the cost from the revenue budget split across all preceptors. The current scheme supports 2,700 low-income households in the district and provides much-needed help for keeping bills down. There is no proposal to change the Hart District Council's scheme for 2024/25, except for the statutory uprating adjustments required by the Government.

Fees and Charges

14. The budget has been prepared considering the fees and charges in the main service areas.:
- Due to the impact of Covid and a decrease in workplace commuting, car parking income had significantly decreased in recent years. While it is steadily rising, the overall car parking fee income is still below pre-Covid levels. On the other hand, the number of green waste subscriptions is

increasing, but Hart's charges are higher compared to other councils in the area. To support local businesses and households facing financial difficulties, the 2024/25 draft budget does not propose a general increase in car park charges or green waste subscriptions.

- In cases where the Council has the flexibility to set charges, the general approach is to increase them by inflation, typically around 4%, or round them up to the nearest pound if applicable. However, this rule doesn't apply to statutory charges or cases where the service manager has proposed a charge that is more or less than inflation, provided that they can justify it. The full schedule of those fees and charges that the Council sets itself is included in Appendix 4 for approval.
- The leisure centre charges have increased by August 2023 CPIX as per the operator's entitlement under the contract to apply an inflationary increase.

Draft Budget 2024/2025

15. The table below summarises the draft budget for 2024/2025 compared to the approved 2023/2024 budget. Full details of the budget and variations compared to the current year are included in Appendix 1.

	Note	Budget		
		2023_24 Budget	2024_25 Budget	
Net Service Budget		12,149	12,830	See Appendix 1 for breakdown
SANG Expenditure		571	204	Funded from reserves
Net Cost of Service		12,720	13,034	
Treasury Net debt/ investment Interest		107	-205	
MRP		564	630	
Net Expenditure		13,391	13,459	
Transfer to budget pressures reserve			116	Additional one-off grant
Financed by:				
Council Tax		- 7,813	- 8,139	Base council tax 24/25 % increase and new dwellings
Council Tax Increase		- 327	- 323	Local Government Settlement
Business Rates Retained		- 1,326	- 1,386	Local Government Settlement
New Homes Bonus		- 790	- 739	Local Government Settlement
Other non-ringfenced grant		- 1,152	- 1,614	Local Government Settlement
SANG Reserve		- 571	- 204	
Investment property rental income	(i)	- 1,413	- 1,170	

Total Financing		- 13,391	- 13,459
(Surplus)/Deficit		0	0

Note (i) - The income from the lease of Edenbrook apartments has been moved from investment income to other income within the net service budget line to reflect its primary service objective.

16. The draft budget has adjustments to align with current and future service needs, including inflationary uplifts. Officers have maintained establishment controls, and year-on-year growth arose only from externally funded short-term positions. Details are in the appendices.
17. The draft revenue budget also includes some Cabinet-introduced proposals to provide additional investment in key priority areas as listed below:

Service	Amount £000	Comments
Community safety	45	Additional staff resources to strengthen the Council's work in this key function
Housing needs	45	Additional staff resources to meet high and growing demands
Car parks	80	Annual contribution to maintenance/improvement sinking fund to reflect the outcome of the medium-term condition survey
CCTV	25	As per CCTV review agreed by Cabinet, continuation of the £15k pa replacement fund plus £10k for potential relocation costs each year
Climate Change – HVO fuel in waste/recycling fleet	35	Additional cost, expected to fall over time. Switch delivers 96% carbon saving and is in line with the approved action plan
Fly Tipping	25	Additional staff resource to increase enforcement activity in this high profile function
Tree work	65	Additional resource to respond to increasing demand and backlogs. To be reviewed in 12 months time.
Planning peer review	18	One-off review follow-up to be undertaken after the efficiency review
Planning resources	80	Earmarking additional resource to reflect pressure on service and new statutory requirements. Release of resources is conditional on a

		business case arising from the efficiency review.
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New Bids For Capital Schemes

18. The new bids for capital schemes in 2024/2025 are summarised in Appendix 2. Significant points to note are:
- Council has agreed to fund several housing schemes from housing S106 funds to address the shortage of affordable homes in the district. These schemes will be carried out in partnership with RSL partners and will benefit those on the housing register. A survey found that Hart-owned car parks need investment in the short, medium, and long term. A new 'sinking fund' in the revenue budget will provide the necessary funding and smooth the budget impact each year.
 - CCTV camera replacement, continuation of the annual replacement programme, plus purchase of a mobile camera
 - Heathlands Court is being remodelled, but the cost, profile, and approval are yet to be determined. An options appraisal was approved by the Cabinet on January 4th. Car park ticket machines – following the trial, there is a proposal to replace most of the machines with more modern, lower maintenance ones.
 - Under the approved Climate Change Action Plan, a major investment in low carbon boilers at three of Hart's main operational buildings is proposed. The scheme value is £2.2m and is dependent on being successful in a bid to the Government's Public Sector Decarbonisation Scheme for £1.5m.
19. Other approved schemes are not in this report but are in quarterly statements. A review of all capital projects will happen after 23/24 outturn to check the budgets given high inflation on labour and materials in the past two years.

Medium Term Financial Strategy 2024-25 – 2027/28

20. The Medium-Term Financial Strategy (MTFS) is a financial planning document that helps the Council anticipate spending pressures four years ahead. It ensures proper preparation and sufficient funds to meet unexpected costs. The Council updates the MTFS mid-year and sets the budget for 2024/25 based on it.
21. The MTFS
- Provides a framework for managing resources in the medium term to deliver the corporate plan.
 - Demonstrates that sufficient resources will be available to meet The Council's objectives and priorities, particularly in delivering value for money.
 - Looks ahead to the longer term to protect and help plan sustainable services within an extremely challenging external economic and funding environment.

- Strengthens The Council's financial resilience and manages volatility and risk, including maintaining adequate reserves.
 - Anticipates financial pressures and identifies potential ways to balance The Council's budget, including efficiency measures.
22. The MTFS ending 2027/28 has been updated to include the latest assumptions and projections and is included in Appendix 3.

Flexible Use of Capital Receipts

23. In 2022, the government issued a new directive under the Local Government Act 2003 which provides flexibility in using capital receipts from the sale of non-housing assets to fund revenue costs of service reform. This directive applies to capital receipts that meet the statutory definition and have been received since April 2016.
24. The Council has £4.3 million in capital receipts, mainly from Housing Right to Buy receipts. To ensure this money can be used if needed, the council should renew the required resolution. The proposed strategy for 2024/25 is to use capital receipts for cost-saving revenue projects such as energy efficiency, asset reconfiguration works, business transformation and collaboration activity, activities.

Risks

25. The MTFS delivery and efficiency programs carry risks, especially due to economic uncertainty. Key risks are summarised below:
- Achieving savings targets when service demand is rising and recruitment and retention is very challenging.
 - Limited ability for further investment in commercial property with new borrowing restrictions in place. Government policy change has affected the Council's ability to undertake prudent 'yield' investments.
 - The impact of the Government's business rate funding review and Fair Funding review is likely to reduce retained business rates and increase risk; negative grants are still on the agenda.
 - Property – this is an increasingly important revenue stream in the Council's budget, so the risk of rent loss due to void periods must be evaluated.
 - Environment Act implications on the cost of the waste contract with uncertainty about government funding.
 - The end of the waste contract and Capita contract within the MTFS period presents risks and opportunities. The Council must plan its lead in times and resources sufficiently.
 - Project management and governance to ensure capital schemes and projects are adequately resourced and overseen. Need to attract external funding where possible.
 - Reliance on Council Tax increase, Planning and Building Control income are set or limited by the Government.
 - The unknown economic impact on inflation and interest rates

- Cost of living and its economic impact on The Council's community, businesses and residents – this is leading to a higher demand for services, the need for closer monitoring of debts and a greater demand for hardship funds.
- Recruitment and retention – impact on services and cost of agency cover.
- Heightened cybercrime risk with the cost of insuring and defending against the risk materialising.

Local Government Act 2003 – Financial

26. The Local Government Act 2003 formally introduced a number of specific matters that the S151 Officer must comment on in the budget setting report. These are:
- Budget calculations and the robustness of estimates,
 - Adequacy of reserves, and
 - Budget monitoring.
27. The sections were introduced to ensure sound financial management across all local authorities. The council follows good financial management practices in its budget-setting process. The council takes prudent allowance for risks and uncertainties while preparing budgets. Budgets are monitored by officers and are reported to members quarterly, supplemented by monthly exception reports. The council's external auditors have provided favourable comments on its financial management.

The Robustness of the Estimates

The draft 2024/25 budget has prepared amidst uncertainty and risk due to the pandemic legacy and economic conditions. However, the Council has made provisions in the budgets to allow for the uncertainty. The Council's Financial Strategy and information presented to members throughout the year demonstrate the financial challenges faced by the Council in the future, including the risks associated with the current economic situation.

The key Financial Strategy issues for the General Fund include:

- Risks associated with declining rateable value and increased appeal risk pose a threat to business rate income. However, the impact on the annual budget has been mitigated by the business rate smoothing reserve, which has been assessed against the risks. No further contribution has been made in 2024/25, but adjustments may be possible in the future based on the outcome of the Government's Fair Funding review and the Council's exposure to appeal risk.
- Keeping the dependency on current and new income from property in proportion to the overall budget and providing sufficiently for void periods and costs.
- Future of Government funding including New Homes Bonus
- Volatile inflation and interest rates.

The draft Budget for 2024/25 is robust, and the Section 151 Officer is satisfied with the estimates presented. The draft budget is considered prudent, and the multi-pronged strategy outlined in the MTFS to address financial challenges is progressing well. Effective monitoring during the year is crucial, and the risks noted in the report must be acknowledged. There is confidence in the delivery of savings and the successful achievement of additional commercial property income.

Adequacy of Reserves

Reserves are held for unexpected changes in inflation or interest rates, higher expenditures or loss of income, and unforeseen events. The Section 151 Officer is satisfied that reserves are sufficient to support the budget and underpin the MTFS. The General Fund Working Balance is half the annual net cost of services and meets the Local Government Act 2003 requirements. A prudent minimum balance was approved by Council in September 2023.

The main risks to reserves in 2024/25 are economic conditions, inflation levels and commercial property voids. If costs exceed the available funding, the Council will need to reprioritise funding from other reserves. The combined balances are considered adequate in light of future pressures.

Budget monitoring

The budget monitoring arrangements in place satisfy the Local Government Act 2003. The Council is on track to stay within budget for 2023/24, with major expenditures being managed effectively. Income forecasts are holding up and the latest monitoring summary will be reported in March. Although the arrangements in place are sound, close monitoring is necessary to avoid any budget variations.

Equalities

28. All activity will comply with the authority's statutory duties.

Climate Change

29. The Council aims to become a carbon-neutral authority by 2035, and the budget and MTFS will support this goal. While the recommendations have no direct environmental impact, £250k was included in the 2022-23 budget for developing the council's agenda towards achieving carbon neutrality. This was repeated in the 2023/24 budget, with an additional £50k transferred to strengthen the staff resource for delivering the Climate Change program. The draft 2024/25 budget allows for the continuation of this budget along with staff costs at current levels.
30. This annual budget will need to remain flexible to ensure sufficient staff and consultant resources to oversee the program and deliver projects. The revenue budget can be utilised for either capital/project expenditure or

ongoing running costs. Projects to deliver the plan will be approved by the Cabinet and funded from this budget as the need arises throughout the year.

Overview and Scrutiny Review of Budget

- The level of decrease in parking income from 2019/20 until now. It was established that it had reduced by approximately £150K.
- The increase in green waste subscriptions, and what profit was being made, December year to date subscriptions have increased by 18%. As it is a seasonal service it is difficult to predict.
- Investment property rental income was confirmed as a reclassification of the income to track the reclassification of the asset.
- The cost and timescales of the car park ticket machine rollout. It was confirmed that upgrading 22 of 26 machines for £74K during 2024/25 year
- Clarification of the new roles in Community Services, Community Safety and Housing Needs. It was explained that a new role within the Community Safety Team focusing on antisocial behaviour, crime prevention role and covering statutory safeguarding. The second role was within the Housing Solutions team and focused on the increased use of bread and breakfast, homelessness and keeping residents in their homes.
- Funding for the planning resources, and whether the costs were anticipated to be one-off or ongoing. The 80K set aside for planning resources was dependent on the nature of the business case being recommended from the efficiency review.
- Funding for the peer review was confirmed as a one-off cost and the tree planting work was for backlog clearance.
- Whether it was possible to give an indication of the tests the budget met and whether it was just met or exceeded.
- Were there any other stress tests that could be used above the statutory test listed. It was confirmed that additional tests were available such as sensitivity analysis for income and use of prudential indicators for treasury activity.

Contact: Graeme Clark, Director of Corporate Services

Appendices:

Appendix 1 – Budget analysis

Appendix 2 – Bids for new capital schemes

Appendix 3 – Medium Term Financial Strategy

Appendix 4 - Fees and charges set by the Council

Summary of Budget movements 2023/24 to 2024/25

MTFS £000	Note	23/24 Budget	24/25 Budget	Movement
Employee Costs	1	7,037	7,656	619
Premises	2	636	747	111
Supplies and Services	3	4,588	5,572	983
Contracts	4	5,465	5,411	(54)
Transport	5	104	110	7
Third Party Payments	6	201	216	15
Transfer Payments	7	10,309	10,425	116
Other Grants and Contributions	8	(238)	31	269
Income	9	(15,381)	(17,133)	(1,752)
Net Cost of Service		12,720	13,034	313
Revenue Projects	10	405	213	(192)
Commercial Income*		(1,413)	(1,170)	242
Council Tax and Business Rates		(9,468)	(9,848)	(380)
Treasury	11	109	(205)	(314)
Other Funding	12	(2,354)	(2,023)	330
Outturn		0	0	0

*Commercial Income excludes Edenbrook Apartments which is included in Income.

Note: All numbers have been rounded to thousands which can cumulate in small total differences.

Budget Movement by Service

Net Cost of Service £000	Note	Community	Corporate	Place	Total
Budget 2023/24		3,325	7,058	2,337	12,720
Employee Costs	1	228	553	(162)	619
Premises	2	82	(2)	31	111
Supplies & Services	3	32	940	12	983
Contracts	4	43	(153)	57	(54)
Transport	5	(13)	29	(9)	7
Third Party Payments	6	5	3	7	15
Transfer Payments	7	201	(84)		116
Other Grants & Contributions	8	269			269
Income	9	(350)	(1,418)	16	(1,752)
Budget 2024/25		3,820	6,925	2,289	13,034

Movements are further explained in Tables below.

1. Employee Costs

Employee Costs	Note	Community	Corporate	Place	Total
Budget 2023/24		2,284	2,282	2,471	7,037
Staff Inflation and increments		54	118	106	278
Cost Centre Movements	1	20	255	(276)	0
Ukraine - met from grant		112			112
UK- SPF - met by grant			71		71
Climate Change	2		52		52
Growth*	3	90		25	115
Training		(20)	49	(20)	9
Other	4	(28)	8	3	(17)
Budget 2024/25		2,512	2,834	2,309	7,656

1. Cost Centre Movements – Countryside Team corrected to be within Community from Place. All SLT members moved to Corporate – Leadership Team.
2. Climate change – approved by Cabinet in March 2023 – budget transferred from Climate Change operational budget.
3. Growth* – additional 0.6 FTE for fly-tipping; Community Safety 1.0 FTE; Housing Need 1.0 FTE – initial 2 year fixed term contract. See paragraph 10.3 of main report.

2. Premises

Premises	Note	Community	Corporate	Place	Total
Budget 2023/24		153	82	400	636
Business Rates		(22)		34	13
Electricity	1	(2)		(44)	(46)
Gas				2	2
Repair & Maintenance	2	106		41	147
Other		(0)	(2)	(3)	(5)
Budget 2024/25		235	80	431	747

1. Electricity cost decreased due to solar panels.
2. Repair & Maintenance – additional funds for car park and CCTV maintenance. See paragraph 10.3 of main report.

3. Supplies & Services

Supplies & Service £000	Note	Community	Corporate	Place	Total
Budget 2023/24		1,055	2,882	652	4,588
Homelessness Costs		75			75
Homelessness Grants		(73)			(73)
Audit Fees			100		100
UK Shared Prosperity Fund	1		806		806
Tree consultants				65	65
Mobile phones			(25)		(25)
Other	2	30	59	(53)	35
Budget 2024/25		1,087	3,822	663	5,572

1. UK Shared Prosperity Fund is off-set by a Grant in Income
2. Other includes inflationary uplift to hired services which been initially reviewed for need.

4. Contracts

Contracts £000					Total
	Note	Community	Corporate	Place	
Budget 2023/24		1,463	3,520	482	5,465
CCTV	1	(34)			(34)
Grounds		94			94
5C			124		124
Waste	2		252		252
Leisure - received by Hart	3		(582)		(582)
Licencing				33	33
Other		(18)	52	24	59
Budget 2024/25		1,505	3,367	539	5,411

1. CCTV - legacy contract budget correction.
2. Waste – inflation + cost of additional recycling rounds - off-set by income
3. Contracted Leisure contract – step increase in Management Fee

5. Transport

Transport £000	Note	Community	Corporate	Place	Total
Budget 2023/24		55	13	36	104
Car Allowances		(14)	(5)	(6)	(25)
Other	1	1	34	(3)	31
Budget 2024/25		42	42	27	110

1. Corporate – Other - £35k HVA additional fuel cost

6. Third Party Payments

Third Party Payments £000	Note	Community	Corporate	Place	Total
Budget 2023/24		85	8	109	201
Contributions to voluntary organisations		3	9	1	13
Payments to Other local authorities		2	(6)	6	2
Budget 2024/25		89	11	116	216

7. Transfer Payments

Transfer Payments £000	Note	Community	Corporate	Place	Total
Budget 2023/24		125	10,184		10,309
B&B payments		126			126
HB rent rebates		75			75
HB Rent Allowances			(84)		(84)
Budget 2024/25		325	10,100	0	10,425

8. Other Operating Income/Expenditure

Other Operating Income/Expenditure £000	Note	Community	Corporate	Place	Total
Budget 2023/24		(238)			(238)
Legacy homeless grant contribution		250			250
Bad Debt Provision		19			19
Budget 2024/25		31	0	0	31

9. Income

Income £000					Total
	Note	Community	Corporate	Place	
Budget 2023/24		(1,656)	(11,913)	(1,812)	(15,381)
Fees & Charges	1	(34)	73	30	69
Building Control				48	48
Grant		(23)	46	10	33
Recycling			(225)		(225)
UK Shared Prosperity			(877)		(877)
Civic Leases				(151)	(151)
Butterwood Homes lease	2		(283)	0	(283)
Recovery of Costs	3	(293)	(152)	28	(417)
Other				51	51
Budget 2024/25		(2,006)	(13,331)	(1,796)	(17,133)

1. Community: additional car park income from FCoT. Corporate – land fee charges removed as service will be provided by central government (£51k); income from Bulky waste reduced reflecting demand (£20k).
2. Butterwood Homes lease – transferred from Commercial Income
3. Community: rent deposit payments (£172k); homelessness costs (£121k). Corporate – rent allowance subsidy £140k. These costs are paid by Hart and reclaimed from HCC/Central Government.

10. Revenue Projects

Revenue Projects £000	Note	Community	Corporate	Place	Total
Edenbrook Boardwalk		5			5
Elvetham Boardwalk		50			50
Culvert replacing/widening at Broad Oak Common		10			10
Fleet Pond Ecology		90			90
Whitewater Meadow-fencing		5			5
Email Platform			3		3
Website-Phase 3			10		10
Cyber Security - revenue projects			25		25
Planning settlement study				5	5
CCTV Repositioning of cameras		10			10
		170	38	5	213

11. Treasury/Net Debt

Treasury	Total
Budget 2023/24	109
Interest on Investments	(296)
Interest Payable on debt	(19)
Budget 2024/25	(205)

12. Other Funding

Other Funding	Total
Budget 2023/24	(2,354)
New Homes Bonus	51
Non-ring fenced grant	(259)
Revenue support grant	(5)
Services Grant	47
Movement in reserves	430
MRP	66
Budget 2024/25	(2,023)

New bids for Capital Schemes 2024/2025

Service Area and Description	Budget Requested £000	Source of Funding	Description
Community Services			
CCTV	21	Revenue contribution and equipment reserve	Annual maintenance fund + £6.5k roaming camera purchase
Disabled Facilities	890	Funded from Better Care Fund via HCC	
Private Sector Renewals	10	Private Sector Renewals Reserve	To support private landlords.
Edenbrook Country Park signage suite	40	Edenbrook SANG	Requirement to install appropriate signage as outlined in the Countryside Signage Strategy to attract users and meet the Green Flag criteria.
Edenbrook Pale Lane track and parking	50	Edenbrook SANG	Emergency vehicle access and safety of visitors.
Edenbrook path repairs	16	Edenbrook SANG	To maintain the site to a Green Flag standard and promote it as an accessible site for all.
Elvetham Heath signage suite	20	S106 (District Leisure)	Create new changeable interpretation panel to highlight historic ditch and bank system.
Hazeley Heath vehicle crossing	20	S106 (District Leisure)	Improved emergency vehicle access and safety of visitors.
Upgrading 22 of 26 Ticket Machines for Car Parks	74	Capital Receipts	Ticket machines have a finite useful life and need to be replaced on a periodic basis.

Service Area and Description	Budget Requested £000	Source of Funding	Description
Community Services			
Purchasing larger 3 and 4 bed properties as affordable housing	1,500	Affordable Housing S106 receipts	Deliver more affordable homes within the district, and provide homes which support independent living as well as homes for other specialist groups and reduce any reliance on temporary and emergency accommodation.
Path from car park to play area at Whitewater SANG	45	S106 (District Leisure)	Improve accessibility for all users and abilities to the play area.
Purchasing properties for affordable M4(3) wheelchair accessible homes	1,000	Affordable Housing S106 receipts	Working with an RP partner to purchase properties to be adapted for households whose needs cannot be met from new build S106 or existing stock e.g. fully wheelchair accessible homes
Refurbishment of two Roundabouts (at Elvetham Heath on the Fleet Road / Reading Road North)	100	Reserves from the roundabout sponsorship income program.	Prominent roundabouts that attract income when appropriately maintained.
Remodelling of Heathland's Court	TBC	Right To Buy receipts and other capital receipts	Project to be developed following option appraisal on 4 Jan 24 (Cabinet). Indicative costs £3-4m
Whitewater SANG BNG Works	168	Biodiversity Reserve	Works to Whitewater SANG to create BNG credits; to include tree planting, hedgerow management and improvement, and wetland creation.
Total Community	3,954		

Service Area and Description	Budget Requested £000	Source of Funding	Description
Corporate Services			
Corporate Network Segmentation	15	Digital Transformation Reserve	To improve network performance and security.
Cyber Security	26	Cyber Security Grant in EMR	To assist the Council develop its cyber security posture to ensure that its security technology is developing to mitigate any new or future threats
Develop and design SharePoint as an intranet	15	Digital Transformation Reserve	Develop Sharepoint to improve staff communication and collaboration.
Development of digital strategy 2024-27	30	Digital Transformation Reserve	Update digital strategy
Phase 3 of website development	25	Digital Transformation Reserve	Improve online payment experience for Hart residents.
Windows 11 Pilot	10	Digital Transformation Reserve	Windows 10 support ends in Oct 25 and the authority needs to start preparing to migrate all of its end user devices to Windows 11
Total Corporate	121		
Place			
Kingsway Flood Alleviation Scheme	138	Capital Grants	Flood alleviation scheme
Phoenix Green, HW	60	Capital Grants	Flood alleviation scheme
Total Place	198		
	4,272		

Scheme for approval, subject to successful funding application:

Climate Change/Property	2,156	Public Sector decarbonisation scheme £1,524k Earmarked Reserves £582k	Replacement of boiler with low carbon solution at Civic Office, Harlington Centre and Frogmore Leisure Centre.
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Appendix 3

Medium Term Financial Strategy

Medium-Term Financial Strategy 2024/25 – 2027/28

1 Introduction

- 1.1 The purpose of the Medium-Term Financial Strategy is to set a robust overall financial framework for the Council's spending plans over the next four years to support delivery of the Corporate Plan priorities within the context of a balanced annual budget.
- 1.2 The main objectives of the Medium-Term Financial Strategy are:
- To look to the longer term to help plan sustainable services within an uncertain external economic and funding environment.
 - To help ensure that the Council's financial resources are directed to support delivery of the Corporate Plan priorities and achievement of value for money.
 - To illustrate the financial effects of existing financial commitments over the medium term, both revenue and capital, under several possible scenarios, and to set the parameters for the efficiency and savings strategy necessary to achieve a balanced budget.
 - To provide a robust framework to assist the decision-making process.
 - To maximise the Council's financial resilience and manage risk and volatility, including maintaining adequate reserves.
 - To secure, maintain and develop the Council's capital assets consistent with asset management plans and the Capital Strategy.
 - To provide a single document to communicate the financial context, aims and objectives to staff and stakeholders and support working with partners.
- 1.3 The financial strategy includes a four-year budget forecast that is reviewed annually. The Medium-Term Financial Strategy builds on the previous medium-term strategies to provide the financial foundation for delivery of the Council's policy priorities and to meet the identified performance and resource issues.
- 1.4 Proposals to balance the Medium-Term Financial Strategy are designed to support the Corporate Plan priorities over the medium term and are a continuation from previous years' strategies which involve a range of approaches to balancing the budget. These include efficiency savings, additional commercial income, council tax increases, use of reserves and use of grants.
- 1.5 The current economic and financial environment provides a very challenging context for the Medium-Term Financial Forecast. The forecast and strategy need to remain flexible and the Council's reserves resilient to respond to the impact of volatile external events and risk transfers from central government.

1.6 All service budget holders need to develop their service plans and budgets within the context of the medium-term forecast. This includes achieving saving and efficiency budget reductions and containing any new development within the overall level of resources identified in the strategy.

2 Internal Policy and Service Context

2.1 The role of the Council's financial planning process is to support the achievement of the Corporate Plan.

2.2 The adopted Corporate Plan 2023 – 2027 is the medium-term strategic policy document which sets out the general direction, key priorities and activities for the Council and informs the use of its resources.

2.3 The revised Corporate Plan was approved by Council in February 2023 following a public consultation. The main themes and priorities set out are:

- Planet - Sustainability and Climate Emergency: A carbon neutral and climate resilient council by 2035
- People - fair treatment for all, help for those in need, and a sustainable economy that makes Hart a great place to live and work
- Place - delivering warmer, better homes in sustainable locations that people can afford to live in
- Delivered by a resilient and financially sound Council - Your services: getting it right first time and delivering what matters to you

2.4 The Medium-Term Financial Strategy also supports all other Council strategies, such as the Capital Strategy, the Commercialisation Strategy, and the Treasury Management Strategy. In particular, it acts as the framework linking the Council's more detailed service plans, asset management plans and capital plans with the longer term to help ensure that the Council's plans are financially achievable.

3 Internal Financial Context

3.1 The Council's net cost of services is approximately £13m pa.

3.2 The key financial issues for the Council are.

- The Council relies heavily on New Homes Bonus and uses all the funds it receives to support the revenue budget each year
- Changes to Business Rates retention have not significantly increased the Council's income to date, as there has been little net growth of larger businesses in the district
- Reserves are currently healthy, but are likely to be increasingly required to fund the revenue budget in future years
- The council tax base has seen strong growth over recent years, but future development may be slower as our Local Plan development has been front loaded.
- Government funding is likely to reduce after 2024-25
- The Council has few saleable assets and will have to borrow to fund

capital assets.

4 External Economic, Financial and Legislative Context

4.1 The Council's Medium Term Financial Strategy is set within the context of the national economy, the public expenditure plans detailed in the government's Spending Review and national legislation.

4.2 Fair Funding Review

The Spending Review will determine the size of the DLUHC's overall local government budget. The Fair Funding Review will determine how that budget is allocated between local authorities.

Grants and spending power are determined according to the relative needs and resources of each council area. The formulae to calculate these needs and resources are being reviewed, reduced in number, and simplified for allocations from 2025/26. This will inevitably lead to "winners" and "losers" as the overall pot will remain the same size at best.

The Council is likely to lose out from this process as it is almost certain that funding will be shifted towards those authorities that have social care responsibilities and higher levels of deprivation. Funding issues around adult social care have been apparent for years, but more recently concerns have arisen about the funding of children's services too, as demand keeps rising.

4.3 Business Rates Income

4.3.1 The position on business rate scheme changes is currently unclear.

4.3.2 The Government announced in 2016 a proposal to introduce a new scheme by the end of the current parliament which would move from 50% to 100% business rates retention by local authorities nationally, accompanied by new responsibilities for local government and a phasing out of certain government grants.

4.3.3 However, the proposals were then revised to 75% retention as insufficient grant streams proved suitable for replacement. The Government proposals expect the new system to retain the current top-up /tariff approach which results in the council currently retaining only £1.4 million (3.9%) of the £36 million it should collect in business rates. Further consideration will be required to determine the proportion of business rates that will be allocated to each tier of local government.

4.3.4 Government consultation recognised the potential increase in risks due to the business rates appeals process, and the difficulties in forecasting and accurately predicting outcomes.

4.3.6 At the same time the government will also carry out the Fair Funding Review which will set a new base level position for business rates retained by the Council based upon a relative needs and resources assessment.

4.4 New Homes Bonus Grant

The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes and their use. The Council's grant has reduced from £1.6m in 2022/23 to £0.7m in 2024/25. The Government will consult on a new system.

4.7 Impact on the Council and Budget

4.7.1 The key impacts of the national context on the Council's Medium Term Financial Strategy are (main actions in bold).

- The Council should be prepared for an extended period of government funding reductions throughout the medium-term period and beyond and therefore should continue to seek to **reduce costs and generate additional revenues** wherever possible in order that core services can be delivered on a sustainable basis.
- The Council may face increased demand on its services and budgets as a result of partner organisations' responses to reductions in government funding so it must **maintain good communication and engagement with partners**.
- There has been a significant risk transfer from central government to local government as a result of the legislative changes so the Council should **anticipate, prepare and resource effectively**.
- The longer-term uncertainty and increased risk and volatility associated with the new Business Rate Retention Scheme and the fair funding review.
- The impact on business rates of the current economic volatility and slow recovery of income to pre-Covid levels including customer activity shifting affecting car parks and leisure centres.

4.7.2 The Council needs to plan over the medium term for an increase in financial risk and year on year volatility. The economic outlook remains unclear, and it remains important that the Council has a level of reserves that allows it to withstand unanticipated financial impacts of future developments at a local and national level. In the longer term there will be financial returns from commercial investments which will offset the pressures from government funding.

4.7.3 To ensure a balanced and sustainable medium-term budget, significant further on-going efficiency savings and agreed strategies for increased investment income (non-fixed interest) will need to be delivered.

5 **Financial Strategy Forecast Scenarios and Assumptions**

5.1 Given the uncertainty and financial challenges facing the council it is important that for each of the most significant areas the Council look at different potential outcomes. The financial forecasts have been prepared by looking at five scenarios for each of the significant areas and deciding on which is the most likely.

5.2 The main assumptions used in the MTFs for each of the significant areas are summarised below:

- Annual pay increase allowance of 6%, reducing to 2% over the MTFs period, along with an allowance for incremental increases. Recent pay awards have included a fixed cash sum increase for most staff, bring the total % budget impact to above the headline percentage rise.
- A general annual inflation allowance of 4% in 2024/25 budget but with significant uncertainty going forward
- Contracted services' inflation allowances reflect the inflation clauses of their contracts.
- Base interest rate assumption of 4% on Treasury management investments in the 24/25 Budget.
- Use of all New Homes Bonus receivable to support the revenue budget
- Negative Revenue Support Grant has been deferred, not cancelled, and could cost the Council's budget £560k pa if invoked.
- Business rate income forecast to be at the baseline level over the forecast period due to low growth forecast and declining rateable value.
- Continuation of the current council tax support scheme.

6 Financial Forecast and Budget Strategy

6.1 The following table shows the main changes from the draft base 2024/25 budget across each year of the MTFs. This forecast will be used to inform financial planning and will be reviewed periodically with any material change reported to Members.

	2025/26	2026/27	2027/28
Forecast change from previous year's budget () indicates favourable variance £000	Change from 24/25 draft budget £000	Change from 25/26 draft budget £000	Change from 26/27 draft budget £000
Cost/Savings			
Net inflation	496	434	397
Waste contract and IAA changes	100	200	200
Capita 5C contract	(50)	(100)	
Funding			
Council tax growth in base	(50)	(30)	(30)
Retained business rates	200	200	200
Other Government funding	200	200	200
NHB	100	100	100
Budget shortfall – before council tax increase	996	1,004	1,067
Council tax increase	(210)	(220)	(220)
Budget shortfall	786	784	847

MTFS Assumptions

Inflation	2025/26	2026/27	2027/28
Pay	4%	3%	2%
Contracts	4%	3%	3%
Other	3%	3%	2%

- Council tax increase of 1% = £81k. 2.99% will be allowable in 24/25, uncertain beyond that but assumed revert to £5 per Band D
- No certainty provided regarding future years' grant and NHB beyond 2024/25 – assumed reductions apply from 25/26
- Assumed waste budget impact as per HCC's proposals and higher base cost from Sept 2026
- Interest rate reduces and stabilises from 25/26

6.2 In terms of future years beyond 2024/25, the forecast is currently showing a budget deficit, growing each year. This is mainly due to:

- inflation on costs being higher than income from permissible council tax increases
- an assumed annual reduction in government grants from 2025/26, resulting from the funding review(s)
- the impact of waste collection costs and recycling income.

6.3 Once the budget for 2024/25 has been finalised, a robust budget strategy and action plan for the MTFS period will be developed. The interim MTFS forecast suggests that to maintain a balanced and sustainable medium-term budget, additional on-going efficiency savings and strategies for increased investment income will need to be implemented. These may include:

- Smooth impact with reserves
- Efficiency reviews – use reserves to meet project costs
- Income – new and increased.
- Capita exit
- Vacancy target and control
- No-inflation on non-contract/staff budgets
- Property – new and rent reviews
- Treasury interest from broadening policy further

6.4 Key risks to the budget and MTFS include:

- Waste – HCC's IAA, contract renewal and Environment Act
- Government funding – no short or long-term certainty
- Land charges – income transfer to government
- Contracts – opportunities and risks
- Ability to deliver further efficiencies and cost savings without reducing services.

Filming - New Proposal			
Description		2023/24	2024/25
Commercial (includes stills)	Small crew (up to 5 people)- up to 2 hours		£ 120.00
Commercial (includes stills)	Medium crew (6 - 9 people)- up to 2 hours		£ 210.00
Commercial (includes stills)	Large crew (10 or more people)- up to 2 hours		POA
Commercial (includes stills)	Small crew (up to 5 people) - per day		£ 390.00
Commercial (includes stills)	Medium crew (6 - 9 people) - per day		£ 600.00
Commercial (includes stills)	Large crew (10 or more people) - per day		POA
Charity			No charge
Students			No charge
News/educational/documentaries			No charge
Drone filming	Add-on fee		£ 60.00
Date Changes	First change		No charge
Date Changes	Second and subsequent changes		£ 30.00
Advice			No charge
Late notice applications			No charge

Fishing permits				
Description		2023/24		2024/25
Fishing permits	Adult - Season	£	25.00	£ 26.00
Fishing permits	Boat Permit - Season	£	36.00	£ 37.00
Fishing permits	Concessions - Season	£	13.00	£ 14.00
Fishing permits	Day Ticket	£	9.00	£ 9.00
Fishing permits	Family Ticket - Season	£	29.00	£ 30.00

Open spaces			
Description		2023/24	2024/25
Open spaces	Administration fee	£ 50.00	£ 52.00
Open spaces	Car boots	£ 570.00	£ 593.00
Open spaces	Charity events - Free if 100% goes to charity	£ -	£ -
Open spaces	Commercial event	£ 1,130.00	£ 1,175.00
Open spaces	Events ran for free or by volunteers (Walking for health/Parkrun)	£ -	£ -
Open spaces	Fitness/Education - 1 to 1 once a week	£ 65.00	£ 68.00
Open spaces	Fitness/Education - 35 + once a week	£ 350.00	£ 364.00
Open spaces	Fitness/Education - 35+ multiple times a week	£ 600.00	£ 624.00
Open spaces	Fitness/Education - up to 15 multiple times a week	£ 350.00	£ 364.00
Open spaces	Fitness/Education - up to 15 once a week	£ 150.00	£ 156.00
Open spaces	Fitness/Education- 1 to 1, multiple times a week	£ 160.00	£ 166.00
Open spaces	Funfairs	POA	POA
Open spaces	Non - charity community event	£ 280.00	£ 291.00
Open spaces	Other Hire of Open Space, to be confirmed on the event	POA	POA
Open spaces	Outdoor theatre	POA	POA
Open spaces	Small family event	£ 100.00	£ 104.00
Equipment for hire	Bat detecting kit (Inc. resources and x3 detectors) £75 deposit applies	£ 14.00	£ 15.00
Equipment for hire	Per additional bat detector	£ 3.00	£ 3.00
Equipment for hire	Bug Hunting kit per day	£ 14.00	£ 15.00
Equipment for hire	Commercial Filming	POA	POA
Equipment for hire	Moth Hunting kit per day	£ 14.00	£ 15.00
Equipment for hire	Pond Dipping kit per day	£ 14.00	£ 15.00
Equipment for hire	Refundable deposit for equipment	£ 76.00	£ 79.00
Allotment Charges	Allotment Plot (with Shed) - annual charge	£ 108.00	£ 108.00
Allotment Charges	Allotment Plot (without Shed) - annual charge	£ 63.00	£ 63.00
Arboriculture services	AIA/ Method statements per day	Between £227 and £681	Between £236 and £708
Arboriculture services	Application to remove a Council tree per day	Between £426 and £510	Between £443 and £530
Arboriculture services	BS 5837:2012 reports per day	Between £318 and £623	Between £331 and £648
Arboriculture services	Tree risk management plans per day	Between £227 and £341	Between £236 and £355
Arboriculture services	Tree surveys per day	Between £136 and £397	Between £141 and £413
Ecological services	Preliminary Ecological Appraisal/Phase 1 habitat surveys per day	£ 170.00	£ 177.00
Ecological services	Biodiversity offsetting	Price on Application	POA
Ecological services	Carbon Offsetting	Price on Application	POA
Ecological services	Ecology surveys (bats, newts, breeding birds, reptile)	Price on Application	POA
Ecological services	Environmental Impact assessments per day	Between £284 and £2270	Between £295 and £2361
Ecological services	Protected species mitigation/licensing per day	Between £284 and £2270	Between £295 and £2361

Open spaces			
Description		2023/24	2024/25
Landscape architecture services	Character assessments (site specific) per day	Between £340 and £510	Between £354 and £530
Landscape architecture services	Landscape design (including hard and soft works) per day	Between £397 and £681	Between £413 and £708
Landscape architecture services	Management Plans (site-specific) per day	Between £284 and £568	Between £295 and £591
Landscape architecture services	Planting plans per day	Between £340 and £510	Between £354 and £530
Landscape architecture services	Site assessment per day	Between £284 and £568	Between £295 and £591
Landscape architecture services	Visual impact assessments (site specific) per day	Between £397 and £625	Between £413 and £650
Memorial benches	Carved Bench	POA	POA
Memorial benches	Standard bench at Fleet Pond	POA	POA
Memorial benches	Standard bench at Hartley Wintney	POA	POA
Other Charges	Sale of Hay Bales	£ 2.00	£ 2.00
Other Charges	Weddings (per day)	£ 1,500.00	£ 1,560.00
SANG (Suitable Alternative Natural Greenspace)	Advice on non Council SANG's Provision per day	Between £227 and £681	Between £236 and £708
Street cleaning services	Bins (per empty)	£ 9.00	£ 9.00
Street cleaning services	Litter Pick (per litter pick)	£ 47.00	£ 49.00
Street cleaning services	Street Sweeper per hour	£ 96.00	£ 100.00
Education - Ranger led	Activities and walks per person - minimum 15 persons	£ 5.00	£ 5.00
Education - Ranger led	1.5 hour open space familiarity session.	£ 16.50	£ 17.00
Education - Ranger led	Presentation and talks	£12.50 per hour + £25 admin fee	£13 per hour + £26 admin fee
Biodiversity Advice	Specialist advice per hour. Fee dependant on complexity of application.	£ 127.00	£ 132.00

Suitable Alternative Green Space (SANG)			2023/24	2023/24	2024/25	2024/25
These tariffs apply in accessing Council-owned or controlled SANG			Tariff per person (includes 5% admin fee)	SANG contribution per dwelling	Tariff per person (includes 5% admin fee)	SANG contribution per dwelling
Dwelling Size	Household occupancy					
Developments that do not deliver 40% affordable housing	1 bed	1.3	£ 7,305.62	£ 9,497.31	£ 7,597.84	£ 9,877.20
Developments that do not deliver 40% affordable housing	2 bed	1.8	£ 7,305.62	£ 13,150.12	£ 7,597.84	£ 13,676.12
Developments that do not deliver 40% affordable housing	3 bed	2.5	£ 7,305.62	£ 18,264.05	£ 7,597.84	£ 18,994.61
Developments that do not deliver 40% affordable housing	4 bed	2.9	£ 7,305.62	£ 21,186.30	£ 7,597.84	£ 22,033.75
Developments that do not deliver 40% affordable housing	5+ bed	3.8	£ 7,305.62	£ 27,761.36	£ 7,597.84	£ 28,871.81
Developments that deliver 40% affordable housing	1 bed	1.3	£ 4,675.60	£ 6,078.28	£ 4,862.62	£ 6,321.41
Developments that deliver 40% affordable housing	2 bed	1.8	£ 4,675.60	£ 8,416.08	£ 4,862.62	£ 8,752.72
Developments that deliver 40% affordable housing	3 bed	2.5	£ 4,675.60	£ 11,689.00	£ 4,862.62	£ 12,156.56
Developments that deliver 40% affordable housing	4 bed	2.9	£ 4,675.60	£ 13,559.24	£ 4,862.62	£ 14,101.61
Developments that deliver 40% affordable housing	5+ bed	3.8	£ 4,675.60	£ 17,767.28	£ 4,862.62	£ 18,477.97
Strategic Access Management and Monitoring (SAMM)			2023/24	2023/24	2024/25	2024/25
	Dwelling Size	Household occupancy	Tariff per person (includes 5% admin fee)	SAMM contribution per dwelling	Tariff per person (includes 5% admin fee)	SAMM contribution per dwelling
SAMM contribution per dwelling	Per dwelling		N/A	£ 971.11	N/A	£ 1,009.95

Building Control				2023/24	2024/25
Description					
Supplementary Charges	Copies of Approvals/Completion certificates			£ 50.00	£ 52.00
Supplementary Charges	Re-opening a closed application			£ 85.00	£ 88.00
Supplementary Charges	To research an old application			£ 85.00	£ 88.00
Supplementary Charges	Re-opening charge when an application has not been inspected for ovwe 1 year			£ 85.00	£ 88.00
Supplementary Charges	Cancellation of applications			£ 85.00	£ 88.00
Supplementary Charges	Part completion/phasing of works not confirmed at application stage to include letter of comfort from Local Authority			£ 85.00	£ 88.00
Supplementary Charges	Demolition application and service of Section 81 Notice for buildings over 50m			£ 200.00	£ 208.00
Supplementary Charges	Additional inspections required to supplement standard charge			Hourly charge	Hourly charge
Standard Charges for the Creation or Conversion to New Housing	1 dwelling	Plan Charge		£ 385.00	£ 400.00
Standard Charges for the Creation or Conversion to New Housing	1 dwelling	Inspection Charge		£ 825.00	£ 858.00
Standard Charges for the Creation or Conversion to New Housing	1 dwelling	Building Notice		£ 1,320.00	£ 1,373.00
Standard Charges for the Creation or Conversion to New Housing	1 dwelling	Regularisation		£ 1,375.00	£ 1,430.00
Standard Charges for the Creation or Conversion to New Housing	2 dwellings	Plan Charge		£ 484.00	£ 503.00
Standard Charges for the Creation or Conversion to New Housing	2 dwellings	Inspection Charge		£ 990.00	£ 1,030.00
Standard Charges for the Creation or Conversion to New Housing	2 dwellings	Building Notice		£ 1,562.00	£ 1,624.00
Standard Charges for the Creation or Conversion to New Housing	2 dwellings	Regularisation		£ 1,562.00	£ 1,624.00
Standard Charges for the Creation or Conversion to New Housing	3 dwellings	Plan Charge		£ 594.00	£ 618.00
Standard Charges for the Creation or Conversion to New Housing	3 dwellings	Inspection Charge		£ 1,155.00	£ 1,201.00
Standard Charges for the Creation or Conversion to New Housing	3 dwellings	Building Notice		£ 1,815.00	£ 1,888.00
Standard Charges for the Creation or Conversion to New Housing	3 dwellings	Regularisation		£ 1,903.00	£ 1,979.00
Domestic Extensions to a Single Building	Single storey extension floor area not exceeding 10m ²	Plan Charge		£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Single storey extension floor area not exceeding 10m ²	Inspection Charge		£ 396.00	£ 412.00
Domestic Extensions to a Single Building	Single storey extension floor area not exceeding 10m ²	Building Notice		£ 671.00	£ 698.00
Domestic Extensions to a Single Building	Single storey extension floor area not exceeding 10m ²	Regularisation		£ 858.00	£ 892.00
Domestic Extensions to a Single Building	Single storey extension floor area exceeding 10m ² , but not exceeding 40 m ²	Plan Charge		£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Single storey extension floor area exceeding 10m ² , but not exceeding 40 m ²	Inspection Charge		£ 522.00	£ 543.00
Domestic Extensions to a Single Building	Single storey extension floor area exceeding 10m ² , but not exceeding 40 m ²	Building Notice		£ 907.50	£ 944.00
Domestic Extensions to a Single Building	Single storey extension floor area exceeding 10m ² , but not exceeding 40 m ²	Regularisation		£ 1,155.00	£ 1,201.00
Domestic Extensions to a Single Building	Single storey extension floor area exceeding 40m ² , but not exceeding 100 m ²	Plan Charge		£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Single storey extension floor area exceeding 40m ² , but not exceeding 100 m ²	Inspection Charge		£ 742.50	£ 772.00
Domestic Extensions to a Single Building	Single storey extension floor area exceeding 40m ² , but not exceeding 100 m ²	Building Notice		£ 1,155.00	£ 1,201.00
Domestic Extensions to a Single Building	Single storey extension floor area exceeding 40m ² , but not exceeding 100 m ²	Regularisation		£ 1,375.00	£ 1,430.00
Domestic Extensions to a Single Building	Two storey extension floor area not exceeding 40m ²	Plan Charge		£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Two storey extension floor area not exceeding 40m ²	Inspection Charge		£ 649.00	£ 675.00
Domestic Extensions to a Single Building	Two storey extension floor area not exceeding 40m ²	Building Notice		£ 1,045.00	£ 1,087.00
Domestic Extensions to a Single Building	Two storey extension floor area not exceeding 40m ²	Regularisation		£ 1,320.00	£ 1,373.00
Domestic Extensions to a Single Building	Two storey extension to a dwelling house exceeding 40m ² , but not exceeding 100 m ²	Plan Charge		£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Two storey extension to a dwelling house exceeding 40m ² , but not exceeding 100 m ²	Inspection Charge		£ 1,012.00	£ 1,052.00
Domestic Extensions to a Single Building	Two storey extension to a dwelling house exceeding 40m ² , but not exceeding 100 m ²	Building Notice		£ 1,430.00	£ 1,487.00
Domestic Extensions to a Single Building	Two storey extension to a dwelling house exceeding 40m ² , but not exceeding 100 m ²	Regularisation		£ 1,540.00	£ 1,602.00
Domestic Extensions to a Single Building	Two storey extension to a dwelling house exceeding 100m ² , but *not exceeding 200 m ²	Plan Charge		£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Two storey extension to a dwelling house exceeding 100m ² , but *not exceeding 200 m ²	Inspection Charge		£ 1,150.00	£ 1,196.00
Domestic Extensions to a Single Building	Two storey extension to a dwelling house exceeding 100m ² , but *not exceeding 200 m ²	Building Notice		£ 1,500.00	£ 1,560.00

Building Control				
Description			2023/24	2024/25
Domestic Extensions to a Single Building	Two storey extension to a dwelling house exceeding 100m ² , but *not exceeding 200 m ²	Regularisation	£ 1,600.00	£ 1,664.00
Domestic Extensions to a Single Building	Loft conversion that does not include the construction of a dormer* Max size 60m ²	Plan Charge	£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Loft conversion that does not include the construction of a dormer* Max size 60m ²	Inspection Charge	£ 440.00	£ 458.00
Domestic Extensions to a Single Building	Loft conversion that does not include the construction of a dormer* Max size 60m ²	Building Notice	£ 825.00	£ 858.00
Domestic Extensions to a Single Building	Loft conversion that does not include the construction of a dormer* Max size 60m ²	Regularisation	£ 907.50	£ 944.00
Domestic Extensions to a Single Building	Loft conversion that includes the construction of a dormer *Max size 60m ²	Plan Charge	£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Loft conversion that includes the construction of a dormer *Max size 60m ²	Inspection Charge	£ 572.00	£ 595.00
Domestic Extensions to a Single Building	Loft conversion that includes the construction of a dormer *Max size 60m ²	Building Notice	£ 962.50	£ 1,001.00
Domestic Extensions to a Single Building	Loft conversion that includes the construction of a dormer *Max size 60m ²	Regularisation	£ 1,210.00	£ 1,258.00
Domestic Extensions to a Single Building	Erection or extension of a non exempt attached or detached domestic garage or carport up to 100m ²	Plan Charge	£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Erection or extension of a non exempt attached or detached domestic garage or carport up to 100m ²	Inspection Charge	£ 396.00	£ 412.00
Domestic Extensions to a Single Building	Erection or extension of a non exempt attached or detached domestic garage or carport up to 100m ²	Building Notice	£ 671.00	£ 698.00
Domestic Extensions to a Single Building	Erection or extension of a non exempt attached or detached domestic garage or carport up to 100m ²	Regularisation	£ 770.00	£ 801.00
Domestic Extensions to a Single Building	Conversion of a garage to a dwelling to a habitable room(s)	Plan Charge	£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Conversion of a garage to a dwelling to a habitable room(s)	Inspection Charge	£ 275.00	£ 286.00
Domestic Extensions to a Single Building	Conversion of a garage to a dwelling to a habitable room(s)	Building Notice	£ 550.00	£ 572.00
Domestic Extensions to a Single Building	Conversion of a garage to a dwelling to a habitable room(s)	Regularisation	£ 792.00	£ 824.00
Domestic Extensions to a Single Building	Loft conversion over 60m ²	(blank)	POA	POA
Domestic Extensions to a Single Building	2 storey extension over 200m ²	(blank)	POA	POA
Domestic Extensions to a Single Building	The installation of any controlled fitting or other building work ancillary to the building of an extension	Plan Charge	Included in charge for an extension	Included in charge for an extension
Domestic Extensions to a Single Building	The installation of any controlled fitting or other building work ancillary to the building of an extension	Inspection Charge	Included in charge for an extension	Included in charge for an extension
Domestic Extensions to a Single Building	The installation of any controlled fitting or other building work ancillary to the building of an extension	Building Notice	Included in charge for an extension	Included in charge for an extension
Domestic Extensions to a Single Building	The installation of any controlled fitting or other building work ancillary to the building of an extension	Regularisation	Included in charge for an extension	Included in charge for an extension
Domestic Extensions to a Single Building	Underpinning, less than £25,000	Plan Charge	POA	POA
Domestic Extensions to a Single Building	Underpinning, less than £25,000	Inspection Charge	POA	POA
Domestic Extensions to a Single Building	Underpinning, less than £25,000	Building Notice	POA	POA
Domestic Extensions to a Single Building	Underpinning, less than £25,000	Regularisation	POA	POA
Domestic Extensions to a Single Building	Renovation of a thermal element to a single dwelling, less than £25,000	Plan Charge	POA	POA
Domestic Extensions to a Single Building	Renovation of a thermal element to a single dwelling, less than £25,000	Inspection Charge	POA	POA
Domestic Extensions to a Single Building	Renovation of a thermal element to a single dwelling, less than £25,000	Building Notice	POA	POA
Domestic Extensions to a Single Building	Renovation of a thermal element to a single dwelling, less than £25,000	Regularisation	POA	POA

Building Control					
Description			2023/24	2024/25	
Domestic Extensions to a Single Building	**Internal alterations, installation of fittings (not electrical) and/or, structural alterations (If ancillary to the building of an extension no additional charge) *Additional charges may apply where calculations are not justified by a qualified structural engineer :	(blank)		(blank)	
Domestic Extensions to a Single Building	** £0-£5000	Plan Charge	£ 275.00	£ 286.00	
Domestic Extensions to a Single Building	** £0-£5000	Inspection Charge	£ -	£ -	
Domestic Extensions to a Single Building	** £0-£5000	Building Notice	£ 302.50	£ 315.00	
Domestic Extensions to a Single Building	** £0-£5000	Regularisation	£ 385.00	£ 400.00	
Domestic Extensions to a Single Building	** £5001 - £25 000	Plan Charge	£ 275.00	£ 286.00	
Domestic Extensions to a Single Building	** £5001 - £25 000	Inspection Charge	£ 253.00	£ 263.00	
Domestic Extensions to a Single Building	** £5001 - £25 000	Building Notice	£ 550.00	£ 572.00	
Domestic Extensions to a Single Building	** £5001 - £25 000	Regularisation	£ 605.00	£ 629.00	
Domestic Extensions to a Single Building	** £25 001 - £50 000	Plan Charge	£ 275.00	£ 286.00	
Domestic Extensions to a Single Building	** £25 001 - £50 000	Inspection Charge	£ 363.00	£ 378.00	
Domestic Extensions to a Single Building	** £25 001 - £50 000	Building Notice	£ 715.00	£ 744.00	
Domestic Extensions to a Single Building	** £25 001 - £50 000	Regularisation	£ 742.50	£ 772.00	
Domestic Extensions to a Single Building	** £50 001 - £75000	Plan Charge	£ 275.00	£ 286.00	
Domestic Extensions to a Single Building	** £50 001 - £75000	Inspection Charge	£ 495.00	£ 515.00	
Domestic Extensions to a Single Building	** £50 001 - £75000	Building Notice	£ 808.50	£ 841.00	
Domestic Extensions to a Single Building	** £50 001 - £75000	Regularisation	£ 852.50	£ 887.00	
Domestic Extensions to a Single Building	Window replacement - up to 4	Plan Charge	£ 165.00	£ 172.00	
Domestic Extensions to a Single Building	Window replacement - up to 4	Inspection Charge	£ -	£ -	
Domestic Extensions to a Single Building	Window replacement - up to 4	Building Notice	£ 192.50	£ 200.00	
Domestic Extensions to a Single Building	Window replacement - up to 4	Regularisation	£ 253.00	£ 263.00	
Domestic Extensions to a Single Building	Window replacement - 5-20	Plan Charge	£ 275.00	£ 286.00	
Domestic Extensions to a Single Building	Window replacement - 5-20	Inspection Charge	£ -	£ -	
Domestic Extensions to a Single Building	Window replacement - 5-20	Building Notice	£ 275.00	£ 286.00	
Domestic Extensions to a Single Building	Window replacement - 5-20	Regularisation	£ 363.00	£ 378.00	
Domestic Extensions to a Single Building	Electrical work - any (other than re-wire)	Plan Charge	£ 495.00	£ 515.00	
Domestic Extensions to a Single Building	Electrical work - any (other than re-wire)	Inspection Charge	£ -	£ -	
Domestic Extensions to a Single Building	Electrical work - any (other than re-wire)	Building Notice	£ 495.00	£ 515.00	
Domestic Extensions to a Single Building	Electrical work - any (other than re-wire)	Regularisation	£ 539.00	£ 561.00	
Domestic Extensions to a Single Building	Electrical work - rewire or new dwelling	Plan Charge	£ 605.00	£ 629.00	
Domestic Extensions to a Single Building	Electrical work - rewire or new dwelling	Inspection Charge	£ -	£ -	
Domestic Extensions to a Single Building	Electrical work - rewire or new dwelling	Building Notice	£ 605.00	£ 629.00	
Domestic Extensions to a Single Building	Electrical work - rewire or new dwelling	Regularisation	£ 660.00	£ 686.00	
ALL OTHER NON DOMESTIC WORK – ALTERATIONS	Full Plans Notice	Plan Charge	POA	POA	
ALL OTHER NON DOMESTIC WORK – ALTERATIONS	Full Plans Notice	Inspection Charge	POA	POA	
ALL OTHER NON DOMESTIC WORK – ALTERATIONS	Full Plans Notice	Building Notice	POA	POA	
ALL OTHER NON DOMESTIC WORK – ALTERATIONS	Full Plans Notice	Regularisation	POA	POA	
OTHER, NON DOMESTIC WORK - EXTENSIONS AND NEW BUILD	Full Plans Notice	Plan Charge	POA	POA	
OTHER, NON DOMESTIC WORK - EXTENSIONS AND NEW BUILD	Full Plans Notice	Inspection Charge	POA	POA	
OTHER, NON DOMESTIC WORK - EXTENSIONS AND NEW BUILD	Full Plans Notice	Building Notice	POA	POA	

Building Control				
Description			2023/24	2024/25
OTHER, NON DOMESTIC WORK - EXTENSIONS AND NEW BUILD	Full Plans Notice	Regularisation	POA	POA

Parking				
Description			2023/24	2024/25
Birchayes Car Park	Evenings Monday - Sunday 6pm to 8am - Up to 30 minutes	£	0.20	£ 0.20
Birchayes Car Park	Monday - Saturday - 8am - 6pm - Up to 30 minutes - No return within 2 hours	£	0.20	£ 0.20
Birchayes Car Park	Sundays & Bank Holidays 8am to 6pm - Up to 10 hours	£	1.00	£ 1.00
Birchayes Car Park	Evenings Monday - Sunday 6pm to 8am - Up to 14 hours	£	1.00	£ 1.00
Birchayes Car Park	Sundays & Bank Holidays 8am to 6pm - Up to 30 minutes	£	0.20	£ 0.20
Birchayes Car Park	Monday - Saturday - 8am - 6pm - Up to 2 hours - No return within 2 hours	£	2.00	£ 2.00
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Blackwater Community Centre	Monday to Saturday - 6pm - 8am - Up to 30 minutes	£	0.35	£ 0.35
Blackwater Community Centre	Monday to Saturday - 6pm to 8am Up to 14 hours	£	1.00	£ 1.00
Blackwater Community Centre	Sundays & Bank Holidays - 8am - 6pm Up to 30 minutes	£	0.35	£ 0.35
Blackwater Community Centre	Sundays & Bank Holidays - 6pm - 8am Up to 30 minutes	£	0.35	£ 0.35
Blackwater Community Centre	Sundays & Bank Holidays - 6pm - 8am Up to 14 hours	£	1.00	£ 1.00
Blackwater Community Centre	Monday to Saturday - 8am - 6pm - Up to 1 hour	£	0.70	£ 0.70
Blackwater Community Centre	Monday to Saturday - 8am - 6pm - Up to 30 minutes	£	0.35	£ 0.35
Blackwater Community Centre	Monday to Saturday - 8am - 6pm - Up to 3 hours	£	2.10	£ 2.10
Blackwater Community Centre	Monday to Saturday - 8am - 6pm - Up to 4 hours	£	2.80	£ 2.80
Blackwater Community Centre	Monday to Saturday - 8am - 6pm - Up to 24 hours	£	6.00	£ 6.00
Blackwater Community Centre	Monday to Saturday - 8am - 6pm - Up to 10 hours	£	5.00	£ 5.00
Blackwater Community Centre	Monday to Saturday - 8am - 6pm - Up to 2 hours	£	1.40	£ 1.40
Blackwater Community Centre	Sundays & Bank Holidays - 8am - 6pm Up to 10 hours	£	1.00	£ 1.00
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Blackwater Station Approach	Monday to Saturday - 6pm - 8am - Up to 30 minutes	£	0.35	£ 0.35
Blackwater Station Approach	Monday to Saturday - 6pm to 8am Up to 14 hours	£	1.00	£ 1.00
Blackwater Station Approach	Sundays & Bank Holidays - 8am - 6pm Up to 30 minutes	£	0.35	£ 0.35
Blackwater Station Approach	Sundays & Bank Holidays - 6pm - 8am Up to 30 minutes	£	0.35	£ 0.35
Blackwater Station Approach	Sundays & Bank Holidays - 6pm - 8am Up to 14 hours	£	1.00	£ 1.00
Blackwater Station Approach	Monday to Saturday - 8am - 6pm - Up to 2 hours	£	1.40	£ 1.40
Blackwater Station Approach	Monday to Saturday - 8am - 6pm - Up to 1 hour	£	0.70	£ 0.70
Blackwater Station Approach	Monday to Saturday - 8am - 6pm - Up to 30 minutes	£	0.35	£ 0.35
Blackwater Station Approach	Monday to Saturday - 8am - 6pm - Up to 3 hours	£	2.10	£ 2.10
Blackwater Station Approach	Monday to Saturday - 8am - 6pm - Up to 4 hours	£	2.80	£ 2.80
Blackwater Station Approach	Monday to Saturday - 8am - 6pm - Up to 24 hours	£	6.00	£ 6.00
Blackwater Station Approach	Sundays & Bank Holidays - 8am - 6pm Up to 10 hours	£	1.00	£ 1.00
Blackwater Station Approach	Monday to Saturday - 8am - 6pm - Over 4 hours	£	5.00	£ 5.00
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Church Road & Victoria Road	Evenings Monday - Sunday 6pm to 8am - Up to 30 minutes	£	0.20	£ 0.20
Church Road & Victoria Road	Monday - Saturday (8am to 6pm) - Up to 10 hours	£	7.00	£ 7.00
Church Road & Victoria Road	Monday - Saturday (8am to 6pm) - Up to 2 hours	£	1.00	£ 1.00
Church Road & Victoria Road	Monday - Saturday (8am to 6pm) - Up to 24 hours	£	8.00	£ 8.00
Church Road & Victoria Road	Monday - Saturday (8am to 6pm) - Up to 30 minutes	£	0.20	£ 0.20
Church Road & Victoria Road	Monday - Saturday (8am to 6pm) - Up to 4 hours	£	2.00	£ 2.00
Church Road & Victoria Road	Sundays & Bank Holidays 8am to 6pm - Up to 10 hours	£	1.00	£ 1.00
Church Road & Victoria Road	Evenings Monday - Sunday 6pm to 8am - Up to 14 hours	£	1.00	£ 1.00
Church Road & Victoria Road	Sundays & Bank Holidays 8am to 6pm - Up to 30 minutes	£	0.20	£ 0.20

Parking				
Description			2023/24	2024/25
Civic Offices - Central Courtyard	Evenings Monday - Sunday 6pm - 8am - Up to 14 hours	£	1.00	£ 1.00
Civic Offices - Central Courtyard	Evenings Monday - Sunday 6pm - 8am - Up to 30 minutes	£	0.20	£ 0.20
Civic Offices - Central Courtyard	Saturdays only - Up to 10 hours	£	7.00	£ 7.00
Civic Offices - Central Courtyard	Saturdays only - Up to 2 hours	£	1.00	£ 1.00
Civic Offices - Central Courtyard	Saturdays only - Up to 24 hours	£	8.00	£ 8.00
Civic Offices - Central Courtyard	Saturdays only - Up to 30 minutes	£	0.20	£ 0.20
Civic Offices - Central Courtyard	Saturdays only - Up to 4 hours	£	2.00	£ 2.00
Civic Offices - Central Courtyard	Sundays & Bank Holidays 8am - 6pm - Up to 10 hours	£	1.00	£ 1.00
Civic Offices - Central Courtyard	Sundays & Bank Holidays 8am - 6pm - Up to 30 minutes	£	0.20	£ 0.20
Civic Offices - Central Courtyard	Up to 30 minutes maximum duration Monday to Friday 8am - 6pm No return within 1 hour Permit Holders			
Civic Offices - Central Courtyard	Exempt	£	0.20	£ 0.20
Civic Offices - Staff Car Park	Evenings Monday - Sunday 6pm - 8am - Up to 14 hours	£	1.00	£ 1.00
Civic Offices - Staff Car Park	Evenings Monday - Sunday 6pm - 8am - Up to 30 minutes	£	0.20	£ 0.20
Civic Offices - Staff Car Park	Monday - Friday 8am to 6pm Evenings	Permit holders only	Permit holders only	Permit holders only
Civic Offices - Staff Car Park	Saturdays only - Up to 10 hours	£	7.00	£ 7.00
Civic Offices - Staff Car Park	Saturdays only - Up to 2 hours	£	1.00	£ 1.00
Civic Offices - Staff Car Park	Saturdays only - Up to 24 hours	£	8.00	£ 8.00
Civic Offices - Staff Car Park	Saturdays only - Up to 30 minutes	£	0.20	£ 0.20
Civic Offices - Staff Car Park	Saturdays only - Up to 4 hours	£	2.00	£ 2.00
Civic Offices - Staff Car Park	Sundays & Bank Holidays 8am - 6pm - Up to 10 hours	£	1.00	£ 1.00
Civic Offices - Staff Car Park	Sundays & Bank Holidays 8am - 6pm - Up to 30 minutes	£	0.20	£ 0.20
Flagship & Admiral House	Saturday Evenings only 6pm - 8am - Up to 14 hours	£	1.00	£ 1.00
Flagship & Admiral House	Saturday Evenings only 6pm - 8am - Up to 30 minutes	£	0.20	£ 0.20
Flagship & Admiral House	Saturday only 8am - 6pm - Up to 10 hours	£	7.00	£ 7.00
Flagship & Admiral House	Saturday only 8am - 6pm - Up to 2 hours	£	1.00	£ 1.00
Flagship & Admiral House	Saturday only 8am - 6pm - Up to 24 hours	£	8.00	£ 8.00
Flagship & Admiral House	Saturday only 8am - 6pm - Up to 30 minutes	£	0.20	£ 0.20
Flagship & Admiral House	Saturday only 8am - 6pm - Up to 4 hours	£	2.00	£ 2.00
Gurkha Square - Closed Saturday 8am - 6pm for Fleet M	6pm to 8am Evenings Monday - Thursday & Saturday to Sunday - Up to 14 hours	£	2.00	£ 2.00
Gurkha Square - Closed Saturday 8am - 6pm for Fleet M	6pm to 8am Evenings Monday - Thursday & Saturday to Sunday - Up to 30 minutes	£	0.20	£ 0.20
Gurkha Square - Closed Saturday 8am - 6pm for Fleet M	6pm to Midnight Friday Evenings Only - Up to 30 minutes	£	0.20	£ 0.20
Gurkha Square - Closed Saturday 8am - 6pm for Fleet M	6pm to Midnight Friday Evenings Only - Up to 6 hours	£	2.00	£ 2.00
Gurkha Square - Closed Saturday 8am - 6pm for Fleet M	Monday - Friday 8am - 6pm - Up to 2 hours - no return within 2 hours	£	1.00	£ 1.00
Gurkha Square - Closed Saturday 8am - 6pm for Fleet M	Monday - Friday 8am - 6pm - Up to 30 minutes - no return within 2 hours	£	0.20	£ 0.20
Gurkha Square - Closed Saturday 8am - 6pm for Fleet M	Sundays & Bank Holidays 8am - 6pm - Up to 10 hours	£	1.00	£ 1.00
Gurkha Square - Closed Saturday 8am - 6pm for Fleet M	Sundays & Bank Holidays 8am - 6pm - Up to 30 minutes	£	0.20	£ 0.20
Hartley Wintney	Monday to Saturday - 6pm - 8am - Up to 30 minutes	£	0.35	£ 0.35
Hartley Wintney	Monday to Saturday - 6pm to 8am Up to 14 hours	£	1.00	£ 1.00
Hartley Wintney	Sundays & Bank Holidays - 8am - 6pm Up to 30 minutes	£	0.35	£ 0.35
Hartley Wintney	Sundays & Bank Holidays - 8am - 6pm Up 10 hours	£	1.00	£ 1.00
Hartley Wintney	Sundays & Bank Holidays - 6pm - 8am Up to 30 minutes	£	0.35	£ 0.35

Parking				
Description			2023/24	2024/25
Hartley Wintney	Sundays & Bank Holidays - 6pm - 8am Up to 14 hours	£	1.00	£ 1.00
Hartley Wintney	Monday to Saturday- 8am - 6pm - Up to 2 hours	£	1.40	£ 1.40
Hartley Wintney	Monday to Saturday - 8am - 6pm - Up to 1 hour	£	0.70	£ 0.70
Hartley Wintney	Monday to Saturday - 8am - 6pm - Up to 30 minutes	£	0.35	£ 0.35
Hartley Wintney	Monday to Saturday - 8am - 6pm - Up to 3 hours	£	2.10	£ 2.10
Hartley Wintney	Monday to Saturday - 8am - 6pm - Up to 4 hours	£	2.80	£ 2.80
Hartley Wintney	Monday to Saturday- 8am - 6pm - Up to 10 hours	£	4.00	£ 4.00
Hartley Wintney	Monday to Saturday - 8am - 6pm - Up to 24 hours	£	5.00	£ 5.00
Hook				
Hook	Monday to Saturday - Up to 24 hours	£	5.00	£ 5.00
Hook	Monday to Saturday - 6pm - 8am - Up to 30 minutes	£	0.35	£ 0.35
Hook	Monday to Saturday - 6pm to 8am Up to 14 hours	£	1.00	£ 1.00
Hook	Sundays & Bank Holidays - 8am - 6pm Up 10 hours	£	1.00	£ 1.00
Hook	Sundays & Bank Holidays - 6pm - 8am Up to 30 minutes	£	0.35	£ 0.35
Hook	Sundays & Bank Holidays - 6pm - 8am Up to 14 hours	£	1.00	£ 1.00
Hook	Monday to Saturday - 8am - 6pm -Up to 10 hours	£	4.00	£ 4.00
Hook	Monday to Saturday - 8am - 6pm - Up to 2 hour (free vend)	£	-	£ -
Hook	Monday to Saturday- 8am - 6pm - Up to 2 hours	£	1.40	£ 1.40
Hook	Monday to Saturday - 8am - 6pm - Up to 1 hour	£	0.70	£ 0.70
Hook	Monday to Saturday - 8am - 6pm - Up to 30 minutes	£	0.35	£ 0.35
Hook	Monday to Saturday - 8am - 6pm - Up to 3 hours	£	2.10	£ 2.10
Hook	Monday to Saturday - 8am - 6pm - Up to 4 hours	£	2.80	£ 2.80
Odiham				
Odiham	Monday to Saturday 8am - 6pm - Up to 10 hours	£	4.00	£ 4.00
Odiham	Monday to Saturday - Up to 24 hours	£	5.00	£ 5.00
Odiham	Monday to Saturday 8am - 6pm - Up to 1 hour	£	0.70	£ 0.70
Odiham	Monday to Saturday 8am - 6pm - Up to 2 hours	£	1.40	£ 1.40
Odiham	Monday to Saturday 8am - 6pm - Up to 3 hours	£	2.10	£ 2.10
Odiham	Monday to Saturday 8am - 6pm - Up to 30 minutes	£	0.35	£ 0.35
Odiham	Monday to Saturday 8am - 6pm - Up to 4 hours	£	2.80	£ 2.80
Odiham	Monday to Saturday - 6pm - 8am - Up to 30 minutes	£	0.35	£ 0.35
Odiham	Monday to Saturday - 6pm to 8am Up to 14 hours	£	1.00	£ 1.00
Odiham	Sundays & Bank Holidays - 8am - 6pm Up to 30 minutes	£	0.35	£ 0.35
Odiham	Sundays & Bank Holidays - 8am - 6pm Up 10 hours	£	1.00	£ 1.00
Odiham	Sundays & Bank Holidays - 6pm - 8am Up to 30 minutes	£	0.35	£ 0.35
Odiham	Sundays & Bank Holidays - 6pm - 8am Up to 14 hours	£	1.00	£ 1.00
Season Tickets - Blackwater				
Season Tickets - Blackwater	Monday to Friday - 5 days - Annual	£	750.00	£ 750.00
Season Tickets - Blackwater	Monday to Friday - 5 days - Calendar month	£	80.00	£ 80.00
Season Tickets - Blackwater	Monday to Friday - 5 days - Quarter	£	225.00	£ 225.00
Season Tickets - Blackwater	Monday to Friday - 5 days - Weekly	£	21.00	£ 21.00
Season Tickets - Blackwater	Monday to Saturday - 6 days - Annual	£	900.00	£ 900.00
Season Tickets - Blackwater	Monday to Saturday - 6 days - Calendar month	£	96.00	£ 96.00
Season Tickets - Blackwater	Monday to Saturday - 6 days - Quarter	£	270.00	£ 270.00
Season Tickets - Blackwater	Monday to Saturday - 6 days - Weekly	£	26.00	£ 26.00

Parking			
Description		2023/24	2024/25
Season Tickets - Church Road & Victoria Road	5 day charge	£ 30.00	£ 30.00
Season Tickets - Church Road & Victoria Road	6 day charge	£ 36.00	£ 36.00
Season Tickets - Church Road & Victoria Road	7 day charge	£ 38.00	£ 38.00
Season Tickets - Church Road & Victoria Road	Annual - 5 day	£ 900.00	£ 900.00
Season Tickets - Church Road & Victoria Road	Annual - 6 day	£ 1,080.00	£ 1,080.00
Season Tickets - Church Road & Victoria Road	Annual - 7 day	£ 1,125.00	£ 1,125.00
Season Tickets - Church Road & Victoria Road	Monthly - 5 day	£ 104.00	£ 104.00
Season Tickets - Church Road & Victoria Road	Monthly - 6 day	£ 125.00	£ 125.00
Season Tickets - Church Road & Victoria Road	Monthly - 7 day	£ 130.00	£ 130.00
Season Tickets - Church Road & Victoria Road	Quarter - 5 day	£ 264.00	£ 264.00
Season Tickets - Church Road & Victoria Road	Quarter - 6 day	£ 317.00	£ 317.00
Season Tickets - Church Road & Victoria Road	Quarter - 7 day	£ 330.00	£ 330.00
Season Tickets - Hook & Hartley Wintney	Monday to Friday - 5 days - Annual	£ 550.00	£ 550.00
Season Tickets - Hook & Hartley Wintney	Monday to Friday - 5 days - Calendar month	£ 72.00	£ 72.00
Season Tickets - Hook & Hartley Wintney	Monday to Friday - 5 days - Quarter	£ 204.00	£ 204.00
Season Tickets - Hook & Hartley Wintney	Monday to Friday - 5 days - Weekly	£ 19.00	£ 19.00
Season Tickets - Hook & Hartley Wintney	Monday to Saturday - 6 days - Annual	£ 660.00	£ 660.00
Season Tickets - Hook & Hartley Wintney	Monday to Saturday - 6 days - Calendar month	£ 86.00	£ 86.00
Season Tickets - Hook & Hartley Wintney	Monday to Saturday - 6 days - Quarter	£ 245.00	£ 245.00
Season Tickets - Hook & Hartley Wintney	Monday to Saturday - 6 days - Weekly	£ 23.00	£ 23.00
Season Tickets - Odiham	Monday to Friday - 5 days - Annual	£ 550.00	£ 550.00
Season Tickets - Odiham	Monday to Friday - 5 days - Calendar month	£ 72.00	£ 72.00
Season Tickets - Odiham	Monday to Friday - 5 days - Quarter	£ 204.00	£ 204.00
Season Tickets - Odiham	Monday to Friday - 5 days - Weekly	£ 19.00	£ 19.00
Season Tickets - Odiham	Monday to Saturday - 6 days - Annual	£ 660.00	£ 660.00
Season Tickets - Odiham	Monday to Saturday - 6 days - Calendar month	£ 86.00	£ 86.00
Season Tickets - Odiham	Monday to Saturday - 6 days - Quarter	£ 245.00	£ 245.00
Season Tickets - Odiham	Monday to Saturday - 6 days - Weekly	£ 23.00	£ 23.00

Communications			
Description		2023/24	2024/25
Hart news advertising fees per edition	Eighth internal page	£ 284.00	£ 295.00
Hart news advertising fees per edition	Full internal page	£ 1,742.00	£ 1,812.00
Hart news advertising fees per edition	Full page outside back cover	£ 2,178.00	£ 2,265.00
Hart news advertising fees per edition	Half Internal Page	£ 944.00	£ 982.00
Hart news advertising fees per edition	Quarter internal page - Landscape	£ 548.00	£ 570.00
Hart news advertising fees per edition	Quarter internal page - Portrait	£ 548.00	£ 570.00

Mobile homes, caravans, camping

Description		2023/24	2024/25
Mobile homes, caravans, camping	Initial site licence application	£ 377.00	£ 392.00
Mobile homes, caravans, camping	Annual inspection per pitch	£ 5.00	£ 5.00
Mobile homes, caravans, camping	Transfer of licence	£ 188.00	£ 196.00
Mobile homes, caravans, camping	Deposit of site rules	£ 69.00	£ 72.00
Mobile homes, caravans, camping	Fit and proper person test for site managers	£ 269.00	£ 280.00

Licences for houses in multiple occupation

Description		2023/24	2024/25
Licences for houses in multiple occupation	Licence for 5 persons	£ 802.00	£ 834.00
Licences for houses in multiple occupation	Licence 6-10 persons	£ 1,007.00	£ 1,047.00
Licences for houses in multiple occupation	Licence 11-15 persons	£ 1,206.00	£ 1,254.00
Licences for houses in multiple occupation	Licence 6-20 persons	£ 1,405.00	£ 1,461.00
Licences for houses in multiple occupation	Licence 21+ persons	£ 1,603.00	£ 1,667.00
Licences for houses in multiple occupation	HMO licence variations	£ -	£ -
Licences for houses in multiple occupation	Licence renewal for 5 persons	£ 616.00	£ 641.00
Licences for houses in multiple occupation	Licence renewal 6-10 persons	£ 774.00	£ 805.00
Licences for houses in multiple occupation	Licence renewal 11-15 persons	£ 927.00	£ 964.00
Licences for houses in multiple occupation	Licence renewal 16-20 persons	£ 1,079.00	£ 1,122.00
Licences for houses in multiple occupation	Licence renewal 21+ persons	£ 1,232.00	£ 1,281.00

Pre-application environmental enquiries			
Description		2023/24	2024/25
Householder enquiry	Dealing with written enquiries	£ 54.00	£ 132.00
Householder enquiry	1-hour appointment in the offices	£ 54.00	£ 132.00
Householder enquiry	30-minute appointment on site	£ 54.00	£ 132.00
Non-householder enquiry	Dealing with written enquiries	£ 79.00	£ 132.00
Non-householder enquiry	1-hour appointment in the offices	£ 57.00	£ 132.00
Non-householder enquiry	45-minute appointment on site	£ 79.00	£ 165.00
Commercial enquiry/large-scale/ major application	Dealing with written enquiries	£ 108.00	£ 132.00
Commercial enquiry/large-scale/ major application	1-hour appointment in the offices	£ 108.00	£ 132.00
Commercial enquiry/large-scale/ major application	1-hour appointment on site	£ 108.00	£ 198.00
Commercial enquiry/large-scale/ major application	Additional detailed specialist advice is charged at an hourly rate of:	£ 113.00	£ 132.00

Scrap Metal Dealers					
Description		2023/24	2024/25		
Scrap Metal Dealers	Three-year Site Licence	£ 446.00	£ 464.00		
Scrap Metal Dealers	Three-year Collectors Licence	£ 399.00	£ 415.00		
Scrap Metal Dealers	Variation of a licence	£ 130.00	£ 135.00		
Scrap Metal Dealers	Replacement licence - site	£ 40.00	£ 42.00		
Scrap Metal Dealers	Replacement licence - collector	£ 62.00	£ 64.00		

Animal Activities			
Description		2023/24	2024/25
Fees for small Business	Boarding of animals; cats, dogs, home boarding and day care (under 20 licensed animals) - licence variation and extra activity fee	£ 143.00	£ 149.00
Fees for small Business	Breeding of dogs (up to 3 licenced dogs) - additional costs	£ 30.00	£ 31.00
Fees for small Business	Hiring of horses for riding of instruction (under 20 horses) - additional costs	£ 30.00	£ 31.00
Fees for small Business	Hiring of horses for riding of instruction (under 20 horses) - licence variation and extra additional activity	£ 143.00	£ 149.00
Fees for small Business	Hiring of horses for riding of instruction (under 20 horses) - licence variation only	£ 143.00	£ 149.00
Fees for small Business	Boarding of animals; cats, dogs, home boarding and day care (under 20 licensed animals) - application fee and granting the licence	£ 286.00	£ 297.00
Fees for small Business	Boarding of animals; cats, dogs, home boarding and day care (under 20 licensed animals) - additional costs	£ -	£ -
Fees for small Business	Hiring of horses for riding of instruction (under 20 horses) - application fee and granting the licence	£315 plus veterinary costs. price per inspection	£328 plus veterinary costs. price per inspection
Fees for small Business	Breeding of dogs (up to 3 licenced dogs) - application fee and granting the licence	£315 plus veterinary costs. price per inspection	£328 plus veterinary costs. price per inspection
Fees for small Business	Breeding of dogs (up to 3 licenced dogs) - licence variation and extra additional activity	£ 143.00	£ 149.00
Fees for small Business	Breeding of dogs (up to 3 licenced dogs) - licence variation only	£ 143.00	£ 149.00
Fees for large business	Boarding of animals; cats, dogs, home boarding and day care and commercial pet shops (over 20 licensed animals) - licence variation	£ 143.00	£ 149.00
Fees for large business	Hiring of horses for riding of instruction (over 20 horses) - licence variation and extra additional activity	£ 143.00	£ 149.00
Fees for large business	Hiring of horses for riding of instruction (over 20 horses) - licence variation only	£ 143.00	£ 149.00
Fees for large business	Boarding of animals; cats, dogs, home boarding and day care and commercial pet shops (over 20 licensed animals) - application fee and granting the licence	£ 399.00	£ 415.00
Fees for large business	Boarding of animals; cats, dogs, home boarding and day care and commercial pet shops (over 20 licensed animals) - additional costs	£ -	£ -
Fees for large business	Boarding of animals; cats, dogs, home boarding and day care and commercial pet shops (over 20 licensed animals) - licence variation and extra additional activity	£ 143.00	£ 149.00
Fees for large business	Hiring of horses for riding of instruction (over 20 horses) - application fee and granting the licence	£428 plus veterinary costs price per inspection	£445 plus veterinary costs price per inspection
Fees for large business	Hiring of horses for riding of instruction (over 20 horses) - additional costs	£ 30.00	£ 31.00
Fees for large business	Breeding of dogs (over 3 licensed dogs) - application fee and granting the licence	£428 plus veterinary costs price per inspection	£445 plus veterinary costs price per inspection
Fees for large business	Breeding of dogs (over 3 licensed dogs) - additional costs	£ 30.00	£ 31.00
Fees for large business	Breeding of dogs (over 3 licensed dogs) - licence variation and extra additional activity	£ 143.00	£ 149.00
Fees for large business	Breeding of dogs (over 3 licensed dogs) - licence variation only	£ 143.00	£ 149.00
Fees for large business	Keeping or training animals for exhibition (3-year licence) - application fee and granting the licence	£ 399.00	£ 415.00
Fees for large business	Keeping or training animals for exhibition (3-year licence) - additional costs	£ -	£ -
Fees for large business	Keeping or training animals for exhibition (3-year licence) - licence variation and extra additional activity	£ 143.00	£ 149.00
Fees for large business	Keeping or training animals for exhibition (3-year licence) - licence variation only	£ 143.00	£ 149.00

Animal Activities			
Description		2023/24	2024/25
Fees for large business	Dangerous wild animals - application fee and granting the licence	£428 plus veterinary costs price per inspection	£445 plus veterinary costs price per inspection
Fees for large business	Dangerous wild animals - additional costs	£ 30.00	£ 31.00
Fees for large business	Dangerous wild animals - licence variation and extra additional activity	£ 143.00	£ 149.00

Food hygiene			
Description		2023/24	2024/25
Food hygiene	Re-rating Fee	£ 193.00	£ 201.00

Private water supplies - risk assessment <u>Maximum fee</u>			
Description		2023/24*	2024/25
Drinking Water Sampling	Sampling visit	£ 81.00	£ 84.00
Drinking Water Sampling	Analysis of samples	Set externally and will be added to the charge	Set externally and will be added to the charge
Private water supplies	Risk assessment (for each assessment)		£ 500.00
Private water supplies	Sampling (for each visit)		£ 100.00
Private water supplies	Investigation (for each investigation)		£ 100.00
Private water supplies	Granting an authorisation (for each authorisation)		£ 100.00
Private water supplies	No fee is payable where a sample is taken and analysed solely to confirm or clarify the results of the analysis of a previous sample.		
Analysing a sample	taken under regulation 10 (for parameters referred to in paragraph (1)(a) to (e) of that regulation)		£ 25.00
Analysing a sample	Sample analysis-reg 10		£ 100.00
Analysing a sample	taken during audit monitoring and monitoring under regulation 11		£ 500.00

*2023/24 fees had a different structure, so not directly comparable.

Tattooing and special treatments			
Description		2023/24	2024/25
Tattooing and special treatments	Premises licence	£ 227.00	£ 236.00
Tattooing and special treatments	Personal licence	£ 227.00	£ 236.00

Contaminated Land			
Description		2023/24	2024/25
Contaminated Land	Single Resident Properties	£ 114.00	£ 119.00
Contaminated Land	Multiple Resident Properties	£ 200.00	£ 208.00
Contaminated Land	Commercial Properties	£ 200.00	£ 208.00
Contaminated Land	List of Part B, EPA Processes	£ 103.00	£ 107.00

Rodent Control			
Description		2023/24	2024/25
Rodent Control	Domestic properties (up to 4 visits)	£ 80.00	£ 83.00
Rodent Control	Domestic properties (up to 4 visits) - Benefit discounted fee	£ 32.00	£ 33.00
Rodent Control	Domestic properties (where the infestation is not controlled after initial 4 visits - price per visit)	£ 25.00	£ 26.00
Rodent Control	Domestic properties (where the infestation is not controlled after initial 4 visits - price per visit) - Benefit discounted fee	£ 13.00	£ 14.00
Wasp's Nest	Domestic Properties, or in schools and public spaces - Single nest	£ 74.00	£ 77.00
Wasp's Nest	Domestic Properties, or in schools and public spaces - Single nest - Benefit discounted fee	£ 50.00	£ 52.00
Wasp's Nest	Domestic Properties, or in schools and public spaces - Abortive wasps' nest	£ 46.00	£ 48.00
Wasp's Nest	Domestic Properties, or in schools and public spaces - Each additional nest - Benefit discounted fee	£ 32.00	£ 33.00
Insects (other than wasps and bedbugs)	Insects, fleas and cockroaches in Domestic properties - up to 3 bedrooms	£ 105.00	£ 109.00
Insects (other than wasps and bedbugs)	Insects, fleas and cockroaches in Domestic properties - additional room fee	£ 32.00	£ 33.00
Insects (other than wasps and bedbugs)	Insects, fleas and cockroaches in Domestic properties - up to 3 bedrooms - Benefit dicounted fee	£ 63.00	£ 66.00
Insects (other than wasps and bedbugs)	Insects, fleas and cockroaches in Domestic properties - additional room fee - Benefit discounted fee	£ 32.00	£ 33.00
Bedbugs	Domestic properties - up to 3 bedrooms	£ 152.00	£ 158.00
Bedbugs	Domestic properties - additional room fee	£ 32.00	£ 33.00
Bedbugs	Domestic properties - up to 3 bedrooms - Benefit discounted fee	£ 105.00	£ 109.00
Bedbugs	Domestic properties - additional room fee - Benefit Fees	£ 32.00	£ 33.00

Lost Dogs			
Description		2023/24	2024/25
Seizure	Prescribed amount - only payable for the lifespan of that particular dog or in the event of multiple dogs being owned, for a period not exceeding ten years.	£ 25.00	£ 25.00
Seizure	Administration fee	£ 10.00	£ 10.00
Kennelling Charges	1st Day - not to kennels	£ 42.00	£ 44.00
Kennelling Charges	1st Day - Whether or not overnight	£ 83.00	£ 86.00
Kennelling Charges	Subsequent Days	£ 19.00	£ 20.00
Micro chipping	1st Dog	Refer to vets	Refer to vets
Micro chipping	Subsequent Dog	Refer to vets	Refer to vets
Micro chipping	Benefits Claimants - 1st Dog	Refer to vets	Refer to vets
Micro chipping	Benefits Claimants - Subsequent Dog	Refer to vets	Refer to vets

Sex establishments			
Description		2023/24	2024/25
Sex establishments	Sex Establishments (initial)	£ 6,532.00	£6,793.00
Sex establishments	Sex Establishments (renewal)	£ 4,937.00	£5,134.00
Sex establishments	Sex establishments Transfer	£ 1,301.00	£1,353.00
Sex establishments	Sex Establishments variation	£ 1,301.00	£1,353.00

Street trading consent					
Description		2023/24	2024/25		
Street trading consent	Annual Street Trading Consents - New	£	886.00	£	921.00
Street trading consent	Annual Street Trading Consents - Renewal	£	564.30	£	587.00
Street trading consent	Seasonal trader (Christmas Trees)	£	284.00	£	295.00

Planning Services			
Description		2023/24	2024/25
Householder Pre-application advice	Written enquiries (no appointment) up to maximum of 2 hours	£ 251.00	£ 261.00
Householder Pre-application advice	Written enquiries (no appointment) additional hour	£ 125.00	£ 130.00
Householder Pre-application advice	Written enquiries with 30 min appointment (Council Offices)	£ 310.00	£ 322.00
Householder Pre-application advice	Written enquiries with 30 min appointment (on site)	£ 370.00	£ 385.00
Householder Pre-application advice	Other advice	POA	POA
Non- Householder Pre-application advice	For proposals up to 50 dwellings or floorspace of up to 3,750m ²	25% of the equivalent Planning Application Fee plus VAT	25% of the equivalent Planning Application Fee plus VAT
Non- Householder Pre-application advice	For proposals over 50 dwellings or over 3,750m ² or an Initial meeting (High Level strategic advice/introductory meeting before formal-pre-application advice is sought)	POA	POA
Specialist Advice - listed building, conservation area, trees	Written enquiries (no appointment) up to maximum of 2 hours	£ 277.00	£ 288.00
Specialist Advice - listed building, conservation area, trees	Written enquiries (no appointment) additional hour	£ 139.00	£ 145.00
Specialist Advice - listed building, conservation area, trees	Written enquiries with 30 min appointment (Council Offices)	£ 343.00	£ 357.00
Specialist Advice - listed building, conservation area, trees	Written enquiries with 30 min appointment (on site)	£ 416.00	£ 433.00
Specialist Advice - listed building, conservation area, trees	Other advice	POA	POA
Specialist Advice - listed building, conservation area, trees	Listed building repair advice	£ 416.00	£ 433.00
Research of Planning History	Per hour	£ 125.00	£ 130.00
Do I Need Planning Permission Enquiries	Householder proposal	£ 73.00	£ 76.00
Do I Need Planning Permission Enquiries	Non-householder	£ 165.00	£ 172.00
Do I Need Planning Permission Enquiries	Additional hours	£ 139.00	£ 145.00
Officer Hourly rate	Head of Service	£ 215.00	£ 224.00
Officer Hourly rate	Planning Services Manager	£ 185.00	£ 192.00
Officer Hourly rate	Planning Team Leader	£ 156.00	£ 162.00
Officer Hourly rate	Principle Planner	£ 139.00	£ 145.00
Officer Hourly rate	Urban Design	£ 139.00	£ 145.00
Officer Hourly rate	Heritage Officer	£ 127.00	£ 132.00
Officer Hourly rate	Senior Planner	£ 127.00	£ 132.00
Officer Hourly rate	Planner	£ 116.00	£ 121.00
Officer Hourly rate	Other Specialist advice	£ 127.00	£ 132.00
Officer Hourly rate	Project Manager/Admin	£ 116.00	£ 121.00

Policy Fees			
Description		2023/24	2024/25
Policy Fees	District-wide policies map (A3 in size) and 43 inset maps	£ 55.00	£ 57.00
Policy Fees	Hart Local Plan (Strategy and Sites) April 2020 (written statement only)	£ 55.00	£ 57.00
Policy Fees	Policies Map – individual maps (A3 size)	£ 6.00	£ 6.00
Policy Fees	Saved Policies document (May 2020)	£ 33.00	£ 34.00
Policy Fees	Self & Custom Build Housebuilding Register - Joining fee for Part 1 of the register (Individual)	£ 83.00	£ 86.00
Policy Fees	Self & Custom Build Housebuilding Register - Joining fee for Part 1 of the register (Association)	£ 138.00	£ 144.00
Policy Fees	Self & Custom Build Housebuilding Register - Joining fee for Part 2 of the register (Individual)	£ 83.00	£ 86.00
Policy Fees	Self & Custom Build Housebuilding Register - Joining fee for Part 2 of the register (Association)	£ 138.00	£ 144.00
Policy Fees	Self & Custom Build Housebuilding Register - Annual fee for Part 1 of the register (Individual)	£ 33.00	£ 34.00
Policy Fees	Self & Custom Build Housebuilding Register - Annual fee for Part 1 of the register (Association)	£ 33.00	£ 34.00
Policy Fees	Self & Custom Build Housebuilding Register - Annual fee for Part 2 of the register (Individual)	£ -	£ -
Policy Fees	Self & Custom Build Housebuilding Register - Annual fee for Part 2 of the register (Association)	£ -	£ -

Room hire				
Description			2023/24	2024/25
Hiring of Council Accommodation Charges	Committee Room 1 Daytime to 6pm (per hour)	£	34.00	£ 37.00
Hiring of Council Accommodation Charges	Committee Room 1 Evening (per hour)	£	34.00	£ 44.00
Hiring of Council Accommodation Charges	Committee Room 2 Daytime to 6pm (per hour)	£	34.00	£ 37.00
Hiring of Council Accommodation Charges	Committee Room 2 Evening (per hour)	£	34.00	£ 44.00
Hiring of Council Accommodation Charges	Council Chamber Daytime to 6pm (per hour)	£	68.00	£ 73.00
Hiring of Council Accommodation Charges	Council Chamber Evening (per hour)	£	68.00	£ 87.00
Hiring of Council Accommodation Charges	Ground Floor Meeting Room 4 Daytime to 6pm (per hour)	£	27.00	£ 29.00
Hiring of Council Accommodation Charges	Ground Floor Meeting Room 4 Evening (per hour)	£	27.00	£ 35.00
Hiring of Council Accommodation Charges	Ground Floor Meeting Rooms 1, 2 & 3 Daytime to 6pm (per hour)	£	14.00	£ 15.00
Hiring of Council Accommodation Charges	Ground Floor Meeting Rooms 1, 2 & 3 Evening (per hour)	£	14.00	£ 18.00
Hiring of Council Accommodation Charges	Committee Room 3 Daytime to 6pm (per hour)	£	27.00	£ 29.00
Hiring of Council Accommodation Charges	Committee Room 3 Evening (per hour)	£	27.00	£ 35.00

Pavement licence			
Description		2023/24	2024/25
Pavement licence	Annual Tables and Chairs Licence	£ 247.50	£ 257.00
Pavement licence	Pavement Licence *	£ 100.00	£ 100.00

* only valid until Sep 24

Temporary event notice fees			
Description		2023/24	2024/25
Temporary event notice fees	Application for copy of Temporary Event Notice on theft, loss etc of temporary event notice	£ 10.50	£ 10.50
Temporary event notice fees	Temporary Event Notices	£ 21.00	£ 21.00

Road Closure			
Description		2023/24	2024/25
Road Closure	Where the event is organised by a non profit making organisation, but there is a commercial element	£ 330.00	£ 343.00
Road Closure	Profit-making event	£ 2,090.00	£2,174.00

Land charges only search - LLC1			
Description		2023/24	2024/25
Land charges only search - LLC1	Electronic (in accordance with rule 16)	£ 57.00	£ 59.00
Land charges only search - LLC1	In any other case	£ 63.00	£ 66.00
Land charges only search - LLC1	Additional parcel of land (waive additional parcel fee for separate garages or parking spaces)	£ 29.00	£ 30.00
Standard search and enquiry fee – CON29R			
Electronic (NLIS and TM Searches, Local Authority Emailed Direct)	In any other case	£ 144.00	£ 150.00
Standard search and enquiry fee – CON29R			
Electronic (NLIS and TM Searches, Local Authority Emailed Direct)	Non-NLIS and TM Searches	£ 110.00	£ 114.00
Standard search and enquiry fee – LLC1			
Electronic (NLIS and TM searches, local authority emailed direct)	In any other case	£ 183.00	£ 190.00
Standard search and enquiry fee – LLC1			
Electronic (NLIS and TM searches, local authority emailed direct)	Non-NLIS and TM Searches	£ 149.00	£ 155.00
Question-specific searches			
Question-specific searches	Admin fee (when CON29O submitted without CON29 or LLC1)	£ 18.00	£ 19.00
Question-specific searches	Optional enquiries (others) (submitted without a standard search)	£ 39.00	£ 41.00
Question-specific searches	Optional enquiry questions (others) (submitted with a standard search)	£ 25.00	£ 26.00
Question-specific searches	Optional enquiry questions 4, 21 or 22 (submitted with a standard search)	£ 25.00	£ 26.00
Question-specific searches	Optional enquiry questions 4, 21 or 22 (submitted without a standard search)	£ 43.00	£ 45.00
Question-specific searches	Additional question	£ 55.00	£ 57.00

Waste				
Description			2023/24	2024/25
New and replacement bins	140 litre refuse bin - new properties	£	55.00	£ 57.00
New and replacement bins	240 litre refuse bin - new properties	£	79.00	£ 82.00
New and replacement bins	140 litre recycling bin - new properties	£	40.00	£ 42.00
New and replacement bins	240 litre recycling bin - new properties	£	40.00	£ 42.00
New and replacement bins	140 litre refuse bin - replacement for existing properties	£	46.00	£ 48.00
New and replacement bins	240 litre refuse bin - replacement for existing properties	£	46.00	£ 48.00
New and replacement bins	140 litre recycling bin - replacement for existing properties	£	40.00	£ 40.00
New and replacement bins	240 litre recycling bin - replacement for existing properties	£	40.00	£ 40.00
New and replacement bins	Glass crate	No charge		No charge
New and replacement bins	Glass 140 litre bin	£	40.00	£ 42.00
New and replacement bins	Eurobins	POA		POA
New and replacement bins	240 litre garden waste bin - subscription required see prices below	£	40.00	£ 42.00
New and replacement bins	140 litre garden waste bin - subscription required see prices below	£	40.00	£ 42.00
Garden Waste collection annual subscription				
	concessionary rate for small wheelie bin (140 litres)	£	29.00	£ 29.00
	concessionary rate for large wheelie bin (240 litres)	£	54.00	£ 54.00
	Subscription - small wheelie bin (140 litres)	£	55.00	£ 55.00
	Subscription - large wheelie bin (240 litres)	£	80.00	£ 80.00
Bulky Waste Collection				
	1 Item	£	45.00	£ 47.00
	2 Items	£	58.00	£ 60.00
	3 Items	£	70.00	£ 73.00
	4 Items	£	80.00	£ 83.00
	5 Items	£	107.00	£ 111.00
	6 Items	£	133.00	£ 138.00
	7 Items	£	147.00	£ 153.00
	8 Items	£	168.00	£ 175.00

COUNCIL

Date of Meeting: 22 February 2024

Title of Report: Council Tax Setting 2024/25

Cabinet Member: Councillor James Radley, Deputy Leader and Finance

Purpose of Report

- 1 The purpose of this report is to provide the Council with the necessary information to make decisions regarding the setting of Council Tax for the year 2024/25. It summarises all the relevant budgetary decisions that have been made to determine the level of Council Tax for the year 2024/25. The report includes the specifics of each individual level of Council Tax that requires approval by the Council. Council approved the overall council tax base on 25 January 2024, 42,690.97 dwellings.

Recommendation

- 2 It is recommended that Council agrees to the following council tax resolutions:
- A. The Council Tax requirement for the Council's own purposes for 2024/25 (excluding Parish precepts) is £8,460,069.52
- B. That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 and 34 to 36 of the Act:
- | | | |
|-------|-------------|---|
| (i) | 38,849,929 | being the aggregate of the amounts the Council estimates for the items set out in Section 31A(2) of the Act takes into account all precepts issued to it by Parish Councils. |
| (ii) | £26,175,014 | being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act. |
| (iii) | £12,674,915 | being the amount by which the aggregate at B(i) above exceeds the aggregate at B(ii) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B(1) of the Act). |
| (iv) | £296.90 | being the amount at B(iii) above divided by 42,690.97, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts). |

(v)	£4,214,846	being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per Column 2 of Appendix 1A).
(vi)	£198.17	being the amount at B(iv) above less the result given by dividing the amount at B(v) above by 42,690.97, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
(vii)		The amounts set out in column 6 of Appendix 1A for each part of the Council's area being the amounts given by adding to the amount at B(vi) above the amounts of the parish precepts relating to dwellings in those parts of the Council's area mentioned in Appendix 1A divided in each case by the dwellings in those parts of its area to which a Parish Precept relates, calculated by the Council in accordance with Section 34 of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.
(viii)		The amounts set out in columns 1 to 9 of Appendix 1B for each part of the Council's area being the amounts given by multiplying the amounts at B(vii) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- C. For each financial year, a major precepting authority shall issue a precept or precepts in accordance with Section 40 of the Local Government Finance Act 1992. The draft Hampshire County Council's precept figures are subject to approval on 22 February 2024 and the Hampshire Fire and Rescue Authority's on 26 February, and these draft figures are listed below. In the event of changes arising for decisions made by the major precepting authorities (i.e. Hampshire County Council, the Police and Crime Commissioner for Hampshire, and Hampshire Fire and Rescue), it is recommended that the Executive Director for Corporate Services & Section 151 Officer, in consultation with the Cabinet Portfolio Holder for Finance, be authorised to update the final council tax calculations to reflect the final decisions of the major precepting authorities. The Council Tax requirement for the Hart District Council's own purposes for 2024/25 (excluding Parish precepts) is £8,460,069.52

Valuation Band	Hampshire County Council (HCC) (£)	HCC Adult Social Care (£)	Police & Crime Commissioner for Hampshire (£)	Hampshire Fire and Rescue (£)
A(R)	729.07	122.73	145.26	46.02
A	874.88	147.28	174.31	55.23
B	1,020.69	171.83	203.36	64.43
C	1,166.51	196.37	232.41	73.64
D	1,312.32	220.92	261.46	82.84
E	1,603.95	270.01	319.56	101.25
F	1,895.57	319.11	377.66	119.66
G	2,187.20	368.20	435.77	138.07
H	2,624.64	441.84	522.92	165.68

- D. That, having calculated the aggregate in each case of the amounts at B(viii) and Recommendation C above, the Council, in accordance with section 30(2) of the Local Government Finance Act 1992, hereby **AGREES** to set the amounts shown in Appendix 1E of the report as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings in each of the Parishes.
- E. That for the purposes of section 35 (2) (d) of the Local Government Finance Act 1992, any expenses incurred by the District Council in the financial year 2024/25 in performing functions in a part of the district where elsewhere in the district are performed by a Parish Council, shall not be special expenses of the District Council.
- F. That the Council concludes the 2.99% increase in Council Tax for Hart District Council for 2024/25 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

Background Information

- 3 In order to set the Council Tax levels for 2024/25, the Council must include all details of the precepting authorities' requirements and consider and approve them where necessary.
- the Council Tax base for 2024/25
 - the Business Rates forecast for 2024/25
 - the Revenue Estimates for 2024/25; and
 - the total amount of Revenue Support Grant to be received.

Precepts and Council Tax

- 4 The Section 151 officer has set the Council Tax base for Hart and for each Town/Parish Council area for 2024/25.
- 5 The Section 151 officer has set the business rates forecast for 2024/25 (by approving the NNDR1 2024/25).
- 6 In approving the earlier budget reports, the Council will have approved its Revenue Estimates for 2024/25.
- 7 The Hampshire County Council precept requirement for 2024/25 is £65,455,503, including adult social care, subject to approval.

- 8 The Police and Crime Commissioner for Hampshire precept requirement for 2024/25 is £11,161,981.
- 9 The Hampshire and IOW Fire and Rescue precept requirement for 2024/25 is £3,536,519.95, subject to approval.
- 10 Notifications of 2024/25 precept requirements have been received from all Town/Parish Councils, amounting to £4,214,846.
- 11 A statement showing the resultant Council Tax at Band D, incorporating an average Parish/Town council tax charge, is in Appendix 1 for information.
- 12 It is necessary to incorporate all the above-mentioned items in the calculation of the Council Tax charges and for the Council to pass the recommendations in accordance with the requirements of Sections 31 to 36 of the Local Government Finance Act 1992.

Contact: Graeme Clark, Director of Corporate Services,

Appendices:

- Appendix 1A Council Tax Band D, Hart and Parishes
- Appendix 1B Council Tax All Bands, Hart and Parishes
- Appendix 1C Council Tax Bands – Parishes for information only
- Appendix 1D Council Tax Bands - All Precepts
- Appendix 1E Council Tax Bands – Total charges per parish area

Appendix IA – COUNCIL TAX BAND D TAX, HART AND PARISHES

2024/25		Part of Council's Area			
Tax Base	Precept		District	Parish	Total
	£		£	£	£
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
PARISHED AREAS					
2,252.07	248,500.00	Blackwater and Hawley	198.17	110.34	308.51
112.78	1,500.00	Bramshill	198.17	13.30	211.47
4,088.19	244,678.00	Church Crookham	198.17	59.85	258.02
894.20	91,155.00	Crondall	198.17	101.94	300.11
1,895.92	169,301.86	Crookham Village	198.17	89.30	287.47
184.10	14,332.50	Dogmersfield	198.17	77.85	276.02
2,049.27	156,572.00	Elvetham Heath	198.17	76.40	274.57
782.11	83,431.00	Eversley	198.17	106.67	304.84
514.40	36,886.00	Ewshot	198.17	71.71	269.88
10,836.21	1,342,858.00	Fleet	198.17	123.92	322.09
132.82	7,250.00	Greywell	198.17	54.59	252.76
2,753.02	340,023.00	Hartley Wintney	198.17	123.51	321.68
256.31	16,000.00	Heckfield	198.17	62.42	260.59
4,205.66	512,165.00	Hook	198.17	121.78	319.95
243.31	21,367.50	Long Sutton	198.17	87.82	285.99
327.62	14,743.00	Mattingley	198.17	45.00	243.17
2,387.78	224,259.00	Odiham	198.17	93.92	292.09
281.01	27,225.00	Rotherwick	198.17	96.88	295.05
311.65	31,938.90	South Warnborough	198.17	102.48	300.65
342.70	32,193.00	Winchfield	198.17	93.94	292.11
7,839.84	598,467.00	Yateley	198.17	76.34	274.51
42,690.97	4,214,845.76	Total	4,161.57	1,789.97	5,951.54

COUNCIL TAX BANDS, HART AND PARISHES

Appendix 1B

PARISH	Precept	Tax Base	Hart	Band AR	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£		£	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
Blackwater and Hawley	248,500.00	2,252.07	198.17	171.40	205.68	239.95	274.23	308.51	377.07	445.63	514.19	617.03
Bramshill	1,500.00	112.78	198.17	117.48	140.98	164.48	187.97	211.47	258.46	305.46	352.45	422.94
Church Crookham	244,678.00	4,088.19	198.17	143.34	172.01	200.68	229.35	258.02	315.36	372.70	430.03	516.04
Crandall	91,155.00	894.20	198.17	166.73	200.07	233.42	266.76	300.11	366.80	433.49	500.18	600.22
Crookham Village	169,301.86	1,895.92	198.17	159.70	191.65	223.59	255.53	287.47	351.35	415.23	479.11	574.94
Dogmersfield	14,332.50	184.10	198.17	153.35	184.01	214.68	245.35	276.02	337.36	398.70	460.04	552.04
Elvetham Heath	156,572.00	2,049.27	198.17	152.54	183.05	213.56	244.07	274.57	335.59	396.61	457.62	549.15
Eversley	83,431.00	782.11	198.17	169.36	203.23	237.10	270.97	304.84	372.59	440.33	508.07	609.69
Ewshot	36,886.00	514.40	198.17	149.93	179.92	209.90	239.89	269.88	329.85	389.82	449.79	539.75
Fleet	1,342,858.00	10,836.21	198.17	178.94	214.73	250.52	286.31	322.09	393.67	465.25	536.82	644.19
Greywell	7,250.00	132.82	198.17	140.42	168.50	196.59	224.67	252.76	308.92	365.09	421.26	505.51
Hartley Wintney	340,023.00	2,753.02	198.17	178.71	214.45	250.19	285.94	321.68	393.16	464.65	536.13	643.36
Heckfield	16,000.00	256.31	198.17	144.77	173.73	202.68	231.64	260.59	318.50	376.41	434.32	521.19
Hook	512,165.00	4,205.66	198.17	177.75	213.30	248.85	284.40	319.95	391.05	462.15	533.25	639.90
Long Sutton	21,367.50	243.31	198.17	158.88	190.66	222.44	254.21	285.99	349.54	413.10	476.65	571.98
Mattingley	14,743.00	327.62	198.17	135.09	162.11	189.13	216.15	243.17	297.21	351.25	405.28	486.34
Odiham	224,259.00	2,387.78	198.17	162.27	194.73	227.18	259.64	292.09	357.00	421.91	486.82	584.18
Rotherwick	27,225.00	281.01	198.17	163.92	196.70	229.49	262.27	295.05	360.62	426.19	491.75	590.11
South Warnborough	31,938.90	311.65	198.17	167.03	200.44	233.84	267.25	300.65	367.47	434.28	501.09	601.31
Winchfield	32,193.00	342.70	198.17	162.28	194.74	227.20	259.65	292.11	357.02	421.94	486.85	584.22
Yateley	598,467.00	7,839.84	198.17	152.50	183.00	213.51	244.01	274.51	335.51	396.51	457.51	549.01
District Total	4,214,845.76	42,690.97										

COUNCIL TAX BANDS FOR PARISHES

Appendix IC

PARISH	Precept	Tax Base	Band AR	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	Ninths	5	6	7	8	9	11	13	15	18
Blackwater and Hawley	248,500.00	2,252.07	61.30	73.56	85.82	98.08	110.34	134.86	159.38	183.90	220.68
Bramshill	1,500.00	112.78	7.39	8.87	10.34	11.82	13.30	16.26	19.21	22.17	26.60
Church Crookham	244,678.00	4,088.19	33.25	39.90	46.55	53.20	59.85	73.15	86.45	99.75	119.70
Crandall	91,155.00	894.20	56.63	67.96	79.29	90.61	101.94	124.59	147.25	169.90	203.88
Crookham Village	169,301.86	1,895.92	49.61	59.53	69.46	79.38	89.30	109.14	128.99	148.83	178.60
Dogmersfield	14,332.50	184.10	43.25	51.90	60.55	69.20	77.85	95.15	112.45	129.75	155.70
Elvetham Heath	156,572.00	2,049.27	42.44	50.93	59.42	67.91	76.40	93.38	110.36	127.33	152.80
Eversley	83,431.00	782.11	59.26	71.11	82.97	94.82	106.67	130.37	154.08	177.78	213.34
Ewshot	36,886.00	514.40	39.84	47.81	55.77	63.74	71.71	87.65	103.58	119.52	143.42
Fleet	1,342,858.00	10,836.21	68.84	82.61	96.38	110.15	123.92	151.46	179.00	206.53	247.84
Greywell	7,250.00	132.82	30.33	36.39	42.46	48.52	54.59	66.72	78.85	90.98	109.18
Hartley Wintney	340,023.00	2,753.02	68.62	82.34	96.06	109.79	123.51	150.96	178.40	205.85	247.02
Heckfield	16,000.00	256.31	34.68	41.61	48.55	55.48	62.42	76.29	90.16	104.03	124.84
Hook	512,165.00	4,205.66	67.66	81.19	94.72	108.25	121.78	148.84	175.90	202.97	243.56
Long Sutton	21,367.50	243.31	48.79	58.55	68.30	78.06	87.82	107.34	126.85	146.37	175.64
Mattingley	14,743.00	327.62	25.00	30.00	35.00	40.00	45.00	55.00	65.00	75.00	90.00
Odiham	224,259.00	2,387.78	52.18	62.61	73.05	83.48	93.92	114.79	135.66	156.53	187.84
Rotherwick	27,225.00	281.01	53.82	64.59	75.35	86.12	96.88	118.41	139.94	161.47	193.76
South Warnborough	31,938.90	311.65	56.93	68.32	79.71	91.09	102.48	125.25	148.03	170.80	204.96
Winchfield	32,193.00	342.70	52.19	62.63	73.06	83.50	93.94	114.82	135.69	156.57	187.88
Yateley	598,467.00	7,839.84	42.41	50.89	59.38	67.86	76.34	93.30	110.27	127.23	152.68
District Total	4,214,845.76	42,690.97	54.85	65.82	76.79	87.76	98.73	120.67	142.61	164.55	197.46

COUNCIL TAX BANDS FOR HART DISTRICT COUNCIL, INCLUSIVE OF ALL PRECEPTS

Appendix ID

PARISH	Precept	Tax Base	Band AR	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£		5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
Blackwater and Hawley	248,500.00	2,252.07	61.30	73.56	85.82	98.08	110.34	134.86	159.38	183.90	220.68
Bramshill	1,500.00	112.78	7.39	8.87	10.34	11.82	13.30	16.26	19.21	22.17	26.60
Church Crookham	244,678.00	4,088.19	33.25	39.90	46.55	53.20	59.85	73.15	86.45	99.75	119.70
Cron dall	91,155.00	894.20	56.63	67.96	79.29	90.61	101.94	124.59	147.25	169.90	203.88
Crookham Village	169,301.86	1,895.92	49.61	59.53	69.46	79.38	89.30	109.14	128.99	148.83	178.60
Dogmersfield	14,332.50	184.10	43.25	51.90	60.55	69.20	77.85	95.15	112.45	129.75	155.70
Elvetham Heath	156,572.00	2,049.27	42.44	50.93	59.42	67.91	76.40	93.38	110.36	127.33	152.80
Eversley	83,431.00	782.11	59.26	71.11	82.97	94.82	106.67	130.37	154.08	177.78	213.34
Ewshot	36,886.00	514.40	39.84	47.81	55.77	63.74	71.71	87.65	103.58	119.52	143.42
Fleet	1,342,858.00	10,836.21	68.84	82.61	96.38	110.15	123.92	151.46	179.00	206.53	247.84
Greywell	7,250.00	132.82	30.33	36.39	42.46	48.52	54.59	66.72	78.85	90.98	109.18
Hartley Wintney	340,023.00	2,753.02	68.62	82.34	96.06	109.79	123.51	150.96	178.40	205.85	247.02
Heckfield	16,000.00	256.31	34.68	41.61	48.55	55.48	62.42	76.29	90.16	104.03	124.84
Hook	512,165.00	4,205.66	67.66	81.19	94.72	108.25	121.78	148.84	175.90	202.97	243.56
Long Sutton	21,367.50	243.31	48.79	58.55	68.30	78.06	87.82	107.34	126.85	146.37	175.64
Mattingley	14,743.00	327.62	25.00	30.00	35.00	40.00	45.00	55.00	65.00	75.00	90.00
Odiham	224,259.00	2,387.78	52.18	62.61	73.05	83.48	93.92	114.79	135.66	156.53	187.84
Rotherwick	27,225.00	281.01	53.82	64.59	75.35	86.12	96.88	118.41	139.94	161.47	193.76
South Warnborough	31,938.90	311.65	56.93	68.32	79.71	91.09	102.48	125.25	148.03	170.80	204.96
Winchfield	32,193.00	342.70	52.19	62.63	73.06	83.50	93.94	114.82	135.69	156.57	187.88
Yateley	598,467.00	7,839.84	42.41	50.89	59.38	67.86	76.34	93.30	110.27	127.23	152.68
District Total	4,214,845.76	42,690.97	54.85	65.82	76.79	87.76	98.73	120.67	142.61	164.55	197.46
Hart District Council	8,460,069.52	42,690.97	110.09	132.11	154.13	176.15	198.17	242.21	286.25	330.28	396.34
Hampshire County Council	56,024,213.75	42,690.97	729.07	874.88	1,020.69	1,166.51	1,312.32	1,603.95	1,895.57	2,187.20	2,624.64
Hampshire CC Adult Social Care	9,431,289.09	42,690.97	122.73	147.28	171.83	196.37	220.92	270.01	319.11	368.20	441.84
Hampshire Police Authority	11,161,981.02	42,690.97	145.26	174.31	203.36	232.41	261.46	319.56	377.66	435.77	522.92
Hampshire & IOW Fire and Rescue	3,536,519.95	42,690.97	46.02	55.23	64.43	73.64	82.84	101.25	119.66	138.07	165.68
Total for District excluding Parishes 2024/25 Band D Tax	88,614,073.33		1,153.17	1,383.81	1,614.44	1,845.08	2,075.71	2,536.98	2,998.25	3,459.52	4,151.42

COUNCIL TAX BANDS FOR HART DISTRICT COUNCIL, TOTAL CHARGES PER PARISH AREA										Appendix IE	
PARISH	Precept £	Tax Base	Band AR 5/9	Band A 6/9	Band B 7/9	Band C 8/9	Band D 9/9	Band E 11/9	Band F 13/9	Band G 15/9	Band H 18/9
Blackwater and Hawley	248,500.00	2,252.07	1,214.47	1,457.37	1,700.26	1,943.16	2,186.05	2,671.84	3,157.63	3,643.42	4,372.10
Bramshill	1,500.00	112.78	1,160.56	1,392.68	1,624.78	1,856.90	2,089.01	2,553.24	3,017.46	3,481.69	4,178.02
Church Crookham	244,678.00	4,088.19	1,186.42	1,423.71	1,660.99	1,898.28	2,135.56	2,610.13	3,084.70	3,559.27	4,271.12
Crandall	91,155.00	894.20	1,209.80	1,451.77	1,693.73	1,935.69	2,177.65	2,661.57	3,145.50	3,629.42	4,355.30
Crookham Village	169,301.86	1,895.92	1,202.78	1,443.34	1,683.90	1,924.46	2,165.01	2,646.12	3,127.24	3,608.35	4,330.02
Dogmersfield	14,332.50	184.10	1,196.42	1,435.71	1,674.99	1,914.28	2,153.56	2,632.13	3,110.70	3,589.27	4,307.12
Elvetham Heath	156,572.00	2,049.27	1,195.61	1,434.74	1,673.86	1,912.99	2,152.11	2,630.36	3,108.61	3,586.85	4,304.22
Eversley	83,431.00	782.11	1,212.43	1,454.92	1,697.41	1,939.90	2,182.38	2,667.35	3,152.33	3,637.30	4,364.76
Ewshot	36,886.00	514.40	1,193.01	1,431.62	1,670.21	1,908.82	2,147.42	2,624.63	3,101.83	3,579.04	4,294.84
Fleet	1,342,858.00	10,836.21	1,222.01	1,466.42	1,710.82	1,955.23	2,199.63	2,688.44	3,177.25	3,666.05	4,399.26
Greywell	7,250.00	132.82	1,183.50	1,420.20	1,656.90	1,893.60	2,130.30	2,603.70	3,077.10	3,550.50	4,260.60
Hartley Wintney	340,023.00	2,753.02	1,221.79	1,466.15	1,710.50	1,954.87	2,199.22	2,687.94	3,176.65	3,665.37	4,398.44
Heckfield	16,000.00	256.31	1,187.85	1,425.42	1,662.99	1,900.56	2,138.13	2,613.27	3,088.41	3,563.55	4,276.26
Hook	512,165.00	4,205.66	1,220.83	1,465.00	1,709.16	1,953.33	2,197.49	2,685.82	3,174.15	3,662.49	4,394.98
Long Sutton	21,367.50	243.31	1,201.96	1,442.36	1,682.74	1,923.14	2,163.53	2,644.32	3,125.10	3,605.89	4,327.06
Mattingley	14,743.00	327.62	1,178.17	1,413.81	1,649.44	1,885.08	2,120.71	2,591.98	3,063.25	3,534.52	4,241.42
Odiham	224,259.00	2,387.78	1,205.35	1,446.42	1,687.49	1,928.56	2,169.63	2,651.77	3,133.91	3,616.05	4,339.26
Rotherwick	27,225.00	281.01	1,206.99	1,448.40	1,689.79	1,931.20	2,172.59	2,655.39	3,138.19	3,620.99	4,345.18
South Warnborough	31,938.90	311.65	1,210.10	1,452.13	1,694.15	1,936.17	2,178.19	2,662.23	3,146.28	3,630.32	4,356.38
Winchfield	32,193.00	342.70	1,205.36	1,446.44	1,687.50	1,928.58	2,169.65	2,651.80	3,133.94	3,616.09	4,339.30
Yateley	598,467.00	7,839.84	1,195.58	1,434.70	1,673.82	1,912.94	2,152.05	2,630.28	3,108.52	3,586.75	4,304.10
District Total	4,214,845.76	42,690.97									
Hart District Council	8,460,069.52	42,690.97	110.09	132.11	154.13	176.15	198.17	242.21	286.25	330.28	396.34
Hampshire County Council	56,024,213.75	42,690.97	729.07	874.88	1,020.69	1,166.51	1,312.32	1,603.95	1,895.57	2,187.20	2,624.64
Hampshire CC Adult Social Care	9,431,289.09	42,690.97	122.73	147.28	171.83	196.37	220.92	270.01	319.11	368.20	441.84
Hampshire Police Authority	11,161,981.02	42,690.97	145.26	174.31	203.36	232.41	261.46	319.56	377.66	435.77	522.92
Hampshire Fire and Rescue	3,536,519.95	42,690.97	46.02	55.23	64.43	73.64	82.84	101.25	119.66	138.07	165.68

COUNCIL

Date of Meeting: 22 February 2024

Title of Report: Treasury Management Strategy Statement, Annual Investment Strategy and Capital Strategy

Cabinet Member: Councillor James Radley, Deputy Leader and Finance

Purpose of Report

1. To present the draft Treasury Management Strategy Statement for 2024/25 which incorporates the Annual Investment Strategy, Minimum Revenue Provision (MRP) Policy and Prudential and Treasury Indicators.
2. It is a legal obligation to set a Capital Strategy, which is also presented for review. This strategy provides the strategic framework for the treasury activity. The 2024/25 draft documents do not suggest any major changes as compared to the approved ones for the current year.

Recommendation

3. Cabinet is recommending to Council that it:
 - i) approves the Treasury Management Strategy Statement 2024/25 and the revised Minimum Revenue Provision policy contained within it,
 - ii) approves the Annual Investment Strategy for 2024/25 and;
 - iii) Approves the Capital Strategy 2024/25.

Background

4. The Council is required by the Local Government Act 2003 and its supporting regulations to consider the Prudential Code and establish Prudential Indicators for the next three years. This ensures that the council's capital investment plans are financially feasible, cautious, and long-lasting.
5. The Act, therefore, requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance issued subsequent to the Act); these set out the council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
6. The Treasury Management Strategy Statement is attached as Appendix 1. This incorporates the Annual Investment Strategy 2024/25 at section 4 and the MRP policy at section 2.5. The template for this strategy statement was provided by Hart's treasury advisor, Link, who provides treasury services to many councils. Using Link's template ensures that all statutory requirements are met, including the latest revisions to the Code of Practice which were referred to in the report to Council in February 2023. The Capital Strategy is included as Appendix 2.

Contact: Graeme Clark, Director of Corporate Services and S151 Officer,

Appendices

Appendix 1 – Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy

Appendix 2 – Capital Strategy

Appendix 3 - Interest rate forecasts and economic background from treasury advisors
[Link](#)

TREASURY MANAGEMENT STRATEGY STATEMENT 2024/25

Introduction and Key Considerations

2021 revised CIPFA Treasury Management Code and Prudential Code – changes which will impact on future TMSS/AIS reports and the risk management framework.

1. CIPFA published the revised Codes on 20th December 2021 and stated that revisions need to be included in the reporting framework from the 2023/24 financial year. This Council, therefore, must have regard to these Codes of Practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and related reports during the financial year, which are taken to Full Council for approval.

The revised Treasury Management Code required all investments and investment income to be attributed to one of the following three purposes:

Treasury management

2. Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

Service delivery

3. Investments held primarily and directly for the delivery of public services including housing, regeneration, and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

Commercial return

4. Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. A council must not borrow to invest primarily for financial return.

The revised Treasury Management Code requires a council to implement the following:

- **Adopt a liability benchmark treasury indicator** to support the financing risk management of the capital financing requirement; this is to be shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained;
- **Long-term treasury investments**, (including pooled funds), are to be classed as commercial investments unless justified by a cash flow business case;

- **Pooled funds** are to be included in the indicator for principal sums maturing in years beyond the initial budget year;
- Amendment to the **knowledge and skills register** for officers and members involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each council;
- **Reporting to members is to be done quarterly.** Specifically, the Chief Finance Officer (CFO) is required to establish procedures to monitor and report performance against all forward-looking prudential indicators at least quarterly. The CFO is expected to establish a measurement and reporting process that highlights significant actual or forecast deviations from the approved indicators. However, monitoring of prudential indicators, including forecast debt and investments, is not required to be taken to Full Council and should be reported as part of the council's integrated revenue, capital and balance sheet monitoring;
- **Environmental, Social and Governance (ESG)** issues to be addressed within a Council's treasury management policies and practices (TMP1). This is covered in the Annual Investment Strategy in paragraphs 66-72.

The main requirements of the Prudential Code relating to service and commercial investments are:

- The risks associated with service and commercial investments should be proportionate to their financial capacity – i.e. that plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services;
- A council must not borrow to invest for the primary purpose of commercial return;
- It is not prudent for local authorities to make any investment or spending decision that will increase the CFR, and so may lead to new borrowing, unless directly and primarily related to the functions of the council, and where any commercial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose;
- An annual review should be conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt;
- A prudential indicator is required for the net income from commercial and service investments as a proportion of the net revenue stream;
- Create new Investment Management Practices to manage risks associated with non-treasury investments, (similar to the current Treasury Management Practices).

A council's Capital Strategy or Annual Investment Strategy should include:

- The council's approach to investments for service or commercial purposes (together referred to as non-treasury investments), including defining the

council's objectives, risk appetite and risk management in respect of these investments, and processes ensuring effective due diligence;

- An assessment of affordability, prudence and proportionality in respect of the council's overall financial capacity (i.e., whether plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services);
- Details of financial and other risks of undertaking investments for service or commercial purposes and how these are managed;
- Limits on total investments for service purposes and for commercial purposes respectively (consistent with any limits required by other statutory guidance on investments);
- Requirements for independent and expert advice and scrutiny arrangements (while business cases may provide some of this material, the information contained in them will need to be periodically re-evaluated to inform the council's overall strategy);
- State compliance with paragraph 51 of the Prudential Code in relation to investments for commercial purposes, in particular the requirement that a council must not borrow to invest primarily for financial return.

Background

5. The council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the council's low risk appetite, providing adequate liquidity initially before considering investment return.
6. The second main function of the treasury management service is the funding of the council's capital plans. These capital plans provide a guide to the borrowing need of the council, essentially the longer-term cash flow planning, to ensure that it can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet risk or cost objectives.
7. The contribution the treasury management function makes to the council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

8. CIPFA defines treasury management as:

“The management of the local council’s borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

9. Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

Reporting Requirements

Capital Strategy

10. The Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following:
- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services.
 - an overview of how the associated risk is managed.
 - the implications for future financial sustainability.
11. The aim of the strategy is to ensure that all the council’s elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite. The draft Capital Strategy is included at Appendix 2.

Treasury Management Reporting

12. The council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.
- a. **Prudential and treasury indicators and treasury strategy** (this report)
- The first, and most important report is forward looking and covers:
- the capital plans, (including prudential indicators)
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
 - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy, (the parameters on how investments are to be managed)
- b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Council will receive quarterly update reports.

- c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

13. The above reports are required to be adequately scrutinised before being recommended to the Full Council. This role is undertaken by the Overview and Scrutiny Committee.

Quarterly reports

14. In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council/Board but do require to be adequately scrutinised. This role is undertaken by the Overview and Scrutiny Committee. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

Treasury Management Strategy for 2024/25

The strategy for 2024/25 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy

Treasury management issues

- the current treasury position
 - treasury indicators which limit the treasury risk and activities of the council
 - prospects for interest rates
 - the borrowing strategy
 - policy on borrowing in advance of need
 - debt rescheduling
 - the investment strategy
 - creditworthiness policy; and
 - the policy on use of external service providers
15. These elements cover the requirements of the Local Government Act 2003, DLUHC Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

Training

16. The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.
17. Furthermore, pages 47 and 48 of the Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.
18. The scale and nature of this will depend on the size and complexity of the organisation’s treasury management needs. Organisations should consider how to assess whether treasury management staff and board/ council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.
19. As a minimum, authorities should carry out the following to monitor and review knowledge and skills:
 - Record attendance at training and ensure action is taken where poor attendance is identified.
 - Prepare tailored learning plans for treasury management officers and board/council members.
 - Require treasury management officers and board/council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
 - Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.”
20. In further support of the revised training requirements, CIPFA’s Better Governance Forum and Treasury Management Network have produced a ‘self-assessment by members responsible for the scrutiny of treasury management’, which is available from the CIPFA website to download.
21. The following training has been undertaken by members - Treasury Management Member Training on 12th October 2023 and further training will be arranged as required.
22. The training needs of treasury management officers are periodically reviewed.
23. A formal record of the training received by officers central to the Treasury function will be maintained. Similarly, a formal record of the treasury management/capital finance training received by members will also be maintained.

T reasury Management Consultants

24. The council uses Link Group, Link Treasury Services Limited as its external treasury management advisors.
25. The council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.
26. It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

The Capital Prudential Indicators 2024/25 – 2026/27

27. The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital Expenditure and Financing

28. This prudential indicator is a summary of the council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital Expenditure by Service	2022/23 Actual £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Community Services	2,278	2,566	3,954	890	890
Corporate Services	123	237	121	0	0
Place	0	80	198	0	0
Total capital expenditure	2,401	2,883	4,272	890	890

29. Other long-term liabilities - the above financing need excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.
30. The table below summarises how these capital plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of capital	2022/23	2023/24	2024/25	2025/26	2026/27
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expenditure	Actual £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000
Total capital expenditure	2,401	2,883	4,272	890	890
Financed by:					
Capital receipts	26	10	74	0	0
Capital grants	2,106	2,371	3,230	890	890
Earmarked Reserves	0	420	218	0	0
Revenue	269	82	750	0	0
Total financing need for year	2,401	2,883	4,272	890	890
Borrowing requirement	0	0	0	0	0

The council's Borrowing Need (the Capital Financing Requirement)

31. The second prudential indicator is the council's Capital Financing Requirement (CFR). The CFR is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the council's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.
32. The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.
33. The council is asked to approve the CFR projections below:

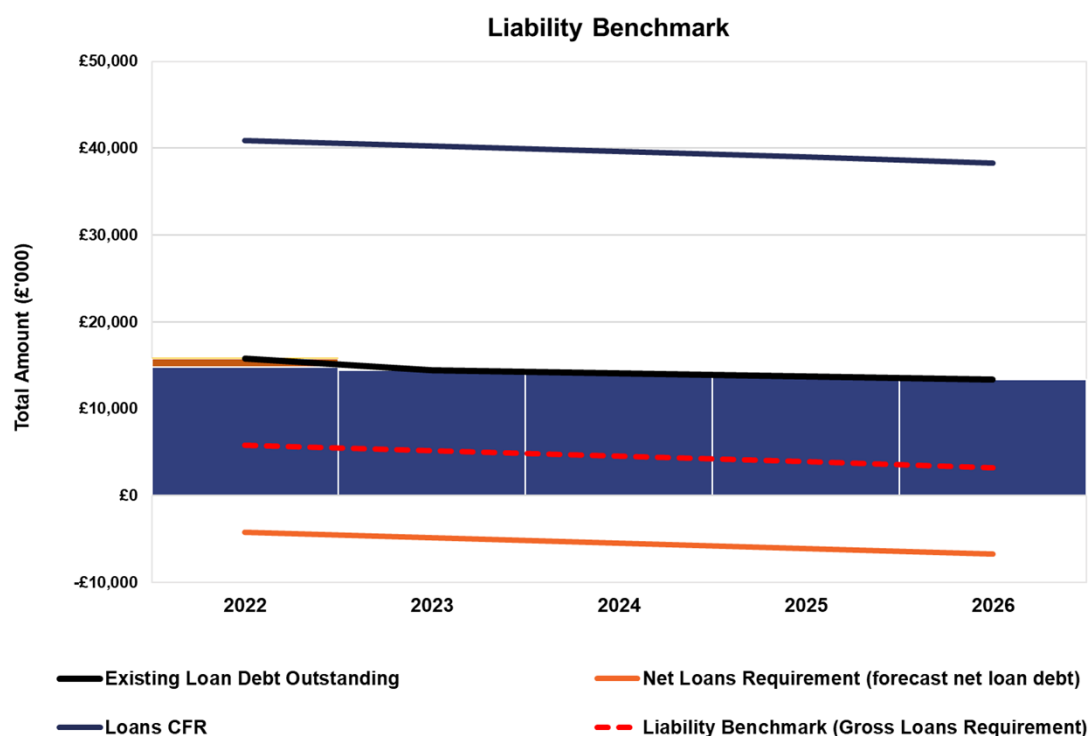
Capital Financing Requirement (CFR)	2022/23 Actual £'000	2023/24 Est £'000	2024/25 Est £'000	2025/26 Est £'000	2026/27 Est £'000
Brought Forward	41,449	40,862	40,245	39,615	38,974
Borrowing requirement	0	0	0	0	0
Less MRP and other financing movements	(587)	(617)	(630)	(641)	(644)
Net movement in CFR	(587)	(617)	(630)	(641)	(644)
CFR Carried Forward	40,862	40,245	39,615	38,974	38,330

Liability Benchmark

34. The council is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

35. There are four components to the LB:

- i. **Existing loan debt outstanding:** the council's existing loans that are still outstanding in future years.
- ii. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
- iii. **Net loans requirement:** this will show the council's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
- iv. **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.



Core Funds and Expected Investment Balances

36. The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Year End Resources	2022/23	2023/24	2024/25	2025/26	2026/27
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	Actual £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000
Fund balances/reserves	42,367	40,359	37,111	37,355	37,591
Capital receipts*	4,574	4,564	4,490	4,490	4,490
Provisions	549	549	549	549	549
Other	0	0	0	0	0
Total core funds	47,490	45,472	42,150	42,394	42,630
Working capital	4,023	4,023	4,023	4,023	4,023
Under/(over) borrowing	25,093	25,804	25,536	25,263	24,994
Expected investments	26,420	23,691	20,637	21,154	21,659

* Reclassification of Balances between Grants & Contributions Unapplied & Capital Receipts

Minimum revenue provision (MRP) policy statement

37. Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Authority has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP).
38. Regulation 28 of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) regulations 2008 require the Authority to calculate a prudent provision of MRP whilst having regard to the current MRP Guidance (2018). The broad aim of prudent provision is to ensure that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The Guidance gives four ready-made options for calculating MRP but the Council can use any other reasonable basis that it can justify as prudent.
39. The MRP policy statement requires full Council approval in advance of each financial year.
40. It is recommended that Council approves the following MRP Policy Statement.
- Unsupported borrowing will be subject to MRP using the Asset Life Method, which will be charged over a period which is reasonably commensurate with the estimated useful life of the assets. An annuity method will be applied for the MRP calculation.
 - MRP will commence in the financial year following the one in which the expenditure was incurred, or in the year after the asset becomes operational.
 - The interest rate applied to the annuity calculations will reflect the market conditions at the time. For the current financial year the interest rate used will be the Authority's weighted average borrowing rate.
 - MRP in respect of unsupported borrowing taken to meet expenditure, which is treated as capital expenditure by virtue of either a capitalisation

direction or regulations, will be determined in accordance with the asset life method as recommended by the MRP guidance.

- MRP in respect of assets acquired under PFI or Finance Leases will be charged at a rate equal to the principal element of the annual lease rental for the year in question.
- MRP Overpayments - The MRP Guidance allows that any charges made in excess of the statutory MRP, i.e. voluntary revenue provision (VRP) or overpayments, can be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. The VRP overpayments up to 31st March 2023 are zero.
- On an annual basis the Section 151 officer shall review the level of MRP to be charged, to determine if this is at a level which is considered prudent based on the Council's circumstances at that time, taking into account medium / long term financial plans, current budgetary pressures, current and future capital expenditure plans. Dependant on this review the Section 151 officer will adjust the annual MRP charge by making VRP or reclaiming previous VRP. The amount of MRP charged shall not be less than zero in any financial year.

Borrowing

41. The capital expenditure plans set out in Section 2 provide details of the service activity of the council. The treasury management function ensures that the council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the council's Capital Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the Annual Investment Strategy.

Current Portfolio Position

42. The overall treasury management portfolio as at 31.3.23 and for the position as at 30.11.2023 are shown below for both borrowing and investments.

Treasury Investments:

Counterparty Classification	Actual £'000 at 31/03/2023	Actual % at 31/03/2023	Current £'000 at 30/11/2023	Current % at 30/11/2023
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Banks	22,182	85%	27,818	69%
Local Authorities	0	0%	5,000	12%
Money Market Funds	4,000	15%	7,280	18%
Total Treasury Investments	26,182	100%	40,098	100%

External Borrowing:

Counterparty Classification	Actual £'000 at 31/03/2023	Actual % at 31/03/2023	Current £'000 at 30/11/2023	Current % at 30/11/2023
Local Authorities	977	6%	977	6%
PWLB	14,792	94%	14,618	94%
Total External Borrowing	15,769	100%	15,595	100%

Treasury investments less external borrowing:

Investments less borrowing	Actual £'000 at 31/03/2023	Actual % at 31/03/2023	Current £'000 at 30/11/2023	Current % at 30/11/2023
Total Treasury Investments	26,182	100%	40,098	100%
Total External Borrowing	15,769	100%	15,595	100%
Total - Investments / (Borrowing)	10,413	0%	24,504	0%

Treasury investment portfolio at counterparty level:

Treasury Portfolio per Counterparty	Amount Invested £'000 31/03/2023	Amount Invested £'000 30/11/2023
Barclays Call Account	2,182	18
Barclays Green Account	5,000	5,000
Barclays Total	7,182	5,018
Standard Chartered Sustainable	5,000	0
National Bank of Canada	5,000	0
Lloyds Bank Corporate Markets (NRFB)	5,000	0
Goldman Sachs	0	7,000
National Bank of Kuwait	0	6,400
Qatar National Bank	0	1,900
Sumitomo Mitsui Banking Corp.	0	7,500

Derbyshire County Council	0	5,000
Aberdeen Liquidity - Standard Life	4,000	0
Bank of New York Mellon - Federated	0	7,280
Total Investments	26,182	40,098

43. The counterparty limit for Barclays is £10m. All other counterparties have a limit of £7.5m or 20% of the total portfolio (whichever is lower at the point of investment). Full details of cash deposits are reported to O&S and Cabinet quarterly.
44. The council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Borrowing	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000
Borrowing	15,769	14,440	14,079	13,711	13,336
Total debt at 31 March	15,769	14,440	14,079	13,711	13,336
CFR	40,862	40,245	39,615	38,974	38,330
Under / (over) borrowing	25,093	25,804	25,536	25,263	24,994

45. Within the range of prudential indicators there are several key indicators to ensure that the council operates its activities within well-defined limits. One of these is that the council needs to ensure that its gross debt does not, except in the short-term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.
46. The Director of Finance reports that the council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes account of current commitments, existing plans and the proposals in this budget report.

Treasury Indicators: limits to borrowing activity

47. **The Operational Boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational Boundary	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual £'000	Estimate £'000	Estimate £'000	Estimate £'000	Estimate £'000
Debt	25,000	25,000	46,000	46,000	46,000

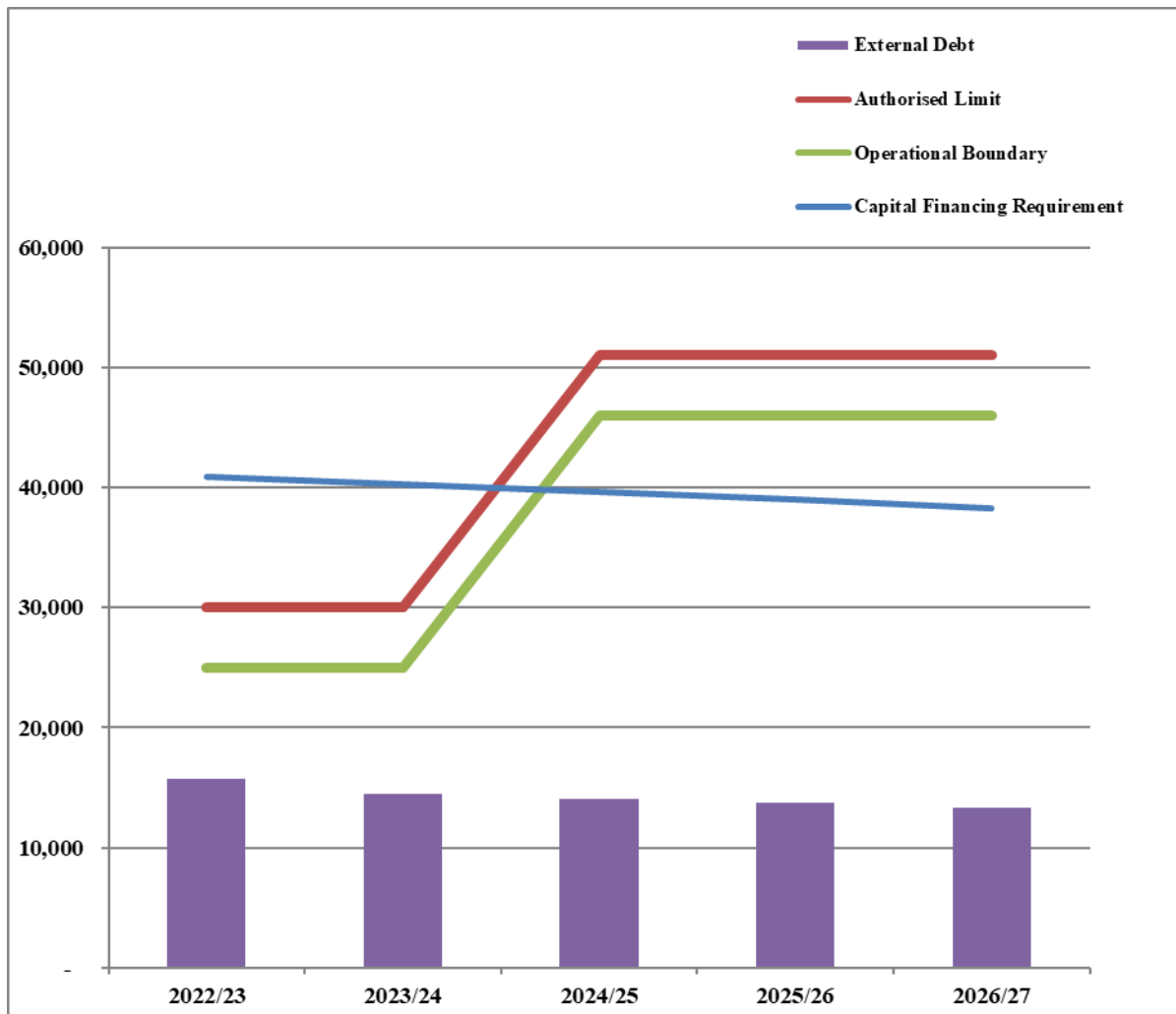
Total debt	25,000	25,000	46,000	46,000	46,000
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48. **The Authorised Limit for external debt.** This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Full Council. It reflects the level of external debt which, while not desired, could be afforded in the short-term, but is not sustainable in the longer-term.

- This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all local council plans, or those of a specific council, although this power has not yet been exercised.
- The Council is asked to approve the following Authorised Limit:

Authorised Limit	2022/23 Actual £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Debt	30,000	30,000	51,000	51,000	51,000
Total	30,000	30,000	51,000	51,000	51,000

Capital Financing Requirement	2022/23 Actual £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
Authorised Limit	30,000	30,000	51,000	51,000	51,000
Operational Boundary	25,000	25,000	46,000	46,000	46,000
Capital Financing Requirement	40,862	40,245	39,615	38,974	38,330
External Debt Under / (over) borrowing	15,769	14,440	14,079	13,711	13,336
Change in External Debt	25,093	25,804	25,536	25,263	24,994
	4,235	(1,329)	(361)	(368)	(376)



Prospects for Interest Rates

49. The council has appointed Link Group as its treasury advisor and part of their service is to assist the council to formulate a view on interest rates. Link provided the following forecasts on 07 November 2023. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

Link Group Interest Rate View	07.11.23												
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
BANK RATE	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.25	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.30	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.40	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.50	3.30	3.30	3.30	3.30	3.30
5 yr PWLB	5.00	4.90	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.60	3.50	3.50	3.50
10 yr PWLB	5.10	5.00	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.70	3.60	3.60	3.50
25 yr PWLB	5.50	5.30	5.10	4.90	4.70	4.50	4.30	4.20	4.10	4.10	4.00	4.00	4.00
50 yr PWLB	5.30	5.10	4.90	4.70	4.50	4.30	4.10	4.00	3.90	3.90	3.80	3.80	3.80

Additional notes by Link on this forecast table: -

- Our central forecast for interest rates was previously updated on 25 September and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by keeping Bank Rate at 5.25% until at least H2 2024. We expect rate cuts to start when both the CPI inflation and wage/employment data are supportive of such a move, and that there is a likelihood of the overall economy enduring at least a mild recession over the coming months, although most recent GDP releases have surprised with their on-going robustness.
- Naturally, timing on this matter will remain one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.
- In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but also international factors such as policy development in the US and Europe, the provision of fresh support packages to support the faltering recovery in China as well as the on-going conflict between Russia and Ukraine, and Gaza and Israel.
- On the positive side, consumers are still anticipated to be sitting on some excess savings left over from the pandemic, which could cushion some of the impact of the above challenges and may be the reason why the economy is performing somewhat better at this stage of the economic cycle than may have been expected. However, as noted previously, most of those excess savings are held by more affluent households whereas lower income families already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

PWLB RATES

50. Gilt yield curve movements have broadened since our last Newsflash. The short part of the curve has not moved far but the longer-end continues to reflect inflation concerns. At the time of writing there is 60 basis points difference between the 5 and 50 year parts of the curve.

The balance of risks to the UK economy:

- The overall balance of risks to economic growth in the UK is to the downside.

Downside risks to current forecasts for UK gilt yields and PWLB rates include:

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, could keep gilt yields high for longer).
- **The Bank of England** has increased Bank Rate too fast and too far over recent months, and subsequently brings about a deeper and longer UK recession than we currently anticipate.

- **UK / EU trade arrangements** – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
- **Geopolitical risks**, for example in Ukraine/Russia, the Middle East, China/Taiwan/US, Iran and North Korea, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates:

- Despite the recent tightening to 5.25%, the **Bank of England proves too timid** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to remain elevated for a longer period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project.
- **The pound weakens** because of a lack of confidence in the UK Government's pre-election fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- Longer-term **US treasury yields** rise strongly if inflation remains more stubborn there than the market currently anticipates, consequently pulling gilt yields up higher. (We saw some movements of this type through October although generally reversed in the last week or so.)
- Projected **gilt issuance, inclusive of natural maturities and QT**, could be too much for the markets to comfortably digest without higher yields compensating.

LINK GROUP FORECASTS

51. We now expect the MPC will keep Bank Rate at 5.25% for the remainder of 2023 and the first half of 2024 to combat on-going inflationary and wage pressures. We do not think that the MPC will increase Bank Rate above 5.25%, but it is possible.

Gilt yields and PWLB rates

52. The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, as inflation starts to fall through the remainder of 2023 and into 2024.

53. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below:

54.

PWLB debt	Current borrowing rate as at 06.11.23 p.m.	Target borrowing rate now (end of Q3 2025)	Target borrowing rate previous (end of Q3 2025)

5 years	5.02%	3.80%	3.90%
10 years	5.15%	3.80%	3.80%
25 years	5.61%	4.20%	4.10%
50 years	5.38%	4.00%	3.90%

55. **Borrowing advice:** Our long-term (beyond 10 years) forecast for Bank Rate has increased from 2.75% to 3% and reflects Capital Economics' research that suggests AI and general improvements in productivity will be supportive of a higher neutral interest rate. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can generally be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates will remain elevated for some time to come but may prove the best option whilst the market continues to wait for inflation, and therein gilt yields, to drop back later in 2024.

56. Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are rounded to the nearest 10bps and set out below. You will note that investment earnings have been revised somewhat higher for all years from 2025/26 as Bank Rate remains higher for longer.

Average earnings in each year	Now	Previously
2023/24 (residual)	5.30%	5.30%
2024/25	4.70%	4.70%
2025/26	3.20%	3.00%
2026/27	3.00%	2.80%
2027/28	3.25%	3.05%
Years 6 to 10	3.25%	3.05%
Years 10+	3.25%	3.05%

57. As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

58. Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

Borrowing Strategy

59. The council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.
60. Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
- *if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.*
 - *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the appropriate decision-making body at the next available opportunity.

Policy on borrowing in advance of need

61. The council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the council can ensure the security of such funds.
62. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

Debt rescheduling

63. Rescheduling of current borrowing in our debt portfolio may be considered whilst premature redemption rates remain elevated but only if there is surplus cash available to facilitate any repayment, or rebalancing of the portfolio to provide more certainty is considered appropriate.
64. If rescheduling is to be undertaken, it will be reported to the Council, at the earliest meeting following its action.

New financial institutions as a source of borrowing and / or types of borrowing

65. Currently the PWLB Certainty Rate is set at gilts + 80 basis points. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – generally still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).
- Municipal Bonds Agency

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

Approved Sources of Long and Short term Borrowing

On Balance Sheet	Fixed	Variable
PWLB	●	●
UK Municipal Bond Agency	●	●
Local Authorities	●	●
Banks	●	●
Pension Funds	●	●
Insurance Companies	●	●
UK Infrastructure Bank	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Stock Issues	●	●
Local Temporary	●	●
Local Bonds	●	
Local Council Bills	●	●

Overdraft		●
Negotiable Bonds	●	●
Internal (capital receipts & revenue balances)	●	●
Commercial Paper	●	
Medium Term Notes	●	
Finance Leases	●	●

Annual Investment Strategy

Investment policy – management of risk

66. The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).
67. The council’s investment policy has regard to the following: -
- DLUHC’s Guidance on Local Government Investments (“the Guidance”)
 - CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the Code”)
 - CIPFA Treasury Management Guidance Notes 2021
68. The council’s investment priorities will be security first, portfolio liquidity second and then yield (return). The council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Council’s risk appetite and the Environmental, Social and Governance (ESG) credentials.
69. In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider “laddering” investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.
70. The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means:

- i. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.
- ii. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the council will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.
- iii. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- iv. This council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in Appendix 5.4 under the categories of ‘specified’ and ‘non-specified’ investments.

Specified investments are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.

Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

- a. **Non-specified and loan investment limits.** The council has determined that it will set a limit to the maximum exposure of the total treasury management investment portfolio to non-specified treasury management investments of 50%.
- b. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
- c. **Transaction limits** are set for each type of investment in 4.2.
- d. This Council will set a limit for its investments which are invested for **longer than 365 days**, (see paragraph 4.4).

- e. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
 - f. This Council has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Council in the context of the expected level of cash balances and need for liquidity throughout the year.
 - g. All investments will be denominated in **sterling**.
71. As a result of the change in accounting standards for 2023/24 under IFRS 9, this Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23. More recently, a further extension to the over-ride to 31.3.25 has been agreed by Government.
72. However, this council will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

Changes in risk management policy from last year

73. The above criteria are unchanged from last year.

Creditworthiness policy

74. This council applies the creditworthiness service provided by the Link Group. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays: -
- 75. "watches" and "outlooks" from credit rating agencies;
 - 76. CDS spreads that may give early warning of changes in credit ratings;
 - 77. sovereign ratings to select counterparties from only the most creditworthy countries.
78. This modelling approach combines credit ratings, and any assigned Watches and Outlooks, in a weighted scoring system which is then combined with an overlay of CDS spreads. The end-product of this is a series of colour coded

bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the council to determine the suggested duration for investments. The council will, therefore, use counterparties within the following durational bands.

- Yellow - 5 years *
- Dark pink - 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
- Light pink - 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
- Purple - 2 years
- Blue -1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange - 1 year
- Red - 6 months
- Green - 100 days
- No colour - not to be used

79. The Link creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

80. Typically, the minimum credit ratings criteria the council uses will be a short-term rating (Fitch or equivalent) of F1 and a long-term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

81. All credit ratings will be monitored << *state how frequently* >>. The Council is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the council will be advised of information in movements in Credit Default Swap spreads against the iTraxx European Senior Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link. Extreme market movements may result in downgrade of an institution or removal from the council's lending list.

82. Sole reliance will not be placed on the use of this external service. In addition, this council will also use market data and market information, as well as information on any external support for banks to help support its decision-making process.

Appendix 1

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

Investment Institution	Colour (and long-term rating where applicable)	Money Limit*	Time limit
Banks	Yellow	£7.5m	5 yrs
Banks	Purple	£7.5m	2 yrs
Banks	Orange	£7.5m	1 yr
Banks – part nationalised	Blue	£7.5m	1 yr
Banks	Red	£7.5m	6 mths
Banks	Green	£7.5m	100 days
Limit 3 category – Authority's banker (where "No Colour")	XXX		1 day
Other institutions limit	-	£7.5m	1yr
DMADF	UK sovereign rating	unlimited	6 months
Local authorities	n/a	£7.5m	1yr
Housing associations	Colour bands	£7.5m	As per colour band

Investment Institution	Fund rating	Money Limit*	Time Limit
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Money Market Funds CNAV	AAA	£7.5m	liquid
Money Market Funds LVNAV	AAA	£7.5m	liquid
Money Market Funds VNAV	AAA	£7.5m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	Dark Pink / AAA	£7.5m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.50	Light Pink / AAA	£7.5m	liquid

83. This Money Limit relates to principal amounts invested and could be exceeded with interest received but consideration will be given to keep this to a minimum and allowable under this Strategy.

84. The current money limits are £7.5m or 20% of the total portfolio (whichever is the lower) at the point of investment.

Creditworthiness.

85. Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. Nonetheless, when setting minimum sovereign debt ratings, this council will not set a minimum rating for the UK.

CDS prices

86. Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government in the autumn of 2022, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the council has access to this information via its Link-provided Passport portal.

Other limits

87. Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

- **Non-specified treasury management investment limit.**
 - a. **Country limit.** The council has determined that it will only use approved counterparties from the UK and from countries with a **minimum sovereign credit rating of AA-** from Fitch. The list of countries that qualify using this credit criteria as at the date of this report are shown in

Appendix 5.6. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

Other limits. In addition:

- i. limits in place above will apply to a group of companies/institutions;
 - ii. sector limits will be monitored regularly for appropriateness.
- Barclays Bank (Hart's own bank) currently have a counterparty limit of £10m due to the working capital that is held within Barclays for events such as payment runs while still providing the council with an investment return.
88. The security and liquidity will be assessed at the time of the transaction, as described within this Annual Investment Strategy. The Environmental, Social and Governance (ESG) assessment needs to be reliable, relevant and practical to administer when making investment decisions. Whilst it is a relatively new area, there are resources available that will help inform officers and enable them to apply the council's ESG criteria. It is proposed, wherever possible, to use this information and include within the investment transaction record. Officers have trialled the use of an online ESG info hub which gives an ESG score for potential counterparties. It is proposed that this becomes a formal stage in the investment procedure. The ESG assessment produces a score on a scale of 1-100 based on four areas; Environment, Employees, Governance, Community. It is proposed that the minimum ESG score threshold is set at 60, below which we wouldn't place an investment. Range 60-79 we would only proceed if the other criteria were met strongly. Range 80-100 would be given equal weight to yield in the overall evaluation.

Investment Strategy

89. **In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate having peaked in the second half of 2023 and possibly reducing as early as the second half of 2024 so an agile investment strategy would be appropriate to optimise returns.
90. Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

Investment returns expectations.

91. The current forecast shown in paragraphs 49-58, includes a forecast for Bank Rate to have peaked at 5.25% in Q4 2023.

92. The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

Average earnings in each year	
2023/24 (residual)	5.30%
2024/25	4.70%
2025/26	3.20%
2026/27	3.00%
2027/28	3.25%
Years 6 to 10	3.25%
Years 10+	3.25%

93. As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

94. For its cash flow generated balances, the council will seek to utilise its business reserve instant access and notice accounts, Money Market Funds and short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

95. **Investment treasury indicator and limit** - total principal funds invested for greater than 365 days. These limits are set with regard to the council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

96. The Council is asked to approve the following treasury indicator and limit:

Upper limit for principal sums invested for longer than 365 days £m	2024/25	2025/26	2026/27
Principal sums invested for longer than 365 days	£10m	£10m	£10m
Current investments as at 30/11/2023 in excess of 1 year maturing in each year	£0m	£0m	£0m

97. For its cash flow generated balances, the council will seek to utilise its business reserve instant access, money market funds and short-dated deposits (overnight to 100 days), in order to benefit from the compounding of interest. The current limit is £7.5m or 20% of the total portfolio (whichever is the lower) at the point of investment and for a period of up to 2 years. This level reflects

much higher investment cash balances, a more limited number of counterparties meeting the Council’s high assessment levels including ESG criteria, and the need to generate yield to support the budget. These levels enable officers to secure high rated investment opportunities and achieve a higher interest rate fixed over a longer period.

End of year investment report

98. At the end of the financial year, the council will report on its investment activity as part of its Annual Treasury Report.

The Capital Prudential and Treasury Indicators 2024/25 - 2026/27

99. The council’s capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members’ overview and confirm capital expenditure plans.

Capital Expenditure

Please see table in paragraph 28.

Affordability prudential indicators

100. The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the council’s overall finances. The Council is asked to approve the following indicators:

Ratio of Financing Costs to Net Revenue Stream

101. This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

Ratio of financing costs to revenue stream	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Ratio of financing costs to revenue stream (%)	(0.51)	1.03	3.25	3.77	3.60

102. The estimates of financing costs include current commitments and the proposals in this budget report.

Maturity structure of borrowing

103. Maturity structure of borrowing. These gross limits are set to reduce the Council’s exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits.

104. The Council is asked to approve the following treasury indicators and limits:

Maturity structure of fixed interest rate borrowing 2024/25	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%

Maturity structure of variable interest rate borrowing 2024/25	Lower	Upper
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%

Control of interest rate exposure

Please see paragraphs 56, 59, 60 and 92.

Treasury Management Practice (TMP) - Credit and Counterparty Risk Management

105. **SPECIFIED INVESTMENTS:** All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.)

106. **NON-SPECIFIED INVESTMENTS:** These are any investments which do not meet the specified investment criteria. If they do not meet the criteria solely because they have an initial period of more than one year, the Council will consider them.

107. A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories.

108. The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Investment Type	Minimum credit criteria / colour band	Max % of total investments / £ limit per institution	Max. maturity period
DMADF – UK Government	Yellow	100%	6 months (max. is set by the DMO*)
UK Gilts	Yellow	100%	5 years
UK Treasury Bills	Yellow	100%	364 days (max. is set by the DMO*)
Bonds issued by multilateral development banks	Yellow	£5m	5 years
Money Market Funds CNAV	AAA	100%	Liquid
Money Market Funds LNAV	AAA	£5m	Liquid
Money Market Funds VNAV	AAA	£5m	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	100%	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	100%	Liquid
Local Authorities	Yellow	100%	5 years
Term Deposits with Housing Associations	Blue Orange Red Green No Colour	£7.5m**	12 months 12 months 6 months 100 days Not for use
Term Deposits with Banks and Building Societies	Blue Orange Red Green No Colour	£7.5m**	24 months 12 months 6 months 100 days Not for use
CDs or Corporate Bonds with Banks and Building Societies	Blue Orange Red Green No Colour	£7.5m**	12 months 12 months 6 months 100 days Not for use

Gilt Funds	UK sovereign rating	£5m	
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* DMO – is the Debt Management Office of HM Treasury

**Or 20% of total investment balance at the time of the transaction, whichever is the lower

Accounting treatment of investments

109. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

Link list of approved countries for investments (as at 30.11.2023)

110. This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link creditworthiness service.

Based on lowest available rating

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)

AA-

- Belgium
- France
- Qatar
- **U.K.**

Treasury Management Scheme of Delegation

111. The bodies responsible for various functions are as follows:

Council

- receiving and reviewing reports on treasury management policies, practices, and activities.
- approval of annual strategy.

Cabinet

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices.
- budget consideration and approval.
- approval of the division of responsibilities.
- receiving and reviewing regular monitoring reports and acting on recommendations.
- approving the selection of external service providers and agreeing terms of appointment.

Overview & Scrutiny Committee

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

The Treasury Management Role of the section 151 officer

112. The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance.
- submitting regular treasury management policy reports.
- submitting budgets and budget variations.
- receiving and reviewing management information reports.
- reviewing the performance of the treasury management function.
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- ensuring the adequacy of internal audit, and liaising with external audit.
- recommending the appointment of external service providers.

- preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe (*say 20+ years – to be determined in accordance with local priorities.*)
- ensuring that the Capital Strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money.
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the council.
- ensure that the council has appropriate legal powers to undertake expenditure on non-financial assets and their financing.
- ensuring the proportionality of all investments so that the council does not undertake a level of investing which exposes the council to an excessive level of risk compared to its financial resources.
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities.
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees.
- ensuring that members are adequately informed and understand the risk exposures taken on by the council.
- ensuring that the council has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following:
 - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
 - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*
 - *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
 - *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*

- *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

Minimum Revenue Provision (MRP) for Debt Repayment

113. In accordance with the Local Authorities (Capital Finance and Accounting) (England) regulations 2003, the council is required to pay off an element of accumulated General Fund capital expenditure financed from borrowing through an annual revenue charge known as the Minimum Revenue Provision (MRP).
114. The Local Authorities (Capital Finance and Accounting) (England) (Amendment) regulations 2008 require the council to determine a level of MRP it considers to be prudent, whilst having regard to the current MRP Guidance issued by MHCLG (now renamed DLUHC) in 2018. The Guidance gives four ready-made options for determining MRP which it considers to be prudent but does not rule out alternative approaches.
115. The overriding requirement of the Guidance is to set a prudent provision which ensures that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.
116. The Guidance requires that before the start of each financial year the council prepares a statement of its policy on making MRP in respect of the forthcoming financial year and submits it to full Council for approval.
117. The Guidance allows the council to change the MRP policy at any time during the year.
118. The Government has recently consulted on changes to the MRP regulations with an intention to make explicit that (i) capital receipts may not be used in place of the revenue charge, and (ii) there should be no intentional exclusion of debt from the MRP determination because it relates to an investment asset or capital loan. Following the consultation, the government issued a further survey seeking views on further proposed amendments to the MRP regulations that would provide additional flexibilities with respect to capital loans.

Method for calculating MRP.

The Council recently changed to an annuity method over the asset life, having the benefit of a reduction in MRP charges in the near term in line with the MRP guidance.

An annuity method is as prudent as the straight-line method since the asset lives used have not changed. It can be argued that the annuity method provides a fairer charge than the straight-line method since it results in a consistent charge over the asset's life, considering the time value of money.

Link have carried out extensive research on current MRP policies in England and have observed that the annuity method of calculating MRP on unsupported borrowing is used by over 50% of Authorities throughout the country.

Main advantages of the annuity in method:

- The annuity method of charging MRP can be seen as a more prudent basis for providing for capital expenditure which provides a steady flow of benefits over their useful life.
- It can provide a fairer charge than a straight-line methodology as it provides a consistent charge over an asset's life when considering the time value of money.
- It provides a charge that is better matched to how the benefits of the asset financed by borrowing are consumed over its useful life. That is, a method that reflects the fact that asset deterioration is slower in the early years of an asset and accelerates towards the latter years.
- A weighted average method of calculation is a much simpler calculation than the current method, providing for more concise and user-friendly working papers.

Main disadvantages of the annuity in method:

- The Capital Financing Requirement in the short-term reduces more slowly than under the straight-line MRP policy. The potential associated cost will depend on the council's Balance Sheet position.

The MRP guidance allows the council to review its MRP policy every year and set a policy that it considers prudent at that time. The impact of the MRP calculation methodology will be kept under regular review to ensure that the annual provision is prudent.

Hart District Council - Draft Capital Strategy

1 Purpose and Aims

- 1.1. The Chartered Institute of Public Finance and Accountancy updated the Prudential Code for Capital Finance in Local Authorities in December 2021. This code sets out a framework that helps local authorities with strategic planning, asset management planning and proper option appraisal.
- 1.2. The Prudential Code ensures that local authorities' capital expenditure plans are affordable, prudent, and sustainable. It also ensures that treasury management decisions are made based on good professional practice and a clear understanding of the associated risks.
- 1.3. Authorities must assess their capital expenditure and investment plans, considering their overall organisational strategy and available resources. They should ensure that their decisions take into account the long-term financial implications and potential risks to the authority.
- 1.4. Authorities must have a capital strategy to ensure that they make capital expenditure and investment decisions in line with service objectives. The strategy should consider stewardship, value for money, prudence, sustainability, and affordability and take into account both risks and rewards. It should comply with the Prudential Code of Practice by CIPFA and government guidance.

2. Strategic Context for Capital Strategy

Corporate Plan 2023-27

- 2.1 The Corporate Plan 2023-2027 is a strategic document that outlines the Council's direction, priorities and activities and guides the allocation of its resources.
- 2.2 The main themes and priorities are:
 - Planet - Sustainability and Climate Emergency: A carbon neutral and climate resilient council by 2035
 - People - fair treatment for all, help for those in need, and a sustainable economy that makes Hart a great place to live and work
 - Place - delivering warmer, better homes in sustainable locations that people can afford to live in
 - Delivered by a resilient and financially sound Council - Your services: getting it right first time and delivering what matters to you.
- 2.3 To support the delivery of the Corporate Plan it is essential that necessary long term fixed assets continue to be made available. The provision of long-term assets is further defined as a capital expenditure.

3 What is Capital Expenditure

- 3.1 To fully benefit from the Prudential framework, it's important to understand what counts as capital expenditure. If an expense doesn't qualify as capital, it won't fall under the framework and will be charged to revenue during the period in which it was incurred. However, if an expense is considered capital, there may be opportunities to finance it through capital receipts or by spreading the cost over future years' revenues.
- 3.2 There are three ways in which expenditure can qualify as capital under the framework:

- The expenditure should result in the acquisition, construction, or improvement of fixed assets, both tangible and intangible. Improvement is when the capital expenditure significantly extends the useful life of the asset, increases its value, or enhances its ability to support the functions of the Council.
- The expenditure meets one of the definitions specified in regulations made under the 2003 Local Government Act.
- The Secretary of State makes a direction that the expenditure can be treated as capital expenditure.

The council often has projects that are not part of the regular operational services, but they do not meet all of the criteria for capital projects. These projects are often included in the Capital Programme, and the principles of this capital strategy apply to them.

4. Capital Investment Objectives

- 4.1 Restrictions on council borrowing prohibit investments in land or buildings for yield. No yield-based investments are allowed in the Capital Programme for three years, and no alternative financing options. Non-compliance will result in repayment of PWLB borrowing and may prevent future access to PWLB.

The key objectives of capital investment are to:

- **Support service delivery** in line with the Council's strategic objectives including enhancing Hart's digital offer to customers.
- **Support regeneration, economic development and affordable housing provision** working in partnership with other organisations where necessary and attracting external funding where possible.
- **Implementation of the Climate Change Strategy.** The Council has a target to achieve its net zero-carbon target. It will achieve this through various measures and an action plan will be developed early in 2023.
- **Supporting local communities.** Working with partners and utilising external funding where possible, including SANG and S106 funding.
- **Supporting healthy and independent lives.** The ongoing use of Disabled Facility Grants as part of the Improved Better Care Fund will be instrumental in this.
- **Facilitate the generation of income.** From existing commercial assets or service-based assets capable of generating income.
- **Enhance value for money** by helping to reduce or avoid costs and future liabilities.

It is anticipated that the capital investment will fall into four main categories based on these objectives:

- Assets owned by the Council to support the direct delivery of services by the Council itself.
- Assets owned by the Council to support the delivery of services by third parties where there is a strategic need/advantage in continuing to own the assets.
- Assets held for the purposes of regeneration or economic development.
- Assets currently held for a financial return to support the financial resilience of the Council.

In some cases, the Council may invest in assets owned by third parties to achieve their objectives or comply with the law.

- 4.2 The Council will comply with paragraph 51 of the Prudential Code in relation to any new investments for commercial purposes and will not borrow to invest primarily for yield.

5 Approach to Capital Investment

- 5.1 The Council's approach to capital investment aims to ensure that:
- Capital expenditure contributes to the achievement of the strategic plan.
 - An affordable and sustainable capital programme is delivered.
 - Value for money is achieved.
 - A clear framework for making capital expenditure decisions is provided.
 - A corporate approach to generating capital resources is established.
 - Sufficient long-term assets to provide services are acquired and retained.
 - Invest to save initiatives to make efficiencies within the Council's revenue budget are encouraged.
 - An appraisal and prioritisation process for new schemes is robust including appropriate due diligence and external expert advice.
 - Effective governance is in place for projects

6 Governance Arrangements

- 6.1 The Council's Constitution and Financial Regulations govern the capital programme:
- All schemes are formally approved into the capital programme by following a process as set out in the financial regulations.
 - All capital expenditure must be carried out in accordance with the Financial Regulations and the Council's Constitution.
 - The expenditure must comply with the statutory definition of capital purposes as defined within this document and wider financial standards.
 - Capital Programme approved by Full Council as part of the Council's annual budget report sets the capital funding availability for the Council, the prioritisation of funding and the schemes receiving entry into the Capital Programme.
 - Officers are not authorised to commit expenditure without prior formal approval as set out in the financial regulations.
 - Each scheme must be controlled by a responsible person/project manager.
 - Any agreements (such as section 106) which contractually commit to procure capital schemes will need to follow the same approval process as other capital expenditures before they can be formally incorporated into the capital programme.
 - Capital expenditure on Commercial projects may be approved subject to specific Cabinet approval supported by a business case and appropriate property and legal advice.

7 Capital Funding

- 7.1 The Council's Capital Programme is funded from a mix of sources, including:

Grant Funding - Capital purposes are often the reason for funding, which may come from the central government or other agencies.

Capital Receipts - Receipts received from selling assets can only be used to fund new assets and are kept in a Capital Receipts Reserve.

Developer Contributions - S106 agreements. These agreements can include SANG receipts and are typically related to specific capital investment projects. If they are more general, the Council will use the funding to meet its capital investment priorities as long as they meet the conditions of the S106 agreement.

Partner Contributions - Some projects may be jointly funded by the Council and other agencies, including other councils.

Prudential Borrowing - The Council has the option to borrow funds for its capital expenses from both internal and external sources. However, it must ensure that the revenue financing costs of such borrowing are affordable and sustainable. The Government's guidelines and the CIPFA Prudential Code for Capital Finance in Local Authorities will be taken into consideration when deciding on prudential borrowing as a source of capital funding.

Revenue Contributions to Capital - the Council can use its revenue resources to fund its capital expenditure.

Use of Earmarked Reserves – where resources have been approved by Council for a specific purpose

Leasing - a specialised form of borrowing linked directly to the rental of an asset.

- 7.2 The capital programme and its projects' funding options depend on various factors, such as the availability of resources and constraints applicable to specific sources. The funding preference is for external resources like partner contributions or grants. Borrowing, either internally or externally, is the second choice. It will be used only if there is a business case. In case other funding sources are unavailable, the council's resources, including capital receipts and revenue contributions, will be utilized, if affordable.

8 Capital Risks

- 8.1 The Council will assess capital risks and determine its risk tolerance based on the investment proposal's specific circumstances. Key capital risks are associated with the Council's capital strategy.
- **Cost Inflation** – Reducing real terms value of capital budgets
 - **Availability of materials and labour** – affecting delivery times and tender prices
 - **Capital Maintenance** – Deterioration of assets if insufficient maintenance. Condition surveys are important to aid revenue budgeting and capital investment plans
 - **Availability of external funding** – ensuring the Council spots opportunities and responds quickly
 - **Project management skills and capacity** – to produce bids and ongoing management and delivery
 - **Capital Slippage** – If capital expenditure isn't profiled accurately, then there is the risk of significant underspend against the programme, which delays benefits and ties up resources
 - **Interest Rate Increases** – Affecting viability of schemes.

ECONOMIC BACKGROUND

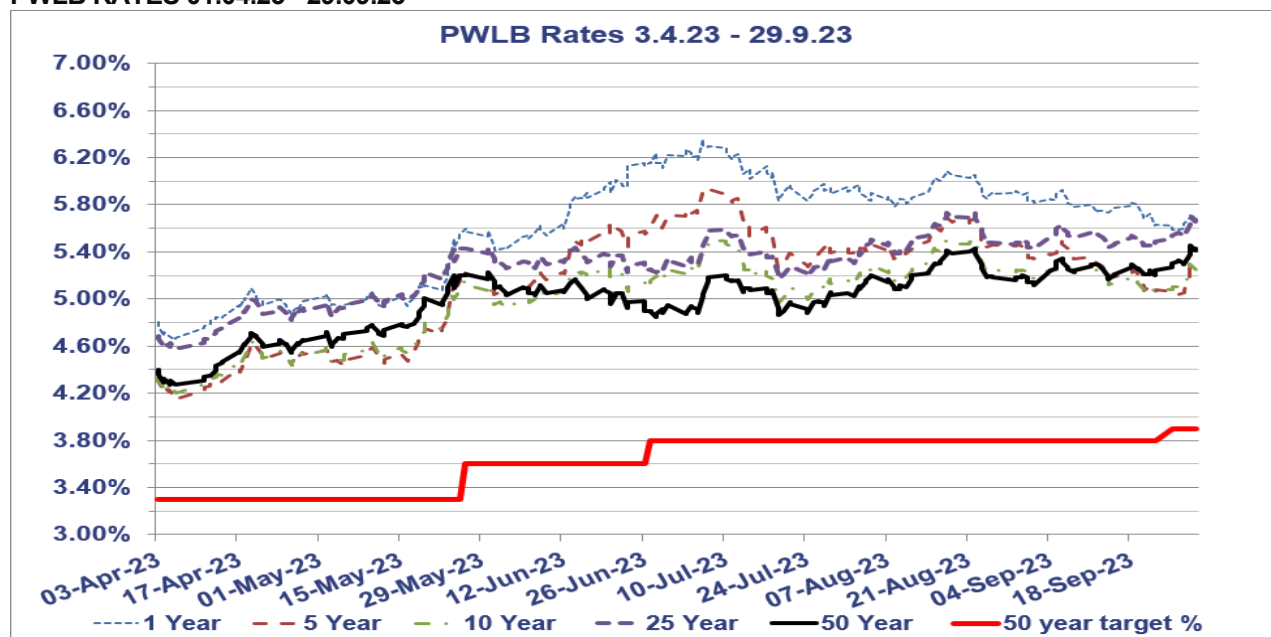
- 1 The first half of 2023/24 saw:
 - Interest rates rise by a further 100bps, taking Bank Rate from 4.25% to 5.25% and, possibly, the peak in the tightening cycle.
 - Short, medium and long-dated gilts remain elevated as inflation continually surprised to the upside.
 - CPI inflation falling from 8.7% in April to 6.7% in September, its lowest rate since February 2022, but still the highest in the G7.
 - Core CPI inflation declining to 6.1% in September from 7.1% in April and May, a then 31 years high.
 - A cooling in labour market conditions, but no evidence yet that it has led to an easing in wage growth (as the 3myy growth of average earnings rose by 7.8% for the period June to August, excluding bonuses).
- 2 The registering of 0% GDP for Q3 suggests that underlying growth has lost momentum since earlier in the year. Some of the weakness in July was due to there being almost twice as many working days lost to strikes in July (281,000) than in June (160,000). But with output falling in 10 out of the 17 sectors, there is an air of underlying weakness.
- 3 The fall in the composite Purchasing Managers Index from 48.6 in August to 46.7 in September left it at its lowest level since COVID-19 lockdowns reduced activity in January 2021. At face value, it is consistent with the 0% q/q rise in real GDP in the period July to September, being followed by a contraction in the next couple of quarters.
- 4 The 0.4% m/m rebound in retail sales volumes in August is not as good as it looks as it partly reflected a pickup in sales after the unusually wet weather in July. Sales volumes in August were 0.2% below their level in May, suggesting much of the resilience in retail activity in the first half of the year has faded.
- 5 Over the next six months, the economy may slow down and possibly experience a mild recession because of higher interest rates. However, the economy has been supported by strong labour demand, fast wage growth, and government handouts over the past year. Although the cost-of-living crisis is behind us, the phasing out of financial support packages provided by the government during the energy crisis means real incomes are unlikely to grow strongly. Moreover, higher interest rates will soon have a stronger impact. We expect interest rates to remain at a peak of 5.25% until the second half of 2024, and mortgage rates are likely to stay above 5.0% for around a year. On the bright side, CPI inflation has peaked and is expected to decline further.
- 6 Employment fell by 207,000 between May and July 2021, and job vacancies decreased from 1.017 million in July to 0.989 million in August. The job vacancy rate was 3.0% in July and is expected to have decreased to 2.9% in August, indicating slower wage growth. The labour supply is still 0.3% lower than its pre-pandemic level in February 2020.
- 7 The cooling in the labour market conditions hasn't yet caused a decrease in wage growth. The 3-month year-on-year rate increased by 7.8% from June to August, which means that UK wage growth is still much faster than in the US and the Eurozone. Additionally, the Bank of England's closely monitored measure of regular annual average total pay growth for the private sector was 7.1% in June to August 2023. However, for the public sector, it was 12.5%, which is the highest total pay annual growth rate since comparable records began in 2001. Nevertheless, this is influenced by the NHS and civil service one-off non-consolidated payments made in June, July,

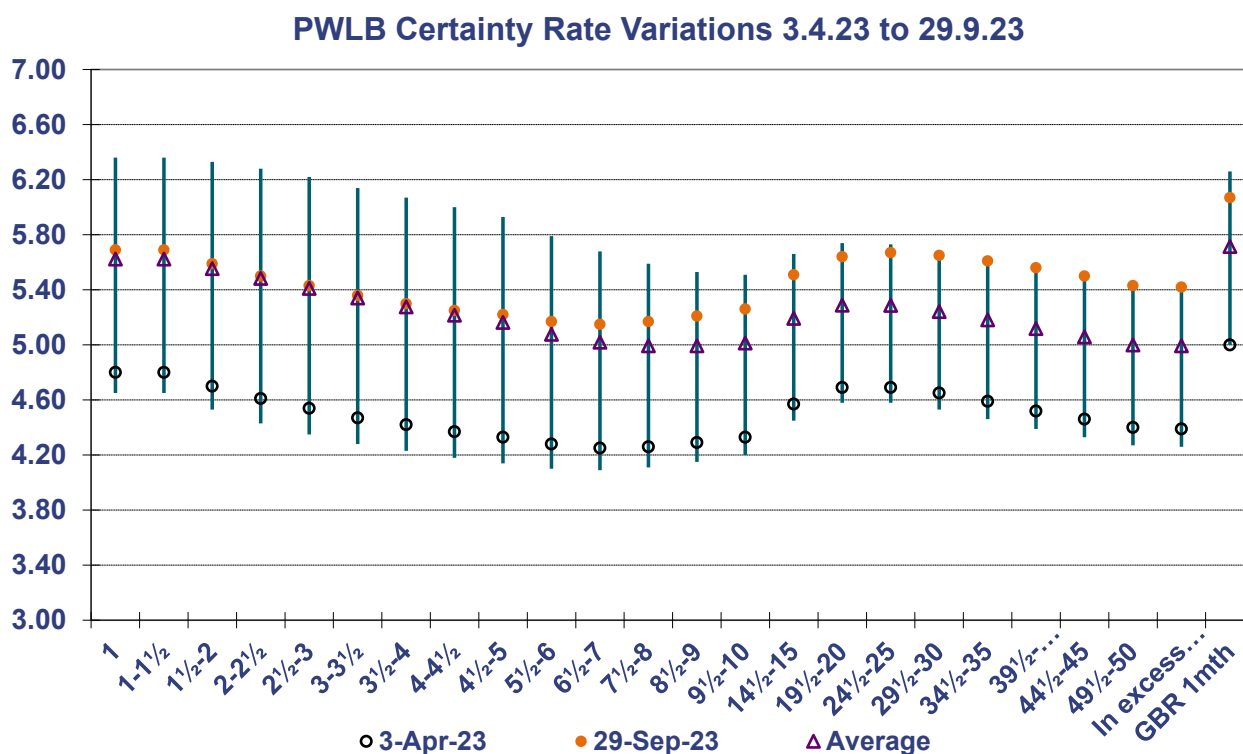
and August 2023. The Bank of England’s prediction was for private sector wage growth to fall to 6.9% in September.

- 8 CPI inflation declined from 6.8% in July to 6.7% in August and September, the lowest rate since February 2022. The biggest positive surprise was the drop in core CPI inflation, which declined from 6.9% to 6.1%. That reverses all the rise since March.
- 9 In its latest monetary policy meeting on 06 November, the Bank of England left interest rates unchanged at 5.25%. The vote to keep rates on hold was a split vote, 6-3. It is clear that some members of the MPC are still concerned about the stickiness of inflation.
- 10 The Bank of England wants to keep markets believing in a higher-for-longer narrative. It hinted at further tightening in monetary policy if there are more persistent inflationary pressures. The Bank aims to squeeze inflation out of the economy and maintain a restrictive monetary policy for an extended period of time.
- 11 This explanation is logical because the Bank of England doesn't want the markets to assume that a peak in interest rates will be promptly followed by rate cuts. Doing so would ease financial conditions and hinder the Bank's efforts to tackle inflation. The Bank's language also allows it to be adaptable to changing circumstances. If there is a resurgence in services inflation, another increase in wage growth, or a further rise in oil prices, it could potentially be required to raise interest rates in the future.

In the table below, the rise in gilt yields across the curve as a whole in 2023/24, and therein PWLB rates, is clear to see.

PWLB RATES 01.04.23 - 29.09.23





HIGH/LOW/AVERAGE PWLB RATES FOR 01.04.23 – 29.09.23

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.14%	4.20%	4.58%	4.27%
Date	06/04/2023	06/04/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.51%	5.73%	5.45%
Date	06/07/2023	07/07/2023	22/08/2023	17/08/2023	28/09/2023
Average	5.62%	5.16%	5.01%	5.29%	5.00%
Spread	1.71%	1.79%	1.31%	1.15%	1.18%

The peak in medium to longer dated rates has generally arisen in August and September and has been primarily driven by continuing high UK inflation, concerns that gilt issuance may be too much for the market to absorb comfortably, and unfavourable movements in US Treasuries.

The S&P 500 and FTSE 100 have struggled to make much ground through 2023.

CENTRAL BANK CONCERNS

Currently, the Fed has pushed up US rates to a range of 5.25% to 5.5%, whilst the MPC followed by raising Bank Rate to 5.25%. EZ rates have also increased to 4%, with further tightening a possibility.

Ultimately, however, from a UK perspective it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also).

HART REPRESENTATIVES ON OUTSIDE BODIES 2023/24

Outside Bodies	No. of Representatives	23/24 Representatives
Basingstoke Canal Joint Management Committee	2 Councillors (normally taken from Wards that include the line of the Canal)	1. Wildsmith 2. Southern
Blackbushe Airport Consultative Committee	2 Councillors	1. Crisp 2. Quarterman
Blackbushe Metals Liaison Panel	2 Councillors	1. Crisp 2. Harward
Blackwater Valley Advisory Committee for Public Transport	2 Councillors	1. Oliver 2. Woods
Blackwater Valley Recreation & Countryside Management Committee	2 Councillors (1xCabinet Member)	1. Neighbour 2. Woods
Citizens Advice Hart	1 Councillor (1xCabinet Member)	Bailey
Crookham Almshouse Charity (Trustee)	1 Councillor	Butler
District Health and Wellbeing Forum	1 Councillor	Bailey
Enterprise M3 Leaders Board	1 Councillor (Leader)	Neighbour
Farnborough Aerodrome Consultative Committee (FACC)	2 Councillors	1. Radley 2. Dorn
Fleet Business Improvement District	1 Councillor	Davies
Fleet, Crondall and Crookham Welfare Trust	1 Councillor	Wright
Fleet Pond Society	1 Councillor 1 Reserve Councillor	Wildsmith Reserve: Wright
Hampshire Police and Crime Panel	1 Councillor	Oliver Reserve: Bailey
Hart Voluntary Action	1 Councillor (1xCabinet Member)	Bailey Reserve: Worlock
LGA General Assembly (Annual Event)	1 Councillor (Leader or Deputy Leader)	Neighbour
Local Government Association HIOW and District Councils Network	1 Councillor 1 Reserve (Leader & Deputy Leader)	Neighbour Reserve: Oliver

Military Community Covenant	1 Councillor	Dorn
North East Hampshire CPRE	1 Councillor (Observer)	Clarke
North Hampshire Road Safety Council	1 Councillor 1 Reserve	Oliver Reserve: Butcher
Project Integra Strategy Board	1 Councillor 1 Reserve Councillor (2xCabinet Members)	Quarterman Reserve: Neighbour
Safer North Hampshire Community Safety Partnership	1 Cabinet Member	Oliver
South East England Councils (SEEC)	1 Councillor 1 Reserve Councillor	Neighbour Reserve: Radley
Thames Basin Heaths – Joint Strategic Partnership	1 Councillor 1 Reserve Councillor	Radley Reserve: Southern
Thames Basin Heaths Strategic Access Mgmt and Monitoring Project Board	1 Councillor 1 Reserve Councillor	Southern Reserve: Radley
Vivid Housing Association	1 Councillor	Bailey Reserve: Executive Director for Communities.

Agreed at Cabinet Meeting, 01.06.23