

# Public Document Pack

## COUNCIL

**Date and Time:** Thursday 24 February 2022 at 7.00 pm

**Place:** Council Chamber

**Present:**

## COUNCILLORS -

Ambler (Chairman)

Axam	Crisp	Kinnell
Bailey	Crookes	Lamb
Blewett	Davies	Neighbour
Butcher	Delaney	Oliver
Butler	Dorn	Quarterman
Clarke	Drage	Radley
Coburn	Farmer	Smith
Cockarill	Forster	Southern
Collins	Harward	Wildsmith
Crampton	Kennett	Worlock

### Officers Present:

Patricia Hughes	Joint Chief Executive
Emma Foy	Head of Corporate Services & S151 Officer
Lee Rome	Committee Services Officer

## 61 MINUTES OF PREVIOUS MEETING

The Minutes of the Council Meeting held on 27 January 2022 were confirmed and signed as a correct record.

## 62 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Wheale and Wright.

## 63 DECLARATIONS OF INTEREST

No declarations were made.

## 64 COUNCIL PROCEDURE RULE 12 - QUESTIONS BY THE PUBLIC

Questions had been received from Christine Strudwick, Angela McFarlane and David Turver, details of which are set out in Appendix A attached to these minutes.

## 65 COUNCIL PROCEDURE RULE 14 - QUESTIONS BY MEMBERS

No questions had been received from Members.

## 66 CHAIRMAN'S ANNOUNCEMENTS

The Chairman announced that he conducted the following visits:

11 February 2022 - Mayor of Havant's Valentine's Dinner Dance  
24 February 2022 - Mayor of Fareham's Civic Afternoon

## 67 CABINET MEMBERS' ANNOUNCEMENTS

The Leader of the Council, **Councillor Neighbour** reflected upon the events in Ukraine and how it puts everything else into context.

He announced that the UK shared prosperity fund had been announced by the government. It is a £2.6 billion fund allocated by a funding formula. We do not know how much the Council will receive but a local investment plan must be in place by the summer and more announcements will be made when information comes from the Government. Spending must improve pride in Place and improve life chances.

**Councillor Bailey** announced:

“Many of us know Liz Glen who after 6 years with the council is moving on tomorrow Liz has made a huge impact on the lives of some of our residents with the initiatives she has worked on, across many of the services we provide. I am particularly grateful for the work in the last 2 years, mobilising volunteers and services to make the Hart Response Hub work, supporting vulnerable residents through covid.

All Members had an email last week from the Housing Team updating on progress on implementing new housing IT. The new system will transform the experience that residents in need of social housing and those facing homelessness have when contacting us.

In June and July Year 6 students will have access to “Think Safe” an active safety training programme in which children take part in mock ups of dangers they may face in everyday day life and learn through experience how to deal with them. Our “Stay Safe” offering to secondary schools covering exploitation, substance misuse, knife crime and domestic abuse is also well underway for delivery in May and has been signed up to by 4 out of the 5 secondary schools.

And finally, I would like to make an announcement about our CCTV service Members will be aware that the council provides CCTV's 365 days a year that prevent and deter crime, disorder, and anti-social behaviour. The cameras are supported by a state-of-the-art control centre providing coverage 24 hours a day seven days a week. The cameras act as both a deterrent as well as a tool to

help the police proceed to successful prosecutions. Any suggestion that the cameras are not being effective is misleading. It is in that context that I want to refute any suggestion given to local residents that a large proportion of the cameras are not working is simply not true.”

Councillor Bailey’s comments on Liz Glenn were echoed and supported.

Members discussed the Housing IT system changes, and a written response would be provided on whether it would affect the impending bidding process.

The CCTV provision and performance were discussed. Faults, data accuracy and the staffing hours of the CCTV Control Centre were raised and requests for the further sharing of performance data (including historical) were made. A visit for Members to the Control Centre was discussed and deemed possible. It was also suggested that a presentation could be given to Members in the future by the CCTV Control Team.

**Councillor Kinnell** announced:

“I wouldn’t normally answer a question sent to me by a Councillor as part of my announcements at a Full Council meeting, but since this is in the public domain and is quite alarming, I feel it must be addressed formally. I was sent a question by Cllr Forster, once again denigrating our dog warden service provided by SDK Environmental and our Environment Health Team, claiming that there have been multiple reports of a dangerous dog off the lead in Fleet high street over recent weeks. He states that these incidents have been referred to the police, which is of course, the correct course of action, but then goes on to say that the police response was to state that they would not be responding to the reports and that it was Hart District Councils responsibility to deal with these issues.

We spoke with our Environmental Health Manager and our community safety teams, and we contacted our local police colleagues about these claims, and we were advised categorically, that there had been no reports of dangerous dogs on Fleet High Street. We were advised of one report of a dangerous dog in another part of the district, but we were assured that PC Dan Lehec is dealing with the incident. So, contrary to Cllr Forster’s claims, there has been no dereliction of police responsibility.

Cllr Forster also claimed that our in-house dog warden would have been involved and taken action. This is incorrect. It is the police who decide on the course of action as per The Dangerous Dogs Act 1991. DEFRA states in its Guidance on Dangerous Dogs that, “It is vital that every police service within the UK has a good, robust strategy and policy for dealing with dangerous dogs.”

Cllr Forster claimed in the same email that my words are hollow. This is not true; my words are the truth. I don’t lie to residents, neither do I create horror stories and scaremonger, manipulating the truth thereby causing unnecessary fear to our residents by using exaggerated rumours of impending danger. It is

disgraceful behaviour by an elected representative and something you should be ashamed of.

Whilst on this subject, I would also like to address the comment posted on social media by Cllr Forster's protégée, Cllr Butcher, who just a couple of days ago, claimed, quote "that the dog warden service has had half its capability removed." Despite previous statements explaining everything our dog warden service covers, either Cllr Butcher still genuinely does not understand the service or he too, is clearly not telling the truth to residents.

As Councillors we have a responsibility to the public to provide facts rather than speculation and unsubstantiated statements which only undermine the hard work of our officers on a daily basis. If Councillors choose to ignore the facts and mislead their residents, they are failing in their role as an elected member. I would like a list of the 50% of the service we are not doing."

Members raised objections about the nature and tone of the announcement and were advised that they could seek recourse through the available complaint procedures.

**Councillor Oliver** announced:

"In support of Fleet Town Council and the newly formed Fleet Market CIC I intended to bring a paper to Cabinet at the earliest opportunity to waive the 22/23 £6K lease payment for Gurkha Square to hold Saturday Markets. As the relaunch of the Market is imminent, I have agreed with my Cabinet colleagues that it should now be through an Executive Decision by the Finance Portfolio holder to ensure a speedy resolution. This is in addition to the reduction of £6K already given to Fleet Town Council in March 21 on the agreed lease arrangement of £12K per annum for Saturday markets. This brings HDC Saturday Market fees for the use of Gurkha Square to zero. As a Council we are committed to helping and supporting our High Streets to thrive and serve our communities, but we also have to be mindful of funding and balancing the books. Having been involved through my Fleet Town Council position in its inception I am confident that the new and relaunched market will be successful and drive footfall to Fleet High Street and additional parking visits to our other car parks. We should all wish them every success."

## **68 CHIEF EXECUTIVE'S REPORTS**

The **Joint Chief Executive** reported that Members had all received notice of a recent urgent decision taken to continue to appoint Public Sector Auditor Appointments, to procure our external audit services on our behalf, and that this urgent decision would be reported in due course to Cabinet and Audit Committee.

She also announced that due to the relaxation of COVID rules, that the Hart District Council Offices Reception would return to normal opening hours.

**69 MINUTES OF COMMITTEES**

**Cabinet (draft) 3 Feb 2022**

No questions were asked.

**Extra Cabinet (draft) 8 Feb 2022**

No questions were asked.

**Planning 12 Jan 2022**

No questions were asked.

**Overview & Scrutiny 18 Jan 2022**

No questions were asked.

**Staffing 17 Jan 2022**

No questions were asked.

**Staffing (draft) 10 Feb 2022**

No questions were asked.

**70 PAY POLICY STATEMENT FINANCIAL YEAR 2022/23**

The Chair of the Staffing Committee introduced and moved the recommendation.

**DECISION**

- i. That the Pay Policy 2022/2023 was approved.
- ii. That Council approved an increase of staff salaries by 1.75% from 1<sup>st</sup> April 2022.

**71 FUTURE OF CAB YATELEY BUILDING**

The Cabinet Member for Finance & Corporate Services introduced and moved the recommendation.

**DECISION**

That subject to the conclusion of the lease arrangements with Hart Citizens Advice, as set out in appendix 1 (of the report to Cabinet), that their core grant is increased to £220K.

**72 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY**

The Cabinet Member for Finance & Corporate Services introduced and moved the recommendation.

## DECISION

That the Treasury Management Strategy Statement, Annual Investment Strategy and Capital Strategy was approved.

### 73 OUTSIDE BODIES - FEEDBACK FROM MEMBERS

No feedback was provided.

### 74 BUDGET 2022/23

The Cabinet Member for Finance & Corporate Services introduced and moved the recommendation. Changes were made to point xiv of the recommendation and an additional point xv prior to debate (and as outlined in the decision below).

An amendment to include an extra recommendation was tabled as follows:

*“That all non-exempt households in Hart District Council Tax Bands A-D receive a one-off £10 rebate in the financial year 2022/23, which will not need to be repaid, and that this is funded by a reallocation of the £250K growth fund currently allocated to the Climate Change Emergency.”*

Members debated the amendment in respect to the current cost of living crisis, central government support, the costs of the rebate and the money in the budget allocated to the Climate Change Emergency.

A recorded vote was held on the proposed amendment, which was rejected by Council, with the votes recorded as follows:

**For:** Butcher, Coburn, Crampton, Crookes, Dorn, Farmer, Forster, Southern, Warlock.

**Against:** Ambler, Aham, Bailey, Blewett, Butler, Clarke, Cockarill, Collins, Crisp, Davies, Delaney, Drage, Harward, Kinnell, Lamb, Neighbour, Oliver, Quarterman, Radley, Smith, Wildsmith.

**Abstentions:** Kennett.

Further discussion and debate continued in the following areas:

- Leisure VAT tax relief.
- Other Hart Food Banks.
- Here 4 Hart and other community support initiatives.
- Current climate changes plans, spending and the use of consultants.

After the debate, a recorded vote was taken on the recommendation as originally moved.

**For:** Ambler, Aham, Bailey, Blewett, Butler, Clarke, Cockarill, Collins, Crisp, Davies, Delaney, Drage, Harward, Kennett, Kinnell, Lamb, Neighbour, Oliver, Quarterman, Radley, Smith, Wildsmith.

**Against:** Crampton, Dorn, Farmer, Forster, Southern.

**Abstentions:** Butcher, Coburn, Crookes, Worlock.

## **DECISION**

- i. That the Council Tax Base for 2022/23 be:
  - a) for the whole Council area as 41,815.86 [Item T in the formula in Section 31B(1) of the Local Government Finance Act 1992, as amended (the "Act")]; and
  - b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix 1A.
- ii. The Council Tax requirement for the Council's own purposes for 2022/23 (excluding Parish precepts) is £7,812,875.28
- iii. That the following amounts be calculated for the year 2022/23 in accordance with Sections 31 and 34 to 36 of the Act:
  - a) £45,450,983, being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
  - b) £33,943,563, being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
  - c) £11,507,420, being the amount by which the aggregate at 2.3(a) above exceeds the aggregate at 2.3(b) 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).
  - d) £275.19, being the amount at 2.3(c) above (Item R), all divided by Item T (1(a) above), 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).
  - e) £3,694,545, 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).
  - f) £186.84, being the amount at 2.3(d) above less the result given by dividing the amount at 2.3(e) above by Item T (1(a) above), 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.

- g) 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 2.3(f) above the amounts of the special items relating to dwellings in those parts of the Council's area mentioned in Appendix 1A divided in each case by the amount at 1(b) above, 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.
- h) 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 2.3(g) 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.
- iv. That it be noted that for the year 2022/23 Hampshire Country Council's precept figures are subject to approval on the 17th February 2022 and are listed below. If any changes are required as a result of Hampshire County Council approval provision for delegation to change is provided in 2.6 of this report. The Police & Crime Commissioner for Hampshire and the Hampshire Fire and Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings below:

Valuation Band	Hampshire County Council	HCC Adult Social Care	Police & Crime Commissioner for Hampshire	Hampshire Fire & Rescue
	(£)	(£)	(£)	(£)
A(R)	681.64	91.06	131.37	41.91
A	817.97	109.27	157.64	50.29
B	954.29	127.49	183.91	58.67
C	1,090.6	145.70	210.19	67.05
D	1,226.9	163.91	236.46	75.43
E	1,499.6	200.33	289.01	92.19
F	1,772.2	236.76	341.55	108.95
G	2,044.92	273.18	394.10	125.72
H	2,453.90	327.82	472.92	150.86



- v. That, having calculated the aggregate in each case of the amounts at 2.3(h) and 2.2 above, the Council, in accordance with section 30(2) of the Local Government Finance Act 1992, hereby sets the amounts shown in Appendix 1D as the amounts of Council Tax for the year 2022/23 for each of the categories of dwellings in each of the Parishes.
- vi. 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 2022/23 in performing functions in a part of the district which elsewhere in the district are performed by a Parish Council, shall not be special expenses of the District Council.
- vii. That the Council concluded the £5 increase in Council Tax for Hart District Council for 2022/23 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.
- viii. That the Head of Corporate Services in consultation with the Cabinet member for Finance be given delegated authority to amend the final council tax calculations in the event of approved changes from the other precepting authorities.
- ix. That the fees and charges for 2022/23 as set out in Appendix 2 be approved.
- x. That the budget set out in Paragraph 13 be approved.
- xi. That the revised Capital Programme for 2021/22 to 2022/23 as detailed in Appendix 4 be approved.
- xii. That the Section 151 officer's statutory report regarding the robustness of the estimates and the adequacy of reserves detailed in paragraph 14 be noted.
- xiii. That Chief Officer's pay is increased by 1.50% from the 1st April 2021 as agreed by the NJC. Back pay will be calculated separately and paid on the 20th June 2022. This is included in the budget.
- xiv. That staff pay is increased by 1.75% from the 1st April 2022. Back pay will be calculated separately and will be paid once upon conclusion of negotiation is confirmed by the National Joint Consultation (NJC).
- xv. That £10k be granted to Fleet Food Bank, which could be used to cover rental and servicing costs for Harrington House.

## **75 MOTION TO COUNCIL**

The following motion was due to be moved by Cllr Butcher (this wording had been amended since the Council Summons was originally published):

“To add transparency and understanding, and to provide clarity, this Council resolves to amend its Constitution so that all votes at Full Council, the Council AGM, and Extraordinary Council Meetings shall be a recorded vote, with each member asked to indicate whether their vote is in favour of or against the motion or whether they abstain. The way in which each member present voted is to be recorded in the minutes of the meeting.”

It was decided that as the motion would result in a change to the constitution, that it would be moved and debated at the next meeting of Council as required by the constitution.

The meeting closed at 8.56 pm

### COUNCIL PROCEDURE RULE 12

#### QUESTIONS BY THE PUBLIC

**Christine Strudwick** asked:

What is the view of the Portfolio Holder for Place on the Levelling Up white paper published this month and the potential impact of Sections 3.4.1 and 3.4.2 on Hart District Council planning policy?

**Councillor Cockarill** responded:

In terms of the potential impact on Hart's Planning Policy of the White Paper, the most important thing will be the supporting guidance which flows from a future Levelling-Up Act, when the White Paper proposals have become law. There may also be a Planning White Paper in the wings, which might have a greater impact on us than the Levelling Up White Paper.

One thing though, is clear: The Government wants local authorities to adopt a Brownfield-First approach in Planning Policy. It is worth noting in this context that Hart's Local Plan is now delivering a strategic brownfield development of 1500 homes and community infrastructure, including a new primary school on the old Pyestock site (now Hartland Village). We are also about to begin a full study of our urban areas, to assess the capacity available for extra brownfield development in our existing settlements. Our sound, robust Plan has protected greenfield sites such as Pale Lane and Hop Garden in Hook. It is unfortunate that the previous Administration failed to get a Local Plan in place earlier; if it had, sites such as Grove Farm may well have been saved, as well.

Of course, planning policy never stands still. I believe that the best way to protect our green spaces and provide regeneration opportunities for our towns and villages, is to be proactive in our Planning Policy, rather than rely on Planning by Appeal to meet our housing and infrastructure needs. This is why back in November, I asked Cabinet to agree to launch a review of our current Local Plan to evaluate its progress and assess whether any alterations need to be made, considering emerging Government policy and guidance. This will ensure that our Local Plan remains sound and robust as the wider planning context evolves.

**Christine Strudwick** asked a supplementary question:

What specific steps will Hart now take and when will they take them to assess the need to update the current local plan based on the white paper given that the Council has declared a ten-year land supply?

**Councillor Cockarill** responded:

The timescales for the next pieces of work are still a little vague, we are expecting the capacity study to be done early this year. The local plan review is expected later in the year to come back to a discussion in Cabinet in the Autumn. We are currently working through next years' service plans and the dates will become clearer over the next few weeks.

**Dr Angela McFarlane** asked:

In 2021, Hart DC imposed a new schedule of tariffs for off street parking in Odiham. This was to bring all rural car parks under the same tariffs. Comparing income from 2019 and 2021 (pre and post Covid) there has been a significant drop in income from parking - approximately 30% across Hart. Analysis of the figures for Odiham shows that there has been a significant drop in users of the car parks for extended stays which has led to a drop in footfall on the High St and reduced revenue overall for Hart. We note that the Hart budget for 22/23 allows for an anticipated reduction of 22% in parking revenue due to Covid. We suggest this is likely to be more due to the additional impact of higher pricing for parking longer than 2 hours - the all-day charge has risen from £2 to £4. My question is therefore this:

Will Hart consider reverting to the previous pricing point of £2 for more than two hours which attracted more customers to our High St and raised more revenue for Hart?  
Asking Odiham Parish Council to subsidise a less productive tariff is not the answer.

**Councillor Oliver** responded:

I refer you to the email sent to Odiham Parish Council by the Head of Environment and Technical Services (Mr Elson) dated 31 January for further information to this answer. As a consequence of the Covid pandemic the District Council has seen an overall reduction in car park income across all of its car parks in 2021/22 when compared with 2019/20. As you have pointed out this has been factored into revenue projections for 22/23 within the draft budget. It is worth noting that the percentage reduction in income from the Odiham car parks in 2021/22 is significantly less than the percentage reduction in income from all other Hart off-street car parks.

When considering the amended car park charges in Odiham it is worth noting that the short stay charges for visits of up to 2 hrs were not altered when the new charging structure was agreed. It is generally accepted that most people who are visiting to shop or eat in local restaurants during the day do not stay longer than 2hrs, so I do not agree with your suggestion that the increase in charges for stays over 2hrs has led to a drop in footfall on the High Street. This is supported by the relative volume of tickets sold for 2hrs or less or over 2hrs across Hart. However, it does suggest that if there has been a reduction in footfall on Odiham High Street then this is as a consequence in changes in people's behaviour and shopping patterns rather than the change to the all-day car parking charge.

Before agreeing on implementation of the of the amended car park charges the District Council consulted all affected parish councils on the proposals and offered them the opportunity to fund an alternative charging structure. This offer was not taken up by Odiham Parish Council but was taken up by Hartley Wintney and Hook Parish Councils, and the initiative is proving very popular in both parishes.

When agreeing changes to the car park charges it is important that an equitable and consistent approach is applied, and the offer for Odiham PC to subsidise a charging structure in the same way as has been agreed by the other parishes is still available should the Parish Council wish to accept this provided the parish agree to fund the reduction in income.

Therefore, in summary, for the reasons given above the answer to your question is: No, Hart will not consider reverting to the previous pricing point of £2 for more than two hours unless the Parish Council agrees to fund the loss of income and pay Hart's reasonable costs for amending the car park charges.

**Dr Angela McFarlane** asked a supplementary question:

Looking at the last ten months of Odiham income it has taken ten months to generate the same income as 6 months in 2019, we do think the pricing is hitting your revenue, we would ask that Council Officers meet with Odiham Parish Council representatives to develop a more commercially effective strategy?

**Councillor Oliver** responded:

Officers met with Odiham Parish Council on car parking last week, we are always open to have a discussion, but your interpretation of the data is significantly different to the Officers interpretation, we are always happy to talk to Parishes, but not in producing agreements non-equitable with agreements already reached with other parishes.

**Mr David Turver** asked:

The outturn report refers to the original budget of £10,794K approved in February 2021. However, the budget approval included a contingency of £610K for "pressures": To what extent has this contingency been utilised and how will the use of the contingency impact the forecast full year deficit of £488K?

**Councillor Radley** responded:

The outturn paper considered at O&S gives a forecast projection based on the current snapshot of the revenue at the end of December 2021. It is not the confirmed figure for the FY, which is still in progress. The £610k of pressures called out in last year's budget landed as anticipated. The £488k projected deficit is made up of a number of very different line items which were discussed at length in O&S and are detailed in that

paper. It would be wrong to see this as an overspend as it has been the loss of Leisure Centre revenue due to the Covid lockdown which has had a significant affect.

**Mr David Turver** asked a supplementary question:

If you add the £610k pressures is the forecast deficit now over £1m?

**Councillor Radley** responded:

It does not work like that; the budget had a line item for known £610k pressures which we have spent. The projected deficit is £488k which is money we did not anticipate losing as revenue for the reasons as outlined at Overview and Scrutiny you cannot add the two together.

**Mr David Turver** asked:

The August O&S was told there was £6.8m of reserves in the General Fund at the end of FY20/21. The same paper recommended a minimum level of reserves of £5.3m, leaving a headroom of ~£1.5m.

With the current forecast deficit and the reserve transfer to cover the Leisure Centre shortfall, what is the current expectation of the reserve level, the minimum reserve and therefore the anticipated headroom at year end?

**Councillor Radley** responded:

As I have explained before the money used to subsidise the Leisure Centre through the Covid crisis is not being taken from general fund reserves. The table on page 58 of the budget report states that we have £6.9m in general fund reserves.

**Mr David Turver** asked:

Moreover, with the current level of forecast deficits into the future, can officers explain when they anticipate reserves falling below the recommended minimum level?

**Councillor Radley** responded:

This evening I am presenting a balanced budget which does not include any draw down from General Fund Reserves. This council will always seek to maintain reserves at a prudent level.

**Mr David Turver** asked a supplementary question:

The last MTFs showed a cumulative deficit of £3.8m. My question was about the forecast future deficit of a cumulative £3.8m.

**Councillor Radley** responded:

This is a balanced budget for this year, in future years if the government had given us an indication on its settlement we could plan ahead, as it is we cannot so I cannot make any clear statements on this as we do not have the information. What we do expect to have to do is make difficult choices to keep the budget balanced.

**Mr David Turver** asked:

What would be the consequences if that should occur and what further actions might be required to avoid reserves falling below the minimum level?

**Councillor Radley** responded:

The biggest challenge facing this council in terms of future budgets is the lack of a three-year settlement which prevents us from making long term strategic financial plans. It is a perennial concern that the coming years will see cuts in government funding which will require this council to make further cuts to our operational budget.

**Mr David Turver** asked:

Can you explain the massive "contract inflation" uplifts in the IT Contract (£164.1K/£356.4K = 46%); Grounds Maintenance (£86.3K/£356.7K = 24%); Street Cleaning (£138K/£604.2K = 23%); Waste (£181K/£1,775K = 10%) and the 5 Council Contract (£219.7K/£2,497K = 9%), all of which have increases far in excess of CPI (5.5%)?

**Councillor Radley** responded:

Contract inflation has been applied at 5.2%.

There are a number of reasons why there are uplifts in contracts, this is not just due to inflation it could be due to contractual changes, milestone delivery dates or a change in specification. In this case uplifts in the IT price are due to increased mobile phones for hybrid working, a move to subscription licensing, an increase in data storage capacity facilities and an improved disaster recovery contract, which is prudent given the current marked increase in cyber-attacks around the world.

Grounds maintenance contracts and street cleaning have been correctly zero based in the budget which was not the case in the past. Change in cost of the 5 Councils contract is due to a revised service delivery model due to insourcing as well as the end of loan payments which enabled to contract to take place. Increases in the waste contract are due to inflation and additional properties being served.

**Mr David Turver** asked:

Notwithstanding the stated £498K FY21/22 budget does not match the FY21/22 budget book, how can you justify the massive £394K or 79% total increase (£892K - £498K) in the cost of the Finance Department?

**Councillor Radley** responded:

HACFIN is the cost centre for Finance – the budget for 2021/22 in the 2021/22 Budget Book is not different to the 2021/22 Budget in the 2022/23 Budget Book. In other words, the 2021/22 budget numbers for HACFIN in this years (Draft) and last years (Final) Budget Book are the same.

The £498K can be found as the sub-total within HACFIN for Supplies and Services in the 2022/23 Budget.

Within this £498K is an exceptional item of £304K – this is prudent contingency for further increases in staff costs if needed following the national pay negotiations, additional inflationary pressures, and any costs attributable to signing the revised Leisure Contract.

**Mr David Turver** asked a supplementary question:

Do you agree better to cut Leadership costs rather than awarding a £42k salary increase?

**Councillor Radley** responded:

We have a line item in this budget to save costs within the Senior Leadership Team. This will require us to look at restructuring the Senior Leadership Team and we are expecting to realise cost savings in this budget. We are doing work internally to work out how this will happen.

**Mr David Turver** asked:

What specific deliverables will be produced from the new £250K climate change budget?

**Councillor Radley** responded:

We have a climate emergency; this planet is warming up and we are seeing the adverse effects. In declaring a climate emergency, this Council made a commitment to do something about it. That means having money available to react when the opportunities come up. There is work going on to understand what we could effectively do as a Council and the money will be used to finance that. Money left over can be used in subsequent years to fight this very important issue.



**Mr David Turver** asked a supplementary question:

Given the deficit, would it not be better to get the finances under control or to use the money to give a rebate to taxpayers rather than signal your virtue with other people's money?

**Councillor Radley** responded:

This is everybody's planet and residents are concerned. We are not running a deficit but a balanced budget. We are coming out of covid which had dire impacts for everybody. I am proud of the budget that does not drawdown on reserves and proud of Officers who have helped us put it together. I make no apology for putting money aside to fight climate change.

**Mr David Turver** asked:

The staff costs for Small SANG sites, Edenbrook, Commons (incl. Odiham), Bramshot, Fleet Pond and Elvetham Heath have gone up by around £187K in total. How many more people are going to be employed and what additional services can we expect from them?

**Councillor Radley** responded:

The differences are not caused by an increase in staff numbers but in the re-allocation of staff to the sites where they work. The Budget in 2021/2022 had Rangers working in their old locations and a lot of rangers were coded to Environmental Promotion strategy. This has been corrected in the new budget to reflect where staff primarily work.

**Mr David Turver** asked:

FY21/22's budget included a contingency of £610K. The budget for FY22/23 contains no contingency at all, so when unforeseen problems inevitably arise, how will they be funded?

**Councillor Radley** responded:

The £610K addressed contingencies which were known to be needed at the time. This is a zero-based budget with all known costs built in. There is a contingency held within Corporate Finance to cover additional inflationary and staff costs if needed (see my answer to q.2). Everything else is built in as part of the zero-based budget.

**Mr David Turver** asked:

I note the reduction in minimum reserve requirement to £4.1m. However, can you explain why you consider it prudent to hold no reserve to cover the possibility of reduced income due to voids or other non-collection of rent from the property portfolio.

**Councillor Radley** responded:

The Council receives property income rent from 3 properties being Centenary House, Edenbrook Apartments and Hedge End. This is what makes up the income budget. Edenbrook Apartments income expectation already contains an assumption for voids. Centenary House and Hedge End have tenants in each. Both are fully repairing leases which means if a tenant left, they would have to leave it in the same condition they rented it and both properties are on sufficiently long leases with break clauses that would enable the Council to find replacement tenants if needed. There is no indication that this would be the case hence there is no specific provision made in the reserve.