



NOTICE OF MEETING

Meeting:	Overview and Scrutiny Committee
Date and Time:	Tuesday, 19 July 2016 at 7.00 pm
Place:	Committee Room 1, Civic Offices, Fleet
Telephone Enquiries to:	01252 774141 (Mrs G Chapman) gill.chapman@hart.gov.uk
Members:	Axam, Bailey (Chairman), Clarke, Crisp, Gray, Harward, Leeson, Makepeace-Browne, Renshaw, Wheale, Woods

Joint Chief Executive

CIVIC OFFICES, HARLINGTON WAY
FLEET, HAMPSHIRE GU51 4AE

AGENDA

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1 MINUTES

The minutes of the meeting of 21 June 2016 are attached to be confirmed and signed as a correct record. **Paper A**

2 APOLOGIES FOR ABSENCE

3 CHAIRMAN'S ANNOUNCEMENTS

4 DECLARATIONS OF INTEREST

To declare disclosable pecuniary, and any other, interests.

5 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)

Anyone wishing to put a question or statement to the Committee should contact the Committee Services Officer by phone or email (see front page of this Agenda) at least two clear working days prior to the meeting. Further information can be found at https://www.hart.gov.uk/sites/default/files/4_The_Council/Council_meetings/Public%20Participation%20leaflet%202016%20A4.pdf

6 REGULATION OF INVESTIGATORY POWERS (RIPA) – QUARTERLY UPDATE

There has been no further use of the RIPA provisions (Covert Surveillance Policy) since the report to Overview and Scrutiny in April 2013.

7 2015/16 OUTTURN POSITION

This report contains details of the final position on the Council's accounts for 2015/16. The Committee are asked to consider the report and to make any recommendations to Cabinet who will consider the report at the meeting on 4 August. **Paper B**

RECOMMENDATION

- 1 That the 2015/16 outturn position for the General Fund Revenue account be agreed.
- 2 That the 2015/16 outturn position for Capital expenditure be agreed.
- 3 That the carry forward of the unspent revenue budgets be agreed.

8 MEDIUM TERM FINANCIAL OUTLOOK 2016/17 TO 2020/21

The Committee received a report at its meeting on 7 November 2015 outlining the expected financial position of the authority until 2018/19. This report updates the figures in that report and extends the period until 2019/20. Cabinet will consider this report at their meeting on 4 August 2016. **Paper C**

RECOMMENDATION

Overview and Scrutiny are asked to comment on the contents of the report and advise of any recommendations they wish to make to Cabinet.

9 TREASURY MANAGEMENT OUTTURN 2015/16

To report the Council's Treasury Management activities during the 2015/16 financial year. **Paper D**

RECOMMENDATION

Overview and Scrutiny Committee are asked to consider any comments they wish to make to Cabinet who will consider the report at their meeting on 4 August 2016.

10 REFINED HOUSING OPTIONS

Joint Chief Executive to update on actions taken in response to the review of withdrawn Housing Options Consultation.

11 SERVICE BOARDS

The Committee to consider the role and function of Service Boards.

12 REVIEW OF MEMBERS ALLOWANCES

To consider the report of the Independent Panel into the review of Members' Scheme of Allowances and make recommendations to full Council for the coming municipal year. **Paper E**

RECOMMENDATION to Council

That a Scheme of Members' Allowances be recommended to Council for adoption commencing in the new municipal year 2017/18.

13 CABINET WORK PROGRAMME

The Cabinet Work Programme is attached for information. **Paper F**

14 OVERVIEW AND SCRUTINY WORK PROGRAMME

The Overview and Scrutiny Work Programme is attached for consideration and amendment. **Paper G**

Date of Despatch: 12 July 2016

OVERVIEW AND SCRUTINY COMMITTEE

Date and Time: 21 June 2016 at 7pm

Place: Council Chamber, Civic Offices, Fleet

Present:

COUNCILLORS

Bailey (Chairman)

Axam, Clarke, Crisp, Makepeace-Browne, Renshaw, Wheale, Woods

In attendance: Parker and Cockarill

Officers:

Daryl Phillips	Joint Chief Executive
Carl Westby	Head of Leisure and Environmental Promotions
Adam Green	Ecology and Countryside Manager
Tony Higgins	Head of Finance

I ELECTION OF VICE CHAIRMAN

Councillor Axam nominated Councillor Clarke and the nomination was seconded by Councillor Crisp. No other nominations were received. Following a vote Councillor Clarke was elected as Vice Chairman

DECISION

Councillor Clarke was elected as Vice Chairman

2 MINUTES OF PREVIOUS MEETING

The minutes of the meeting of 19 April 2016 were confirmed and signed as a correct record.

3 APOLOGIES FOR ABSENCE

None

4 CHAIRMAN'S ANNOUNCEMENTS

None.

5 DECLARATIONS OF INTEREST

None.

6 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)

None.

7 CAPITAL PROGRAMME; ECOLOGY AND COUNTRYSIDE SECTION OF LEISURE AND ENVIRONMENTAL PROMOTION DEPARTMENT

Members were apprised of the S106 capital investment programme relating to the Countryside Services section of Leisure and Environmental Promotion Department. They were made aware that Cabinet would be asked to consider approval of this Capital Programme at their meeting of 7 July 2016 and members considered any comments they wished to make to Cabinet.

DECISION

A RECOMMEND to Cabinet

- 1 The proposed Capital Programme £696,000 for expenditure commencing in 2016/17 Financial Year, comprising £677k S 106 receipts and £19k internal resources be approved
- 2 The request for additional capital budget of £19k to provide a wash-down area for the HDC and Fleet Pond Society service vehicles and specialist equipment be approved
- 3 Cabinet should approve the release of future S106 funds in the sum of £480,000 as and when received and as identified in the Capital Programme.
- 4 Cabinet should ensure that proper arrangements are put in place to enable proper monitoring and member scrutiny of the agreed Capital Programme to ensure that any capital spend is properly audited, accounted for, and used solely for the purpose as agreed.

B That 6 monthly update reports on expenditure and overall Programme progress are submit to Overview and Scrutiny Committee.

8 COUNCIL TAX REDUCTION SCHEME

Members were updated on the situation regarding Council Tax Support and whether consultation should take place for a possible change to the scheme for the financial year 2017/18.

Members were advised that if consultation was to take place, they would need to consider the options that should be put out to public consultation and the method of consultation. They were also advised that Cabinet would consider this report on 7 July 2016. It was noted that following any consultation the final decision on whether to adopt a revised approach to Council Tax Support would be made by Council itself to take effect in the 2017/2018 year.

Members considered the potential issues that may arise from any change in the Council Tax Support scheme and noted that it could have a direct impact upon those

least able to pay Council Tax. However, the Head of Finance commented that it was possible for the Council to set aside a future budget to ensure discretionary payments in individual cases of real hardship.

There was much discussion about which options should be consulted upon and the consensus was that if consultation was to take place then all four options as outlined in paragraph 3.3 of the report should be consulted upon. In addition it was recommended that Cabinet should seek the advice of other authorities that had implemented similar scheme to draw upon experiences learnt about how such scheme worked and also explore with other Capita operated Councils to assess any Council Tax collection software issues/costs.

In terms of the consultation it was considered that any consultation to be carried out should be meaningful, targeted at a relevant audience, and capable of objectively informing any outcome. The view was that the opinion of support organisations such as CAB etc. should be sought.

DECISION

RECOMMEND to Cabinet

- 1 Consult on all four options as outlined in para 3.3 of the Report (Cllrs Axam, Bailey, and Crisp asked for their respective votes against the decision to recommend to Cabinet to go out to consultation be noted)
- 2 Ensure that any consultation to be carried out is meaningful, targeted at a relevant audience, and was capable of objectively informing any outcome. The view was that the opinion of support organisations such as CAB etc. should be sought.
- 3 Seek the advice and experience of other local authorities that had implemented similar schemes to draw upon experiences learnt about how such scheme worked and also explore with other Capita operated Councils to assess any Council Tax collection software issues/costs.

9 QUARTER 4 / YEAR END CORPORATE PERFORMANCE INFORMATION 2015/16

Members were updated on the Council's key performance indicator results for the final quarter of 2015/16 (1 January 2016 – 31 March 2016) as detailed in Appendix I.

DECISION

That the report be noted but that clarification be sought on the following matters:

- 1 FI06 – could it be clarified why the outturn value (93.4%) was Amber against a target of 97%
- 2 HS01 - could a definition for homelessness be circulated to Members of the Committee

- 3 HS07 – Housing Service Board should review the issues associated with the lack of accurate data with this indicator and report back to Committee on what was the true picture with regard to preventing homelessness and what options there were to secure accurate data in future.
- 4 HS08 – What was the purpose of recording this DFG indicator?
- 5 HR13 – Would it not be better to express the target and values as a percentage?
- 6 RS20/RS21 – What did these indicators relate to?

10 NOMINATIONS TO SERVICE BOARDS

The Committee discussed the purpose of Service Boards and felt that the role of Service Boards should be reviewed. The perception was that they did not really fulfil a useful scrutiny function with meetings often missed or cancelled and little to show for the effort. In the meantime interim membership of the respective service boards were agreed.

DECISION

- 1 Members to discuss the role and function of Service Boards at the July 2016 Scrutiny meeting.
- 2 The following Members were nominated to serve on Service Boards:

Environment & Technical Services – Axam, Gray and Wheale
Housing - Axam, Crisp and Leeson
Community & Wellbeing – Harwood and Renshaw
Regulatory Services – Clarke, Harwood and Makepeace-Brown
Corporate & Customer Services – Makepeace-Brown

11 CABINET WORK PROGRAMME

The Cabinet Work Programme was considered.

12 OVERVIEW AND SCRUTINY WORK PROGRAMME

The Overview and Scrutiny Work Programme was considered and amended.

DECISION

Councillors Axam, Wheale, Makepeace-Brown, and possibly Bailey would join a proposed scrutiny project group to consider the specification for the future of the waste contract.

The meeting closed at 9.11 pm

OVERVIEW AND SCRUTINY COMMITTEE

DATE OF MEETING: 19 JULY 2016

TITLE OF REPORT: 2015/16 OUTTURN POSITION

Report of: Head of Finance

Cabinet member: Councillor Ken Crookes, Economic Development and Corporate Finance

I PURPOSE OF REPORT

1.1 This report contains details of the final position on the Council's accounts for 2015/16. The Committee are asked to consider the report and to make any recommendations to Cabinet who will consider the report at the meeting on 4 August.

2 OFFICER RECOMMENDATION

2.1 That the 2015/16 outturn position for the General Fund Revenue account be agreed.

2.2 That the 2015/16 outturn position for Capital expenditure be agreed.

2.3 That the carry forward of the unspent revenue budgets be agreed.

3 TIMETABLE

3.1 The Head of Finance has signed the provisional Statement of Accounts, which had to be presented to the external auditor by 30 June.

3.2 The Audit Committee will receive the audited Statement of Accounts together with the Annual Governance Report for signing and approval at its meeting on 27 September.

3.3 From next year this statutory timetable will be shortened, with Audit Committee approval required by the end of June.

4 PROVISIONAL REVENUE POSITION

4.1 When the Council set its budget for 2015/16, it anticipated that the result would be a net contribution to general reserves of £126k. In the event the total underspend on services is £438k.

4.2 The main areas of under and over spend are detailed in the attached Appendix I.

5 CAPITAL POSITION

5.1 Total capital spending in 2015/16 was £8,895k, an under spend of £17,629k against the approved budget of £26,524k. The following table summarises the position by

service area. However, the majority of this will be spent in the current year as the new Leisure centre is completed. Details are shown in Appendix 2.

	Approved Budget	Actual Expenditure	Variation
	£000	£000	£000
Corporate Management	382	579	-197
Housing and Customer Services	1,215	556	659
Leisure and Environmental Promotion	24,454	7,520	16,934
Technical Services	541	241	300
Total capital programme	26,592	8,895	17,696

5.2 The capital expenditure in 2015/16 has been funded as follows:

Financed By:	£'000s
Useable Capital Receipts	4,687
Developers Contributions	2,975
Disabled Facilities Grant	283
Natural England	48
Environment Agency	6
Internal Borrowing	870
Water Framework Grant	26
Total	8,895

6 REVENUE BUDGET CARRY FORWARDS

6.1 Officers have requested that a number of unspent budgets in 2015/16 are carried forward to the current year to allow them to complete planned expenditure programmes. The amounts requested to be carried forward are detailed below and have been included in the draft statement of accounts provided to the external auditors. The Head of Finance is happy that these are justified slippage.

Type of Expenditure	Amount £000	Reason
Neighbourhood Planning Grant	13	Earmarked DCLG Grant
Healthy Eating Award	3	Residual Grant for implementation of Healthy Eating Award
Transparency Grant	8	Grant from Government in respect of increased requirement to publish data
Housing Initiatives	34	Homelessness budget underspent
Local Plan	98	To continue work on Local Plan
Planning Appeals	365	Legal and Consultancy fees still required
Compulsory Purchase – Swan Inn	50	Budget still required
Help for Single Homeless Fund	156	Countryside Funds held by Hart DC
Domestic Abuse Funding	634	Countryside Funds held by Hart DC

7 GENERAL FUND RESERVE

7.1 Due to the higher than budgeted surplus, the General Fund Reserve at the 31 March 2016 was £5.184m. This is a healthy balance and necessary because there is still much uncertainty around future financial settlements from the government. A report elsewhere on the agenda deals with the Medium Term Financial Outlook for the Council.

7.3 A summary of the estimated movement on reserves is:

	£000
Balance at 31 March 2015	4,629
Underspend on service budgets transferred to reserves	438
Balance at 31 March 2016	5,067
Budgeted contribution to reserves 2016/17	117
Balance at 31 March 2017	5,184

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APPENDICES

Appendix 1 - Revenue Budget Outturn 2015 / 2016 Period 12 March

Appendix 2 - Capital Programme Budget Monitoring 2015/16

REVENUE BUDGET OUTFURN 2015 / 2016 PERIOD 12 MARCH					
	Controllable Current Budget	Year to Date Controllable Actuals	Controllable Full Year Forecast Outturn	Actual Year End Variance	Commentary
COMMUNITY SAFETY					
Community Safety - Shared Service	235,050	208,692	222,000	-26,358	Saving on Projects
	<u>235,050</u>	<u>208,692</u>	<u>222,000</u>	<u>-26,358</u>	
CORPORATE SERVICES					
Civic Function & Chairman	20,300	17,882	18,466	-2,418	
Corporate - Apprentices	59,050	17,986	17,988	-41,064	Vacancy Saving
Corporate Communication	78,680	76,718	77,109	-1,962	
Leadership Team	542,026	589,470	590,912	47,444	CAB Actuary Fees and Exit Deficit £55k, Corporate Strategy Staffing £14k, off set by Consultants £15k and Grants and Loans £8k
Corporate Performance Team	48,400	49,990	50,342	1,590	
External Audit	93,400	69,783	67,560	-23,617	Auditor fees agreed lower than budget
Non Distributed Costs	0	0	0	0	
Climate Change	13,300	16,371	17,356	3,071	
Business Support Unit	370,313	415,351	419,174	45,038	New Post - Business Change Officer £37k. Un budgeted pensions costs from new appointments £2k. Staff Re-grading £7k.
Business Support Non Staff	160,000	157,176	154,900	-2,824	
Hart Development	67,610	66,011	64,901	-1,599	Enterprise MS £7.5k, Leader Programme £12.4k. Vacancy Saving, Economic Development Officer £19k
Customer Services Contract	285,820	326,159	325,260	40,339	Initial set up costs for Basingstoke Contract, Staff Training, Xmas Cover £6k
IT Contract	413,400	331,373	332,976	-82,027	Budget set to high £9k, saving on IT contract £46K, 3rd party contracts and GIS saving £27k,
HR Contract	105,120	103,758	103,759	-1,362	
Internal Audit	93,170	79,867	82,441	-13,503	Saving staffing v's contract with Basingstoke and Dean
Legal Services	226,960	250,249	265,897	23,289	Legal Fee Income revised down and adj to allow for a prior year income, £11k transferred to S106 Income
Customer Services Client	38,400	53,790	52,642	15,390	Franking Machine Rental unbudgeted £4k and prior year adjustments £8k
IT Client	328,646	355,694	380,800	27,048	£9k Consultants, £9k Rental of Lines B&D Contact Centre, Licences £8k
HR Client	68,810	56,247	59,471	-12,563	In year Contract reduction in price.
Print Room & Photocopying	39,750	31,965	45,443	-7,785	Lease Redemption transfers for Photocopiers
Local Land Charges	-73,360	-77,571	-74,422	-4,211	Search Fee Income higher than Budget
Planning Policy	353,457	395,569	385,893	42,112	New works with Capita in 15-16 on Local Plan scoping and work. There will also be some contract specification clip in Local Plan Consultancy into 2016/17 financial year
Admin Bldgs - R & M	369,182	399,044	392,758	29,862	Civic Office Refurbishments and Maintenance (£30k), Unbudgeted staff costs (£13K) and Equipment (£5k) have been off set by savings in utilities (£12k) and Rents (£11k).
	<u>3,702,434</u>	<u>3,782,682</u>	<u>3,831,626</u>	<u>80,248</u>	
DEMOCRATIC SERVICES					
Rechargeable Elections	0	1	0	1	
Register Of Electors	117,650	118,069	128,916	419	
Election Expenses	166,318	135,533	139,972	-30,785	Saving due to print costs less than initial estimates. Better settlement for the General Election Claim. Postal vote increases prior to election less than expected.
Support To Elected Bodies	232,975	219,541	222,910	-13,434	Savings in Member Allowances.
	<u>516,943</u>	<u>473,144</u>	<u>491,798</u>	<u>-43,799</u>	
FINANCE					
Revs & Bens Contractor Costs	1,206,120	1,194,440	1,180,743	-11,680	Saving from Budget Inflation higher than actual inflation
Council Tax / NNDR	-318,563	-256,169	-267,493	62,394	Unbudgeted Licence Fees £5k. Reduction in Court Costs as less Council Tax Payers are moving to summons stage
Housing/Council Tax Benefits	5,887	-168,746	-11,147	-174,633	Less HB discretionary payments and Overpayments from RTI and Ferris
Meals On Wheels	8,000	0	0	-8,000	Meals on Wheels, now with HCC
Housing Act & Housing Ass. Adv.	0	0	0	0	
Bank Charges	48,500	59,023	59,023	10,523	Increase to Merchant Services standard charge
Finance Client	76,440	10,698	12,477	-65,742	One off grant received from DCLG for Land Charges £72k, off set by Treasury Advice £8k.
Finance Contract	470,740	417,417	460,680	-53,323	Contract inflation less than budgeted and Lease Redemption transfers
	<u>1,497,124</u>	<u>1,256,663</u>	<u>1,434,283</u>	<u>-240,461</u>	
HOUSING SERVICES					
Private Sector Housing	163,104	153,923	157,823	-9,181	Some software invoices will come in nearer year end and full consultancy budget will not be required.
Strategic Housing Services	106,240	107,408	109,364	1,168	Unbudgeted staffing costs
Housing Needs Service	149,977	132,137	152,300	-17,840	Rent Deposits pressure of £14k. Off set by additional B&B Income £7k, Rent Deposit Officer Posts budgeted 1.4 fte, actual 1.1fte saving £8k, fees for services £15k and DCLG Right to Move Grant £3k.
Help for Single Homelessness	-439,980	-439,979	-439,328	1	
Domestic Abuse	431,657	431,658	431,654	1	
	<u>410,998</u>	<u>385,148</u>	<u>411,813</u>	<u>-25,850</u>	
LEISURE & ENV PROMOTION					
Land Repossessions	4,480	3,646	3,646	-834	
Leisure Centre Maintenance	90,000	107,431	87,000	17,431	Leisure Centre maintenance costs higher than budget due to preparation of buildings in readiness for transfer to Everyone Active
Leisure Strategy	106,120	95,622	94,144	-10,498	Savings on Consultants, £12k and Equipment £4k.
Fleet Pond	62,782	56,297	57,575	-6,484	Unbudgeted pension contributions £3k
Commons	57,219	50,658	52,919	-6,561	
Odiham Common	50,077	46,721	45,445	-3,356	
Elvetham Heath Nature Reserve	42,628	38,980	40,842	-3,648	
Hart Leisure Centre (Client)	-190,658	418	21,294	191,076	Income - 10 Month budget shortfall in income should have been £342k but shortfall in income is forecast to be £403k, £89k overspent. This is made up of £71k payment to EA and £18k various other income variances. Expenditure - 10 Month budget saving should have been £282k but outturn is forecasting a saving of £190k, £92k overspent. This is made up of £52k staffing and £32k freelance instructors and £8k various other ad hoc variances.
Frogmore LC (Client)	29,388	147,955	163,664	118,567	Income - 10 Month budget shortfall in income should have been £128k but the shortfall in income is forecast to be £238k, £110k overspent. This is made up of £28k payment to EA, £36k reduction in Leisure Card Income, £18k shortfall on the all weather pitch income, £12k shortfall in facilities Income and £16k various other ad hoc income variances. Expenditure - 10 Month budget saving should have been £132k but outturn is forecast to be saving £104k, £28k overspent. This is made up of £40k variance in extra Powerplay licences and £11k various other other ad hoc variances, off set by savings in Staffing £23k.
Parks/Play Areas Outside Fleet	50,580	50,504	50,504	-76	
Edenbrook Country Park	-1,759,262	-1,773,704	-1,773,070	-14,442	Underspend on staffing (£4k), Equipment (£4k), Consultants (£5k) and Publicity Budgets (£2k) off set by unbudgeted contractor spend (£2k). Site is not fully functioning.
QE II Fields	7,176	11,895	12,680	4,719	Fully funded from SANG s106
Biodiversity	28,100	24,642	26,315	-3,458	
Landscape & Conservation	57,493	56,234	56,620	-1,259	
Environmental Promotion - Stra	-93,997	-109,355	-102,756	-15,358	
Tree Preservation Orders	88,563	81,213	81,354	-7,350	Tree Technician vacancy to August
	<u>-1,369,312</u>	<u>-1,110,842</u>	<u>-1,081,824</u>	<u>258,470</u>	
ENVIRONMENTAL SERVICES					

PAPER B
Appendix I

REVENUE BUDGET OUTFURN 2015 / 2016 PERIOD 12 MARCH					
	Controlable Current Budget	Year to Date Controlable Actuals	Controlable Full Year Forecast Outturn	Actual Year End Variance	Commentary
Dog Warden	56,870	60,351	58,720	3,481	
Pest Control	2,620	960	1,816	-1,660	
Env Health Pollution	0	0	0	0	
Env Health Commercial	130,270	165,536	167,088	35,266	Consultancy cover for vacant post £26k. One of unbudgeted legal fees £11k.
Environmental Protection	212,230	159,639	161,460	-52,591	Unbudgeted income saving represents actual received to date £9k. Environmental Protection Officer Vacancy £33k, various other savings £12k
Churchyards	7,000	2,930	3,930	-4,070	
Env Health Public	0	0	0	0	
Out Of Hours Noise Service	25,210	20,887	20,619	-4,323	
Health & Safety	35,180	21,444	29,771	-13,736	
Licences	-20,070	-7,014	-17,752	13,056	Actual income for Gaming Permits lower than budget
Hackney Carriages	-20,750	-44,018	-38,412	-23,268	Additional Licence Income
Health & Policy	25,324	35,037	34,466	9,713	Health and Policy Officer
	453,884	415,752	421,706	-38,132	
PLANNING					
Planning Development	-69,120	-58,796	-52,533	10,324	Additional budget approved for the use on Consultancy. This budget may now slip into 2016/17.
Building Control - Fee Earning	-141,030	-87,646	-75,671	53,384	Additional use of Consultancy to cover vacancies.
Building Control - Non-Fee	119,268	25,629	25,222	-93,640	Saving on the SLA with Rushmoor
Street Naming & Numbering	0	-10,818	-11,855	-10,818	Recovery of costs for Street Naming and Numbering was not budget for.
	-90,882	-131,632	-114,837	-40,750	
TECHNICAL					
Emergency Planning	35,610	38,354	38,711	2,744	
Waste Income	-667,305	-731,558	-710,435	-64,253	Additional income from garden waste collection, sale of bulk containers, glass collection and recycling credits.
Hart Drainage	59,445	45,604	45,547	-13,841	combination of vacancy saving and a new appointment on a lower grade.
Waste Contract	1,715,440	1,577,546	1,598,000	-137,894	Saving against the budget for the Veolia contract due to differences in estimated and actual inflation rates (£76k). Underspend on budget for Springwell Lane (£63k).
Grounds Mtn Contract	356,920	369,223	339,707	12,303	Overaccrual on the Basingstoke Contract Saving from 2014/15. Off set by unbudgeted Historic Pension Costs
Street Cleaning	500,970	523,564	522,135	22,594	SLA with Basingstoke, Hire of Mechanical Sweeper
Clinical and Bulky	-6,340	-12,123	-10,280	-5,783	
Basingstoke Waste Contract	0	-5,368	0	-5,368	
Street Furniture	8,100	7,694	7,860	-406	
Highways Traffic Management	84,550	93,886	86,894	9,336	Contributions from HCC higher than budget saving £12k off set by Staff Advertising estimated to be £6k
Highways Agency - Development	-14,200	-12,225	-3,712	1,975	
Estates/Asset Management	50,240	57,924	49,592	7,684	Small Land sales.
Off Street Enforcement	-401,710	-571,290	-555,450	-169,580	Income higher than budgeted
On Street Enforcement	81,405	79,678	91,402	-1,727	
CCTV	165,910	146,726	154,176	-19,184	SLA Savings with Rushmoor
Flood repairs & Maint work	0	210	1,380	210	
	1,969,035	1,607,846	1,655,527	-361,189	
Total excluding Accounting Treatment	7,325,274	6,887,454	7,272,092	-437,820	

PAPER B
Appendix 2

Capital Programme Budget Monitoring 2015/16					
	Original Budget 2015/16	Carried Forward 2014/15	Current Available Budget 2015/16	Actual To Date	Variance 2015/16
Capital resources available as at 1st April 2015					
Receipts in year					
Corporate Services	0	304	382	579	(197)
Housing & Customer Services	560	655	1,215	556	659
Leisure & Environmental Promotion	0	1,092	24,454	7,520	16,934
Technical Services	0	317	541	241	300
TOTAL CAPITAL PROGRAMME	560	2,368	26,592	8,895	17,697
Capital Resources available as at 1st April 2015					

Service Area	Scheme	Original Budget 2015/16	Carried Forward 2014/15	Current Available Budget	Actual To Date	Forecast Variance
Corporate Services	CCTV-Rushmoor	0	176	176	126	50
	Telephony System	0	70	70	17	53
	Contact Centre	0	0	0	27	(27)
	Civic Office Refurbishment	0	0	59	167	(108)
	Rural Broadband	0	0	0	46	(46)
	Upgrade to IT infrastructure	0	58	58	167	(109)
	Door Entry System	0	0	19	29	(10)
		0	304	382	579	(197)
Housing & Customer Services	Private Sector Renewal - Minor Works Grants(Home trust	60	0	60	17	43
	Existing Satisfactory Purchase	0	200	200	150	50
	Grant for 13x 4 bed dwellings.	0	455	455	105	350
	Disabled Facilities Grants	500	0	500	283	217
		560	655	1,215	556	659
Leisure and Environmental promotion	Fleet Pond Project-Restoration	0	0	44	48	(4)
	Broadoak Common (District) (S106)	0	13	13	8	5
	Edenbrook Country Park (S106 SANG)	0	30	30	0	30
	Fleet pond Nature Reserve Visitor Strategy (S106)	0	40	40	32	8
	Odiham Common (S106)	0	27	27	8	19
	Fleet Area Football (S106)	0	180	180	0	180
	Leisure Centre SCAPE project appraisal	0	90	90	89	1
	Strategic Leisure	0	7	26	29	(3)
	Leisure Centre Pre Construction Stage	0	512	609	384	225
	Hook Football Pitch Drainage Improvements (S106)	0	29	29	0	29
	Countryside Service Vehicles (S106)	0	50	50	49	1
	Cricket Hill Pond (Yateley) (S106)	0	41	41	41	(0)
	Boiler Replacements - Frogmoor LC	0	41	41	40	1
	Odiham Signs	0	5	5	0	5
	Hook Meadow	0	6	6	6	(0)
	S106 Leisure Parish Funded Projects	0	21	75	35	40
	Frogmore leisure Re-Development	0	0	1,500	15	1,485
	Leisure Centre Construction	0	0	21,550	6,728	14,822
Leisure Centre Consultants & Fees	0	0	98	9	89	
		0	1,092	24,454	7,520	16,934
Technical Services	Fernhill Road, Pedestrian Facilities (S106)	0	70	70	4	66
	Church Road (Victoria Road) Car Park - Pay on Foot	0	247	247	0	247
	Phoenix Green, Hartley Wintney	0	0	24	24	(0)
	Mill Corner, North Warnborough	0	0	0	0	0
	Parking Enforcement Vehicles	0	0	0	13	(13)
	S106 NEHTS parish	0	0	0	0	0
	S106 NEHTS Fleet Station Contributions	0	0	200	200	0
		0	317	541	241	300
TOTAL CAPITAL PROGRAMME		560	2,368	26,592	8,895	17,697

OVERVIEW AND SCRUTINY COMMITTEE

DATE OF MEETING: 19 JULY 2016

TITLE OF REPORT: MEDIUM TERM FINANCIAL OUTLOOK 2016/17 TO 2020/21

Report of: Head of Finance

Cabinet Member: Councillor Ken Crookes, Economic Development and Corporate Finance

1 PURPOSE OF REPORT

- 1.1 The Committee received a report at its meeting on 7 November 2015 outlining the expected financial position of the authority until 2018/19. This report updates the figures in that report and extends the period until 2019/20.
- 1.2 Cabinet will consider this report at their meeting on 4 August 2016.

2 OFFICER RECOMMENDATION

- 2.1 The Committee are asked to comment on the contents of the report and advise of any recommendations they wish to make to Cabinet.

3 BACKGROUND

- 3.1 The financial challenges for local authorities will continue for some time and there are a number of factors which potentially make accurate financial forecasting more problematic at this stage.
- 3.2 Last year's projections showed the Council's revenue budget to be in a sound position to 2017/18 although this was updated in the budget report in February following the Government's financial settlement for councils (see Appendix A). The areas which will have the most impact on the Council's revenue budget in future years are detailed below.

4 SIGNIFICANT FACTORS INFLUENCING FUTURE FINANCE PROJECTIONS

4.1 Public Finances

The decision to leave the EU will undoubtedly have some impact on public finances but it is very difficult to know what they will be at this stage. One position impact is that interest rates reduced in the days after the referendum which meant that the Council was able to secure a £10M loan at 2.19% to part fund the new Leisure Centre. This compares with a rate of 3.2% when the business case was approved by Council in July 2015.

The budget report to Council in February explained that the Chancellor was moving resources away from District Councils, particularly those in the South East. This was due to both the overall pressure on public finances and the need to focus more resources on adult social care. One consequent of this is that the Council will receive only £80k Revenue Support Grant in 2017/18, and none in subsequent years. A transition grant of £105k in 2017/18 will also cease in following years. In future the Council will have to finance services from:

- Retained Business Rates
- Council Tax Income
- Fees and Charges for Services
- New Homes Bonus
- Specific One-Off Grants

These are dealt with in more detail below.

4.2 Retained Business Rates

From 2020 onwards the Chancellor has announced the intention to localise business rates and it is not known how this will affect the amount of business rates Hart is allowed to retain. A consultation paper was issued on 5 July but it is too early to assess its impact on local finances. As a consequence the projections in this report assume that the amount of business rates retained will increase annually by inflation.

4.3 Council Tax Increases

The Council agreed a £5 (3.3%) increase at Band D for 2016/17, the maximum allowed by the Government without a local referendum. This followed 6 years of no increase on the District Council element of the Council Tax.

It is not known what increase will be allowed in future years, although the Government's own figures assume councils will, on average, need to increase council taxes by 1.5% annually to cover shortfalls in budgets. The projections in this report assume 1.5% per annum.

4.4 Fees and Charges for Services

The Council reviews fees and charges annually and, where possible, these are increased by inflation. However some fees, eg, Planning, are set by Statute and cannot be arbitrarily increased by the Council. Currently the Government is consulting on allowing local authorities to set their own planning fee levels although there remains a lot of uncertainty around these proposals. Due to the unpredictability of the number of planning applications to be received in future years, future projections assume only modest year on year increases in planning income.

A significant proportion of council income has traditionally come from the Leisure Centres; now that the management of these is outsourced to Everyone Active the management fee due to the Council for the near 10 years is contractually set.

4.5 New Homes Bonus

This remains the most significant risk to the Council's revenue budget. The Government are reducing the national amount available to pay to local authorities and have consulted on proposed changes to the scheme. The response from the Government is not yet known but it is clear that less money will be available to Hart in the future. Hart uses all of the £2m receivable in 2016/17 to part fund the revenue account and the Council will need a strategy to cover reductions in this grant.

The projected figures in this report assume that NHB will only be paid for 4 years in future on the number of houses built in excess of assessed need. In Hart that figure is 380 per annum and as we expect circa 648 planning permissions to be followed up each year then we estimate NHB will be paid on 268 per annum (648-380).

4.6 Savings from Outsourcing

As well as the leisure outsourcing referred to earlier, the Council has secured a new tender (along with 5 other councils) to provide back office services from October 2017. In addition this procurement process means the outsourcing of car park management and land charges for the first time. As these savings can now be quantified they are included in the revenue projections. However, the potential for further outsourcing is limited and the letting of a new refuse contract in 2018 may not secure any savings.

The Council will have to continue to be "smart" in examining different ways of working, possibly including more sharing of services.

5 DEVOLUTION

- 5.1 Plans for devolution are uncertain at the present time so any consequences for Hart and its future finances are unknown.

6 OTHER COSTS

- 6.1 Costs not currently allowed for in the Council's budgets but which have been allowed for in the projections are:
- 500k investment in IT as part of the deal in awarding a new back office contract (and will pump prime the contract savings secured in that contract).
 - Cost of running a "mothballed" Hart Leisure Centre. Discussions continue to take place with the County Council and assumptions have had to be made about the cost to the Council which may be higher than assumed when the financial evaluation for the management contract was considered in July 2015.

7 SQUARING THE CIRCLE

- 7.1 It is clearly difficult to rely on projections far into the future with so many uncertainties. However, it would be remiss of the Council not to prepare some contingency plans if hard decisions are required at some stage. To this end all Service Heads were asked last year to come up with a number of scenarios if budget

savings were required. These were not necessary in 2016/17 as the Council was able to approve a budget with a small surplus. However the suggestions received are appended to this report and this clearly will need to be an evolving process so that the Council is fully prepared for all eventualities.

No provision has been made in the projections for any new initiatives arising from the Corporate Plan.

8 CONCLUSION

8.1 While it is difficult to be certain about the future, Members can be reassured there are some positives to be taken from these projections:

8.1.1 The Council has secured significant savings from recent outsourcing which have helped secure a more positive revenue position for the next 10 years.

8.1.2 The cost of borrowing for the new Leisure Centre is lower than forecast. The difference between the £10M already borrowed and ultimate financing needs could be met from internal balances if further borrowing is deemed too expensive.

8.1.3 Even with a fairly pessimistic view on New Homes Bonus, the projections still show a General Reserve Balance of £1.3M at 31 March 2021.

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FINANCIAL PROJECTIONS FOR JULY 2016 OVERVIEW & SCRUTINY

	2016/17 Draft Budget	2017/18	2018/19	2019/20	2020/21
Net Cost of Services	10,188	10,465	9,944	9,371	9,276
<u>Less</u>					
Interest on Balances	-51	-30	-20	-50	-50
New Homes Bonus	-2,076	-2,052	-1,251	-890	-890
Net Budget Requirement	8,061	8,383	8,673	8,431	8,336
<u>Financed By</u>					
Government Grant					
- Business Rates Retained	-1,265	-1,290	-1,316	-1,342	-1,369
- Revenue Support Grant	-562	-80	0	0	0
- Transitional Support Grant	-109	-108	0	0	0
Collection Fund (Surplus) / Deficit	-37	-50	-50	-50	-50
Council Tax Income	-5,844	-6,104	-6,150	-6,250	-6,350
£5 Increase in Council Tax in 2016/17 (1.99% in subsequent years)	-192	-313	-123	-130	-135
S106 Receipts	-41	-41	-45	-45	-48
SANG Receipts/Loan Repayments	-139	-142	-145	-145	-150
Minimum Revenue Provision / Loan Repayments	11	520	520	520	520
Transfer (to) from Reserves to balance Revenue Account	(117)	775	1,364	989	754
General Fund Balance as at 1 April	4,629	5,184	4,409	3,045	2,056
Plus Underspend in 2015/16	438	-	-	-	-
Transfer to (from) Reserves	117	(775)	(1,364)	(989)	(754)
General Fund Balance at 31 March	5,184	4,409	3,045	2,056	1,302

Assumptions

1. Cost of services assumes minimal growth of 2% per annum and includes the management fee from Everyone Active and allows for some residual costs on the current Leisure Centre.
2. New Homes Bonus – calculations based on assumptions detailed in paragraph 4.5.
3. Business rates assumed to increase by 2% inflation per annum (no growth assumptions).
4. Loan repayments is based on cost of £10M secured at 2.19% over 25 years. If the Council had to borrow £14M in total then this could add circa £208k per annum. However, this scenario may be avoided by using other unused balances.

OVERVIEW AND SCRUTINY COMMITTEE

DATE OF MEETING: 19 JULY 2016

TITLE OF REPORT: TREASURY MANAGEMENT OUTTURN 2015/16

Report of: Head of Finance

Cabinet Member: Councillor Ken Crookes, Economic Development and Corporate Finance

1. PURPOSE OF REPORT

- 1.1 To report the Council's Treasury Management activities during the 2015/16 financial year.

2. OFFICER RECOMMENDATION

- 2.1 The Committee are asked to consider any comments they wish to make to Cabinet who will consider the report at their meeting on 4 August 2016.

3. BACKGROUND

- 3.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2015/16. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

- 3.2 During 2015/16 the minimum reporting requirements were that the full Council should receive the following reports:
- an annual treasury strategy in advance of the year (Council 5 February 2015)
 - a mid-year (minimum) treasury update report (Cabinet 5 November 2015)
 - an annual review following the end of the year describing the activity compared to the strategy (this report)

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Cabinet before they were reported to the full Council.

4. THE ECONOMY AND INTEREST RATES

- 4.1 Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3 2015 but soon moving back to quarter 1, 2016.

However, by the end of the year, market expectations had moved back radically to quarter 2, 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown; and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.

These concerns have caused sharp market volatility in equity prices during the year with corresponding impacts on bond prices and bond yields due to safe haven flows. Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year. Economic growth (GDP) in 2015/16 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1, 2015 to 2.1% in quarter 4.

The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back. In addition, a notable trend in the year was that several central banks introduced negative interest rates as a measure to stimulate the creation of credit and hence economic growth.

The ECB commenced a full blown quantitative easing programme of purchases of Eurozone government and other bonds starting in March at €60bn per month. This put downward pressure on Eurozone bond yields. There was a further increase in this programme of QE in December 2015.

As for America, the economy has continued to grow healthily on the back of resilient consumer demand. The first increase in the central rate occurred in December 2015 since when there has been a return to caution as to the speed of further increases due to concerns around the risks to world growth.

The UK elected a majority Conservative Government in May 2015, removing one potential concern but introducing another due to the promise of a referendum on the UK remaining part of the EU. The government maintained its tight fiscal policy stance but the more recent downturn in expectations for economic growth has made it more difficult to return the public sector net borrowing to a balanced annual position within the period of this parliament.

5. TREASURY POSITION AS AT 31 MARCH 2016

- 5.1 The council ended the financial year with investments of £13m. This was a decrease on the closing balance on 31 March 2015 which saw total investments of £15m.

Institution	Value of Investment	Investment Date	Maturity Date	Rate %
Fixed Term Investments				
Bank of Scotland	£1,000,000	01-May-15	03-May-16	1.00
Standard Chartered	£1,000,000	04-Dec-15	03-Jun-16	0.76
Sumitomo Mitsui	£4,000,000	04-Jan-16	15-Apr-15	0.62
Sumitomo Mitsui	£1,000,000	31-Mar-16	16-May-16	0.52
Call Accounts				
HSBC	£5,000,000	31-Jul-13	N/A	0.80
Standard Life Ignis MMF	£1,000,000	03-Mar-16	N/A	0.47
	£13,000,000			

5.2 Borrowing and Investment Rates in 2015/16 can be seen in Appendix I to this report.

6. THE STRATEGY FOR 2015/16

6.1 The expectation for interest rates within the treasury management strategy for 2015/16 anticipated low but rising Bank Rate, (starting in the first quarter of 2016), and gradual rises in medium and longer term fixed borrowing rates during 2016/17. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.

The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back.

6.2 For 2015/16 no additional long term external borrowing was entered into.

6.3 The strategy adopted in the original Treasury Management Strategy Report for 2015/16 approved by the council on 26 February 2015 continued to be used throughout the financial year and was not subject to any revision during the year.

7. INVESTMENT OUTTURN FOR 2015/16

- 7.1 Investment Policy – the council’s investment policy is governed by CLG guidance, which has been implemented in the annual investment strategy approved by the council on 25 February 2015. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.)

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

- 7.2 Investments held by the Council - The weighted average interest achieved during the year was 0.64% (0.61% 2014/15) and total interest receipts were £161,000 (£145,000 2014/15) compared to a budget of £116,000 (£120,000 2014/15).

8. PRUDENTIAL INDICATORS

- 8.1 During the financial year the council operated within the treasury limits and Prudential Indicators set out in the council’s Annual Treasury Strategy Statement. The outturn for the Prudential Indicators is shown in Appendix 2.

9. POLICY IMPLICATIONS

- 9.1 There are no policy implications

10. FINANCIAL IMPLICATIONS

- 10.1 There are no financial implications other than those identified in this report.

11. MANAGEMENT OF RISK

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

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

12. CONCLUSION

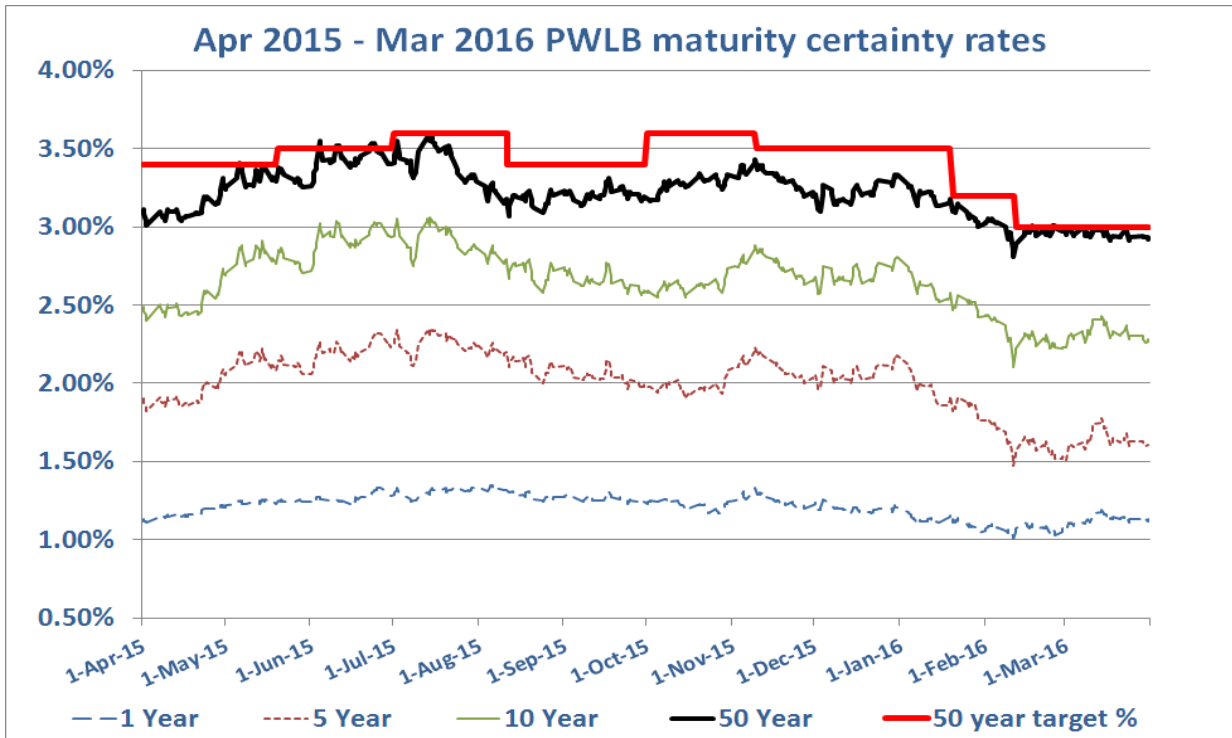
This report provides Members with information on the level of investment and interest earned during the last financial year and demonstrates the Councils compliance with the Treasury Management Strategy.

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BACKGROUND PAPERS: Budget Report Council

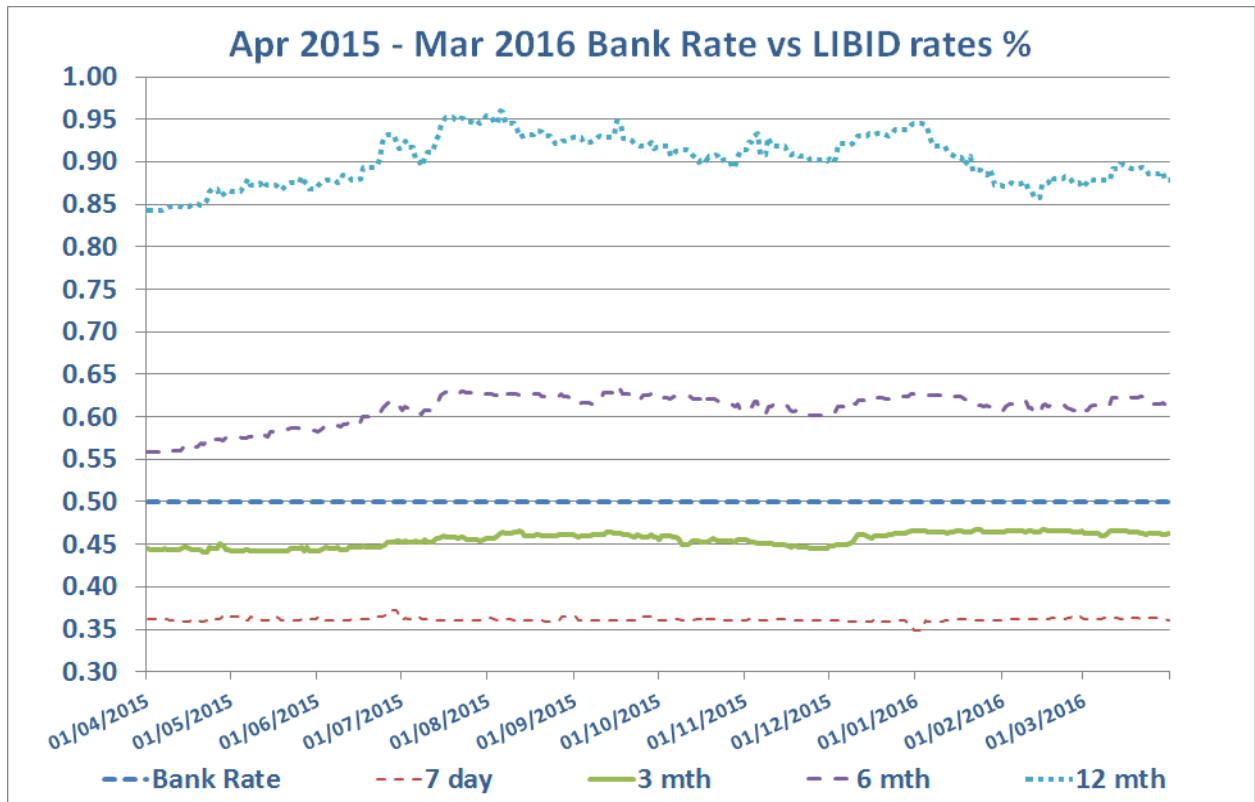
Borrowing Rates in 2015/16

PWLB borrowing rates - The graph for PWLB rates below show, for a selection of maturity periods, the average borrowing rates, the high and low points in rates, spreads and individual rates at the start and the end of the financial year



Investment Rates in 2015/16

Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for seven years. Market expectations as to the timing of the start of monetary tightening started the year at quarter 1 2016 but then moved back to around quarter 2, 2018 by the end of the year. Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for Lending Scheme and due to the continuing weak expectations as to when Bank Rate would start rising.



APPENDIX 2

Prudential Indicators

Extract from budget setting report	2014/15 Actual £000	2015/16 Estimate £000	2015/16 Actual £000
Capital Expenditure			
General Fund	2,204	10,045	8,895
Total	2,204	10,045	8,895
Ratio of financing costs to net revenue stream			
General Fund	-1.49%	-1.44%	-1.71%
Net borrowing requirement			
Brought forward 1 April	113	122	122
Carried forward 31 March	122	6,108	902
In year borrowing requirement	14	5,986	780
In year Capital Financing Requirement			
General Fund	2,204	10,045	8,895
Total	2,204	10,045	8,895
Incremental impact of capital investment decisions	%	%	%
Increase in council tax (band D) per annum	0.27	1.33	1.17

Treasury Management Indicators

	2014/15 Actual £000	2015/16 Estimate £000	2015/16 Actual £000
Authorised Limit for external debt			
Borrowing	7,000	7,000	7,000
Total	7,000	7,000	7,000
Operational Boundary for external debt			
Borrowing	5,000	5,000	5,000
Total	5,000	5,000	5,000
Actual external debt	42	42	36
Upper limit for fixed interest rate exposure			
Net principal re fixed rate borrowing / investments	100%	100%	100%
Upper limit for variable interest rate exposure			
Net principal re variable rate borrowing / investments	100%	100%	100%
Upper limit for total principal sums invested for over 364 days	50%	50%	50%

OVERVIEW AND SCRUTINY COMMITTEE

DATE OF MEETING: 19 JULY 2016

TITLE OF REPORT: REVIEW OF MEMBERS' ALLOWANCES

Report of: Joint Chief Executive

1 PURPOSE OF REPORT

- 1.1 To consider the report of the Independent Panel into the review of Members' Scheme of Allowances and make recommendations to full Council for the coming municipal year. The report is attached at Appendix I.

2 RECOMMENDATION to Council

That a Scheme of Members' Allowances be recommended to Council for adoption commencing in the new municipal year 2017/18.

3 BACKGROUND

- 3.1 Under the Local Government Act 2003, the Council is required to appoint an Independent Remuneration Panel to advise on Members' Allowances and the Council is required to have regard to the Panel's recommendations when it seeks a change or amendment to its Members Allowances Scheme. The maximum period for indexing the allowances without the need for a further review is four years. The current Scheme introduced in January 2004, was last reviewed in 2011/12, and a new scheme is required for the municipal year 2016/17.
- 3.2 An Independent Remuneration Panel was appointed, led by South East Employers and comprising Mr Mark Palmer, Mr Peter Moore and Mrs Caroline Winchurch. A questionnaire was sent out to all Councillors and interviews took place on 18 January 2016. The final Panel Report was received on 8 February 2016 and makes recommendations as to the appropriate level of Members Allowances for Hart.

4 CONSIDERATIONS

- 4.1 The Panel Members have made a number of recommendations. In summary:
- a) The appropriate levels of Basic Allowance and Special Responsibility Allowances for 2016//2017 are as set out on page 8 of the report.
 - b) The Dependents' Carers' Allowance should be re-prioritised as basic and specialist care and be subject to the same conditions as are currently in place.
 - c) The Special Responsibility Allowance's (SRA's) for Vice Chairmen roles should be removed with the exception of the Vice Chairman of Planning.
 - d) The I.T Allowance should be withdrawn

- e) The appropriate amounts for travel should be reimbursed at the Inland Revenue (HMRC) allowed rates and any subsistence rates should be in accordance with those of Officers.
- f) Index linking for the Basic Allowance and for Special Responsibility Allowances should be at the same rate as that applied to staff salaries for the year 2016//2017 for a maximum of four years.

5 FINANCIAL IMPLICATIONS

- 5.1 The uplifting of Members allowances as detailed in the report would need to be incorporated into the 2017/2018 budget build, plus index linking as per staff salaries for subsequent years.

6 CONCLUSION

- 6.1 The Independent Panel has taken into account feedback from Hart Members and has made benchmark comparisons with similar authorities. It is therefore concluded that the independent advice of the Panel is thorough and robust. Having regard to the recommendations in the Panel's Report a Scheme of Allowances should be recommended to Council for approval.

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APPENDICES

Appendix I – Review of Members' Allowances for Hart District Council – Report of the Independent Remuneration Panel January 2016

BACKGROUND PAPERS:

A Review of Members' Allowances for Hart District Council: Report of the Independent Remuneration Panel, February 2011



**A Review of Members' Allowances for Hart District
Council**

Report of the Independent Remuneration Panel

January 2016

**2 CROWN WALK, JEWRY STREET,
WINCHESTER
HANTS,
SO23 8BB**

1. Introduction

The Independent Remuneration Panel was convened to undertake a full review of Members' Allowances, the last full review having been conducted in February 2011. The review was undertaken and the Panel convened in accordance with The Local Authorities (Members Allowances) (England) Regulations (SI 1021) ("the 2003 Regulations).

The Panel met on 18th and 19th January 2016 and membership of the panel was:-

Caroline Winchurch, Chief Executive, Hart Voluntary Action
Peter Moore, Independent Person for Hart DC and Hampshire CC
Mark Palmer, Development Director, South East Employers (Panel Chairman)

A questionnaire was sent out to all Members prior to the review and we interviewed eight Members. Fourteen of the 33 Members of the Council completed the questionnaire a copy is attached as Appendix 1. A comprehensive analysis of the questionnaires is attached as Appendix 3.

The Panel would like to thank Members who did complete the questionnaire and to those we interviewed. We have taken account of the views expressed to us by those Members and would like to thank them for their assistance in this review.

Additionally the Panel were assisted and supported throughout by Gill Chapman (Committee and Member Services Officer). We thank all the officers involved for their help and support.

Other information at our disposal included the 2011 Report of the Independent Remuneration Panel, the current Scheme of Members' Allowances and a schedule of how the recommendations in the 2011 report had been taken forward.

We also had the benefit of the Members' Allowance Survey for District Councils in the South East conducted by South East Employers in 2015. The Survey has been used to support benchmarking and for this purpose we have used the Hampshire District Councils plus neighbouring Councils Surrey Heath District Council and Waverley Borough Council.

Comprehensive details of the allowances in these Councils are, attached as Appendix 2.

2. Terms of Reference

Our terms of reference were to undertake a full review of Members' Allowances for Hart District Council and to make recommendations as to the level of Basic Allowance and of Special Responsibility Allowances for the year 2016/2017 and beyond for a maximum 4 year period. The review also included consideration of the Dependents' Carers' Allowance, the I.T. Allowance, the scheme for travelling and subsistence. A separate enabling report for Members Allowances for Parish Councils was also included as part of this review.

3. The Deliberations of the Panel

Having familiarised ourselves with the background to allowances across the Council we noted that there had been no fundamental changes in Members' Allowances since 2006. We also noted that the recommendations of the 2006 and 2011 report had not been implemented in full due to the financial constraints placed upon the Council.

Although the Panel were not informed of any fundamental changes that would impact on the scope and level of allowances, the questionnaire did identify that the majority of Members completing the questionnaire did feel that the current level of Basic Allowance was not at an appropriate level.

A key role of the Panel is to recommend a scheme of allowances which recognises both Members' responsibilities and workloads. However, the Panel was mindful of the Councils continued financial constraints when making its recommendations.

To support a consistent approach the Panel have broadly used the same methodology as that was used in the 2011 report for calculating the Basic Allowance and the Special Responsibility Allowances.

4. Basic Allowance

In 2011 the Basic Allowance was assessed using the median hourly earnings for Hart District Council area as a place of residence. This information is published by the Office for National Statistics each December as part of its National Statistics of Hours and Earnings (NOMIS) and in 2011 the figure was £14.58 per hour. By 2015 this had risen to £18.66.

The Panel took the view that rather than using the Hart District Council area as a place of residence rate instead we would adopt the more general South East of England median average hourly earning rate (NOMIS December 2015) , a rate of **£14.62 per hour**.

The results of the Members Allowances questionnaire and subsequent interviews conducted as part of the review identified that 12 to 13 hours per week for the Front Line Councillor role was appropriate.

In respect of the Public Service Discount (PSD) there were differences ranging from 10% to 100%, the average equated to 46% so the Panel were of the view that the current level of 50% should continue to represent the level of recommended "Public Service Discount" ie. - The element of a Members' activity that should be given on a purely voluntary basis.

Based on these figures the level of Basic Allowance for Members' of Hart District Council can be calculated as 12 hours X 52 weeks X 50% Public Service Discount X £14.62 per hour which gives a Basic Allowance of **£4,561**.

Currently Hart DC has the lowest Basic Allowance within the benchmark group of Councils (Hampshire District/Borough Councils plus Surrey Heath DC and Waverley BC). Even after this recommended increase to the Basic Allowance Hart DC will still be one of the lowest Basic Allowances within the benchmark Councils.

Benchmark Councils- Basic Allowance 2015

- Basingstoke BC £6736
- Eastleigh BC £6178
- East Hants DC £4500
- Fareham BC £6674
- Gosport BC £5862
- **Hart DC £3885 (Recommendation £4561)**
- Havant BC £5350
- New Forest DC £6027
- Rushmoor BC £4750
- Surrey Heath DC £5042
- Test Valley BC £6452
- Waverley BC £4573
- Winchester BC £5580

RECOMMENDATION: The Basic Allowance for Members of Hart District Council for the year 2016/2017 should be £4,561

5. Special Responsibility Allowances

The Panel have largely used the same methodology for our recommendations as those used in the 2011 report.

We do, however, for ease of reference, set out on page 8 the recommendations of the 2011 report, the current list of Special Responsibility Allowances and **the level of SRA's we now recommend for 2016/17.**

Vice Chairmen: The Panel were of the view that with the exception of Planning the role of Vice Chairman should no longer receive an SRA. The Vice Chairman of Planning was seen as a more complex and demanding role as a consequence of the impact and the frequency of Planning Committee meetings and site visits. The Panel were of the view that this should be the only Vice Chairman role to retain an SRA.

Currently Hart DC has 24 roles that receive an SRA. Twenty- Four SRA's across a Council of 33 Members is regarded as being high, good practice referred to in the Members Allowances Regulations is based on no more than 50% of Members receiving an SRA. The Panel recommendations particularly in relation to Vice Chairman will reduce the number of allowances from 24 to 19.

RECOMMENDATION: The SRA's for 2016/17 be in accordance with those listed on page 8 of the report

6. Dependents' Carers' Allowance

The Council currently offers a Dependents' Carers' Allowance of £8 per hour subject to a number of conditions. The Panel was of the view that the Dependents' Carers' Allowance was important and that there were different types of care required ranging from basic - care e.g. babysitting to very specialist care for adults and children. The actual cost of this care differed significantly therefore the Panel recommend that there should be two distinct types of care, basic and specialist care.

RECOMMENDATION: In respect of basic care the Panel recommends that the Dependents' Carers' Allowance should be reimbursed to a maximum of £8.25 per hour upon production of receipts. This rate will be linked to the National Living Wage determined by the Living Wage Foundation and reviewed on an annual basis.

In respect of the more specialist care this should be reimbursed at cost upon production of receipts. In the case of reimbursement for specialist care, medical evidence that this type of care is required must also be provided.

7. I.T. Allowance

Members currently receive an I.T. allowance of £250 per year which can be rolled over between years to allow for the purchase of larger pieces of equipment. We understand that the allowance is not paid automatically but has to be claimed by individual Members and this can lead to an uneven budget spend throughout the year.

The Panel were of the view that in today's world the vast majority of Members would already have access to I.T hardware (PC/ laptop and/or tablet computer) and would be periodically updating it for both personal and other professional related activities. As a consequence there was no longer any justifiable reason to provide a separate dedicated I.T. allowance for Members. The Panel therefore recommend that the I.T. Allowance be withdrawn.

RECOMMENDATION: The I.T allowance should be withdrawn.

8. Travel and Subsistence

The Council currently pays mileage allowances based on the National Joint Council for Local Government Services (NJC) agreed rates and whilst these have not been adjusted, any increase above the Inland Revenue (HMRC) rates could cause Members to incur a tax liability.

The 2011 review recommended that the Council adopt the HMRC travel rates and this recommendation continues to be supported by the Panel.

RECOMMENDATION: The Council adopt the HMRC recommended allowances for Members travel claims, replacing the current NJC agreed rates.

Any subsistence payments should be in accordance with those paid to Officers of the Council.

9. Index Linking

The Basic and Special Responsibility Allowances are currently linked to staff pay increases.

The Panel is of the view that any future index linking should continue be to the rate of increase in staff salaries.

RECCOMENDATION: Any index linkage agreed by the Council should be in line with staff salary increases for a maximum of four years from 2016/2017 to 2020/2021.

10. The One SRA Only Rule

The 2003 Members Allowances Regulations do not limit the number of SRA's an individual Member can receive. Nevertheless, it is common and established good practice in most Council's to have a 'One SRA only' rule set out in their allowances scheme. The Panel was pleased to see that Hart DC Members Allowances Scheme conforms to the 'One SRA Only Rule'

11. Implementation of Recommendations

As permitted by the 2003 Members' Allowances Regulations (paragraph 10.6) it is recommended that the new Members Allowances as recommended in this report be implemented as soon as possible by April 2016

**Mark Palmer
Chairman of the Independent Remuneration Panel
January 2016**

	2011/2012 RECOMMENDATIONS £	CURRENT ALLOWANCES £	2016/2017 RECOMMENDATIONS £	RATIONALE & METHODOLOGY
BASIC ALLOWANCE	4548	3885	4561	
LEADER OF THE COUNCIL	15163	15642	15965	21 hrs X 52 wks @ £14.62
DEPUTY LEADER	7582	6213	7982	50% of Leader
CABINET MEMBERS	6823	5641	7184	45% of Leader
CHAIRMAN OF PLANNING	4549	3128	4790	30% of Leader
CHAIRMAN OF COUNCIL	3791	3048	3991	25% of Leader
CHAIRMAN OF OVERVIEW AND SCRUTINY	3033	2045	3193	20% of Leader
CHAIRMAN OF LICENSING	2274	1722	1597	10% of Leader
CHAIRMAN OF STAFFING	2274	1722	1597	10% of Leader
CHAIRMAN OF AUDIT	2274	1722	2395	15% of Leader
CHAIRMAN OF STANDARDS	2274	1172	1597	10% Leader
MAIN OPPOSITION GROUP LEADER	3033	2045	2395	15% of Leader
OTHER OPPOSITION GROUP LEADER (S)	£37 Per Group Member	£45 Per Group Member	£100 Per Group Member	Currently this will be £800 (8 Members)
IT ALLOWANCE	250	250	0	To withdraw allowance
CO-OPTED MEMBERS OF THE STANDARDS COMMITTEE	437	226	240	15% of the Chairman of the Standards Committee
VICE	1516	1042	1595	33.3%

CHAIRMAN OF PLANNING				Chairman of Planning
VICE CHAIRMAN OF LICENSING	758	781	0	To withdraw the SRA
VICE CHAIRMAN OF COUNCIL	1264	1051	0	To withdraw the SRA
VICE CHAIRMAN OF OVERVIEW AND SCRUTINY	1011	781	0	To withdraw the SRA
VICE CHAIRMAN OF AUDIT	758	781	0	To withdraw the SRA
VICE CHAIRMAN OF STAFFING	758	781	0	To withdraw the SRA

Summary of Recommendations:-

- a) **The appropriate levels of Basic Allowance and Special Responsibility Allowances for 2016//2017 are as set out on page 8 of the report.**
- b) **The Dependents' Carers' Allowance should be re-prioritised as basic and specialist care and be subject to the same conditions as are currently in place.**
- c) **The SRA's for Vice Chairmen roles should be removed with the exception of the Vice Chairman of Planning.**
- d) **The I.T Allowance should be withdrawn**
- e) **The appropriate amounts for travel should be reimbursed at the Inland Revenue (HMRC) allowed rates and any subsistence rates should be in accordance with those of Officers.**
- f) **Index linking for the Basic Allowance and for Special Responsibility Allowances should be at the same rate as that applied to staff salaries for the year 2016//2017 for a maximum of four years.**

**MEMBERS OF HART DISTRICT COUNCIL INTERVIEWED BY THE INDEPENDENT
REMUNERATION PANEL JANUARY 2016**

Councillor Southern	Vice Chairman of the Council
Councillor Axam	Community Campaign Hart
Councillor Cockarill	Liberal Democrat – Did not attend
Councillor Makepeace- Brown	Community Campaign Hart
Councillor Crookes	Conservative Cabinet Member for Economic Development and Corporate Finance
Councillor Oliver	Chairman of the Council
Councillor Dickens	Conservative
Councillor Parker	Leader of the Council
Councillor Burchfield	Deputy Leader of the Council

Hart District Council
Independent Remuneration Panel

Members' Allowances – Questionnaire 2016

It will greatly assist the Independent Remuneration Panel undertaking the review of Members' Allowances to have your views on the subject.

Please return your completed questionnaire to Gill Chapman not later than Monday, 11 January 2016.

Please print your name:	
What roles do you currently hold in the District of Hart?	1. 2. 3. 4.

1. In a typical week how many hours do you spend on council business relevant to your role as a front-line councillor? <div style="text-align: right; margin-right: 100px;">_____ hours</div>			
Please indicate how this time will be spent:			
a) Attending meetings (including travelling)	_____ hours		
b) Community/Parish representation	_____ hours		
c) Case work (dealing with particular issues in your ward)	_____ hours		
d) Research	_____ hours		
2. In a typical week, how many hours do you spend on council business relevant to the role(s) that you hold in addition to front-line councillor? Please provide details separately for each role if more than one additional role is held.			
Role 1	Role 2	Role 3	Role 4
_____ hours	_____ hours	_____ hours	_____ hours

PAPER E
Appendix I to SEE Report

Please indicate how this time is spent and give separate answers for each additional role held.:	Role 1	Role 2	Role 3	Role 4
a) Attending meetings (including travelling)	___ hours	___ hours	___ hours	___ hours
b) Community representation	___ hours	___ hours	___ hours	___ hours
c) Case work (dealing with particular issues relevant to the role)	___ hours	___ hours	___ hours	___ hours
d) Research	___ hours	___ hours	___ hours	___ hours
3. Do you incur any significant costs which you believe are not covered by your present allowance?	<p>YES / NO</p> <p>If YES, please provide details</p>			
<p>4. Government guidance states that “it is important that some element of the work of Members continues to be voluntary”. As part of their deliberations, Independent Remuneration Panels will assess what Public Service Discount should apply to the basic allowance. That is the percentage of their time Councillors expect to give without any financial remuneration.</p>				
What do you feel is an acceptable amount of time to be given, unremunerated – expressed as a percentage?	_____ %			
5. The present level of Basic Allowance payable to all Councillors is £3,855. Do you think this is appropriate?	YES / NO			
If NO , should it be higher or lower? Please give a reason for your answer.	HIGHER / LOWER			
If you are able, please indicate an appropriate level	£_____			

PAPER E
Appendix I to SEE Report

<p>6. Special Responsibility Allowances (SRAs) are currently paid as follows: (To assist the panel to produce a more consistent group of allowances, please can you score each role/position in respect of importance and impact. 1 to 19. 1= most important.)</p>		
Leader of the Council	£15,642	
Deputy Leader of the Council	£6,213	
Other Cabinet Members	£5,641	
Chairman of Overview & Scrutiny Committee	£2,045	
Vice-Chairman of Overview & Scrutiny Committee	£781	
Chairman of Audit Committee	£1,722	
Vice-Chairman of Audit Committee	£781	
Chairman of Planning Committee	£3,128	
Vice -Chairman of Planning Committee	£1,042	
Chairman of Licensing	£1,722	
Vice-Chairman of Licensing	£781	
Main Opposition Group Leader	£2,045	
Other Opposition Group Leaders	£45 per member of the group	
Chairman of the Council	£3,048	
Vice Chairman of the Council	£1,051	
Chairman of Standards Committee	£1172	
Co-opted Members of Standards Committee	£226	
Would you like to see any changes made to these allowances?	<p>YES/NO If YES, please provide details</p>	
Would you like to see any new Specialist Responsibility Allowances introduced?	<p>YES/NO If YES, please provide details</p>	

<p>6. Carers Allowance</p> <p>The Dependent Carer's Allowance is currently set at £8.00 per hour. (The Council's living wage is set at £7.85 ph)</p>															
<p>Continue at this rate YES/NO</p>	<p>Be set at some other rate? YES/NO</p> <p>If Yes, please indicate rate and reason</p>														
<p>8. Travel and Subsistence</p> <p>The current scheme is attached.</p> <p>Do you have any comments on the current scheme for Members?</p> <p>Hart District Council has adopted the NJC approved mileage rates for travel as set out below. Do you support this?</p>															
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">From 2010</td> <td style="width: 16.6%;">451-999cc</td> <td style="width: 16.6%;">1000-1199cc</td> <td style="width: 16.6%;">1200-1450cc</td> </tr> <tr> <td>First 8,500 business miles in the tax year</td> <td>46.9p</td> <td>52.2p</td> <td>65.0p</td> </tr> <tr> <td>Each business mile over 8,500 in the tax year</td> <td>13.7p</td> <td>14.4p</td> <td>16.4p</td> </tr> </table>				From 2010	451-999cc	1000-1199cc	1200-1450cc	First 8,500 business miles in the tax year	46.9p	52.2p	65.0p	Each business mile over 8,500 in the tax year	13.7p	14.4p	16.4p
From 2010	451-999cc	1000-1199cc	1200-1450cc												
First 8,500 business miles in the tax year	46.9p	52.2p	65.0p												
Each business mile over 8,500 in the tax year	13.7p	14.4p	16.4p												
<p>9. Subsistence</p> <p>There is currently no scheme for subsistence.</p> <p>Do you have any comments on this?</p>	<p>YES/NO</p> <p>If Yes, please provide details</p>														

If you have any other comments on Members' Allowances, please detail below:

--

Would you like the opportunity to speak to the IRP?	Yes		No	
---	-----	--	----	--

Finally, it would help to know about your employment status:

Tick which applies to you:

Employed		Unemployed		Self-employed		Retired	
If employed:	Full-time		Part-time				
If employed, does your employer give paid/unpaid leave to enable you to undertake your duties as a Councillor?		Yes		No			
If yes, how many days/hours per year Please indicate how many days/hours are paid.							

Thank you for your time. Please return this to Gill Chapman

Gill.chapman@hart.gov.uk

Council Name	Type of Council (County, Unitary or District/Borough)	Population	Basic Allowance for 2014/15	Overall budget for Member Allowances (£)	Total number of Councillors	Percentage of Public Service Discount (%)	Average spent per Councillor	Comments on Basic Allowance
Basingstoke & Deane Borough Council	District/Borough	172,000	6,736	571,800	60	Unknown	9,530	None
East Hampshire District Council	District/Borough	117,000	4,500	306,800	44	n/a	6,973	Unchanged since 2008
Fareham Borough Council	District/Borough	113,613	6,674	416,000	31	n/a	13,419	n/a
Gosport Borough Council	District/Borough	84,287	5,862	242,790	34	n/a	7,141	n/a
Hart	District/Borough	90,000	3,885	232,975	33	n/a	7,060	n/a
Havant Borough Council	District/Borough	120,700	5,350	307,247	38	n/a	8,085	None
New Forest District Council	District/Borough	177,791	6,027	476,610	60	One third	7,944	Calculation :£13.57 hourly rate uprated by index x 416 hrs per year (After PSD).
Rushmoor Borough Council	District/Borough	96,800	4,750	300,000	39	not known	7,692	None
Surrey Heath Borough Council	District/Borough	84,000	4,962	276,000	40	n/a	6,900	n/a
Test Valley Borough Council	District/Borough	114,171	6,452	408,431	48	45%	8,509	n/a
Waverley Borough Council	District/Borough	121,574	4,573	252,280	57	n/a	4,426	Also £101,150 overall budget for Special Allowances
Winchester City Council	District/Borough	120,000	5,580	444,000	57	n/a	7,789	Same as previous year.

Appendix 2 to SEE Report

Council Name	Type of Council (County, Unitary or District/Borough)	Leader	Deputy Leader	Cabinet Member / Portfolio Holder	Cabinet Member / Non Portfolio Holder	Chair Audit Committee	Licensing Committee Chair	Deputy Chair Licensing Committee	Members of Licensing Committee	Planning Committee Chair	Deputy Chair Planning Committee	Members of Planning Committee	Overview and Scrutiny Committee Chair	Deputy Chair Overview and Scrutiny Committee	Overview and Scrutiny Co-optee	Chair / Civic Mayor	Deputy Chair/ Civic Mayor	Opposition Group Leader	Deputy Opposition Leader	Group Leader	Opposition Spokesperson	Committee Chair
Basingstoke & Deane Borough Council	District/Borough	22,460	14,964	11,230	11,230	5,615	5,615	562	0	5,615	562	0	5,615	562	448	4,485	1,288	6,738	0	3,369	0	0
East Hampshire District Council	District/Borough	16,000	2,767	4,150	Not applicable	2,767	692	Not applicable	692	4,150	1,383	Not applicable	2,767	692	Not applicable	2,767	Not applicable	2,767	Not applicable	Not applicable	Not applicable	Varies per committee, as shown
Fareham Borough Council	District/Borough	20,023	11,124	11,124	n/a	4,172	6,953	834	n/a	10,012	834.3	n/a	7786.8	834.3	n/a	n/a	n/a	6674.4	n/a	1,669	278	6,953
Gosport Borough Council	District/Borough	13,620	nil	nil	nil	nil	4,362	nil	nil	4,362	nil	nil	3,270	nil	nil	nil	nil	1,975	nil	1,975	nil	nil
Hart	District/Borough	15,642	6,213	5,461	0	1,722	1,722	781	0	3,128	1,042	0	2,045	781	0	3,048	1,051	2,045	0	0	0	0
Havant Borough Council	District/Borough	14,800	8,880	8,140	N/A	1,973	2,960	978	NA	5,920	NA	NA	5,920	NA	NA	NA	NA	Band A 2-5 Members: £600, Band B 6-10 Members: £1,200, Band C 11-15 Members: £1,800, Band D 16+ Members: £2,400	NA	NA	NA	Scrutiny Leads £1973, Chairman of the Safer Havant Partnership and the Council's Representation on Outside Organisations £5920
New Forest District Council	District/Borough	19,209	N/A	9,605	N/A	1,979	1,979	N/A	N/A	5,330	N/A	N/A	4,803	N/A	N/A	9,200	1,900	7,204	1,022	N/A	N/A	N/A
Rushmoor Borough Council	District/Borough	12,900	8,670	7,640	no information	1,030	5,160	no information	413 serving on four or more hearings a	5,160	no information	no information	3,100	no information	no information	1,030	no information	3,100	no information	no information	no information	no information
Surrey Heath Borough Council	District/Borough	13,523	n/a	4,511	n/a	1,804	3,609	1,804	n/a	4,178	2,089	n/a	3,609	1,441	n/a	4,700	1,567	n/a	n/a	4,511	n/a	n/a
Test Valley Borough Council	District/Borough	12,232	8,361	7,794	n/a	n/a	3,884	777	n/a	4,851	981	n/a	6,452	1,291	n/a	2,890	568	2,890	n/a	12,232	n/a	n/a
Waverley Borough Council	District/Borough	13,433	9,299	6,200	n/a	2,320	3,100	1,550	n/a	3,150	1,550	n/a	3,100	1,550	n/a	500	n/a	3,100	n/a	n/a	n/a	n/a
Winchester City Council	District/Borough	16,734	9,129	7,605	n/a	2,280	3,042	n/a	n/a	7,605	2,280	n/a	7,605	n/a	n/a	2,280	n/a	7,605	n/a	2280 (not in current use as group must have at least 5 members)	n/a	n/a

1. In a typical week how many hours do you spend on council business relevant to your role as a front-line councillor?

	18	
	8	
20-28	6	
	15	
	25	
	16	
	23	
	10	
	7	
	7	
	4	
	20	
	15	
Average:		13.38461538

Please Indicate how this time will be spent:

a) Attending meetings (including travelling)

	5	
	3	
6/8	2	
	4	
	13	
	10.5	
	8	
3-4	2	
	0	
	1	
	6	
	4	

b) Community/Parish representation

	4	
	1	
6-8	1	
	4	
	6	
	2.5	
	5	
	1	
	2	
	1	
	1	
	4	
	3	

c) Case work (dealing with particular issues in your ward)

	5	
	3	
6-8	3	
	5	
	6	
	2	
	4	
2-3	1	

0
1
4
6

d) Research

4
1

4-6

0
2
0
1
7
2
2
0
1
6
2

2. In a typical week, how many hours do you spend on council business relevant to the role(s) that you hold in addition to front-line councillor?

Please provide details separately for each role if more than one additional role is held.

Role 1	Role 2	Role 3	Role 4
5	1	1	0
0	0	0	0
10	2	8	0
1	0	0	0
0	3 O&S	3 CPRE	0
10	2	13	0
0	1	1.5	0
14	5	0	0
0	0	0	0
0	0	0	0
14	0	0	0
12	10	15	0
Included in the above	Included in the above	Included in the above	Included in the above
2	6	1	6

Please indicate how this time is spent and give separate answers for each additional role held:

a) Attending meetings (including travelling)

Role 1	Role 2	Role 3	Role 4
1	0	0	0
0	0	0	0
5	1	2	0
1	0	0	0
0	2	2	0
10	2	2	0
0	0	0	0
4	1	0	0
0	0	0	0
0	0	0	0
6	2	7	0
0	0	0	0
0	0	0	0
1	2	0.5	0.5

b) Community representation

Role 1	Role 2	Role 3	Role 4

No
N/A
No

If YES, please provide details:

N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
No
N/A
N/A

4. Government guidance states that "it is important that some element of the work of Members continues to be voluntary". As part of the deliberations, Independent Remuneration Panels will assess what Public Service Discount should apply to the basic allowance.

That is the percentage of their time councillors expect to give without financial remuneration.

What do you feel is an acceptable amount of time to be given, unremunerated - expressed as percentage?

50%	
75%	However for younger members who would sacrifice income from regular employment then this could go down to 20%
20%	No more
95%	
20%	
30%	
50%	
30%	
30%	e.g. School Gvs meetings and Parish council meetings
100%	When in other full time employment and not taking additional responsibilities
50%	
0%	Percentage is not appropriate. Two evening per week is appropriate for unrewarded volunteering.
60%	
40%	

Average: 46%

5. The present level of Basic Allowance payable to all Councillors is £3,855. Do you think this is appropriate?

YES
YES
No
Higher - People give up a significant amount of time to become a councillor for very little pay. For those who are still of employment, working age, Councillor work can be a distraction from their full time work. It is important to have a balance of those who still work and those who are retired on the Council, whilst the position has an altruistic component, in order to secure quality People (and those who do work full time) for the role as councillor, a fair remuneration would be expected by those who may be interested.
Higher/Lower

No
No
No
No
No
Yes
YES
No
YES

The current allowance is approximately equal to a Territorial Army private meeting his higher training obligation after five years.

PAPER E

Appendix 3 to SEE Report

No

If NO, should it be higher or lower? Please give a reason for your answer:

N/A

N/A

Higher

N/A

Higher

I am self employed. Council work seriously restricts the time and energy that I am able to dedicate to my business to earn a living, to rest, or take part in leisure activities. At a Pay rate effectively way below the minimum wage, it is hard to take this seriously and I often question whether I can afford to continue.

Higher

Higher

Higher

Should aim to get some younger people and those still working interested in council work.

Higher

It should be based on the input and time and not a flat rate as some do more than other

N/A

N/A

Higher

Alignment with a junior TA officer would show this increase.

N/A

Higher

If you are able, please indicate an appropriate level:

£ -

£ 5,500.00 Per annum as a basic allowance. This is approximately 80% of the allowance given at Basingstoke and closely aligned to that of Rushmoor.

N/A

£ 7,000.00

£ 4,500.00

£ 5,500.00

£ 5,000.00

N/A

£5000+

N/A

N/A

0

£ 6,750.00 60% of 15hrs is 9hrs at £15 ph

6. Special Responsibility Allowances (SRAs) are currently paid as follows:(To assist the panel to produce a more consistent group of allowances, please can you score each role/position in respect of importance and impact. 1 to 18. 1= mc

	Rank															
Leader of the Council	£15,642	1	1	1	1	1	1	1	1	19		1	1	1	1	1
Deputy Leader of the Council	£6,213	15	2	2	2	2	4	2	12		3	8	2	4	2	
Other Cabinet Members	£5,641	6	3	3	3	3	2	3	12		3	2	3	5	5	
Chairman of Overview & Scrutiny	£2,045	4	7	9	6	7	5	6	11		5	5	6	8	7	
Vice Chairman of Overview & Scrutiny	£781	10	13	15	7	13	0	8	6		13	0	9	13	12	
Chairman of Audit Committee	£1,722	8	10	10	8	9	8	7	9		5	0	12	11	9	
Vice Chairman of Audit Committee	£781	16	15	16	9	16	0	9	6		12	0	13	15	13	
Chairman of Planning Committee	£3,128	3	4	4	4	6	0	4	12		7	4	7	7	6	
Vice-Chairman of Planning Committee	£1,042	9	8	14	5	12	0	7	6		14	0	10	12	11	
Vice Chairman of Staffing Committee	£1,722			11												
Chairman of Staffing Committee	£781			18												
Chairman of Licensing Committee	1,722	5	6	5	10	8	0	5	9		8	9	8	9	15	
Vice-Chairman of Licensing Committee	£781	12	17	6	11	14	0	10	5		15	0	11	14	14	
Main Opposition Group Leader	£2,045	13	11	7	13	5	6	16	11		9	6	4	6	8	
Other Opposition Group Leader	£45 Per member of the group	14	12	13	16	7	0	17	0		16	7	5	0	16	
Chairman of the Council	£3,048	2	5	8	12	4 (This do	4	12	12		2	3	0	2	3	
Vice-Chairman of Council	£1,051	11	9	17	14	10	7	13	6		11	10	0	3	4	
Chairman of Standards Committee	£1,172	7	18	12	15	11	0	14	9		10	0	14	10	10	
Co-opted Members of Staff	£226	17	19	19	17	17	0	15	6		16	0	15	0	17	

Would you like to see any changes made to these allowances?

YES

NO

Yes
No
YES
Yes
Yes
N/A
YES
N/A
YES
YES
N/A
YES

If YES, please provide details:

As the figurehead of the Council, the Chairman has an important and time consuming role which should receive greater recognition

N/A

The Leader of the Cabinet Members should have a higher remuneration than the current SRAs. These are important positions that require lots of time, stress for very little pay. I think a 20% increase across the board would be a better incentive for those people to take up these positions.

N/A

Yes We are all in the public eye. The rates should be in proportion to the offline prep time required.

Yes Increase Cabinet Members and Chairman's allowances.

Yes I feel Planning Chairman should be the highest paid committee over Licensing. Opposition allowance doesn't seem fair in the case of this year when Liberals have equal number of councillors to CCH therefore both leaders should get the same. I see if LIBDEMS were to lose some councillors and CCH was to stay the same, then the formula works

N/A

N/A

N/A

Time spent on the role should, drive allowances. Chairman of council hours are discredited. Chairman of Planning allowance should be double of all other committee chairman.

Not answered

Yes SRAs need to be evaluated based on the commitment

N/A

Yes Chairman Low

Would you like to see any new Specialist Responsibility Allowances introduced?

No
No
N/A
No
No
No
No
No
N/A
No
No
No
N/A
No

If YES, please provide details:

N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A

N/A
 N/A
 N/A
 N/A

7. Carers Allowance

The Dependent Carer's Allowance is currently set at £8.00 per hour. (The Council's living wage is set at £7.85 ph)

Continue at this Rate	Be set at some other rate? (If yes, please indicate rate and reason)
YES/NO	N/A
Yes	N/A
N/A	N/A
Yes	N/A
Yes	No
Yes	N/A
Yes	Yes
YES/NO	Yes/No have little knowlegde but should be sufficient to cover actual costs
Yes	N/A
N/A	N/A
Yes	N/A
N/A	N/A
N/A	N/A
Yes	No

I have no view of this

CABINET

KEY DECISIONS/ WORK PROGRAMME AND EXECUTIVE DECISIONS MADE

August 2016

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

Report Title	Ref (Note 1)	Outline/Reason for Report/Comments	Original Due Date	Revised Due Date	Key Decision Y?	Cabinet Member (Note 2)	Service (Note 3)
Post Payment Parking and Church Road Car Park Improvements	May 15	To agree reallocation of budget funding to upgrade ticket machines in Fleet's Car Parks and improvements to Church Road Car Park	July 15	Aug 16	Y	MM	TS&EM
Council Tax Support Scheme	July 16	Decision deferred from July 2016 to explore potential impact	Aug 16			KC	F
Medium Term Financial Forecast	Feb 16	Updated and extending to 2019/20	July 16	Aug 16		KC	F
Revenue and Capital Outturn 2015/16	Annual	Report on outturn.	Aug 16			KC	F
Treasury Management 2015/16	Annual	Report on Treasury Management Activities 205/16.	Aug 16			KC	F
Concessions and Grants	Mar 16	Review of policies on support provided by the Council for voluntary/charitable groups	July 16	Aug 16		SP	JCX
Members Allowance Review	July 16	To consider the recommendations from the Members Allowance Review	Aug 16			SP	JCX

Report Title	Ref (Note 1)	Outline/Reason for Report/Comments	Original Due Date	Revised Due Date	Key Decision Y?	Cabinet Member (Note 2)	Service (Note 3)
Rotherwick Neighbourhood Plan	April 16	To agree modifications to the Neighbourhood Plan as a result of the Examiners report and to proceed to referendum	Aug16			SP	PP
Establishment of a Local Housing Company	Oct 15	Update on the formation of a local housing company.	Feb 16	Sept 16		SG	H
Budget Monitoring	Quarterly	Quarterly Budget Monitoring	Sept 16			KC	F
Car Parking Maintenance Review	Dec 15	Overview of how we are maintaining our car parks and how we effectively make use of our resources	Mar 16	Sept 16		MM	TS&EM
Disabled Blue Badges	Feb 16	Report on issues of blue badge charging	July 16	Sept 16		MM	TS&EM
On Street Parking	Mar 16	Review of residents parking and on street parking.	Sept 16			SF	TS&EM
Crandall Neighbourhood Plan	July 16	To approve the Crandall Neighbourhood area designation	Sept 16			SP	PP
Treasury Management Strategy	Annual	Update	Feb 17			KC	F
2016/17 Revenue Budget, Capital Programme and Council Tax Proposals	Annual	Approval. Recommendation to Council.	Feb 17			KC	F
Service Plans	Annual	Service Plans 2017/18	April 17			BB	All
Food Safety Service Plan	Annual	For approval	June 17			JK	RS
Suitable Alternative Natural Green Space (Sang)	May 16	Annual Monitoring report	June 17			SP	PP
Outside Bodies	Annual	To confirm representatives on Outside Bodies	June 17			SP	JCX

Report Title	Ref (Note 1)	Outline/Reason for Report/Comments	Original Due Date	Revised Due Date	Key Decision Y?	Cabinet Member (Note 2)	Service (Note 3)
Odiham Neighbourhood Plan	Nov 15	Response to submission documents	TBC			SP	PP
Winchfield Neighbourhood Plan	April 16	Response to submission documents	TBC			SP	PP
Local Plan	Mar 16	Approval of Draft Local Plan for consultation	Sept/ Oct 16			SP	PP
Local Plan Submission Plan	June 16	Consideration of Submission plan	TBC			SP	PP
Community Transport	Mar 16	Opportunities for increasing community transport	TBC (End 17)			SF	TS&EM
Devolution	Mar 16	Hampshire Devolution - progress/ approval	TBC			SP	JCX

Notes:

1 Date added to Programme

2 Cabinet Members

SP Leader & Planning Policy

KC Economic Development

BB Corporate Services

SG Housing

AC Community Wellbeing

JK Regulatory Services

SF Environment

MM Town Regeneration

3 Service:

JCX Joint Chief Executive

CS Community Safety

F Finance

SLS Shared Legal Services

HS Housing Services

CCS Corporate Services

PP Planning Policy

MO Monitoring Officer

RS Regulatory Services

L&EP Leisure and Environmental Promotion

TS & EM Technical Services and Environmental Maintenance

EXECUTIVE DECISIONS

None

OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME – July 2016

Issue and Description of Topic	Current Position Objective	Original Due Date	Revised Due Date	Resources Required	Contact
Medium Term Financial Forecast	Annual forecast	July 16		Report	Head of Finance
Treasury Management Outturn	Report on outturn.	July 16		Report	Head of Finance
2015/16 Revenue and Capital Outturn	Annual	July 16		Report	Head of Finance
RIPA	Quarterly Update	July 16 Nov 16 Jan 17 April 17		Report	Monitoring Officer
Refined Housing Options	Update on actions taken in response to review of withdrawn Housing Options Consultation	July 16			Joint Chief Executive
Service Boards	Consideration of the role and function of Service Boards	July 16			Committee
Members Allowance Review	To consider the recommendations from the Members Allowance Review	July 16		Report	Joint Chief Executive
Disabled Blue Badge	Report on issues of blue badge charging	Jan 16	Aug 16	Report	Environment & Technical Services
Quarterly Budget Monitoring	Quarterly update	Aug 16 Oct 16 Feb 17		Report	Head of Finance
Performance Information	Quarterly highlight reports.	Aug 16 Dec 16 Feb 17		Report	Performance and Innovation Officer

OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME – July 2016

Issue and Description of Topic	Current Position Objective	Original Due Date	Revised Due Date	Resources Required	Contact
Establishment of local Housing Company	Update on formation of a local housing company	July 16	Aug 16	Report	Head of Housing
Flooding	Notes from twice yearly meeting of Agencies	Oct 16 April 17		Minutes	Environmental and Technical Services
Flooding Meetings	Review of the Multi Agency Flooding Meetings	Oct 16			Committee
Treasury Management Strategy	Report setting out the treasury management strategy for the council	Annual	Jan 17	Report	Head of Finance
Draft Budget 2016/17	Report	Annual	Jan 17	Report	Head of Finance
Service Plans	Draft Service Plans 2017/18	Mar 17		Report	Joint Chief Executive
Body Worn Video	Annual monitoring	April 17		Report	Environment & Technical Services
Outside Bodies	Reports from Representatives on Outside Bodies	April 17		Report	Joint Chief Executive
Annual Review	Preparation of Chairman's end of year report from Committee to full Council on the work of the Committee 2016/17	April 17		Discussion	Committee
Nominations to Service Boards	Member nominations	June 17			Chairman O&S Committee
2016/17 Performance Information – Annual Outturn	Annual update	June 17		Report	Performance and Innovation Officer

OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME – July 2016

Issue and Description of Topic	Current Position Objective	Original Due Date	Revised Due Date	Resources Required	Contact
Markets Across Hart	Task and Finish Group - Councillors Makepeace-Browne and Wheale to lead.	TBC			Committee
Waste Contract	Task and Finish Group – Councillors Axam, Wheale and Makepeace-Browne to lead.	TBC			Committee
Procurement Process	Report	TBC			Joint Chief Executive

OVERVIEW AND SCRUTINY COMMITTEE

Date and Time: 19 July 2016 at 7pm

Place: Council Chamber, Civic Offices, Fleet

Present:

COUNCILLORS

Bailey (Chairman)

Axam, Crisp, Gray, Leeson, Makepeace-Browne, Renshaw,

In attendance: Crookes, Parker (7.08 pm)

Officers:

Daryl Phillips	Joint Chief Executive
Tony Higgins	Head of Finance

13 MINUTES

The minutes of the meeting of 21 June 2016 were confirmed and signed as a correct record.

14 APOLOGIES FOR ABSENCE

Apologies had been received from Councillors Clarke and Wheale.

15 CHAIRMAN'S ANNOUNCEMENTS

None.

16 DECLARATIONS OF INTEREST

None declared - all Councillors are affected by the implications of Item 12 (Review of Members Allowances).

17 PUBLIC PARTICIPATION (ITEMS PERTAINING TO THE AGENDA)

None.

18 REGULATION OF INVESTIGATORY POWERS (RIPA) – QUARTERLY UPDATE

There had been no use of the RIPA provisions (Covert Surveillance Policy) in the last quarter.

DECISION

Noted.

19 2015/16 OUTTURN POSITION

Details were given of the final position on the Council's accounts for 2015/16. The Committee were asked to consider the report and to make any recommendations to Cabinet who would consider the report at the meeting on 4 August 2016.

DECISION

Recommendation to Cabinet:

- 1 That the 2015/16 outturn position for the General Fund Revenue account be agreed.
- 2 That the 2015/16 outturn position for Capital expenditure be agreed.
- 3 That the carry forward of the unspent revenue budgets be agreed.

20 MEDIUM TERM FINANCIAL OUTLOOK 2016/17 TO 2020/21

The Committee had received a report at its meeting on 7 November 2015 outlining the expected financial position of the authority until 2018/19. Members received updated figures and the period was extended until 2019/20. Cabinet would consider the report at their meeting on 4 August 2016.

DECISION

Members made no specific recommendations to Cabinet.

21 TREASURY MANAGEMENT OUTTURN 2015/16

Members considered the Council's Treasury Management activities during the 2015/16 financial year.

DECISION

Members made no specific recommendations to Cabinet.

22 REFINED HOUSING OPTIONS

The Joint Chief Executive updated the Committee on actions taken in response to the review of withdrawn Housing Options Consultation.

23 SERVICE BOARDS

The Committee considered the role and function of Service Boards.

DECISION

The Chairman would work with Officers to assess options to improve the effectiveness of Service Boards.

24 REVIEW OF MEMBERS ALLOWANCES

Members considered the report of the Independent Panel into the review of Members' Scheme of Allowances and made recommendations to full Council for the coming municipal year.

DECISION

1. That the Scheme of Members' Allowances as reviewed be recommended to Council for adoption commencing in the new municipal year 2017/18.
2. That Officers circulate to Council a briefing note to identify the budget implications of adopting the revised Scheme of Members' Allowances.

25 CABINET WORK PROGRAMME

The Cabinet Work Programme was considered and noted.

26 OVERVIEW AND SCRUTINY WORK PROGRAMME

The Overview and Scrutiny Work Programme was considered and amended.

DECISION

Members asked for confirmation that the grants/concession paper on the Cabinet agenda be considered by Overview and Scrutiny first, and Members reinforced the previous request for the blue badge parking report to be considered by Overview and Scrutiny prior to Cabinet.

The meeting closed at 9.10 pm