

Notice of Meeting

Council

A meeting of the Test Valley Borough Council will be held on

Date: Wednesday 10 November 2021

Time: 5.30 pm

Venue: Upper Guildhall, High Street, Andover, Hampshire SP10 1NT

when your attendance is required to consider the business set out in the agenda.



Head of Legal and Democratic Services

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Legal and Democratic Service

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PUBLIC PARTICIPATION SCHEME

If members of the public wish to address the meeting they should notify the Legal and Democratic Service at the Council's Beech Hurst office by noon on the working day before the meeting.

Council

Wednesday 10 November 2021

AGENDA

**The order of these items may change as a result of members
of the public wishing to speak**

- 1 Prayers**
- 2 Apologies**
- 3 Public Participation**
- 4 Declarations of Interest**
- 5 To approve the minutes of the meeting of the Council
held on 1 September 2021**
- 6 Mayor's Announcements**
- 7 To receive and adopt Committee reports 4 - 68**

To receive and, where necessary, adopt reports of
Committees.
- 8 Questions under Rule 11.1**
- 9 Questions under Rule 11.2**
- 10 Community Governance Review - Romsey Town 69 - 78**

To consider a Community Governance Review covering
Romsey and Romsey Extra Parishes.
- 11 Appointments to Committees and Outside Bodies 79 - 82**

To consider appointments to Committees and Outside
Bodies.

12 Notice of Motion - Rule 12

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To consider a motion proposed by Councillor Budzynski.

7.2 **To adopt recommendations from the following:**

7.2.1 Cabinet – 27 October 2021

7.2.1.1 Medium Term Financial Strategy 2022/23 – 2024/25 (APPENDIX A)

Consideration was given to a report of the Finance Portfolio Holder which set out the Medium Term Financial Strategy for 2022/23 to 2024/25.

The Strategy set out the framework within which the 2022/23 budget would be prepared and also set out the Medium Term Financial Forecast for the General Fund income and expenditure, which would form the basis of the 2022/23 budget.

The strategy reviewed the impact that COVID-19 has had on the Council's finances in 2021/22 and considered the ongoing effects this would have on budget planning in the medium term.

The Medium Term Financial Forecast was recommended for approval to ensure that the Council has a strategic approach to the management of its finances, and to enable available resources to be allocated to services in line with Council priorities over the medium term.

Having considered the options and for the reasons set out in the report, Cabinet agreed the following:

Recommended:

1. **That the Medium Term Financial Strategy (MTFS) for 2022/23 to 2024/25 be approved.**
2. **That the Medium Term Financial Forecast, as shown in Annex 3 to the report, be noted.**

7.2.1.2 Gambling Act 2005 – Statement of Licensing Principles (APPENDIX B)

Consideration was given to a report of the Corporate Portfolio Holder which set out a revised Statement of Licensing Principles.

Section 349 of the Gambling Act 2005 requires the Council to publish a Statement of Principles (or Policy) setting out the matters to be considered by the Council when determining applications for licences and permits issued under the Act. The current Statement was published in January 2019 and the Act requires that the Council review the Statement every three years.

Consequently, a draft revised Statement was recommended for adoption following a consultation exercise which commenced in July whereby the existing Statement was distributed to several organisations including those representing existing licence holders. In addition, a copy was either supplied or made available to all members and a number of officers within the Council. Consultees had until 9 September 2021 to respond and no comments were received.

Having considered the options and for the reasons set out in the report, Cabinet agreed the following:

Recommended:

- 1. That the revised Statement of Licensing Principles attached as annexed to the report be recommended for approval.**
- 2. That the Statement as annexed to the report, be effective for a three-year period commencing 31 January 2022 subject to it being kept under review and Council making any changes at such times as it considers appropriate.**

7.2.3 Southern Area Planning Committee – 2 November 2021

Recommendations to follow (if any)

7.2.4 Overview and Scrutiny Committee – 3 November 2021

Recommendations to follow (if any)

Medium Term Financial Strategy 2022/23 – 2024/25

Report of the Finance Portfolio Holder

Recommended:

1. That the Medium Term Financial Strategy (MTFS) for 2022/23 to 2024/25 be approved.
2. That the Medium Term Financial Forecast, as shown in Annex 3 to the report, be noted.

Recommendation to Council

SUMMARY:

- This MTFS sets out the framework within which the 2022/23 budget will be prepared.
- It also sets out the Medium Term Financial Forecast for the General Fund income and expenditure, which will form the basis of the 2022/23 budget.
- The strategy also reviews the impact that COVID-19 has had on the Council's finances in 2021/22 and considers the ongoing effects this will have on budget planning in the medium term.

1 Introduction

- 1.1 The Constitution sets out the processes for preparing the Council's budget. Cabinet is required to consult with other Committees in formulating the budget proposals to be presented to Council.
- 1.2 The MTFS sets out the key financial assumptions that have been made in producing the Medium Term Financial Forecast and sets out a proposed framework within which to work over the life of the strategy.
- 1.3 It should be stressed that all of the options and assumptions in this report, relating to any potential budget changes, are for indicative planning purposes only. Final decisions on the overall Budget and Council Tax level will not be made until February 2022 once the Local Government Finance Settlement has been announced. These decisions can only be made by Full Council.

2 Background

- 2.1 This MTFS complements the Council's Corporate Plan and sets out a framework for financial decision making. The Corporate Plan makes clear what the Council's priorities are, and the MTFS sets out how the financial management process will contribute to delivering these priorities.

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- 2.2 The MTFS has been produced at a challenging time for the Council's finances. Some of the most significant factors include:
- The impacts of coronavirus on budgets have been severe – and the long-term effects will remain unclear for some time.
 - There are expected to be further delays to the re-setting of the business rates baseline and continuing uncertainty as to the Council's funding for business rates beyond 2022/23.
 - Interest rates remain at record-low levels and there is little prospect of them being increased significantly over the life of this strategy.
- 2.3 Coronavirus
- 2.3.1 There is ongoing disruption in the global, national and local economies as the recovery from coronavirus continues. In a local context, the Council has paid out more than £45M in business support grants since April 2020.
- 2.3.2 The Council has faced significant reductions in income and increased expenditure since the start of the pandemic. The 2021/22 budget includes a one-off pressure of £1.05M in respect of the forecast unfunded deficit caused by the pandemic in the current year.
- 2.3.3 This strategy has to consider:
- The direct impact that coronavirus will have on budgets over the medium term; for example, on contractual commitments and the potential for sustained reduced income levels.
 - Estimating how long it will be before budgets return to pre-Covid levels, or indeed, if they ever will.
 - The impact that coronavirus will have in terms of changing demand for services and for how the Council meets that demand.
 - Collection rates for both Council Tax and business rates will impact on the amount of money available to deliver local services.
- 2.3.4 The strategy allows for the one-off impacts of coronavirus to be met by draws from earmarked reserves, where there is insufficient government support to cover budget deficits.
- 2.4 Business Rates
- 2.4.1 2013 saw a radical change in the world of local government funding. Localisation of business rates had a profound effect on local authority finances and the level of funding risk that individual authorities face.
- 2.4.2 Despite being embedded for several years, careful, ongoing monitoring is required to ensure that any potential adverse financial impacts are addressed as soon as possible. This is particularly the case for business rates, where the Council retains an element of the growth within a re-set period.

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- 2.4.3 The re-set has been delayed repeatedly and no certainty has been given as to what will happen to accumulated growth when it does eventually happen. The Council continues to grow its business rates base, so the longer the delay, the greater the risk to the Council's finances.
- 2.4.4 This strategy assumes that all accumulated growth will be lost at a re-set that comes into effect in April 2023. The potential timing and impact of this is discussed later in the report.
- 2.5 Interest Rates
- 2.5.1 In March 2020, the Bank of England lowered the base interest rate from 0.25% to 0.1%. There has been no change to this rate in the past 18 months and little change is expected in the next year.
- 2.5.2 Any increases that do arise are expected to be small and delivered over several years, rather than a rapid increase to a more sustainable long-term level.
- 2.5.3 The Council holds a significant cash investment portfolio, with an average portfolio of approximately £70M. The lower the interest rate that is forecast, the less income the Council will generate from those investments.
- 2.6 The Council has approved Masterplans that will underpin the regeneration of both the south of Romsey town centre and Andover town centre. Both of these projects will require considerable Council resources and funding – both revenue and capital.
- 2.7 The strategy allows for the building of an earmarked reserve to assist with the required feasibility and design studies necessary for the successful implementation of these masterplans; however, as the timetable and programme for future developments is still being prepared, detailed costings are not contained within the strategy. Council has also approved a top-slice of CIL funding to be ring-fenced for regeneration projects that will help address the funding viability gap.
- 2.8 The Chancellor has said that the next Budget, together with the conclusions from the Spending Review, will be delivered on 27 October 2021. It is unlikely that this will provide any real detail to build into budget forecasts; however, it may make clearer the government's priorities and potential areas for focus over the remainder of the budget setting process.
- 2.9 The implications of the Budget and Spending Review will be built in to the budget updates that will be presented to Cabinet in January and February 2022.
- 2.10 This MTFs includes a forward look over the next three years, to anticipate additional spending requirements, and the level of savings that will be needed. By anticipating financial pressures now, the Council will be in a better position to meet the challenges ahead in a way that ensures financial resources are targeted to the Council's highest priorities.

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- 2.11 The financial forecasts that follow are based on a credible analysis of the potential options, but the potential outcomes are inherently uncertain without answers to the following key questions:
- (a) Will the re-set of the business rates retention scheme be further delayed? If / when it does proceed, how will the treatment of accumulated business rates growth since 2013 be treated? How will the government mitigate the effects of a re-set in the Business Rates Retention Scheme as it moves from a 50% to 75% retention basis?
 - (b) What funding settlement will local government get in 2022/23? Will the lower tier services grant be continued?
 - (c) Will there be changes to the planned phased withdrawal of the New Homes Bonus?
- 2.12 The MTFs forecasts will be revised at least annually to reflect the most up to date issues, priorities and pressures faced by the Council. Further information on any aspect of the Council's finances can be obtained from the Council's [website](#).

3 Financial Management Principles

“We are an ambitious, innovative and optimistic Council. Operating within an environment in which there is an ever increasing demand on our services within tough financial conditions, we have sought to develop and embed our “investing philosophy” at the heart of how we do business as an organisation. Investing is about more than just money; it is about devoting our energy, skills and resources to achieving the best results for our residents and communities” – “Growing Our Potential” the Corporate Plan 2019-23.

- 3.1 The Council has a duty to the public for the responsible use of their money. The Council will at all times conduct its financial affairs in a prudent, responsible manner, but in a way that encourages innovation and achieves improvement.
- 3.2 The following specific principles underpin the Council's financial management arrangements:
- (i) The Council will conduct its financial management with integrity, probity and in accordance with the standards and expectations of a publicly funded body.
 - (ii) The Council will ensure that budgets are aligned to the Corporate Plan and based on realistic estimates.
 - (iii) The Council will work with partners in the public, private and voluntary sectors to maximise funding available to deliver strategic priorities.
 - (iv) The Council will base its decision making upon complete, reliable and timely financial information, and a full evaluation of all the financial and risk implications.
 - (v) The Council will ensure that ongoing funding is available before recruiting new staff and will make use of temporary appointments where this will meet business needs.

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- (vi) The Council will secure value for money and have regard to environmental considerations in the procurement of supplies and services. To encourage better procurement practice there will be no inflationary increases in budgets for supplies and services (except for contractual obligations to apply indexation).
- (vii) The Council will keep its fees and charges frozen or increase them by up to the forecast rate of inflation except where strategic aims, legal requirements or market forces render this inappropriate.
- (viii) The Council will hold its managers accountable for remaining within their budgets, but will empower them to take the business decisions necessary to do so.
- (ix) Before committing to additional expenditure, the Council will ensure that additional funding, improved income and/or savings are identified to meet the extra costs or that the budget growth is justified.
- (x) The Council will maintain balances and reserves to enable it to respond effectively to unexpected events and opportunities, and sufficient to meet all known future liabilities.
- (xi) The Council will identify savings to support budgetary pressures and not use its general balances; however, use of earmarked reserves may be made to fund specific or one-off items; to ameliorate the impacts of the coronavirus pandemic; or to smooth the impact of major changes to base budget assumptions.
- (xii) The Council will ensure that its published financial information is reliable and understandable.

4 Budget Strategy

Financial Strategy Aims

- 4.1 The Council's financial aims for the period covering the next three years are set out below. These aims are described in detail in this report and form the overarching aims for each budget setting year within the financial strategy period.
- To maintain a comparatively low Council Tax whilst delivering high quality frontline services.
 - To ensure that the efficiency culture remains embedded within the Council, systematically challenging and securing value for money, particularly through digital transformation and making more services available online.
 - To ensure that the Council's resources continue to be focused on meeting the Council's vision for Test Valley and achieving its aims and priorities.
 - To ensure that the Council's infrastructure is fit for purpose and that new capital needs are identified and met.
 - To ensure that the Council's core ongoing financial position remains stable and continues to support the Council's key aims.

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- To continue to seek out new investment opportunities through Project Enterprise, making better use of cash resources to enhance revenue returns.
- To build on the lessons learned through the pandemic by seeking to take advantage of new ways of working.

Budgetary Assumptions

4.2 The budget over the duration of this Strategy is based on the following assumptions:

Revenue

- (a) The Test Valley element of Council Tax being increased annually by £5 in each of the next three years.
- (b) The Andover Levy being pegged to the movements in Council Tax in 2022/23 and then being fully reviewed as part of the budget setting for 2023/24.
- (c) The minimum level of working reserves is maintained at £2.6m over the financial strategy period.
- (d) Earmarked reserves to be used for specific purposes or to offset the short-term impacts of coronavirus.
- (e) The Council continues to make cashable efficiencies every year to sustainably close forecast budget gaps.
- (f) All budget growth pressures to be contained within the estimate set out in paragraphs 6.10 and 6.11.
- (g) No in-year supplementary estimates will be approved by the Cabinet, although a small contingency provision will be available to meet exceptional or extraordinary items of expenditure.
- (h) All other income will be maximised by thorough fees and charges' reviews.
- (i) New Homes Bonus to cease in 2022/23. This element of financing to be used for specific purposes as follows:
 - Annual funding of the Councillor Community Grant scheme
 - Annual contribution to the Community Asset Fund
 - Capital financing of asset management projects with a community benefit e.g. playground improvements.

4.3 Capital

4.3.1 The Council will maximise the utilisation of, and rate of return on, the tangible assets it holds on its balance sheet.

4.3.2 All capital expenditure will be funded in accordance with the principles contained in the Prudential Code for Local Authority Capital Finance. All decisions on capital expenditure will ensure that investment is prudent, sustainable and affordable, and that the full implications of all capital expenditure decisions are taken into account in the Council's revenue budget.

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4.3.3 The Capital Strategy will be updated in February 2022.

4.4 Review of Reserves

4.4.1 Reserves are an integral part of the financial planning process. They are a way in which financial resources can be carried forward from one financial year to another and enable flexibility in financial planning over the medium term.

4.4.2 The nature of most local services is that they require recurring funding to meet staff and running costs year after year. Reserves are a one-off, finite source of funding. They can cover a shortfall in funding for a specific period but, after they have been exhausted, the underlying shortfall will still be there. Solving this problem may require services to be adjusted to a level which is affordable within the level of funding available.

4.4.3 In previous years, the Council has managed to balance the budget and protect frontline services through a mixture of savings, efficiencies and additional income.

4.4.4 However, the impact of the coronavirus pandemic on Council budgets meant that a draw of £694,000 from equalisation reserves was necessary to reconcile the final 2020/21 outturn position and a further £141,700 was required when setting the 2021/22 budget.

4.4.5 Continuing to protect service delivery and meet the ambitions set out in the Corporate Plan has never been more challenging. Working through the medium and long term consequences of these objectives, in the context of their ongoing cost and the level of usable reserves available will require careful planning.

4.4.6 A summary showing the recent trends in reserve levels held by the Council is shown in the following table. A full breakdown of the different reserves held by the Council is published in the annual Statement of Accounts.

<u>Usable Revenue Reserves</u>					
	31/3/18	31/3/19	31/3/20	31/3/21	31/3/22
	£000s	£000s	£000s	£000s	£000s
Usable Revenue Reserves					Forecast
General Fund Balance	2,000	2,000	2,604	2,604	2,604
Future risk / budget equalisation	5,048	4,948	4,787	3,887	3,495
Ring-fenced for specific use	9,190	11,829	12,143	12,995	8,921
New or predicted growth	9,575	4,779	7,216	10,282	12,826
Coronavirus Timing Reserves	0	0	0	7,716	0
Total Usable Reserves	25,813	23,556	26,750	37,484	27,846

4.4.7 The above are cash-backed reserves that the Council can apply to future expenditure subject to statutory conditions.

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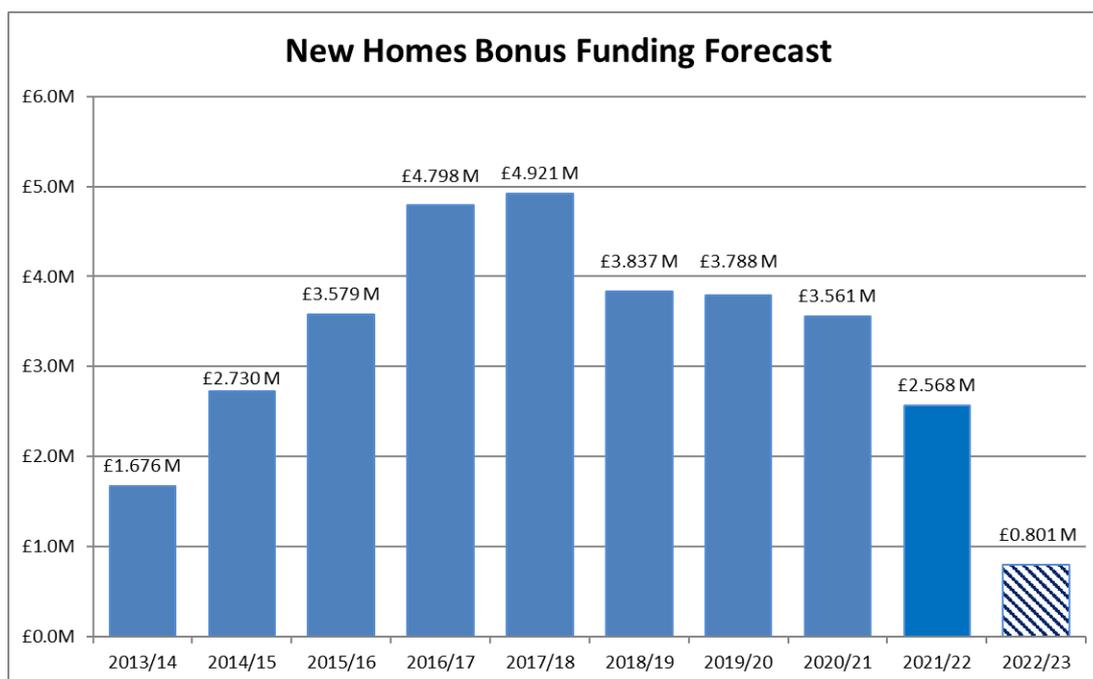
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- 4.4.8 The **General Fund Balance** represents a working balance to help cushion the impact of uneven cash-flows and minimise unnecessary temporary borrowing. It is reviewed annually by the Head of Finance and Revenues and, based on the forecast cash-flows identified in the MTFs, remains at a prudent level. Councillors are recommended to retain a minimum balance in the General Fund of £2.604M.
- 4.4.9 **Earmarked Reserves** are a means of building up funds to meet known or predicted liabilities. The Council maintains a number of revenue earmarked reserves that generally fall into one of the following categories:
- To mitigate the risk of future changes in budget requirements (often referred to as equalisation reserves).
 - For use on future ring-fenced or specifically determined expenditure.
 - To finance new or predicted future expenditure requirements.
- 4.4.10 Equalisation reserves are held to soften the impact of sudden changes in major income and expenditure headings. This is particularly useful where the Council has no direct control over the macro-economic factors behind, for example, interest rates or the timing of a business rates re-set.
- 4.4.11 The Council sets aside funding into service-specific earmarked reserves for a number of reasons. This could be because external grant income has been received and must be used for a specific purpose or to ensure that funding is available for the ongoing maintenance and replacement of Council assets.
- 4.4.12 The two largest examples, as at 31 March 2021, were £6.541M in developer contributions for the long term management of adopted open spaces and £3.222M to fund the Asset Management Plan in the current year.
- 4.4.13 The final sub-category of earmarked reserves is those held for future growth. The largest earmarked reserve the Council carries in its balance sheet is the *New Homes Bonus Reserve*. The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes and their use.
- 4.4.14 The Council has been very successful in attracting New Homes Bonus. Actual and forecast amounts received and due, amount to over £32M since it was introduced in 2011/12. The forecast balance on this reserve at 31 March 2022 is £10.19M and is included in the total of revenue and earmarked reserves in the table above (para 4.4.6). It is expected that 2022/23 will be the last year that the New Homes Bonus is paid in its current form. There has been a recent consultation on the future of the scheme, but no details have yet been confirmed as to whether it will be continued.
- 4.4.15 The Council has not taken this grant into its base budget, but has instead used the reserve to fund projects that have a demonstrable community benefit, such as the Community Asset Fund and funding playground enhancements through the Asset Management Plan.

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4.4.16 Details of actual and forecast receipts are shown below:



4.4.17 As well as revenue reserves, the Council also maintains a **Capital Receipts Reserve** from the disposal of assets. The Capital Receipts Reserve can only be used to fund capital expenditure, to repay debt, or to fund credit arrangements subject to the de minimis level set out in the relevant regulations (currently £10,000). All transactions through this reserve are treated in accordance with the provisions of the Local Government Act 2003.

4.4.18 The Head of Finance and Revenues has carried out a detailed review of the Council's usable reserves and looking at current levels of balances, he considers that they will remain adequate for meeting the Council's needs over the medium term, provided that reserves are not used to support an underlying budget gap beyond the very short-term.

5 Financial Context

Government Funding

5.1 Previous Medium Term Financial Strategies have illustrated the dramatic fall that has been felt since the Comprehensive Spending Review (CSR) in 2010. This saw this Council's support through the Settlement Funding Analysis (SFA) fall from £7.11M in 2010/11 to £2.34M in 2019/20.

5.2 Since 2019/20, the SFA allocation has remained consistent, with the government meeting the negative Revenue Support Grant position that this Council has found itself in since 2020/21.

5.3 The budget forecast in this report has been prepared on the assumption that the Government will continue to fund the RSG adjustment (sometimes called "negative RSG") as it did last year.

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Business Rates

- 5.4 The Business Rates Retention Scheme allows Councils to retain a proportion of any growth in business rates income over the baseline amount. The forecasting of business rates income is especially difficult due to the following factors:
- (a) The impact of appeals arising from the national business rates revaluation in 2017/18, and
 - (b) The potential for further reform of the business rates system with Local Government retaining 75% of business rates income. It is possible that more details of this will be released after the Spending Review, but the timing and extent of any reform are currently unknown.
 - (c) The collection rates achieved by the Council due to changes in businesses' ability to meet rates liability in light of the coronavirus pandemic. The government's retail, hospitality & leisure discount from business rates was scaled back from July 2021 and is expected to end in March 2022.
- 5.5 As a consequence of the uncertainties identified above, a cautious approach has been taken as to the amount of retained business rates that have been built into the forecast for 2022/23. The retained rates that are included are for 2022/23 only.
- 5.6 The strategy assumes that there will be a full re-set of the business rates retained income system, effective from April 2023. In the absence of any guidance or information from central government about possible damping or transitional arrangements, all accumulated growth at that point (i.e. £2.5M in 2021/22) is forecast to be lost. An update to these forecasts will be undertaken once the details of the re-set are confirmed.

Council Tax

- 5.7 With the continuing decline in Government support, Council Tax is now one of the Council's main sources of income.
- 5.8 The financial strategy aims to keep Council Tax at a comparatively low level, taking into account spending priorities and Central Government funding. This should be set in the context of Central Government's expectations of local authorities and already low levels of Council Tax charged in the borough. The current level of Council Tax at £148.91 is still very low - the 27 lowest out of the 181 district councils in England, and the 4 lowest in Hampshire. It is also £43, or 20%, lower than the average Council Tax payable in the rest of England.
- 5.9 The MTFs forecast assumes that Council Tax will be increased by £5 in 2022/23. There may need to be an adjustment to the budget forecasts after the government confirms the referendum principles which are usually published in January each year.

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- 5.10 As part of the Local Government Finance Settlement, the Government publishes what it calls “Core Spending Power”, i.e. the level of revenue likely to be available to each individual local authority. For this Council it comprises the aggregate of:
- The Settlement Funding Assessment amounts;
 - The council tax requirement (excluding parish precepts);
 - The New Homes Bonus and
 - Any transitional grants;
- 5.11 As set out in previous paragraphs, the MTFs has been based on assumptions that there will be a full reset of the Business Rates Retention Scheme from 1 April 2023 and a phasing out of the New Homes Bonus Scheme, leading to a severe reduction in the Council’s Core Spending Power. A lower-tier services grant was paid in 2021/22 to sustain core spending power levels, but there is no certainty that it will be continued and is not factored into this forecast.
- 5.12 With accumulated business rates growth expected to be lost from April 2023, there is an expected to be a reduction in spending power of over 25% from 2021/22 levels over the medium term.
- 5.13 The table below shows the financial impact of expected changes over the medium term:

Core Spending Power Forecast

	2020/21	2021/22	2022/23	2023/24	2024/25
	£m	£m	£m	£m	£m
Business Rates	4.897	5.041	5.084	2.405	2.405
Revenue Support Grant	-	-	-	-	-
New Homes Bonus	3.375	1.575	0.801	-	-
Transitional Grants	-	0.574	-	-	-
Council Tax	7.643	7.826	8.154	8.488	8.826
Total Resources	15.915	15.016	14.039	10.893	11.231
Annual % change	-1%	-6%	-7%	-22%	3%
Proportion raised from Council Tax %	48%	52%	58%	78%	79%

6 Key Budget Pressures and Influences

- 6.1 The largest source of cost pressure comes from inflation. In order to maintain price stability, the Government has set the Bank of England’s Monetary Policy Committee (MPC) a target for the annual inflation rate of the Consumer Prices Index (CPI) of 2%.
- 6.2 CPI inflation has been steadily increasing throughout the course of 2021, from 0.7% in January to a current rate of 3.2% - the highest it has been since March 2012.
- www.ons.gov.uk/economy/inflationandpriceindices - August 2021.

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- 6.3 In its August monetary policy report, the Bank of England forecast that inflation is expected to increase further to approximately 4% before returning to the target rate of 2% in early 2023.
- 6.4 Inflation allowances have been built into the budget forecasts at £600,000 p.a. over the rest of the medium term.

Revenue impact of the Capital Programme

- 6.5 The capital programme is currently financed through a combination of capital receipts supplemented by specific grants and contributions. The balance on the Capital Receipts Reserve at 31 March 2021 was £10.8M.
- 6.6 All known revenue impacts from existing capital projects have been built in to the medium term forecast. No allowance has been made for future revenue impacts arising from capital expenditure decisions.

Interest Rates

- 6.7 The Council's Treasury Adviser, Link Asset Services, has provided the following forecasts of interest rates:

	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Bank Rate	0.10%	0.10%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.50%
5yr PWLB	1.4%	1.4%	1.5%	1.5%	1.6%	1.6%	1.6%	1.7%	1.7%
10yr PWLB	1.8%	1.8%	1.9%	1.9%	2.0%	2.0%	2.0%	2.1%	2.1%
25yr PWLB	2.2%	2.2%	2.3%	2.3%	2.4%	2.4%	2.4%	2.5%	2.5%
50yr PWLB	2.0%	2.0%	2.1%	2.2%	2.2%	2.2%	2.2%	2.3%	2.3%

- 6.8 These forecasts will continue to be reviewed over the next few months and before any borrowing is undertaken.
- 6.9 The MTFs forecast is based on base rate levels remaining at their current 0.1% rates. If rates do increase over the medium term it is recommended that any additional income is used to re-establish an equalisation reserve that can be used to offset future changes in interest rates.

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Potential Budget Pressures

- 6.10 The budget forecast for 2022/23 has built in the impact of new budget approvals that have been confirmed in the year. The forecast also includes a budget pressure of £145,000 in respect of the estimated increase in employer's National Insurance contributions that will be effective from April 2022.
- 6.11 A number of additional potential budget pressures have been identified in the preparation of the MTFS. It is not possible at this time to accurately estimate the cost of these. An allowance of £300,000 has been included as a pressure when assessing the likely budget deficit to be closed. The potential pressures include:
- Additional revenue costs associated with cloud hosting as we move away from local storage on our own hardware.
 - Asset Management Plan requirements have regularly exceeded available funding. An increase to the base budget contribution of £1.6M is needed to ensure that the Council can continue to manage its property, vehicle and IT asset base.
 - Funding the necessary expenditure to deliver a robust local plan is provided by way of an earmarked reserve to reflect the uneven spend from one year to another. This reserve does not have sufficient capacity to meet the expected demand over the next year and will require a further revenue contribution.
 - Climate Emergency Action Plan. There is no dedicated funding set aside to deliver our climate change goals.
 - The Environment Bill. It is likely that there will be significant change to the way that domestic waste is collected in the short-medium term. This will inevitably be more expensive than the current system and there is no certainty as to the level of government funding, if any, that will be available to deliver the new requirements.
 - Car parking income levels remain depressed following the removal of restrictions. A budget pressure of approximately £500,000 was built in to the 2021/22 budget to reflect expected lower demand for parking. This has proved to be relatively accurate in the year to date and the Council must be prepared for parking income not to return to previous levels.

Project Enterprise

- 6.12 Since 2014, the Council has completed eight commercial property investments; fourteen house purchases; and delivered two regeneration projects on Walworth Business Park – the latter in partnership with our development partner, Kier Property Ltd. A third regeneration project is under construction and a fourth has been approved but not yet commenced.
- 6.13 The total cost of the property acquisitions to date is in excess of £29M, with an annual income in the 2020/21 financial year of £2.06M (more details can be found in the Project Enterprise Outturn report to Cabinet in June 2021).

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- 6.14 The income derived from these investments has been critical to the Council's ability to set balanced budgets without reducing frontline services in recent years, during a time in which core spending power has been dramatically reduced.
- 6.15 CIPFA and government guidance is being tightened to prevent local authorities from borrowing for any investment purposes. The Council will continue to seek further opportunities for Project Enterprise acquisitions whilst taking note of any prudential borrowing guidelines.
- 6.16 The capital programme includes £3M for future Project Enterprise acquisitions, though no projects have yet been identified. These could be completed without the need to undertake external borrowing.

Hampshire County Council's Savings Proposals

- 6.17 When the 2021/22 budget was set, a revenue pressure of £404,000 was built into the medium term forecast from 2022/23 in respect of Hampshire County Council's (HCC's) plans to transform its budget over the medium term. This pertains to two elements of recycling-related income and expenditure.
- 6.18 It is not now expected that any change in this regard will be implemented until April 2023 at the earliest. A further review of the potential impact of this change has identified that the maximum pressure has also reduced to £306,000 as a result of changes to the sale value of dry mixed recyclables.
- 6.19 The MTFS assumes that the reduced pressure will be used to close the budget gap. The one-off saving from the ongoing pressure that has been deferred for one year will be used to increase the Asset Management Plan reserve.

7 Overall Revenue Budget Summary

- 7.1 The Revenue Forecasts for 2022/23 to 2024/25 have been drawn up at a macro level. They do not constitute detailed budgets, which will continue to be prepared on an annual basis within the normal timescales. However, the costing of specific issues and evaluation of proposed developments has informed the forecast.
- 7.2 The forecast is based on a middle case scenario using the assumptions shown in annex 2. It should be recognised that there will not be sufficient resources to meet all the service delivery ambitions and priorities of the Council without the generation of significant savings or additional income. This financial strategy for the three year period to 2024/25 should ensure that the financial resources of the Council continue to be aligned to the delivery of the Council's service and organisational priorities.
- 7.3 Achieving the improvements that the Council has set itself will require difficult policy decisions and resource choices to be made.

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7.4 The budget principles and guidelines outlined in this strategy will allow for a phased use of reserves over the medium term to allow time to adjust to an ever-decreasing amount of external support. The proposed use of retained Business Rate growth will help the budgetary position in the short-term. The forecast shows that a budget gap of £434,900 remains to be closed for 2022/23, with further increases in both 2023/24 and 2024/25.

7.5 Current projections indicate the following financial position:

Revenue Budget Summary Statement 2022/23 - 2024/25					
	Para. Ref.	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s
Base budget		5,887.1	5,887.1	13,673.3	14,124.2
Base Budget Changes			(198.2)	781.4	81.4
Annual Inflation	6.1		600.0	600.0	600.0
Collection Fund					
Reversal of COVID related deficit in 2020/21			7,081.4		
Changes to retained business rates income and levy			1,623.6	(191.0)	
Changes to cost baseline					
Reversal of COVID service pressures			(2,496.0)		
Borrowing costs			(0.8)	(0.9)	(1.0)
Budget Pressures			459.8	312.0	
End of New Homes Bonus			800.6		
Reserves:					
Transfer to/(from) reserves			(84.2)	(1,050.6)	
General Fund Requirements		5,887.1	13,673.3	14,124.2	14,804.6
Financed by:					
Revenue Support Grant	5.2	0.0	0.0	0.0	0.0
Locally retained Business Rates Baseline	5.4	(2,381.3)	(2,405.0)	(2,405.0)	(2,405.0)
Locally retained Business Rates Growth	5.5	(2,660.2)	(2,679.0)	0.0	0.0
Repayment of coronavirus deficit		7,081.4	0.0	0.0	0.0
Share of Collection Fund Balance		(101.1)	0.0	0.0	0.0
Council Tax	5.9	(7,492.6)	(7,821.1)	(8,154.6)	(8,493.2)
Special Expenses Levy	4.2 (b)	(333.3)	(333.3)	(333.3)	(333.3)
Total Financing		(5,887.1)	(13,238.4)	(10,892.9)	(11,231.5)
Budget Gap		0.0	434.9	3,231.3	3,573.1

7.6 Details of efficiency savings and income generation proposals are currently being gathered together for Members' consideration in terms of the funding gap identified above and these will be presented to Cabinet in January 2022. The Cabinet will then decide on which options should be taken forward as recommendations to full Council as part of the budget setting process in February 2022.

- 7.7 The review of reserves in para 4.4 sets out that the Council maintains a number of equalisation reserves to soften the impact of sharp changes to the core budget baseline. The most important of these is the Collection Fund Equalisation Reserve, which is held primarily to cushion the impact of the business rates reset, when it eventually happens.
- 7.8 The balance on that reserve at 31 March was £9.254M. This is an artificially high balance caused by the implementation of business rates reliefs after the 2020/21 budget was set. This timing difference will unwind in the current year with the balance expected to be £2.154M by 31 March 2022.
- 7.9 Use of reserves for any purpose other than to offset any residual coronavirus impacts on Council budgets or to mitigate the business rates reset is not recommended.

8 Achieving the Medium Term Financial Strategy

- 8.1 In recent years the Council has been able to set a balanced budget through a combination of the following:
- Corporate Challenge process.
 - Procurement savings.
 - Improving value for money.
 - Service transformation.
 - Savings from partnership and shared services.
 - Generating additional income through use of fees and charges.
 - Generating additional income through external funding sources.
 - Generating additional income through Project Enterprise.
- 8.2 However, the current forecast budget shortfall, coupled with level of uncertainty that is currently faced by this Council, and others across the country, is so acute that it is unlikely that these factors alone will be able to balance the budget in the medium term.
- 8.3 Without further government support or the certainty of how a business rates re-set will affect our budgets, it is probable that the controlled use of earmarked reserves will be required to balance the budget over the next two or three years. This is not a sustainable position to maintain as reserves can only be used once. However, using reserves in a controlled manner over a defined period will enable the Council to take the time to deliver sustainable savings that continue to deliver the best outcomes for the citizens of Test Valley.
- 8.4 Annex 1 outlines the proposed action plan that will be pursued to ensure that any draws from reserves are minimised to the minimum level possible.

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9 Capital Strategy

9.1 The Capital Strategy will be reviewed and updated in February 2022, but is unlikely to change significantly. The strategy sets out the following key principles:

- (a) Linking together capital requirements related to corporate priorities for new projects and the ongoing capital need to maintain / repair existing assets through the Asset Management Plan.
- (b) Managing the approved Capital Programme in an affordable, financially prudent and sustainable way.
- (c) How new bids are introduced to the Capital Programme and understanding the revenue implications associated with new capital expenditure.
- (d) Monitoring progress against approved budgets.
- (e) Financing capital expenditure including borrowing requirements and Minimum Revenue Provision (MRP).
- (f) Purchase of commercial properties and the resources required to ensure due diligence.
- (g) Knowledge and skills.

9.2 Full details of the existing strategy can be found in the Cabinet report on 10 February 2021.

10 Corporate Objectives and Priorities

10.1 Using its investing approach, the Council's priorities are focussed on **growing the potential of:**

- **Town Centres** - to adapt and be attractive, vibrant, and prosperous places.
- **Communities** - to be empowered, connected and able to build upon their strengths.
- **People** - to be able to live well and fulfil their aspirations.
- **The Local Environment** - for current and future generations.

10.2 The Council will ensure that budgets are directed towards these key priorities. The mechanism for achieving this is the Council's Strategic Planning Framework (corporate clockwork), which includes a timetable for developing budgets and service plans to ensure that budgets are aligned to these priorities.

11 Consultations / Communications

11.1 The information contained in this report will form the basis for future discussions about the 2022/23 budget. It will go forward to the Budget Panel of the Overview & Scrutiny Committee for comments on 10 January 2022.

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- 11.2 The budget consultation with businesses will take place in the next three months. The final form of the consultation is not yet decided, but is expected to be carried out online as has been successfully delivered in recent years.
- 11.3 Once the provisional Local Government Finance Settlement has been received in late December / early 2022 it will be necessary to update the current figures and to take account of the comments made by the Overview and Scrutiny Committee and the views of businesses.

12 Risk Management

- 12.1 A risk assessment has been completed in accordance with the Council's Risk management process and has identified the significant (Red or Amber) risks shown in the following table:

Risk	Likelihood	Impact	Management of Risk
Impact of Business Rates reset – RED	High B	Critical III	Set aside current growth income into an earmarked reserve to mitigate the impact of the reset. Closely monitor government messages about the timing and extent of a reset to enable detailed financial modelling to be undertaken.
Future resources less than assumed - AMBER	Significant C	Critical II	Revenue: Assess impact of Budget, Spending Review and Local Government Finance Settlement at the earliest opportunity. Monitor collection rates for local taxation. Capital: Schemes and projects kept on reserve list until resources are confirmed. Monitor the amount of future usable capital receipts.
Income targets are not achieved - AMBER	High B	Significant III	Monthly monitoring of budgets and projections. Use of the Income Equalisation Reserve if necessary.
The impacts of coronavirus on budgets are greater than forecast or last longer than expected – AMBER	Significant C	Significant III	Continual review of budgets and services affected by coronavirus. Ensuring all claims for government support are submitted, to the fullest extent possible, in a timely manner.
Additional costs arising from contract re-negotiation as a result of coronavirus - AMBER	Significant C	Critical II	Ensuring that the Council's contracts are thoroughly reviewed to ensure that budgetary impacts are mitigated where possible.
Savings anticipated from reviews are not delivered - AMBER	Significant C	Significant III	Renew corporate challenge process in 2021. Continue digital transformation efficiency focus. Closely monitor progress of budget / efficiency savings through monthly budget monitoring. Use of the Budget Equalisation Reserve if necessary.
Legislative changes not anticipated - AMBER	Low D	Significant III	Keep up to date with Government policy and consultations.
Inflation estimates vary from those assumed - AMBER	High B	Significant III	These factors have a large influence on the revenue budgets. Inflation currently at a higher level than it has been at for 10 years. Inflationary factors to be reviewed regularly.
Future spending requirements are under-estimated - AMBER	Significant C	Significant III	Review Service Plans and spending projections. Closely monitor progress through budget / performance monitoring.

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Revenue implications of capital decisions are not taken into account - AMBER	Low D	Significant III	Capital approval processes to be reviewed to ensure all revenue consequences continue to be identified at the earliest opportunity.
Staffing budgets are not sufficiently controlled - AMBER	Low D	Significant III	Rigorous process is already in place for filling posts and managing vacancy targets.
Investment in priority areas does not lead to desired outcomes being achieved – AMBER	Significant C	Significant III	Robust performance management framework incorporating quarterly monitoring reports. Linking budget approvals to Corporate Action Plan projects.
Standards of service fall, particularly in non-priority areas - AMBER	Significant C	Significant III	Robust performance management framework incorporating quarterly performance monitoring reports.
Increased demand for homelessness assessments and temporary accommodation - AMBER	Significant C	Significant III	Review the impact of Universal Credit rollout and the Homelessness Reduction Act additional responsibilities.

13 Resource Implications

13.1 Resource implications are contained within the Strategy itself.

14 Legal Implications

14.1 The Council is required to set a robust and balanced budget under the Local Government Act 2003. This report is the first step towards achieving this aim for the 2022/23 budget.

15 Equality Issues

15.1 An EQIA screening has been completed in accordance with the Council's EQIA methodology and no potential for unlawful discrimination and/or low level or minor negative impact have been identified, therefore a full EQIA has not been carried out.

16 Conclusion and reasons for recommendation

16.1 The Council is facing a set of circumstances that together make forecasting a budget harder than has ever been the case before.

16.2 This MTFFS takes account of all known financial implications and makes various assumptions in projecting the budget forward for the next three years. However, the Council faces significant financial uncertainty resulting from the coronavirus and there is a lack of information on which to accurately forecast material income streams, such as business rates. This clearly makes any accurate financial planning difficult to achieve.

16.3 The budget position outlined in the Medium Term Financial Forecast is not inconsistent with the position most other Local Authorities will face. However, significant savings will need to be found over the coming years and there is the possibility that the controlled use of reserves will be required in the short-to-medium term.

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16.4 The MTFS is recommended for approval for the following reasons:

- To ensure that the Council has a strategic approach to the management of its finances, and
- To enable available resources to be allocated to services in line with Council priorities over the medium term.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	3	File Ref:	N/A
(Portfolio: Finance) Councillor M Flood			
Officer:	Carl Whatley	Ext:	8540
Report to:	Cabinet	Date:	27 October 2021

	Item	Background	Action
1	Aligning budgets to meet the Council's key priorities	To ensure that funds available for discretionary services are focused at delivering the objectives contained in the Corporate Action Plan (CAP), which is updated each year.	<ul style="list-style-type: none"> • Ensure that CAP projects are costed at the time they are included in the plan. • Ensuring that the revenue implications of capital projects are thoroughly reviewed and built into the budget.
2	Revenue budget setting and monitoring	To ensure that the Council sets a balanced budget each year and that variances are promptly identified, justified and reported.	<ul style="list-style-type: none"> • To ensure that all budget holders are adequately trained and supported by an effective accountancy team. • Monthly budget monitoring to be undertaken. Significant variances to be investigated with budget holders and reported on as necessary. • Regular reporting to Cabinet throughout the year.
3	Procurement and cost control	To manage the cost of providing ongoing services and drive down the cost of new or renewed service provision through delivering savings in procurement.	<ul style="list-style-type: none"> • To ensure all budget holders are adequately trained in the Council's Financial Regulations and Contract Standing Orders. • To update Contract Standing Orders to ensure they are easy to understand and support corporate objectives for managing the climate emergency. • Ensure that contracting officers can identify at the earliest opportunity the need for decision making / approval of expenditure and the appropriate mechanism through which those decisions will be made. • To manage vacant posts and review the need for replacements before re-filling positions. Use temporary contracts in lieu of permanent contracts where appropriate.
4	Delivering efficiencies	Focusing on how the services that we provide can be delivered more efficiently and cost-effectively.	<ul style="list-style-type: none"> • Continue to enhance the range of services provided to customers electronically through our digital transformation programme. • Streamlining back office functions to reduce duplication of effort

5	Income generation	To maximise the income that the Council generates from fees and charges, investments and external sources of funding.	<ul style="list-style-type: none"> • To maintain fees and charges at levels that at least cover the cost of providing the service and to increase charges in line with what the market will bear. • To actively pursue external sources of funding to support ongoing expenditure and one-off projects. • To maximise income from cash investment portfolio management, whilst ensuring that security of capital is prioritised at all times. • To seek out new income streams from commercialisation or expanding the range of services currently available to stakeholders.
6	Sustainability and Climate Change	To focus resources in a manner that supports the Council's action plan in response the Climate Emergency.	<ul style="list-style-type: none"> • Continue to include sustainability as a core part of assessing new capital requirements. • Use the Asset Management Plan to ensure that new assets are more energy efficient or less harmful to the environment than the asset they are replacing. • Develop environmental sustainability as part of the assessment of new procurement.
7	Capital and Asset Management	To ensure that the Capital Programme and Asset Management Plan are sustainably funded and that projects added to those programmes are properly planned and budgeted.	<ul style="list-style-type: none"> • Ensure that Services identify ongoing maintenance requirements in their areas • Maintain a rigorous assessment of new capital bids, ensuring that the requirements of the CAP and sustainability are taken into account when approving new projects. • To identify sustainable budget allocations to ensure that the Council's property, vehicles, plant and IT equipment can be maintained, ensuring maximum useful life from assets.
8	Monitoring the impacts of coronavirus	To ensure that additional costs and reduced income resulting from the coronavirus are minimised.	<ul style="list-style-type: none"> • To mitigate the impacts of lost income streams by minimising underlying costs. • To monitor key contracts to ensure they remain viable and deliver value for money.
9	Cashflow management and forecasting	To ensure that treasury management is effectively undertaken, ensuring that excess funds are appropriately invested and that funds are available to meet all cashflow requirements.	<ul style="list-style-type: none"> • Update the Treasury Management Strategy Statement and Annual Investment Summary in February each year. • Maintain daily monitoring of counterparty creditworthiness to ensure that funds are safely invested • Maintain cashflow forecasts for the year ahead so that cash need is identified in advance.

10	Reserves	Ensure that reserves stay at a safe level to sustain the Council through periods of financial uncertainty	<ul style="list-style-type: none">• Review, at least annually, the level of the General Fund reserve• To use equalisation reserves in a planned and controlled manner so as not to leave the Council with a budget cliff edge should they be exhausted.• Review the underlying need and level of reserves earmarked for specific projects and reallocate them if necessary.
11	Local Taxation	Ensure that income from Council Tax and Business Rates are maximised	<ul style="list-style-type: none">• Ensure prompt and accurate billing of local taxes, including the award of exemptions and discounts.• Maintain effective recovery of amounts owed• Review the impact of changes to the business rates financing regime when they are announced.

BUDGET FORECAST 2022/23

SCENARIO PLANNER

	Per Feb 21 Budget Report 2022/23 £'000	Forecast Reasonable Best 2022/23 £'000	Budget Forecast Expected 2022/23 £'000	Forecast Reasonable Worst 2022/23 £'000
Net Cost of Services	13,405.9	13,256.3	13,256.3	13,256.3
Capital Accounting Adjustments	(4,857.6)	(4,857.6)	(4,857.6)	(4,857.6)
Unallocated Inflation	600.0	200.0	400.0	600.0
Net Cost of Services	9,148.3	8,598.7	8,798.7	8,998.7
Corporate Requirements				
Contingency Provision	330.9	291.3	291.3	291.3
Investment Income	(242.2)	(300.0)	(242.2)	(200.0)
Borrowing Costs	151.3	151.3	151.3	151.3
Other Government Grants	(111.1)	(111.1)	(111.1)	(111.1)
New Homes Bonus	(800.6)	(800.6)	(800.6)	(800.6)
Provision for NDR Levy	0.0	2,041.0	2,041.0	0.0
Grants related to business rate reliefs	0.0	(1,850.0)	(1,850.0)	0.0
100% Retention of NDR from Renewable Energy	(414.4)	(414.4)	(414.4)	0.0
Net General Fund Expenditure	8,062.2	7,606.2	7,864.0	8,329.6
Contribution to Earmarked Reserves	1,342.0	1,342.0	1,342.0	1,342.0
Contribution to Asset Management Reserves	1,600.1	1,906.1	1,906.1	1,906.1
Contribution to Capital Reserves	2,116.2	2,116.2	2,116.2	2,116.2
Total General Fund Expenditure	13,120.5	12,970.5	13,228.3	13,693.9
Known Pressures	0.0	145.0	145.0	145.0
Revenue (Savings) / Pressures	0.0	(500.0)	300.0	1,000.0
Revised Net Budget	13,120.5	12,615.5	13,673.3	14,838.9
SURPLUS / (SAVINGS) TO BE IDENTIFIED	(2,561.1)	673.3	(434.9)	(4,604.1)
Budget Requirement	10,559.4	13,288.8	13,238.4	10,234.8
Funded by:				
Council Tax precept	7,821.1	7,851.9	7,821.1	7,529.8
Special Expenses Levy	333.3	352.9	333.3	300.0
Business Rates Income	2,405.0	5,084.0	5,084.0	2,405.0
Total Funding of Budget Requirement	10,559.4	13,288.8	13,238.4	10,234.8

ASSUMPTIONS IN DEVELOPING THE BUDGET FORECAST

Inflation - Increases / decreases in best / worst scenario largely reflect potential for a higher or lower pay award. Most other budgets are not volatile to the effects of inflation.

Investment Income - interest rates may increase to improve forecast figures. A small reduction could also be possible if available rates reduce or a focus on more short-term lending is required.

New Homes Bonus - The final planned distribution of the NHB is expected in 2022/23 and is relatively certain. There is the potential for further distribution from prior year surpluses or some form of extension. If there is a variation in the amount received, it is assumed that it will be reflected in the transfer to the New Homes Bonus reserve.

NDR Levy - In the expected and best case scenarios, retained growth is sustained for 2022/23. This will mean that a levy is payable on retained growth. In the worst case scenario, a full re-set happens from April 2022 with no levy due on the new baseline.

NDR Grants - An estimate of government grants in compensation for business rates relief schemes that reduce the net income received from business rates.

Renewable Energy Retention - In the expected and best case scenarios, the Council retains income from business rates on renewable energy hereditaments. In the worst case scenario, a full re-set happens from April 2022 and this retention is lost.

Contributions to Reserves - the base budget includes a number of mandatory and discretionary transfers to reserves. These are assumed to continue in accordance with the MTF5 in the expected case. Any increase or decrease to these contributions will have a direct impact on the budget gap.

Savings & Pressures - Several potential pressures have been identified in the covering report and an allowance is made for them in the expected forecast. The best / worst case scenarios allow for better or worse net positions.

Council Tax precept - Assumes a £5 increase in best and expected cases, with a freeze in the worst case.

Special Expenses Levy - Assumes the charge increases in line with TVBC main precept. Higher tax base assumption in best case.

Business Rates Income - Best and expected case based on continuation of current figures. Worst case reflects full re-set with all accumulated growth lost.

Medium Term - All accumulated business rates growth taken out in expected forecast

MEDIUM TERM FORECAST BASED ON EXPECTED BUDGET 2022/23

	Expected Forecast 2022/23 £'000	Base Changes £'000	Budget Forecast 2023/24 £'000	Base Changes £'000	Budget Forecast 2024/25 £'000
Net Cost of Services	13,256.3	787.4	14,043.7	81.4	14,125.1
Capital Accounting Adjustments	(4,857.6)	4.5	(4,853.1)	4.5	(4,848.6)
Inflation	400.0	600.0	1,000.0	600.0	1,600.0
	8,798.7	1,391.9	10,190.6	685.9	10,876.5
<u>Corporate Requirements</u>					
Contingency Provision	291.3		291.3		291.3
Investment Income	(242.2)		(242.2)		(242.2)
Borrowing Costs	151.3	(5.4)	145.9	(5.5)	140.4
Other Government Grants	(111.1)		(111.1)		(111.1)
New Homes Bonus	(800.6)	800.6	0.0		0.0
Provision for NDR Levy	2,041.0	(2,041.0)	0.0		0.0
Grants related to business rate reliefs	(1,850.0)	1,850.0	0.0		0.0
100% retention of NDR from Renewable Energy	(414.4)		(414.4)		(414.4)
Net General Fund Expenditure	7,864.0	1,996.1	9,860.1	680.4	10,540.5
Transfer to Earmarked Reserves	1,342.0	(1,545.2)	(203.2)		(203.2)
Transfer to Asset Management Reserves	1,906.1		1,906.1		1,906.1
Transfer to Capital Reserves	2,116.2		2,116.2		2,116.2
Total General Fund Expenditure	13,228.3	450.9	13,679.2	680.4	14,359.6
Budget Pressures	445.0		445.0		445.0
Revenue Savings	0.0		0.0		0.0
Revised Net Budget	13,673.3	450.9	14,124.2	680.4	14,804.6
FURTHER SAVINGS TO BE IDENTIFIED	(434.9)	(2,796.4)	(3,231.3)	(341.8)	(3,573.1)
General Fund Requirements	13,238.4	(2,345.5)	10,892.9	338.6	11,231.5

Gambling Act 2005 – Statement of Licensing Principles

Report of the Corporate Portfolio Holder

Recommended:

1. That the revised Statement of Licensing Principles attached as annexed to the report be recommended for approval.
2. That the Statement as annexed to the report, be effective for a three-year period commencing 31 January 2022 subject to it being kept under review and Council making any changes at such times as it considers appropriate.

Recommendation to Council

SUMMARY:

- The Council must publish a Statement of Licensing Principles (or policy) detailing its responsibilities under the Gambling Act 2005 every three years.
- Following consultation over the summer a draft revised Statement is recommended for adoption.

1 Introduction

1.1 Section 349 of the Gambling Act 2005 requires the Council to publish a Statement of Principles (or Policy) setting out the matters to be considered by the Council when determining applications for licences and permits issued under the Act. The current Statement was published in January 2019 and the Act requires that the Council review the Statement every three years. Consequently, a draft revised Statement, attached as an Annex to this report, is recommended for adoption following a consultation exercise commenced in July whereby the existing Statement was distributed to several organisations including those representing existing licence holders. In addition, a copy was either supplied or made available to all members and a number of officers within the Council. Consultees had until 9 September 2021 to respond and no comments were received.

2 Background

2.1 The Council assumed its responsibilities under the Gambling Act 2005 on 31 January 2007. The Act created a new system of licensing and regulation for commercial gambling in this country. Amongst other changes, it gave local authorities new and extended responsibilities for licensing premises for gambling. In some cases, such as gaming machine arcades, those built upon existing responsibilities. But in other major areas, including betting and bingo, they transferred to local authorities' responsibilities which previously lay with the local magistrates.

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- 2.2 The Statement of Licensing Principles sets out the matters that will be considered when determining applications submitted under the Act. Unlike the Licensing Act 2003, the Gambling Act 2005 makes the adoption of the Statement an executive function, albeit that it must be the subject of a recommendation to the full Council. This matter is therefore brought before the Cabinet rather than the Licensing Committee as it is the Cabinet that must approve the Statement for adoption by the Council. Once adopted, the Statement is effective for three years but there is nothing to prevent the Council from reviewing the Statement during this period, should this become necessary.

3 Corporate Objectives and Priorities

- 3.1 The adoption of a Statement of Licensing Principles is a statutory requirement which does not directly relate to the Council's corporate aims.

4 Consultations/Communications

- 4.1 As mentioned in paragraph 1.1 above, the Council is legally required to consult upon the Statement and the draft document was sent to a number of different organisations including trade organisations, solicitors, Hampshire Constabulary and Hampshire Fire and Rescue Service. All have been given equal opportunity to comment.

5 Options and Options Appraisal

- 5.1 There are no substantive changes to the policy and any revisions are to correct dates and typographical errors and update references to the Gambling Commission's Guidance to Local Authorities. The options available to the Cabinet are:

5.2 Option 1

To reject the proposed recommendations and not adopt the proposed revised policy. As previously mentioned, the Council is legally required to consult upon and adopt a new Statement and so this option is not recommended.

5.3 Option 2

To accept the proposed recommendations that would see the revised Statement, which has been subject to consultation, adopted. This is the recommended option.

5.4 Option 3

To resolve to take some other course of action such as amending the revised Statement. This is not recommended.

The only substantive alternative option available to the Council is to fail to approve and publish a Statement and in doing so the Council will have failed to comply with its statutory requirements and may be subject to legal challenge when determining licence applications.

6 Risk Management

- 6.1 An evaluation of the risks associated with the matters in this report indicate that further risk assessment is not needed because the changes/issues covered do not represent significant risks and have largely previously been considered by Councillors when the first Statement was adopted in 2006.

7 Resource Implications

- 7.1 There are no direct resource implications as a result of this report.

8 Legal Implications

- 8.1 The legal implications of failing to approve and adopt a Statement are as set out in paragraph 6.1 above.

9 Equality Issues

- 9.1 An Equalities Impact Assessment is not needed because the issues covered have previously been addressed when the initial Statement was recommended for adoption in 2006. The Gambling Act 2005 and its associated secondary legislation have been assessed by central government as being compliant with United Kingdom equalities and human rights legislation.

10 Other Issues

- 10.1 Community Safety – None specific.
- 10.2 Environmental Health Issues – None.
- 10.3 Sustainability and Addressing a Changing Climate – None.
- 10.4 Property Issues – None.
- 10.5 Wards/Communities Affected – None specific but potentially the whole Borough.

11 Conclusion and reasons for recommendation

- 11.1 The Council is legally required to consult upon its Statement of Licensing Principles and it is only right that all those likely to be affected by the Act are given the opportunity to comment. The nil level of responses received would indicate that there is general satisfaction with the proposed Statement. Should, after its adoption, the Council consider it appropriate to review the Statement, then the facility to do so is available.

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APPENDIX B

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
Gambling Act 2005 Statement of Licensing Principles January 2019			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	1	File Ref:	N/A
(Portfolio: Corporate) Councillor T Tasker			
Officer:	Michael White	Ext:	8013
Report to:	Cabinet	Date:	27 October 2021



GAMBLING ACT 2005

SECTION 349

STATEMENT OF LICENSING PRINCIPLES – JANUARY 2022

This Statement of Principles will remain in force from 31 January 2022 until 31 January 2025

All references to the Gambling Commission's Guidance for local authorities refer to the Guidance published in April 2021.

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PART A

1.0 Licensing Objectives

1.1 In exercising most of the functions under the Gambling Act 2005, the Licensing Authority must have regard to the licensing objectives as set out in Section 1 of the Act. The licensing objectives are:

- **Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;**
- **Ensuring that gambling is conducted in a fair and open way; and**
- **Protecting children and other vulnerable persons from being harmed or exploited by gambling**

1.2 The Licensing Authority is aware that the Gambling Commission has stated that the requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling.

1.3 This Licensing Authority is aware that in accordance with Section 153 of the Act, in making its decisions about premises licences and temporary use notices it should aim to permit the use of the premises for gambling in so far as it thinks it:

- in accordance with any relevant code of practice issued by the Gambling Commission
- in accordance with any guidance issued by the Gambling Commission
- reasonably consistent with the licensing objectives and
- in accordance with the Authority's statement of licensing policy

2.0 Introduction

2.1 The Borough surrounding the valley of the River Test is one of the largest in Hampshire, covering 245 square miles of predominantly rural land.

Half of Test Valley's 131,000 inhabitants (2020 Small Area Population Forecast) live in the urban areas including Andover and Romsey. The other half are scattered in the hamlets and villages which make up the Borough's 59 parishes.

Test Valley offers a mix of entertainment facilities for residents and visitors alike. It has a number of premises conducting gambling activities including betting offices, a bingo hall and approximately 360 premises and 46 members clubs licensed under the Licensing Act 2003 many of which will have gaming machines located on their premises. At the time of publication there are no casinos or tracks (racecourses) within the Test Valley Borough Council area.

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The Council recognises that legal gambling in a fair and open way, with suitable protection for children and vulnerable persons, contributes to the growth of the local economy for Test Valley and offers an important role for employment within the borough.

2.2 A map of the Test Valley area is attached as Appendix A

2.3 Revisions to the Gambling Commission Licence Conditions and Codes of Practice (LCCP) meant that as from 6 April 2016 gambling operators have to prepare Local Risk Assessments (LRAs). The LRA should be kept on the individual premises and ready for inspection by any authorised officer. The LRA must be submitted with any new or variation application, otherwise the application has not been properly served. The LCCP also states that a LRA must be submitted when changes in the local environment or the premises warrant a risk assessment being conducted again. The Licensing Authority will expect the local risk assessment to consider as a minimum:

- The location of services for children such as schools, playgrounds, leisure/community centres and other areas where children will gather;
- The demographics of the area in relation to vulnerable groups;
- Whether the premises is in an area subject to high levels of crime and/or disorder.

Local risk assessments should show how vulnerable people, including people with gambling dependencies are protected.

To assist operators in the development of such risk assessments the Gambling Commission have encouraged local authorities to develop Local Area Profiles. Test Valley Borough Council has not developed a specific gambling related Local Area Profile. However, generic profiles are available and these may contain information which is of use to operators as they include demographics and a socio-economic profile. These profiles are available on the Test Valley Borough Council web site at www.testvalley.gov.uk/communityandleisure/mylocalarea-new/ward-profiles

3.0 Consultation on the Statement of Principles

3.1 Licensing authorities are required by the Gambling Act 2005 to publish a statement of the principles which they propose to apply when exercising their functions. This statement must be published at least every three years. The statement must also be reviewed from “time to time” and any amended parts re-consulted upon. The statement must then be re-published.

3.2 The Licensing Authority consulted widely upon this statement before finalising and publishing. A list of those persons consulted is provided at Appendix B. It should be noted that unsolicited comments may have been received from other persons but all of these have not been listed.

3.3 The Gambling Act requires that the following parties are consulted by licensing authorities:

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- The Chief Officer of Police for Hampshire;
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the Test Valley area;
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Act.

3.4 The full list of comments made and the consideration by the Council can be obtained from the Licensing Section, Legal and Democratic Service, Test Valley Borough Council, Beech Hurst, Weyhill Road, Andover, Hampshire SP10 3AJ.

3.5 The policy was approved at a meeting of the Full Council on 10 November 2021 (TBC) and was published via our website on 3 January 2022. Additional copies are available from the Licensing Section.

3.6 The Licensing Authority will also consult those persons listed in Appendix B and any other relevant persons as may be appropriate for any subsequent revision of the policy.

3.7 Any comments as regards this policy should be sent to:

The Licensing Manager
Legal & Democratic Service
Beech Hurst
Weyhill Road
Andover SP10 3AJ
Tel: 01264 368013
Email: licensing@testvalley.gov.uk

3.8 It should be noted that this policy statement will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

4.0 Declaration

4.1 In publishing this document, the Licensing Authority declares that it has had regard to the licensing objectives of the Act, the guidance issued by the Gambling Commission and any responses from those consulted on the policy statement.

5.0 Responsible authorities and interested parties

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5.1 When dealing with applications for and reviews of premises licences, the Licensing Authority are obliged to consider representations from two categories of persons, referred to as “**responsible authorities**” and “**interested parties.**” (It should be noted that these are defined differently to those defined in the Licensing Act 2003). Representations made by persons other than responsible authorities or interested parties will be inadmissible.

5.2 “**Responsible authorities**” are public bodies that must be notified of applications by the applicant. They are as follows:

- the Licensing Authority in whose area the premises are wholly or partly situated;
- the Gambling Commission;
- the Chief Officer of Police;
- the Fire and Rescue Authority;
- the Local Planning Authority;
- the Housing and Environmental Health Service of Test Valley Borough Council;
- the Local Safeguarding Children Board;
- HM Revenue and Customs; and
- Any other person prescribed by the Secretary of State

A full list and contact details of all the Responsible Authorities under the Act will be contained on the Council’s web-site (www.testvalley.gov.uk).

5.3 The Licensing Authority is required by the regulations to state the principles it will apply in exercising its powers under Section 157 (h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm. The principles are:

- The need for the body to be responsible for an area covering the whole of the licensing authority’s area; and
- The need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

5.4 Whilst being aware of the suggestion in the Gambling Commission’s Guidance for local authorities, this authority has designated the Hampshire County Council Children’s Services as the body which is competent to advise the authority about the protection of children from harm.

5.5 “**Interested parties**” are persons who may make representations about licence applications or apply for a review of an existing licence. These parties are defined in the Act as follows:

“A person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the Licensing Authority which issues the licence or to which the application is made, the person-

- lives sufficiently close to the premises to be likely to be affected by the authorised activities; or

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- has business interests that might be affected by the authorised activities; or
 - represents persons in either of those two groups referred to above.
- 5.6 Each case will be considered on its merits. This authority will not apply a rigid rule to its decision making. It will consider the examples of considerations provided in the Gambling Commission's Guidance for local authorities specifically paragraphs 8.9 to 8.17. It will also consider the Gambling Commission's Guidance that "has business interests" should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices.
- 5.7 The Gambling Commission has recommended that the Licensing Authority states that interested parties include trade associations, and trade unions, and residents' and tenants' associations (paragraph 8.16 of the Gambling Commission Guidance for local authorities). This authority will not however generally view these bodies as interested parties unless they have a member who can be classed as an interested person under the terms of the Act, i.e. lives sufficiently close to the premises to be likely affected by the activities being applied for.
- 5.8 Interested parties can be persons who are democratically elected such as councillors and MP's. Where appropriate this will include county and parish/town councillors. No specific evidence of being asked to represent an interested person will be required as long as the councillor / MP represents the ward likely to be affected. Likewise, parish councils likely to be affected will be considered to be interested parties.
- 5.9 If interested parties wish to approach councillors to ask them to represent their views then care should be taken that the councillors are not part of the Licensing Committee dealing with the licence application. If there are any doubts then please contact the Licensing Section at Test Valley Borough Council, Beech Hurst, Weyhill Road, Andover SP10 3AJ.
- 5.10 Other than these however, this authority will generally require written evidence that a person/body (e.g. an advocate / relative) 'represents' someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or has business interests that might be affected by the authorised activities. A letter from one of these persons, requesting the representation is sufficient.

6.0 Exchange of Information

- 6.1 Licensing authorities are required to include in their statements the principles to be applied by the authority in exercising the functions under sections 29 and 30 of the Act with respect to the exchange of information between it and the Gambling Commission, and the functions under section 350 of the Act with

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respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act.

- 6.2 The Licensing Authority will act in accordance with the provisions of the Act in its exchange of information which includes the provision that the Data Protection Act 1998 and any subsequent legislation will not be contravened. The Licensing Authority will also have regard to any Guidance issued by the Gambling Commission to local authorities on this matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.
- 6.3 Should any protocols be established as regards information exchange with other bodies then they will be made available on the Council's web-site www.testvalley.gov.uk.

7.0 Compliance and Enforcement

- 7.1 Licensing authorities are required by regulation under the Act to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.
- 7.2 This Licensing Authority's principles are that:
- It will be guided by the Gambling Commission's Guidance to Licensing Authorities and will endeavour to be:
- **Proportionate:** intervention only when necessary, remedies should be appropriate to the risk posed, and costs identified and minimised;
 - **Accountable:** decisions must be justified, and subject to public scrutiny;
 - **Consistent:** rules and standards must be joined up and implemented fairly;
 - **Transparent:** regulators should be open, and keep regulations simple and user friendly; and
 - **Targeted:** focused on the problem, and minimise side effects.
- 7.3 The Licensing Authority will endeavour to avoid duplication with other regulatory regimes so far as possible.
- 7.4 This Licensing Authority will implement a risk-based inspection programme, based on:
- The licensing objectives
 - Relevant codes of practice
 - Guidance issued by the Gambling Commission, in particular at Part 36
 - The principles set out in this Statement of Licensing Policy
- 7.5 The main enforcement and compliance role for the Licensing Authority will be to ensure compliance with the premises licences and other permissions which it

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authorises. The Gambling Commission will be the enforcement body for the operator and personal licences it issues. It should also be noted that concerns about the manufacture, supply or repair of gaming machines will not be dealt with by the Licensing Authority but will be notified to the Gambling Commission.

- 7.6 The Licensing Authority will keep itself informed of developments as regards the work of the Office for Product Safety and Standards in its consideration of the regulatory functions of local authorities.
- 7.7 Having regard to the principle of transparency, the Licensing Authority enforcement/compliance protocols/written agreements will be available on request to the licensing section. Our risk methodology will also be available on request.
- 7.8 The Licensing Authority recognises that certain operators have a number of premises within its area. In order to ensure that any compliance issues are recognised and resolved at the earliest stage, operators are requested to give the authority a single named point of contact who should be a senior individual, and whom the authority will contact first should any compliance issues arise.

8.0 The Licensing Authority Functions

8.1 The Licensing Authority will:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing *Premises Licences*
- Issue *Provisional Statements*
- Regulate *members' clubs* and *miners' welfare institutes* who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits
- Issue *Club Machine Permits* to *Commercial Clubs*
- Grant permits for the use of certain lower stake gaming machines at *unlicensed Family Entertainment Centres*
- Receive notifications from alcohol licensed premises (under the Licensing Act 2003) of the use of two or fewer gaming machines
- Issue *Licensed Premises Gaming Machine Permits* for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where more than two machines are required
- Register *small society lotteries* below prescribed thresholds
- Issue *Prize Gaming Permits*
- Receive and Endorse *Temporary Use Notices*
- Receive *Occasional Use Notices*
- Provide information to the Gambling Commission regarding details of licences issued (see section above on 'information exchange')
- Maintain registers of the permits and licences that are issued under these functions

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- 8.2 The Licensing Authority will not be involved in licensing remote gambling. This will fall to the Gambling Commission via Operator Licences.
- 8.3 Gambling activities may take one of three forms: gaming, betting or participating in a lottery. Gaming is defined as playing a game of chance for a prize. The Act defines two specific categories of gaming, namely casino gaming and equal chance gaming. Betting is defined as making or accepting a bet on one of three things: the outcome of a race, competition or other process; the likelihood of anything occurring or not occurring; whether anything is or is not true. Lotteries are where persons pay to participate in an arrangement under which prizes are allocated partly or wholly by chance. The National Lottery is not governed by the Gambling Act.

PART B – Premises Licences

9.0 General Principles

- 9.1 Premises licences will be subject to the requirements set out in the Act and regulations, as well as specific mandatory and default conditions which are detailed in regulations issued by the Secretary of State. Licensing authorities are able to exclude default conditions and also attach others, where it is believed to be appropriate.
- 9.2 The Licensing Authority will aim to permit the use of premises for gambling in so far as it thinks it:
- in accordance with any relevant code of practice issued by the Gambling Commission;
 - in accordance with any relevant guidance issued by the Commission;
 - reasonably consistent with the licensing objectives; and
 - in accordance with this statement of licensing policy.
- 9.3 The Licensing Authority appreciates that as per the Gambling Commission's Guidance "moral objections to gambling are not a valid reason to reject applications for premises licences" (except as regards any "no casino" resolution – see section on Casinos below – page 17) and also that unmet demand is not a criterion for the Licensing Authority.

Definition of "premises"

- 9.4 Premises is defined in the Act as including "any place". Section 152 therefore prevents more than one Premises Licence applying to any place. However, it is possible for a single building to be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises. This approach has been taken to allow large, multiple unit premises such as a pleasure park,

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pier, track or shopping mall to obtain discrete premises licences, where appropriate safeguards are in place. However, licensing authorities should pay particular attention if there are issues about sub-divisions of a single building or plot and should ensure that mandatory conditions relating to access between premises are observed.

9.5 This Licensing Authority takes particular note of the Gambling Commission's Guidance to Licensing Authorities which states that licensing authorities should take particular care in considering applications for multiple licences for a building and those relating to a discreet part of a building used for other (non-gambling) purposes. In particular they should be aware of the following:

- The third licensing objective seeks to protect children from being harmed by gambling. In practice that means not only preventing them from taking part in gambling, but also preventing them from being in close proximity to gambling. Therefore premises should be configured so that children are not invited to participate in, have accidental access to or closely observe gambling where they are prohibited from participating.
- Entrances and exits from parts of a building covered by one or more premises licences should be separate and identifiable so that the separation of different premises is not compromised and people do not "drift" into a gambling area. In this context, it should normally be possible to access the premises without going through another licensed premises or premises with a permit.
- Customers should be able to participate in the activity named on the premises licence.

The Guidance also gives a list of factors which the licensing authority should be aware of, which may include:

- Do the premises have a separate registration for business rates?
- Is the premises' neighbouring premises owned by the same person or someone else?
- Can each of the premises be accessed from the street or a public passageway?
- Can the premises only be accessed from any other gambling premises?

This authority will consider these and other relevant factors in making its decision, depending on all the circumstances of the case.

Premises "ready for gambling"

9.6 The Guidance states that a licence to use premises for gambling should only be issued in relation to premises that the licensing authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use. If the construction of a premises is not yet complete, or if they need alteration, or if the applicants does not yet have a right to occupy them, than an application for a provisional statement should be made instead. In deciding whether a premises licence can be granted where there are outstanding construction or alteration works at a premises, this authority will determine applications on their merits, applying a two stage consideration process:

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- First, whether the premises ought to be permitted to be used for gambling
- Second, whether appropriate conditions can be put in place to cater for the situation that the premises are not yet in the state in which they ought to be before gambling takes place.

Applicants should note that this authority is entitled to decide that it is appropriate to grant a licence subject to conditions, but it is not obliged to grant such a licence. More detailed examples of the circumstances in which such a licence may be granted can be found at paragraphs 7.58 to 7.65 of the Guidance.

Location

- 9.7 The Licensing Authority is aware that demand issues cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives can. As per the Gambling Commission's guidance, this authority will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder. Should any specific policy be decided upon as regards areas where gambling premises should not be located, this statement will be updated. It should be noted that any such policy does not preclude any application being made and each application will be decided on its merits, with the onus upon the applicant showing how potential concerns can be overcome.

Planning

- 9.8 The Gambling Commission Guidance to Licensing Authorities states:
7.58 – In determining applications, the licensing authority should not take into consideration matters that are not related to gambling and the licensing objectives. One example would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal...

This authority will not take into account irrelevant matters as per the above guidance. In addition this authority notes the following excerpt from the Guidance:

7.65 – When dealing with a premises licence application for finished buildings, the licensing authority should not take into account whether those buildings have to comply with the necessary planning or building consents ... Those matters should be dealt with under relevant planning control, building and other regulations, and must not form part of the consideration for the premises licence. Section 210 of the Gambling Act 2005 prevents licensing authorities taking into account the likelihood of the proposal by the applicant obtaining planning or building consent when considering a premises licence application. Equally the grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building.

Duplication with other regulatory regimes

- 9.9 The Licensing Authority will seek to avoid any duplication with other statutory/regulatory systems where possible, including planning. This authority will not consider whether a licence application is likely to be awarded planning permission or building regulations approval, in its consideration of it. It will though, listen to, and consider carefully, any concerns about conditions which

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are not able to be met by licensees due to planning restrictions, should such a situation arise.

- 9.10 When dealing with a premises licence application for finished buildings, this authority will not take into account whether those buildings have to comply with the necessary planning or buildings consents. Fire or health and safety risks will not be taken into account, as these matters are dealt with under relevant planning control, buildings and other regulations and must not form part of the consideration for the premises licence.

10.0 The Licensing Objectives

- 10.1 Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, this Licensing Authority has considered the Gambling Commission's Guidance to local authorities and some comments are made below:

Preventing Gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;

- 10.2 This Licensing Authority is aware that the Gambling Commission will be taking a leading role in preventing gambling from being a source of crime. The Gambling Commission's Guidance does however envisage that licensing authorities should pay attention to the proposed location of gambling premises in terms of this licensing objective. Thus, where an area has known high levels of organised crime, this authority will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable such as the provision of door supervisors. This Licensing Authority is aware of the distinction between disorder and nuisance and will consider factors such as whether police assistance was required and how threatening the behaviour was to those who could see it, so as to make that distinction. Issues of nuisance cannot be addressed via the Gambling Act provisions.

Ensuring that gambling is conducted in a fair and open way;

- 10.3 This Licensing Authority has noted that the Gambling Commission has stated that it would generally not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way, as this will be addressed via operating and personal licences. There is however, more of a role with regard to tracks which is explained in more detail in the "tracks" section below – page 18.

Protecting children and other vulnerable persons from being harmed or exploited by gambling;

- 10.4 This Licensing Authority has noted that the Gambling Commission's Guidance for local authorities states that this objective means preventing children from taking part in gambling (as well as restriction of advertising so that gambling products are not aimed at or are, particularly attractive to children). The

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Licensing Authority will therefore consider, as suggested in the Gambling Commission's Guidance, whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include supervision of entrances/machines, segregation of areas etc.

- 10.5 The Licensing Authority will also make itself aware of the Codes of Practice which the Gambling Commission issues as regards this licensing objective, in relation to specific premises such as casinos.
- 10.6 As regards the term "vulnerable persons" it is noted that the Gambling Commission is not seeking to offer a definition but states that "it will, for regulatory purposes, assume that this group includes people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs." This Licensing Authority will consider this licensing objective on a case-by-case basis. Should a practical definition prove possible in future then this policy statement will be updated with it, by way of a revision.

11.0 Conditions on premises licences

- 11.1 The Licensing Authority will ensure that any conditions imposed are proportionate to the circumstances which they are seeking to address, and will ensure that any premises licence conditions are:
- relevant to the need to make the proposed building suitable as a gambling facility;
 - directly related to the premises and the type of licence applied for;
 - fairly and reasonably related to the scale and type of premises; and
 - reasonable in all other respects
- 11.2 Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures this Licensing Authority will consider utilising should there be a perceived need, such as the use of supervisors, appropriate signage for adult only areas etc. There are specific comments made in this regard under some of the licence types below. This Licensing Authority will also expect the licence applicant to offer his/her own suggestions as to ways in which the licensing objectives can be met effectively.
- 11.3 The Licensing Authority will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include:
- supervision of entrances;
 - segregation of gambling from non-gambling areas frequented by children;
 - supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives.

These matters are in accordance with the Gambling Commission's Guidance.

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11.4 The Licensing Authority will also ensure that where category C or above machines are on offer in premises to which children are admitted:

- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where these machines are located;
- access to the area where the machines are located is supervised;
- the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
- at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

These considerations will apply to premises including buildings where multiple premises licences are applicable.

11.5 The Licensing Authority is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, this Licensing Authority will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

11.6 It is noted that there are conditions which the Licensing Authority cannot attach to premises licence which are:

- any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- conditions relating to gaming machine categories, numbers, or methods of operation;
- conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated); and
- conditions in relation to stakes, fees, winnings or prizes

Door Supervisors

11.7 The Gambling Commission advises in its Guidance for local authorities that licensing authorities may consider whether there is a need for door supervisors in terms of the licensing objectives of protection of children and vulnerable persons from being harmed or exploited by gambling, and also in terms of preventing premises becoming a source of crime. It is noted though that 'in-house' door supervisors at casinos or bingo premises cannot be licensed by the Security Industry Authority (SIA). This licensing authority therefore will take into consideration relevant criminal convictions, cautions or formal reprimands, if any, and training requirements that meet SIA standards. This is in recognition of the nature of the work in terms of searching individuals, dealing with potentially aggressive persons, etc.

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- 11.8 For premises other than casinos and bingo premises, operators and licensing authorities may decide that supervision of entrances/machines is appropriate for particular cases. In respect of betting offices, the authority will require door supervisors only if there is clear evidence from the trading history of the premises that the premises cannot be adequately supervised from the counter and that door supervision is both necessary and proportionate.

12.0 Adult Gaming Centres (AGC)

- 12.1 The Licensing Authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure, for example, that persons under the age of 18 do not have access to the premises.
- 12.2 The Licensing Authority will expect applicants to offer their own measures to meet the licensing objectives however, appropriate measures/licence conditions may cover issues such as:
- Proof of age schemes
 - CCTV
 - Supervision of entrances/machine areas
 - Physical separation of areas
 - Location of entry
 - Notices/signage
 - Specific opening hours
 - Self-exclusion schemes
 - Provision of information leaflets/helpline numbers for organisations such as GamCare.

This list is neither mandatory nor exhaustive and is merely indicative of example measures.

13.0 Licensed Family Entertainment Centres

- 13.1 The Licensing Authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that persons under the age of 18 do not have access to the adult only gaming machine areas.

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13.2 The Licensing Authority will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures/licence conditions may cover issues such as:

- CCTV
- Clear policies that outline the steps to be taken to protect children from harm
- Supervision of entrances/machine areas
- Physical separation of areas
- Location of entry
- Notices/signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets/helpline numbers for organisations such as GamCare
- Measures/training for staff on how to deal with suspected truant school children on the premises and how to recognise the signs of potential child sexual exploitation

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

13.3 The Licensing Authority will refer to any conditions applied by the Gambling Commission to operating licences covering the way in which the area containing the category C machines should be delineated. This Licensing Authority will also make itself aware of any mandatory or default conditions on these premises licences when published.

14.0 Casinos

No Casinos resolution

14.1 The Licensing Authority has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. Should the Licensing Authority decide in the future to pass such a resolution, it will update this policy statement with details of that resolution.

14.2 This matter will be reviewed at three yearly intervals or sooner should the circumstances warrant a revision.

14.3 Any such decision will be made by the Full Council.

15.0 Bingo premises

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15.1 This Licensing Authority notes that the Gambling Commission's Guidance states:

18.5 Licensing Authorities need to satisfy themselves that bingo can be played in any bingo premises for which they issue a premises licence. An operator may choose to vary their licence to exclude a previously licensed area of that premises, and then apply for a new premises licence, or multiple new premises licences, with the aim of creating separate premises in that area essentially providing multiple licensed premises within a single building or site. Before issuing additional bingo premises licences, licensing authorities need to consider whether bingo can be played at each of those new premises.

18.7 Children and young people are allowed into bingo premises; however they are not permitted to participate in the bingo and if category B or C machines are made available for use these must be separated from areas where children and young people are allowed. Social Responsibility (SR) code 3.2.5(3) states that 'licensees must ensure that their policies and procedures take account of the structure and layout of their gambling premises' in order to prevent underage gambling.

16.0 Betting premises

16.1 **Betting machines** – The Licensing Authority will, in accordance with the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer. This authority will consider limiting the number of machines only where there is clear evidence that such machines have been or are likely to be used in breach of the licensing objectives.

17.0 Tracks

17.1 Tracks are sites (including horse racecourses and dog tracks) where races or other sporting events take place. Betting is a major gambling activity on tracks, both in the form of pool betting (often known as the "totalisator" or "tote"), and also general betting, often known as "fixed-odds" betting.

17.2 The Licensing Authority is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. The Licensing Authority will especially consider the impact upon the third licensing objective (i.e. the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances

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to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

- 17.3 The Licensing Authority will therefore expect the premises licence applicant to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than category D machines) are provided.
- 17.4 This Licensing Authority will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures / licence conditions may cover issues such as:
- Proof of age schemes
 - CCTV
 - Supervision of entrances / machine areas
 - Physical separation of areas
 - Location of entry
 - Notices / signage
 - Specific opening hours
 - Self-exclusion schemes
 - Provision of information leaflets / helpline numbers for organisations such as GamCare

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

Gaming machines

- 17.5 The Licensing Authority will consider the location of gaming machines at tracks, and applicants for track premises licences will need to demonstrate that, where the applicant holds a pool betting operating licence and is going to use his entitlement to four gaming machines, these machines are located in areas from which children are excluded. Children and young persons are not prohibited from playing category D gaming machines on a track.

Betting machines

- 17.6 The Licensing Authority will take into account the size of the premises and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer.

Condition on rules being displayed

- 17.7 It is a mandatory condition of premises licences that clear and accessible information about the terms on which a bet may be placed must be displayed at betting premises, including tracks. This licensing authority will not concern itself

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with the terms or rules of betting (apart from the requirement to display them), as this is a consideration of the Gambling Commission in respect of the licensing of betting operators.

Applications and plans

- 17.8 The Gambling Act (s151) requires applicants to submit plans of the premises with their application, in order to ensure that the Licensing Authority has the necessary information to make an informed judgement about whether the premises are fit for gambling. The plan will also be used for the licensing authority to plan future premises inspection activity. (See Guidance to Licensing Authorities, paragraph 20.43).

Plans for tracks do not need to be in a particular scale, but should be drawn to a scale and should be sufficiently detailed to include the information required by regulations. (See Guidance to Licensing Authorities, paragraph 20.44).

This authority appreciates that it is sometimes difficult to define the precise location of betting areas on tracks. The precise location of where betting facilities are provided is not required to be shown on track plans, both by virtue of the fact that betting is permitted anywhere on the premises and because of the difficulties associated with pinpointing exact locations for some types of track. Applicants should provide sufficient information that this authority can satisfy itself that the plan indicates the main areas where betting might take place. (Guidance to Licensing Authorities, paragraph 20.46).

18.0 Travelling Fairs

- 18.1 It will fall to The Licensing Authority to decide whether, where category D machines and / or equal chance prize gaming without a permit is to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.
- 18.2 The Licensing Authority will also consider whether the applicant falls within the statutory definition of a travelling fair.
- 18.3 It has been noted that the 27-day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. This licensing authority will work with its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

19.0 Provisional Statements

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- 19.1 Developers may wish to apply to this authority for provisional statements before entering into a contract to buy or lease property or land to judge whether a development is worth taking forward in light of the need to obtain a premises licence. There is no need for the applicant to hold an operating licence in order to apply for a provisional statement.
- 19.2 S204 of the Gambling Act provides for a person to make an application to the licensing authority for a provisional statement in respect of premises that he or she: expects to be constructed; expects to be altered; or expects to acquire a right to occupy. The process for considering an application for a provisional statement is the same as that for a premises licence application. The applicant is obliged to give notice of the application in the same way as applying for a premises licence. Responsible authorities and interested parties may make representations and there are rights of appeal. In contrast to the premises licence application, the applicant does not have to hold or have applied for an operating licence from the Gambling Commission (except in the case of a track) and they do not have to have a right to occupy the premises in respect of which their provisional application is made.
- 19.3 The holder of a provisional statement may then apply for a premises licence once the premises are constructed, altered or acquired. The licensing authority will be constrained in the matters it can consider when determining the premises licence application and in terms of representations about premises licence applications that follow the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless: they concern matters which could not have been addressed at the provisional statement stage or; they reflect a change in the applicant's circumstances.
- 19.4 In addition, the authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:
- Which could not have been raised by objectors at the provisional statement stage;
 - Which in the authority's opinion reflect a change in the operator's circumstances; or
 - Where the premises has not been constructed in accordance with the plan submitted with the application. This must be a substantial change to the plan and this licensing authority notes that it can discuss any concerns it has with the applicant before making a decision.

20.0 Reviews of premises licences

- 20.1 Requests for a review of a premises licence can be made by interested parties or responsible authorities, however, it is for the Licensing Authority to decide whether the review is to be carried out. This will be on the basis of whether the request for the review is relevant to the matters listed below, as well as consideration as to whether the request is frivolous, vexatious, will certainly not cause the authority to wish alter/revoke/suspend the licence, or whether it is substantially the same as previous representations or requests for review:

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- In accordance with any relevant code of practice issued by the Gambling Commission;
- In accordance with any relevant guidance issued by the Gambling Commission;
- Reasonably consistent with the licensing objectives; and
- In accordance with the Licensing Authority's statement of principles.

20.2 The Licensing Authority can also initiate a review of a particular premises licence, or a particular class of premises licence on the basis of any reason which it thinks is appropriate.

20.3 Once a valid application for a review has been received by the licensing authority, representations can be made by responsible authorities and interested parties during a 28 day period. This period begins seven days after the application was received by the licensing authority, who will publish notice of the application within seven days of receipt. The licensing authority must carry out the review as soon as possible after the 28 day period for making representations has passed.

20.4 The purpose of a review will be to determine whether the Licensing Authority should take any action in relation to a licence. If action is justified, the Licensing Authority will have the following options:

- Revoke the licence;
- Suspend the licence for a period not exceeding three months;
- Exclude a default condition imposed by the Secretary of State, or remove or amend such an exclusion; and
- Add, remove or amend a licence condition imposed by the Licensing Authority.

In determining what action, if any, should be taken following a review, the Licensing Authority must have regard to the principles set out in section 153 of the Act, as well as any relevant representations.

In particular, the licensing authority may also initiate a review of a premises licence on the grounds that a premises licence holder has not provided facilities for gambling at the premises. This is to prevent people from applying for licences in a speculative manner without intending to use them.

Part C – Permits/Temporary & Occasional Use Notices

21.0 Unlicensed Family Entertainment Centre Gaming Machine Permits

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- 21.1 Where a premises does not hold a premises licence but wishes to provide gaming machines, it may apply to the licensing authority for this permit. It should be noted that the applicant must show that the premises will be wholly or mainly used for making gaming machines available for use (Section 238).
- 21.2 The Gambling Act 2005 states that a Licensing Authority may prepare a statement of principles that they propose to consider in determining the suitability of an applicant for a permit and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Gambling Commission under Part 24. The Gambling Commission's Guidance for local authorities also states that in its three year licensing policy statement, "a licensing authority may include a statement of principles ... for permits..., licensing authorities may wish to give weight to matters relating to protection of children from being harmed or by gambling and to ensure that staff supervision adequately reflects the level of risk to this group." (24.8)
- 21.3 As suggested by the Guidance the Licensing Authority requires a plan of the premises to be submitted with any application for this type of permit.
- 21.4 The Licensing Authority cannot attach conditions to this type of permit.
- 21.5 The Licensing Authority will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations, including the risk of child sexual exploitation. The efficiency of such policies and procedures will each be considered on their merits, however, they may include the following:
- appropriate measures / training for staff as regards suspected truant school children on the premises,
 - measures / training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems on / around the premises.
- 21.6 The Licensing Authority will also expect that
- applicants demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs;
 - that the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act); and
 - that staff are trained to have a full understanding of the maximum stakes and prizes.

22.0 (Alcohol) Licensed premises gaming machine permits

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- 22.1 There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have 2 gaming machines, of categories C and/or D. The premises merely need to notify the Licensing Authority. The Licensing Authority can remove the automatic authorisation in respect of any particular premises if:
- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
 - gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with)
 - the premises are mainly used for gaming; or
 - an offence under the Gambling Act has been committed on the premises
- 22.2 If a premises wishes to have more than 2 machines, then it needs to apply for a permit and the Licensing Authority must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission, and *“such matters as they think relevant.”*
- 22.3 The Licensing Authority considers that *“such matters”* will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable persons from being harmed or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that persons under the age of 18 do not have access to the adult only gaming machines. Measures which will satisfy the authority may include:
- The adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by persons under the age of 18;
 - Notices and signage; and
 - Provision of information leaflets/helpline numbers for organisations such as GamCare.
- 22.4 The Licensing Authority recognises that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for, and dealt with as an Adult Gaming Centre premises licence.
- 22.5 The Licensing Authority can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached.
- 22.6 It should also be noted that the holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

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- 22.7 Whilst not directly related to the provision of gaming machines, alcohol licensed premises should also be aware of the Gambling Commission Code of Practice for equal chance gaming in such premises.

23.0 Prize Gaming Permits

- 23.1 In making its decision on an application for this permit the Licensing Authority does not need to have regard to the licensing objectives but must have regard to any Gambling Commission guidance.
- 23.2 The applicant should set out the types of gaming that he or she is intending to offer and should be able to demonstrate:
- that they understand the limits to stakes and prizes that are set out in Regulations; and
 - that the gaming offered is within the law
- 23.3 It should be noted that there are conditions in the Gambling Act 2005 by which the permit holder must comply, but that the Licensing Authority cannot attach conditions. The conditions in the Act are:
- the limits on participation fees, as set out in regulations, must be complied with;
 - all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
 - the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
 - participation in the gaming must not entitle the player to take part in any other gambling.

24.0 Club Gaming and Club Machines Permits

- 24.1 Members Clubs and Miners' welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Club Gaming Machines Permit. The Club Gaming Permit will enable the premises to provide gaming machines (3 machines of categories B, C or D), equal chance gaming and games of chance as set-out in regulations. A Club Machine Permit will enable the premises to provide gaming machines (3 machines of categories B, C or D).
- 24.2 Members clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming, unless the gaming is permitted by separate regulations. These regulations cover bridge and whist clubs which will replicate the position under the Gaming Act 1968. A members'

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club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working men's clubs, branches of the Royal British Legion and clubs with political affiliations.

- 24.3 The Licensing Authority may only refuse an application on the grounds that:
- (a) the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
 - (b) the applicant's premises are used wholly or mainly by children and/or young persons;
 - (c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
 - (d) a permit held by the applicant has been cancelled in the previous ten years; or
 - (e) an objection has been lodged by the Commission or the police
- 24.4 There is a 'fast-track' procedure available under the Act for premises which hold a Club Premises Certificate under the Licensing Act 2003. Under the fast-track procedure there is no opportunity for objections to be made by the Gambling Commission or the police, and the grounds upon which an authority can refuse a permit are reduced and the grounds on which an application under the process may be refused are:
- (a) that the club is established primarily for gaming, other than gaming prescribed under schedule 12;
 - (b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
 - (c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled."
- 24.5 There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.
- 24.6 Whilst not directly related to the provision of gaming machines, members clubs should also be aware of the gambling Commission Code of Practice for equal chance gaming in alcohol licensed premises.

25.0 Temporary Use Notices

- 25.1 Temporary Use Notices allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a Temporary Use Notice, according to the Gambling Commission, would include hotels, conference centres and sporting venues.

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- 25.2 The licensing authority can only grant a Temporary Use Notice to a person or company holding a relevant operating licence, i.e. a non-remote casino operating licence.
- 25.3 The Secretary of State has the power to determine what form of gambling can be authorised by Temporary Use Notices, and at the time of writing this Statement the relevant regulations (SI number 3157: The Gambling Act 2005 (Temporary Use Notices) Regulations 2007) state that Temporary Use Notices can only be used to permit the provision of facilities for equal chance gaming, where the gaming is intended to produce a single overall winner. There can, however, be more than one competition with a single winner held at the individual event covered by a specific temporary use notice. The facilities may not be provided in circumstances where any person participating in the gaming does so by means of a gaming machine. Equal chance gaming is gaming which does not involve playing or staking against a bank and gives equally favourable chances to all participants; it includes dominoes, cribbage, poker and bingo.
- 25.4 There are a number of statutory limits as regards Temporary Use Notices. The meaning of “premises” in Part 8 of the Act is discussed in paragraphs 7.5 to 7.11 of the Gambling Commission Guidance to Licensing Authorities. As with “premises” the definition of “a set of premises” will be a question of fact in the particular circumstances of each notice that is given. In the Act “premises” is defined as including “any place”. In considering whether a place falls within the definition of a “set of premises” the Licensing Authority will look at, amongst other things, the ownership/occupation and control of the premises.
- 25.5 This Licensing Authority will consider objecting to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises.

26.0 Occasional Use Notices

- 26.1 The Licensing Authority has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. The Licensing Authority will need though to consider the definition of a ‘track’ and whether the applicant is permitted to avail him/herself of the notice.

Part D – Other Information

27.0 Rights of appeal and judicial review

- 27.1 The Licensing Authority is aware that its decisions may be subject to an appeal in accordance with the provisions of the Act and judicial review. It also

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recognises that failure to give reasons for a decision may compel a person to appeal. The Licensing Authority will:

- give clear and comprehensive reasons for a rejection of an application where there is a requirement in the Act to do so; and
- wherever practicable, as best practice, give clear and comprehensive reasons for all decisions connected to its functions under the Act, regardless of whether there is a requirement under the Act to do so.

27.2 An appeal has to be commenced by the giving of a notice of appeal by the appellant to the local magistrates' court within a period of 21 days beginning with the day on which the appellant was notified by the Licensing Authority of the decision to be appealed against.

27.3 Any person who wishes to pursue an appeal is strongly advised to seek independent professional legal advice from a legal advisor who specialises in the law on gambling.

28.0 Other matters

28.1 In order to ensure that applicants and persons who make representations have the necessary information to be able to do so, the information below will be available on the Council's web site (www.testvalley.gov.uk) or by contacting the Licensing Section at Test Valley Borough Council:

- Register of premises licences issued by The Licensing Authority
- Fees
- Guidance on how to make an application
- List of responsible authorities and contact details
- Application forms, where appropriate
- Making representations
- Applying for a review of a licence

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29.0 The Licensing Authority Delegations

Matter to be dealt with	Full Council	Sub-Committee of Licensing Committee	Officers
Formal approval of the Licensing Authority statement of policy	X		
Policy not to permit casinos	X		
Application for premises licence		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a variation to a premises licence		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a transfer of a premises licence		Where representations have been received from the Commission or responsible authority	Where no representations received from the Commission or responsible authority
Application for a provisional statement		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Review of a premises licence		X	
Application for club gaming/ club machine permits		Where objections have been made and not withdrawn	Where no objections made/ objections have been withdrawn
Cancellation of club gaming/ club machine permits		X	
Applications for other permits			X
Cancellation of licensed premises gaming machine permits			X
Consideration of temporary use notice			X
Decision to give a counter notice to a temporary use notice		X	

APPENDIX A – Map of Test Valley Area



APPENDIX B – List of those consulted

- Andover Town Council
- Romsey Town Council
- Test Valley Borough Council – all Services and all elected members
- Hampshire Fire and Rescue Service
- Hampshire County Council Public Health
- County Councillors
- Members of Parliament
- British Holiday & Home Parks Association
- BACTA
- Hampshire Constabulary
- Betting Shop Services Limited
- Association of British Bookmakers
- British Beer and Pubs Association
- The Bingo Association
- Coral Group Limited
- Done Bros. (Cash Betting) Ltd.
- Roadchef Motorways Limited
- Working Men's Club and Institute Union
- GamCare
- Gam Anon
- British Institute of Innkeeping

ITEM 10 Community Governance Review – Romsey Town

Report of the Democracy and Governance Portfolio Holder

Recommended:

- 1. That the Terms of Reference for a Community Governance Review covering Romsey and Romsey Extra parishes, as set out in Annex 1 to the report, be approved.**
- 2. That a Member Panel of seven Members be established to consider representations received as part of the Community Governance Review, with membership to be nominated by Group Leaders.**

SUMMARY:

- This report follows full Council's decision on 1 September 2021 to agree to undertake a Community Governance Review (CGR) of the boundaries of Romsey Town, following a request from Romsey Town Council to extend the existing boundaries, so that the new boundary is coterminous with the existing Borough Ward boundaries.
- The next stage in the CGR process is to approve Terms of Reference for the Review. Draft terms are attached at Annex 1 to the report, and set out details of the background, the process to be followed, consultation arrangements, and timetable.
- The report also proposes the appointment of a Member Panel to review any representations that are received, and assist in the preparation of reports to full Council on draft and final recommendations, as part of the CGR process.

1 Introduction

- 1.1 At its last meeting on 1 September 2021, Council decided to undertake a Community Governance Review of Romsey and Romsey Extra parishes, in response to Romsey Town Council's resolution to request a review of its boundaries, so as Romsey Town's area will include the full extent of the three Romsey Borough Wards.
- 1.2 This report proposed draft Terms of Reference for the Review, and also proposes the appointment of a Member Panel to assist in the CGR process.

2 Background

- 2.1 Members are referred to the previous report for the full detailed background to this matter, which is summarised in the draft Terms of Reference at Annex 1 to the report.

3 Terms of Reference

- 3.1 A key requirement of the process, which formally starts the Review, is the adoption of Terms of Reference for the Review. These set out the background to the CGR, the process to be followed in undertaking it, consultation arrangements, and timescales.
- 3.2 A draft set of Terms of Reference is attached as Annex 1 to the report. These are based on the terms of reference that were successfully used for the 2018 CGR.
- 3.3 Members are accordingly asked to approve the Terms of Reference.

4 Proposed Member Panel

- 4.1 For the 2018 CGR, the Council appointed a Member Panel, which considered the representations received. The deliberations of the Panel fed into the reports to Council on the draft and final recommendations for the CGR.
- 4.2 It is recommended that a similar approach is taken for this CGR. A Panel of seven Members would be a suitable size, and the suggested representation on the Panel would be 4 Conservative, 2 Liberal Democrat, and 1 Andover Independents.
- 4.3 It is suggested that nominations to the Panel are made by Group Leaders. Officers will then liaise with those selected, to arrange meeting dates, etc.

5 Risk Management

- 5.1 The approach suggested in this report will minimise the risk of legal challenge, and ensure a sound approach to the CGR process.

6 Resource Implications

- 6.1 As noted in the previous report, the primary resource required would be officer time in undertaking the consultation process, analysing the responses and assisting the Member Panel to formulate recommendations as a result.

7 Legal Implications

- 7.1 It is a legal requirement for terms of reference to be adopted, in order to carry out a CGR.

8 Equality Issues

- 8.1 There are no identified equality issues arising from the subject matter of the report.

9 Other Issues

Wards/Communities Affected.

- 9.1 The Borough Wards of Romsey Abbey, Romsey Cupernham and Romsey Tadburn are affected by this report. If a CGR were to be agreed and the request from Romsey Town Council endorsed, Blackwater and Chilworth, Nursling and Rownhams Wards would also be affected. The Parishes of Romsey Extra, Wellow, Nursling and Rownhams, and Michelmersh would also be affected by any CGR undertaken.

10 Conclusion and reasons for recommendation

- 10.1 The proposed approach follows that successfully used in 2018.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
Formal request from Romsey Town Council to Chief Executive 16 July 2020.			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	1	File Ref:	N/A
(Portfolio: Democracy and Governance) Councillor I Jeffrey			
Officer:	Howard Bone	Ext:	8467
Report to:	Council	Date:	10 November 2021

Terms of Reference
Community Governance Review of Romsey and Romsey Extra Parish
to be undertaken by
Test Valley Borough Council

Introduction

Romsey Town Council has formally requested that the Borough Council review the boundaries of Romsey Parish [Romsey Town]. It proposes that the boundary be extended to include “all current and planned urban areas identified as Romsey”.

Changes to boundaries of parishes such as that proposed by Romsey Town Council can only be made following a community governance review (CGR), which would be carried out by Test Valley Borough Council.

A Borough-wide community governance review was carried out in 2018, which considered governance arrangements of all parishes in the Borough. Changes were made as a result, which came into effect in 2019.

Following Romsey Town Council’s request, Test Valley Borough Council has agreed to undertake a CGR to decide what action (if any) should be taken in response to the Town Council’s request.

The review will be conducted in accordance with the terms of reference contained in this document.

Unlike the previous Borough-wide review, this CGR will ONLY consider an area covering the parishes of Romsey and Romsey Extra. The effect on adjoining parishes as a result of possible changes to governance within this area will be considered, but changes to governance arrangements in other parishes are not included within the scope of this CGR.

What is a community governance review?

A community governance review is the process used to consider whether existing parish arrangements should be changed in any way. This includes:

- Altering the boundaries of existing parishes
- Changing the names of existing parishes
- Creating a new parish or abolishing an existing parish
- Creating or abolishing parish councils
- The electoral arrangements for parish councils (including the number of councillors and arrangements for parish warding)

- The grouping or de-grouping of parish councils (and consequential changes to their electoral arrangements)
- The “style” of a parish (enabling an area to be known as a town, community, neighbourhood or village rather than a parish)

Who is carrying out the review?

Test Valley Borough Council is statutorily responsible for carrying out the review. The conduct of the review will be overseen by the Council’s Community Governance Review Members Group, which includes councillors from the three political groups. Formal decisions on the recommendations arising from the review will be made by the full Council.

What is the area under review?

The proposal from Romsey Town Council which has led to this CGR is to extend the boundaries of Romsey Town. Romsey Town is entirely surrounded by Romsey Extra parish, and therefore the area within the scope of the review has been set as the area covered by two parishes of Romsey Town and Romsey Extra Parishes.

Romsey Town Council has clarified that it is seeking to extend its boundaries so that the Romsey Town covers the same area as the three Test Valley Borough Council Romsey Wards (Abbey, Cupernham and Tadburn).

Possible options for governance arrangements will be set out on the Council’s website (www.testvalley.gov.uk/cgr) to assist those who wish to respond and participate in the CGR. Representations will be welcomed from adjacent parishes who might be affected if one of these options were to be implemented.

Although the area under review is limited to Romsey and Romsey Extra parishes, anyone (regardless of where they live or work) can submit representations on the review. Representations are **NOT** limited to those who live or work in these two parishes.

Why is the Council carrying out a community governance review?

The 2018 CGR made various changes to parish governance arrangements, but in respect of Romsey/Romsey Extra, broadly no changes were made.

Since then, Romsey Town and Romsey Extra Parish Councils have begun working jointly on various matters such as planning. Romsey Town Council has also been looking again at the boundary question, and has now formally resolved to seek a change.

The Council considers that it is appropriate to carry out a CGR to look at the parish boundaries and governance arrangements in this area in the light of Romsey Town's request.

In agreeing to carry out a CGR, the Borough Council is not pre-judging the outcome of the CGR. No decisions have yet been made by the Council as to whether the boundary changes proposed by Romsey Town Council should be implemented. The CGR process will consider whether any changes are appropriate, and if so, what changes should be made. Boundaries and governance arrangements will only be altered at the end of the CGR, including the consultation process as set out below, and decisions on the outcome will take into account all representations received.

What are the rules which apply to a community governance review?

The aim of this review is to ensure that the arrangements for community governance within the CGR area:-

- **reflect 'the identities and interests of the community in the area; and**
- **are 'effective and convenient'.**

Provisions in the Local Government and Public Involvement in Health Act 2007 set out the process for carrying out community governance reviews, and include the above requirements.

In addition, the review will have regard to the "Guidance on Community Governance Reviews" issued by the Secretary of State for Communities and Local Government and the Local Government Boundary Commission for England. This advises that a CGR should take into account a number of influential factors, including the impact of community governance arrangements on community cohesion and the size, population and boundaries of a local community or parish.

What is the present structure of parishes and their electoral arrangements in the review area?

The review area comprises two parishes, Romsey Town (centred on Romsey itself) and Romsey Extra (which completely encircles Romsey Town). Romsey Town has fifteen councillors, and Romsey Extra has seven. Elections are held every four years, the next being due in 2023. More information on the current parish arrangements, including maps, is available at www.testvalley.gov.uk/cgr.

How will the review work?

Two phases of consultations on parish arrangements in Romsey/Romsey Extra parishes will be carried out during the CGR. The first phase of consultation will set out

the current arrangements and Romsey Town Council's request. As Romsey Town's proposal does not cover the whole of Romsey Extra parish, it will also show possible options for the remainder of Romsey Extra (if the proposal were to be accepted), as well as setting out other options that could be chosen for the area. Comments on the proposal and the various options, as alternative proposals, will be invited. All responses received during this period of consultation will be used to draw up draft recommendations, setting out the changes (if any) to the existing parish arrangements in the area which are considered appropriate.

The Borough Council will then hold a second phase of consultation on these draft recommendations, during which time the public and interested parties will be able to comment on them and propose alternatives.

The first period of consultation will begin on 12 November 2021 and will run for 11 weeks.

Following the close of the first period of consultation, the draft set of recommendations will be published on 8 April 2022

These draft recommendations will then be the subject of a second period of consultation, which will run for 8 weeks from the date of publication.

Following the end of the second period of consultation, all comments received will be considered against the draft recommendations. The final set of recommendations will then be submitted to full Council in September 2022.

If changes are made following the CGR process, it is intended that these will be implemented in time for the May 2023 elections.

Any changes will be implemented by a Reorganisation of Community Governance Order made by the Council. Such an Order may cover "consequential matters" required to give effect to the Order, such as the transfer of property or other assets, the setting of precepts for new parishes, and staffing matters.

Depending on the outcome of the CGR, the consent of the Local Government Boundary Commission for England may be required, if changes to the electoral arrangements of parish councils are proposed.

Role of Parish Councils in Community Governance Review

As the two parish councils within the review area, Romsey Town Council (who has made the request which led to the CGR) and Romsey Extra Parish Council are primarily involved in the review. However, those parishes adjacent to the review area may also be affected, as some options for change could include transferring a part of one parish

within the review area to another outside the review area. The Borough Council will specifically consult all such potentially affected parishes as part of the CGR.

If Parish boundaries are to be altered, is the agreement of the Parish Council needed?

In addition, the Borough Council would expect Romsey Town Council to enter into dialogue with parish councils affected by its proposal. The Borough Council's strong preference is to seek to achieve an outcome that is acceptable to all parish councils involved.

What matters will the review focus on?

The final recommendations made at the end of the review will seek to ensure that community governance in the area of the CGR :

- Reflects the identities and interests of the community in that area
- Is effective and convenient

When responding to the consultation on parish arrangements, you should ensure that your proposal takes account of these two criteria.

The Council also has to take into account other arrangements for community representation or engagement in the area.

In considering the electoral arrangements of the parishes in its area, the Council is required to consider any change in the number or distribution of electors which is likely to occur in the period of five years beginning with the day the review starts. In order to support those who wish to make a proposal, we will provide information on current parish arrangements (including maps), as well as current and projected future electorate figures for parishes potentially affected by the CGR. These will be available at www.testvalley.gov.uk/cgr.

Who will the Council consult?

The Council is required to consult with local government electors living in the CGR area, as well as any other individuals and organisations (including local authorities such as parish councils) who "appear to have an interest in the review".

The Council must take into account all representations that it receives during the review's periods of consultation, and will make all representations available for public viewing.

How will consultation take place?

Test Valley Borough Council will write to Hampshire County Council, all parish councils within and adjoining the CGR area, and identified umbrella organisations (including the Test Valley Association of Town and Parish Councils, Hampshire Association of Local Councils, and Test Valley Community Services) before the start of the first period of consultation, inviting them to submit their views.

The CGR will also be publicised on the Council's website, through internal communication channels and on social media platforms to engage with residents, community groups and other stakeholders. The Council will also liaise with local media, to inform and involve as broad an audience as possible.

What will happen to assets owned by the parish councils?

Legislation covers property and other assets owned by parish councils affected by a reorganisation following a CGR. In addition, the order which brings the changes into force can also make provision, if the parish councils are unable to agree who should hold such assets after the reorganisation.

Provisional timetable for the review

The community governance review formally begins when the terms of reference are published. The timetable below outlines the main stages of the review (please note that these dates may be subject to slight alteration).

Action	Timescale
Full Council to approve Terms of Reference	10 November 2021
Publication of terms of reference (official start of review)	11 November 2021
First period of consultation	12 November 2021 – 28 January 2022 (11 weeks)
Publication of draft recommendations	8 April 2022
Second period of consultation	8 April – 3 June 2022 (8 weeks)
Final recommendations to full Council	7 September 2022
Preparation of community governance order (if required)	September 2022
Publication of recommendations (official end of review)	October 2022

How to submit your views

You can respond to the consultation in the following ways:

Write to:

Community Governance Review (Legal and Democratic Service)
Test Valley Borough Council
Beech Hurst
Weyhill Road
Andover
SP10 3AJ

Send an email to: cgr@testvalley.gov.uk

If you have any questions about the community governance review, please contact Howard Bone, Senior Solicitor, on hbone@testvalley.gov.uk or 01264 368467.

ITEM 11 Appointments to Committees and Outside Bodies

Report of the Democracy and Governance Portfolio Holder

Recommended:

- 1. That Councillor Tasker be appointed as the Council representative to the Andover Crisis and Support Centre.**
- 2. That Councillor Adams-King be appointed as the Council representative to the Project Integra Management Board, and that Councillor P North be appointed as Deputy.**
- 3. That Councillor Maltby be appointed as the Council representative and Councillor Swain be appointed as the deputy representative to the Partnership for South Hampshire Joint Overview and Scrutiny Committee.**
- 4. That the Planning Portfolio Holder be permitted to sit on Development Management Committees.**

SUMMARY:

- Council approval is sought for the appointment of Member representatives to a number of the Council's Outside Bodies.

1 Background

- 1.1 Appointment of Members to committees and outside bodies is made at Annual Council each year, with current appointments being approved at Annual Council held on 19 May 2021.
- 1.2 Following the Leader's decision on 27 October 2021 which amended Cabinet Member portfolios and portfolio responsibilities, a number of changes to Councillors who represent the Council on outside bodies are required along with a change to the membership of development management committees in order to reflect the new portfolios.
- 1.3 Council is responsible for appointing Member representatives to committees and those outside bodies identified in the report.

2 Introduction

- 2.1 Due to the appointment of Councillor Tasker as the Council's Housing and Environmental Health (including Diversity and Inclusion) portfolio holder it is recommended that she replaces Councillor Bundy as the Council's representative to the Andover Crisis and Support Centre.
- 2.2 Due to the appointment of Councillor Adams-King as the Council's Recycling, Environmental Services and Parking portfolio holder it is recommended that he replaces Councillor Johnston as the Council's representative to Project Integra. It is also recommended that Councillor P North be appointed as deputy representative to Project Integra.

- 2.3 Councillor Bundy has resigned from his position as the Council's representative to the Partnership for South Hampshire Joint Overview and Scrutiny Committee. Following agreement at Cabinet on 27 October 2021, Councillor Bundy, as the Planning Portfolio Holder has been appointed as deputy to the Partnership for South Hampshire.
- 2.4 Due to the appointment of Councillor Bundy as the deputy to the Partnership for South Hampshire, it is recommended that Councillor Maltby be appointed as the Council's representative and Councillor Swain be appointed as the deputy representative to the Partnership for South Hampshire Joint Overview and Scrutiny Committee.
- 2.5 As part of the review of area planning committees undertaken in 2019, Council approved a number of recommendations including that The Leader, Deputy Leader and Planning Portfolio Holder will not be permitted to sit on either of the new development management committees; northern area and southern area.
- 2.6 At the time, the Planning portfolio holder held responsibility for the Council's town centre regeneration work. Following the Leader's decision on 27 October 2021 this responsibility now sits with the Strategic Regeneration and Partnership (North and South) portfolios which are held by the Leader and Deputy Leader respectively.

3 Options

- 3.1 Option 1 (Recommended) - To make the appointments to the committees and outside bodies as set out in the report.
- 3.2 Option 2 - To not make the appointments to the committees and outside bodies as set out in the report.
- 3.3 Option 3 - For Council to appoint different Members to be the Council's representatives to those committees and outside bodies identified in the report.

4 Options Appraisal

4.1 Option 1

- 4.2 The recommended appointment of Councillors to committees and outside bodies as set out in the report reflects the amendments to portfolios and portfolio responsibilities following the Leader's decision on 27 October 2021. The recommended Members are best placed, due to their portfolio holder responsibilities, to represent the Council on the committees and outside bodies identified.
- 4.3 Councillors Maltby and Swain are recommended for appointment to the Partnership for South Hampshire Joint Overview and Scrutiny Committee as local ward members.

4.4 Option 2

4.5 Council could choose not to make the appointments as recommended, in which case the current representatives approved at Annual Council on 19 May would remain. This is not recommended as the previously appointed Members are no longer in an appropriate position to best serve the Council on these outside bodies.

4.6 An appointment to the Partnership for South Hampshire Joint Overview and Scrutiny Committee is required due to the resignation of Councillor Bundy.

4.7 Should Council choose not to allow the Planning portfolio holder to sit on development management committees then there will be a vacancy on the Southern Area Planning committee. This vacancy will require a Council appointment. In order to maintain political balance this appointment will need to be a Conservative Member.

4.8 Option 3

4.9 Council could choose to appoint other Councillors to the positions identified in the report however it is considered that those identified in the report are best placed to represent the Council at this time.

4.10 For the reasons set out at paragraphs 4.2 and 4.3 above, Option 1 is the recommended option.

5 Risk Management

5.1 No risks have been identified.

6 Resource Implications

6.1 There are no resource implications.

7 Legal Implications

7.1 There are no legal implications. A resolution of full Council is required to change the appointments made to outside bodies.

8 Equality Issues

8.1 None are identified.

9 Other Issues

9.1 Community Safety – None.

9.2 Environmental Health Issues – None.

9.3 Sustainability and Addressing a Changing Climate – None.

9.4 Property Issues – None.

9.5 Wards/Communities Affected – None.

10 Conclusion and reasons for recommendation

10.1 It is recommended that Councillors are appointed to the committees and outside bodies as set out in the report in order to reflect changes made to portfolios and portfolio holder responsibilities following the Leader’s decision on 27 October 2021.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972 (as amended) and can be made public.			
No of Annexes:	0	File Ref:	N/A
(Portfolio: Democracy and Governance) Councillor I Jeffrey			
Officer:	Emma Horbury	Ext:	8001
Report to:	Council	Date:	10 November 2021

ITEM 12

Notice of Motion – Rule 12

Councillor Budzynski will move that:

Whilst the council encourages and indeed promotes the use of bicycles around our Borough, including our urban areas. There has, unfortunately been a number of "near misses" with pedestrians within Andover town centre. The hazard to town centre patrons is clear - and a number of elderly residents have raised concerns regarding this dangerous and inconsiderate practice involving a small minority of cyclists.

This Council, therefore, commits to:

- 1. Use the forthcoming public realm strategy work to proactively address this issue, making it easier to cycle into Andover town, whilst improving safety for pedestrians.*
- 2. Investigate any changes that are required to signage and markings to highlight that riding bicycles in these areas is a criminal act and can lead to a fixed penalty fine.*
- 3. Write to the BID Rangers and Hampshire Constabulary urging them to exercise their respective powers to deal with any incidents of anti-social cycling.*

Councillor Matthews will second the motion.