



<b>Meeting</b>	Council
<b>Date and Time</b>	Wednesday, 20th September, 2023 at 7.00 pm.
<b>Venue</b>	Council Chamber, Castle Hill, Winchester SO23 8UL. A live video stream of this meeting will be available from <a href="https://www.youtube.com/WinchesterCC">YouTube.com/WinchesterCC</a>

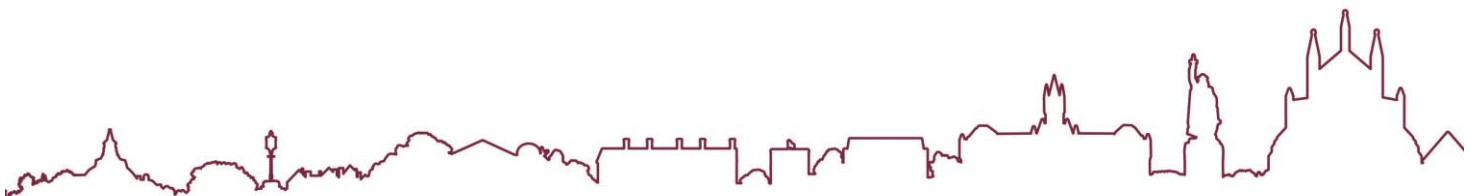
NOTICE IS HEREBY GIVEN that an Ordinary Meeting of the Council will be held at 7.00 pm on Wednesday, 20th September, 2023 in the Council Chamber, Castle Hill, Winchester SO23 8UL and all Members of the Council are summoned to attend.

**Note:** This meeting is being held in person at the location specified above. Members of the public should note that the meeting will be streamed live to the council's YouTube channel ([www.youtube.com/WinchesterCC](https://www.youtube.com/WinchesterCC)).

A limited number of seats will be made available at the above named location, however attendance must be notified to the council at least 3 working days before the meeting. Please note that priority will be given to those having registered to speak during the Public Question session over those wishing to attend and observe. Please note that Questions must be received in writing by Democratic Services ([democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk)) prior to noon, five working days preceding the day of the council meeting.

## AGENDA

- Minutes of the Ordinary Meeting of the Council held on 23 February 2023 and the Annual Meeting of the Council held on 17 May 2023.**  
(Pages 7 - 30)
- Disclosure of Interests**  
To receive any disclosure of interests from Members or Officers in matters to be discussed.  
*Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, personal and/or prejudicial interests in accordance with the Council's Code of Conduct.*
- Announcements from the Mayor, Leader and Chief Executive.**



4. **Questions from Members of the Public**

To receive and answer and questions from the public.

(Questions must be received in writing by Democratic Services – [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk) – no later than noon on Wednesday 13 September)

5. **Establishing a Local Housing Company (less exempt appendices) (CL168)** (Pages 31 - 56)

RECOMMENDATIONS:

1. To approve the draft financial business plan at exempt Appendix C as recommended by Cabinet Committee: Housing
2. Subject to approval of the financial business plan, agree to reduce the share capital of Venta Living Ltd from £300,000 to £150,000.
3. To approve the appointment of Fiander Tovell Ltd as external auditors to Venta Living Ltd as recommended by Cabinet Committee: Housing.

6. **To consider and determine the following recommended minutes of the Scrutiny Committee held 3 July 2023 - Annual Scrutiny Report 2022/23 (SC089)** (Pages 57 - 76)

RECOMMENDED:

That Council note the annual scrutiny report for 2022/23.

7. **Notices of Motion**

- i. **To consider the following Motion to be proposed by Councillor Kelsie Learney.**

**MOTION ON THE NATURE EMERGENCY**

We are in the middle of a nature crisis. Almost half of all UK wildlife is in long term decline and 15% of species are at risk of extinction. The climate emergency is only hastening this destruction of the natural environment, damaging habitats and disrupting ecosystems. Yet it is these very habitats that have the potential to lock up carbon and fight back against rising global temperatures. It is essential that we not only protect these spaces, but let them thrive – for the benefit of people, planet and nature.

As we recover from the COVID-19 crisis, the need for nature-rich green spaces where we live and work is clearer than ever and will help health, education and the economy build back stronger. Action must be taken now to put nature into recovery at a local level, in support of regional, national and international work to do the same.

## Council notes:

- The Council's Biodiversity Action Plan (BAP) agreed in 2021 delivering:
  - targeted action to halt loss of habitat, recreate and enhance habitat, and help species & habitats adapt to climate change,
  - management of a hierarchy of sites designated for nature conservation:
    - European designated sites – Solent Special Area of Conservation (SAC) & Special Protection Area (SPA)
    - National designated sites – River Itchen Site of Special Scientific Interest (SSSI) & St Faith's Meadow SSSI
    - Regional and Local designated sites - Nature Reserves (Winnall) and non-statutory designations including Sites of Importance for Nature Conservation (SINC).
  - work with partners including Hampshire and Isle of Wight Wildlife Trust (HIWT) to manage land for nature conservation, including Whiteshute Ridge SINC.
  - management of cemeteries, Open Spaces and recreation grounds for nature conservation, including on chalk grassland habitats.
  - the Wildflower Project which includes wildflower restoration, wildflower creation, and road verge wildflowers, including community projects and liaison.
  - ongoing protection of bats and birds and providing bird boxes and bat boxes with council house re-roofing projects
- The following policies contained in the Local Plan Regulation 18 consultation:
  - NE1: Protecting and enhancing Biodiversity and the Natural Environment in the district
  - NE4: Green and Blue Infrastructure
  - NE5: Biodiversity
  - NE15: Special Trees, Important Hedgerows and Ancient Woodlands
  - NE16: Nutrient Neutrality Water Quality Effects on the Special Protection Areas (SPAs), Special Areas of Conservation (SACs) and Ramsar Sites of the Solent and The River Itchen
- that in July 2022 Council affirmed the Council's policy aim to protect the catchments of our rare and precious habitats, the Itchen, Meon, Test (Dever) and Hamble rivers as far as possible from the cumulative impacts of pollution
- that Hampshire County Council is the responsible authority under Section 105 of the Environment Act 2021 for the Local Nature Recovery strategy covering Hampshire and the unitary authority areas of Portsmouth and Southampton.

## This council resolves to:

1. Declare that we are experiencing a nature emergency recognising that
  - a. Nature is in long term decline and urgent action must be taken to reverse this.

- b. A thriving natural environment underpins a healthy, prosperous society.
    - c. The nature crisis and the climate emergency are intrinsically linked and that the impacts of the climate crisis drive nature's decline, while restoring nature can help to tackle the climate crisis.
  2. Consider the impact on nature's recovery in all strategic plans, policy areas and decision-making processes.
  3. Make nature based solutions part of our plans to tackle the climate emergency, taking forward, where appropriate and cost effective, the identified Nature intervention opportunities from the Carbon Neutrality Action Plan Roadmap
  4. Review the Council's biodiversity action plan for opportunities for further enhancement, and report on the progress made.
  5. Encourage and support, when we can, local wildlife agencies to recover our nature and natural environments including areas for habitat restoration widely across the district.
  6. Support Hampshire County Council in the creation and implementation of a Local Nature Recovery Strategy.
  7. Play our part in improving the quality of our local rivers and streams and campaign for faster Government and water company action to reduce sewage and nutrient pollution in our watercourses.
  8. Improve doorstep access to nature, particularly for those from disadvantaged backgrounds.
  9. Work with local communities, organisations and businesses to help them make decisions and take action which support nature's recovery.
- 

ii. **To consider the following Motion to be proposed by Councillor Malcom Wallace.**

**MOTION ON NUTRIENT NEUTRALITY**

This Council notes the statement from Secretary of State Michael Gove that the Government plans to remove the 'Nutrient Neutrality' requirement for Natural England to advise councils not to approve housing schemes that will add to nutrient pollution in already damaged rivers and waterways.

The Council believes this would be a retrograde step which will further damage our already struggling waterways. The associated £280m 'offsetting' funding is an open acknowledgement that scrapping these rules will increase pollution. Further, this plan transfers responsibility and costs of dealing with pollution from profitable developers to the public.

The Council believes that instead of allowing housebuilders to pollute, the Government should require water companies and housebuilders to invest in upgrading the infrastructure needed as a prerequisite to development whilst continuing to enforce mitigation schemes. We further believe that with the right investment and appropriate regulation of all sources of pollution to our waterways, from treatment works to agriculture, communities can have both high-quality affordable homes and healthy waterways.

Therefore, this Council resolves to call on the Leader to write publicly to the Secretary of State and to our MPs to express the Council's views.

---

**8. Changes to Committee Memberships**

To receive any resignations from committees and to make any necessary re-appointments.

**9. Questions from Members of Council**

The total time for questions and the answer and supplementaries thereto shall not exceed 30 minutes.

**10. EXEMPT BUSINESS: To consider whether in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.**

(i) To pass a resolution that the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100 (I) and Schedule 12A to the Local Government Act 1972.

**11. Establishing a Local Housing Company (exempt appendices) (CL168)  
(Pages 77 - 88)**

LAURA TAYLOR  
Chief Executive

All of the Council's publicly available agendas, reports and minutes are available to view and download from the Council's [Website](#) and are also open to inspection at the offices of the council. As part of our drive to minimise our use of paper we do not provide paper copies of the full agenda pack at meetings. We do however, provide a number of copies of the agenda front sheet at the meeting which contains the QR Code opposite. Scanning this code enables members of the public to easily access all of the meeting papers on their own electronic device. Please hold your device's camera or QR code App over the QR Code so that it's clearly visible within your screen and you will be redirected to the agenda pack.



12 September 2023

Agenda Contact: David Blakemore, Democratic Services Team Manager  
Tel: 01962 848217 Email: [dblakemore@winchester.gov.uk](mailto:dblakemore@winchester.gov.uk)

**Quorum** = 15 members

### **PUBLIC PARTICIPATION**

Members of the public may ask questions of the Leader, Cabinet Members and Committee Chairs at Ordinary Meetings of the Council. The total time allocated for questions by the public shall normally be limited to 20 minutes.

A question may only be asked if notice has been given by delivering it in writing to Democratic Services no later than 5 working days preceding the Council meeting. For example, if the Council meeting is being held at 7pm on a Wednesday then the question would need to be received by noon on the preceding Wednesday. Please email to [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk).

### **FILMING AND BROADCAST NOTIFICATION**

This meeting will be recorded and broadcast live on the Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Access to Information Procedure Rules within the Council's Constitution for further information, which is available to view on the [Council's website](#).

### **DISABLED ACCESS:**

Disabled access is normally available, but please phone Democratic Services on 01962 848 264 or email [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk) to ensure that the necessary arrangements are in place.

## COUNCIL

Thursday, 23 February 2023

Attendance:

Councillors Present

Clear (Deputy Mayor and Mayor elect)

Achwal	Laming
Batho	Learney
Becker	Lumby
Bolton	Miller
Brook	Pearson
Cook	Porter
Cramoysan	Power
Craske	Read
Cunningham	Rutter
Cutler	Scott
Edwards	Small
Evans	Thompson
Ferguson	Tippett-Cooper
Godfrey	Tod
Gordon-Smith	Wallace
Horrill	Warwick
Isaacs	Westwood
Kurn	Williams

Apologies for Absence:

Councillors Green, Bronk, Clementson, Fern, McLean, Radcliffe, Reach and Weston

[Video recording](#)

---

1. **ELECTION OF MAYOR OF THE CITY OF WINCHESTER FOR THE REMAINDER OF THE 2022/23 MUNICIPAL YEAR**

Proposed by Councillor Cutler.

Seconded by Councillor Horrill and unanimously resolved that Councillor Clear be elected the Mayor of Winchester for the remainder of the current Municipal Year 2022/23.

RESOLVED:

That Councillor Clear be elected the Mayor of Winchester for the remainder of the current Municipal Year 2022/23

2. **APPOINTMENT OF VICE CHAIRPERSON FOR THE MEETING**

RESOLVED:

That Councillor Cunningham be appointed Vice Chairperson for the meeting.

3. **MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD ON 18 JANUARY 2023**

RESOLVED:

That the minutes of the Ordinary meeting of the Council held on 18 January 2023 be approved and adopted.

4. **DISCLOSURE OF INTERESTS**

Councillors Tod, Lumby, Porter and Warwick declared personal (but not prejudicial) interests in relation to agenda items which may relate to Hampshire County Council matters due to their role as County Councillors.

Councillor Thompson declared a personal (but not prejudicial) interest in respect of the recommended minute of Cabinet held 9 February 2023 regarding the General Fund Budget 2023/24 (Report CAB3388 refers) due to her role as a board member of the Hampshire Cultural Trust. She remained in the room but would take no part in any debate or decision in connection with recommendation 3 (c) of the report.

Councillor Scott declared a personal (but not prejudicial) interest in respect of the recommended minute of Cabinet held 9 February 2023 regarding Housing Revenue Account (HRA) Budget 2023/24 (Report CAB3387 refers), as was a tenant of the Council.

5. **ANNOUNCEMENTS FROM THE MAYOR, LEADER AND CHIEF EXECUTIVE**

As it was one year since the Russian invasion of Ukraine, the Mayor paid tribute to the Ukrainian community and their hosts in the Winchester district. There was to be a moment's silence on Friday 24 February at 11am, a candle lit vigil in Abbey Gardens and the Ukrainian flag would also fly from the Guildhall and the clock face lit in yellow and blue.

The Mayor then sent her condolences to the people of Turkey and Syria following the recent earthquake which had taken so many lives and had displaced communities.

Before reporting on forthcoming charity events, the Mayor welcomed Simon Hendeby, who had recently started at the council as a Strategic Director. The Mayor then concluded her announcements by advising that those nominated for an annual Mayor of Winchester's Community Award would shortly receive their invitation to attend the ceremony on Tuesday 14 March.



The Leader then made several announcements.

In summary, the Leader also referred to the first anniversary of the war in Ukraine. He thanked hosts for welcoming refugees into their homes and also officers and volunteers for their support. Finally, the Leader paid tribute to the Ukrainian families who were now valued members of the community.

The Leader then referred to the recent failures in water supplies across some southern parts of the district. He advised that he was working with Leaders from other affected authorities to send a joint response to Southern Water concerning the failure of their systems and also their support to those affected. The Leader referred to the forthcoming meeting of the Health & Environment Policy Committee, at which representatives of Southern Water would be attending – in line with the council's motion regarding waste water pollution. A follow-up meeting with Southern Water was to be arranged to cover the issues raised following the most recent water outage.

The Leader then updated Council on the latest position regarding Hampshire County Council's 'county deal'. He reported that district councils had requested that they be represented in negotiations alongside Portsmouth, Southampton and the Isle of Wight unitary councils, who had also separately highlighted interest in a more southern deal to include Bournemouth, Christchurch and Poole Council and based more on a Solent geography.

The Leader also advised that the council would continue to work with other Partnership for South Hampshire authorities on a joint response to planning issues, including the government's NPPF consultation and also regarding 'urban uplift' to the standard method calculation for housing targets.

The Leader then reported that he had recently spent time with the Winchester City Neighbourhood Policing Team and he thanked them for their professionalism and commitment to work for our city and its residents, despite all the challenges they face every day.

Finally the Leader advised that he had recently also thanked those who worked to keep the city centre clean. He had also spent time with the council's street scene officer and also the team who have been jet-washing the High Street and who had also worked with the council and the Business Improvement District to remove graffiti. He had also taken the opportunity to thank a colleague from ID Verde who was litter-picking the High Street.

The Chief Executive announced apologies for the meeting.

6. **QUESTIONS FROM MEMBERS OF THE PUBLIC**

Three written questions had been received from members of the public who attended the meeting to present their questions. Supplementary questions were also asked. The questions received and their response were subsequently set out on the [council's website](#).

7. **APPOINTMENT OF DEPUTY ELECTORAL REGISTRATION OFFICER (DERO)**

Councillor Tod (Leader & Cabinet Member for Asset Management) moved that the Recommendation for Council be approved and adopted (seconded by Councillor Ferguson, Deputy Leader & Cabinet Member for Community and Housing).

\*It was noted that there was a typographical error in the Recommendation for Council. As per the title and introduction to the item, Council was to delegate authority to the Electoral Registration Officer (**not** Electoral Returning Officer) to appoint Deputy Electoral Registration Officers (**not** Deputy Electoral Returning Officers).

RESOLVED:

That the appointment of Deputy Electoral Registration Officers be delegated to the Electoral Registration Officer, subject to them holding satisfactory qualifications and experience as required.

8. **TO CONSIDER AND DETERMINE THE FOLLOWING RECOMMENDED MINUTES OF CABINET HELD 9 FEBRUARY 2023 - HOUSING REVENUE ACCOUNT (HRA) BUDGET 2023/24 (CAB3387)**

Councillor Ferguson (Deputy Leader & Cabinet Member for Community and Housing) moved that the recommended minute of Cabinet be approved and adopted (seconded by Councillor Learney, Cabinet Member for the Climate Emergency).

Council proceeded to ask questions and debate the matters in the recommended minute of Cabinet and the report.

RESOLVED:

That the recommended minute of Cabinet held 9 February 2023 (as follows) be approved and adopted:

1. That the 2023/24 Housing Revenue Account budget be approved, as detailed in Appendices 1 and 2 to the report.
2. That the 10-year indicative HRA capital programme be approved, as set out in Appendices 3 and 4 to the report.
3. That capital expenditure in 2023/24 of £9.530m for the Maintenance, Improvement and Renewal programme be approved as detailed in Appendix 3 of the report, in accordance with Financial Procedure Rule 7.4.
4. That the proposed budget in 2023-24 for new homes of £20.518m be approved as detailed in Appendix 4 of the report, subject to individual scheme approvals.

5. That the proposed indicative funding for the HRA Capital Programme be approved as detailed in Appendix 5 of the report.

6. That the HRA Financial Plan operating account extract, including annual working balances, be noted as detailed in Appendix 6 of the report.

7. That the proposal to fund £0.400m for the new initiatives detailed in section 13.1 of the report be supported, which includes funding for additional staff resources to support the actions identified and the creation of a new disrepairs claims budget of £0.100m.

8. That it be agreed to continue the provision of the Welfare Support budget of £0.215m and to refocus this on measures to support vulnerable tenants to maintain their tenancies during this period of unprecedented cost pressures.

9. That a rent increase of 7% from April 2023 for Social and Affordable housing within the HRA for existing tenants be approved.

10. That a cap on the average overall increase for tenant service charges in 2023-24 of 7% be approved.

11. That in recognition of the Cost-of-Living crisis, a discretionary 7% cap on the annual rent increase for Shared Owners be approved, in line with the increase in social and affordable rents to existing tenants as opposed to 13.1% increase that would have been applied.

12. That in principle to the HRA funding approximately £3.5m from the unallocated New Homes budget be approved, in order to meet any grant requirements to acquire 17 properties in accordance with the Local Authority Housing Fund (LAHF) grant conditions, as detailed in Section 19.5 of the report.

9. **TO CONSIDER AND DETERMINE THE FOLLOWING RECOMMENDED MINUTES OF CABINET HELD 9 FEBRUARY 2023 - GENERAL FUND BUDGET 2023/24 (CAB3388)**

Councillor Ferguson left meeting before consideration of this agenda item.

Council noted a typographical error in Recommendation 1 of Report CAB3388 and the recommended minute of Cabinet. Council was to agree the level of General Fund Budget for 2023/24, as opposed to 2022/23 as stated.

Councillor Power (Cabinet Member for Finance and Value) moved that the recommended minute of Cabinet be approved and adopted (seconded by Councillor Tod, Leader & Cabinet Member for Asset Management).

Council proceeded to ask questions and debate the matters in the recommended minute of Cabinet and the report.

**AMENDMENT – Moved by Councillor Godfrey and seconded by Councillor Bolton:**

Add new recommendation (12) to read:

That the Council takes immediate steps to address the climate emergency and the cost of living crisis by:

- a. Employing five additional fixed term Scale 5 Climate Advisor posts for two years at a total cost of £500k, funded by the Major Investment Reserve.
- b. An additional one-off budget of £250k in 2023/24 in order to support insulation and energy saving projects, funded by the Major Investment Reserve.
- c. Four additional fixed term Scale 5 Business Advisor posts for two years at a total cost of £400k, funded by the Major Investment Reserve.
- d. Reduce the District fees and charges by £70k to the benefit of those residents that need our services.
- e. Increase the baseline Vacancy Management Savings target by £70k by increasing the time and volume of vacant posts.
- f. An 8% one-off Council Tax reduction for those required to pay council tax in this coming year, spread equally across the council tax bands at a cost of £630k plus £50,000 for additional administration and postage costs. This gives a total cost of £680k, to be funded by the Major Investment Reserve.

Council continued to debate the original motion, before the Mayor called for an adjournment to the meeting to allow for informal discussion of the Amendment to take place within the groups.

Upon its reconvening, Council proceeded to debate the matters in the Amendment.

At conclusion of debate, Councillor Power was invited to exercise her right of reply before Council voted on the Amendment.

**AMENDMENT LOST.**

Following summing up by the proposer and the seconder of the substantive motion (which was the Recommended Minute of Cabinet) in accordance with legislative requirements on recorded votes at Budget meetings, a recorded vote was first taken regarding Recommendations 1 – 6 of the Recommended Minute of Cabinet.

**The following Members voted in favour of Recommendations 1 – 6 of the Recommended Minute of Cabinet:**

Councillors Achwal, Batho, Becker, Clear, Cook, Cramoysan, Craske, Cutler, Edwards, Evans, Gordon-Smith, Laming, Learney, Lumby, Porter, Power, Rutter, Scott, Small, Thompson, Tippet-Cooper, Tod, Wallace, Westwood, Williams.

**The following Members voted against Recommendations 1 – 6 of the Recommended Minute of Cabinet:**

None.

**The following Members abstained from voting on Recommendations 1 – 6 of the Recommended Minute of Cabinet:**

Councillors Bolton, Brook, Cunningham, Godfrey, Horrill, Isaacs, Kurn, Miller, Pearson, Read, Warwick.

**RESOLVED:**

That the recommended minute of Cabinet held 9 February 2023 (Recommendations 1 - 6) be approved and adopted:

1. That the level of General Fund Budget for 2023/24 be agreed, and recommend the summary as shown in Appendix A of the report.

2. That the creation of and transfers to reserves (detailed in section 13.13 of the report) be approved to support the delivery of the key priorities in the Council Plan, including:

- a. Greener Faster (£250k)
- b. Future of Waste (£500k)
- c. Pride in Place (£150k)
- d. Digital Transformation (£400k)
- e. Regeneration (£300k)
- f. Cost of Living/Living Well (£170k)
- g. Transitional Reserve (additional £230k)

3. That the Pride in Place investment proposals set out in section 13.5 of the report be supported, including:

- a. To increase the regeneration budget by £130k per annum to provide capacity to deliver the council's regeneration programme.
- b. To increase the Town Forum bus shelter replacement programme by £10k per annum from 2023/24
- c. To freeze the proposed grant funding reductions to Hampshire Cultural Trust and maintain pre-2022/23 funding levels until the end of 2024/25, at a cost of £43k per annum.
- d. Extend the current one-off budget funding street scene works under the Pride in Place priority by £50k per annum

- e. Increase the tree works budget by £78k per annum to fund ongoing essential works to the Council's trees across the district
- f. Increase the Natural Environment and Recreation Team budget by £23k per annum to fund a tree officer post to manage the council's trees.

4. That the proposed increase to the salary budget of £175k per annum to fund all grades being uplifted by one increment on the existing pay scales be approved, in accordance with Appendix G of the report, to give Winchester a more competitive market position for recruitment and retention of staff.

5. That a discretionary 7% cap for 2023/24 on the annual increase in rent for Partnered Home Purchase scheme property owners be approved, in line with the increase in social and affordable rents to existing tenants in the HRA.

6. That the sum of £1,186,879 be treated as Special Expenses under Section 35 of the Local Government Finance Act 1992 in respect of the Winchester Town area as set out in section 16 and Appendix D of the report.

In accordance with legislative requirements on recorded votes at Budget meetings, a recorded vote was then taken regarding Recommendations 7 – 11 of the Recommended Minute of Cabinet.

**The following Members voted in favour of Recommendations 7 – 11 of the Recommended Minute of Cabinet:**

Councillors Achwal, Batho, Becker, Bolton, Brook, Clear, Cook, Cramoysan, Craske, Cunningham, Cutler, Edwards, Evans, Godfrey, Gordon-Smith, Horrill, Isaacs, Kurn, Laming, Learney, Lumby, Miller, Pearson, Porter, Power, Read, Rutter, Scott, Small, Thompson, Tippet-Cooper, Tod, Wallace, Warwick, Westwood, Williams.

**The following Members voted against Recommendations 7 – 11 of the Recommended Minute of Cabinet:**

None.

**The following Members abstained from voting on Recommendations 7 – 11 of the Recommended Minute of Cabinet:**

None.

**RESOLVED:**

That the recommended minute of Cabinet held 9 February 2023 (Recommendations 7 - 11) be approved and adopted:

7. That the Council Tax for the Special Expenses in the Winchester Town area at Band D for 2023/24 be increased by 5.5% to £80.93, an increase of £4.22.

8. That the surplus balance on the Council Tax Collection Fund for distribution to this Council, calculated in January 2023 of £39,724.63, be approved.

9. That the level of Council Tax at Band D for City Council services for 2023/24 be increased to £155.29, an increase of £4.00 reflecting an average Council tax increase of 2.65%

10. That the new Council Tax Reduction scheme income bands be approved (set out in Appendix E of the report) that ensure claimants continue to receive the same level of support after the increase in Universal Credit from April 2023.

11. That the distribution of the Government's £150,512 Council Tax Support Fund through a reduction to Council Tax balances be approved, in line with the Government's guidance and additional local criteria, detailed in paragraph 17 of the report.

### **Council Tax for the City of Winchester for the year commencing 1 April 2023.**

In accordance with legislative requirements on recorded votes at Budget Meetings, a recorded vote was taken regarding the Council Tax Resolutions (1 – 7) as set out on pages 105 – 111 of the agenda pack.

#### **The following Members voted in favour of the Council Tax Resolutions (1 - 7):**

Councillors Achwal, Batho, Becker, Bolton, Brook, Clear, Cook, Cramoysan, Craske, Cunningham, Cutler, Edwards, Evans, Godfrey, Gordon-Smith, Horrill, Isaacs, Kurn, Laming, Learney, Lumby, Miller, Pearson, Porter, Power, Read, Rutter, Scott, Small, Thompson, Tippet-Cooper, Tod, Wallace, Warwick, Westwood, Williams.

#### **The following Members voted against the Council Tax Resolutions (1 -7):**

None.

#### **The following Members abstained from voting on the Council Tax Resolutions (1 -7):**

None.

#### **RESOLVED:**

1. That any expenses incurred by the Council in performing in a part of its area a function performed elsewhere in its area by a Parish Council/Town Council/Parish Meeting shall not be treated as special

expenses for the purposes of Section 35 of the Local Government Finance Act 1992, except in the case of the following special items relating to the non-parished area the aggregate amount of which is £1,186,879 (Appendix D to report CAB3388 refers) and which is shown within the total of special items at paragraph 4(e) below:-

- (a) Magdalen Hill and West Hill Cemeteries;
  - (b) Allotments;
  - (c) Town centre Christmas lighting;
  - (d) Footway lighting;
  - (e) Bus shelter maintenance;
  - (f) Grants for community facilities in the Town and Vision Delivery (“parish” element);
  - (g) Recreation Grounds & Open Spaces (except Abbey Gardens, Riverside Walks, the Weirs and St Giles Hill);
  - (h) Neighbourhood Services;
    - (i) Public Conveniences
    - (j) Theatre Royal
  - (k) Maintenance work to Council Owned Bridges
  - (l) Night Bus Contribution
  - (m) St Maurice’s Covert
  - (n) Neighbourhood Plans
  - (o) Community Infrastructure
  - (p) Administration of the Town Forum
2. That it be noted that the Head of Revenues, in consultation with the Corporate Head of Finance calculated the Council Tax Base for 2023/24 at
- (a) £52,626.87
- being the amount calculated by the Council for the whole Council area, in accordance with Section 31B(1) (Item T) of the Local Government Act 1992, as amended (the “Act”), as its Council Tax base for the year.
- (b) for dwellings in those parts of its area to which a Parish/Town precept relates as in the attached Annex 1.
3. Calculate that the Council Tax requirement for the Council’s own purposes for 2023/24 (excluding Parish Precepts) is £9,359,306.
4. That the following amounts be now calculated by the Council for the year 2023/24 in accordance with Sections 31 to 36 of the Act:
- (a) £113,709,959



being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.

(b) £100,305,678

being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

(c) £13,404,281

being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(b) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).

(d) £254.70

being the amount at 4(c) above (Item R), all divided by Item T (2(a) above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts).

(e) £5,231,854

being the aggregate amount of all special items referred to in Section 34(1) of the Act (as per the attached Annex 2 on page 111 of the agenda pack)

(f) £155.29

being the amount at 4(d) above less the result given by dividing the amount at 4(e) above by Item T (2(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.

5. That it be noted for the year 2023/24, Hampshire County Council and the Police and Crime Commissioner - Hampshire have stated, and the Hampshire Fire and Rescue Authority has recommended the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

<u>Precepting Authority</u>	<u>Precept Amount</u>
Hampshire County Council (HCC)	£76,848,387
Police and Crime Commissioner – Hampshire (PCCH)	£13,233,553
Hampshire Fire and Rescue Authority (HFRA)	£4,232,779

<u>Valuation</u>	<u>HCC</u>	<u>PCCH</u>	<u>HFRA</u>
<u>Bands</u>			
A	973.50	167.64	53.62
B	1,135.75	195.58	62.56
C	1,298.00	223.52	71.49
D	1,460.25	251.46	80.43
E	1,784.75	307.34	98.30
F	2,109.25	363.22	116.18
G	2,433.75	419.10	134.05
H	2,920.50	502.92	160.86

6. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in columns 2-9 of Annex 2 (on page 111 of the agenda pack) as the amounts of Council Tax for 2023/24 for each part of its area and for each of the categories of dwellings shown.
  7. That the Council determines that the Council's basic amount of Council Tax for 2023/24 is not excessive in accordance with principles approved under Section 52ZB of the Local Government Finance Act 1992.
10. **TO CONSIDER AND DETERMINE THE FOLLOWING RECOMMENDED MINUTES OF CABINET HELD 9 FEBRUARY 2023 - CAPITAL INVESTMENT STRATEGY 2022 - 2032 (CAB3389)**

Councillor Power (Cabinet Member for Finance and Value) moved that the recommended minute of Cabinet be approved and adopted (seconded by Councillor Tod, Leader & Cabinet Member for Asset Management).

Council proceeded to ask questions and debate the matters in the recommended minute of Cabinet and the report.

RESOLVED:

That the recommended minute of Cabinet held 9 February 2023 (as follows) be approved and adopted:

1. The Capital Investment Strategy be approved including:
  - a) the Capital Programme and Capital Programme Financing (Appendices A and B to the report);
  - b) the Minimum Revenue Provision (MRP) Policy Statement (Appendix E);
  - c) the Flexible Use of Capital Receipts Strategy (Appendix G); and

d) the prudential indicators detailed in the report and Appendix F.

11. **TO CONSIDER AND DETERMINE THE FOLLOWING RECOMMENDED MINUTES OF CABINET HELD 9 FEBRUARY 2023 - TREASURY MANAGEMENT STRATEGY 2023/24 (CAB3390)**

Councillor Power (Cabinet Member for Finance and Value) moved that the recommended minute of Cabinet be approved and adopted (seconded by Councillor Cutler).

Council proceeded to ask questions and debate the matters in the recommended minute of Cabinet and the report.

RESOLVED:

That the recommended minute of Cabinet held 9 February 2023 (as follows) be approved and adopted:

1. That the Treasury Management Strategy Statement which includes the Annual Treasury Investment Strategy for 2023/24 (and the remainder of 2022/23) be approved;

2. That authority is delegated to the Section 151 Officer to manage the council's high yielding investments portfolio and long-term borrowing according to the Treasury Management Strategy Statement as appropriate; and

3. That authority be delegated to the Section 151 Officer, who in turn discharges this function to Hampshire County Council's Director of Corporate Operations, as agreed in the Service Level Agreement, to manage all council investments (other than the high yield portfolio) and short-term borrowing according to the Treasury Management Strategy Statement as appropriate.

12. **CHANGES TO COMMITTEE MEMBERSHIPS**

RESOLVED:

1. That for the Scrutiny Committee –

(i) Councillor Godfrey to replace Councillor Cook.  
Councillor Miller to replace Councillor Godfrey as a deputy member.

2. That for the Health and Environment Policy Committee –

(i) Councillor Bolton to replace Councillor Cook.  
Councillor Brook to replace Councillor Bolton as a deputy member.

- (ii) Councillor Williams to replace Councillor Clear.  
Councillor Cutler to replace Councillor Williams as a deputy member.
- 3. That for Licensing and Regulation Committee -
  - (i) Councillor Read to replace Councillor McLean.
  - (ii) Councillor Clear to no longer be a deputy member.
- 4. That for the Planning Committee -
  - (i) Councillor Cunningham to replace Councillor McLean. Councillor Horrill to replace Councillor Cunningham as a deputy member.
  - (ii) Councillor Brook to replace Councillor Cook as a deputy member.
  - (iii) Councillor Achwal to replace Councillor Clear. Councillor Cutler to replace Councillor Achwal as a deputy member.
- 5. That for the Joint West of Waterloo Planning Committee
  - (i) Councillor Pearson to replace Councillor McLean.
  - (ii) Councillor Rutter to replace Councillor Clear. Councillor Westwood to replace Councillor Rutter as a deputy member.
- 6. That for the Business and Housing Policy Committee -
  - (i) Councillor Horrill to replace Councillor Scott. Councillor Kurn to replace Councillor Horrill as a deputy member.

13. **QUESTIONS FROM MEMBERS OF COUNCIL**

20 written questions had been received of which 18 were heard at the meeting along with associated supplementary questions, when asked. All questions are set out in full on the [council's website](#), together with responses from the relevant Cabinet Member.

The meeting commenced at 7.00 pm and concluded at 11.30 pm (adjourned between 9.15 pm and 9.30 pm)

The Mayor

**COUNCIL**

**Wednesday, 17 May 2023**

Attendance:

Councillors Present

Achwal S	Langford-Smith
Achwal V	Learney
Batho	Lee
Becker	Miller
Bolton	Morris
Brook	Pearson
Brophy	Pett
Clear	Porter
Cook	Power
Cunningham	Prest
Cutler	Reach
Edwards	Read
Eve	Rutter
Godfrey	Scott
Gordon-Smith	Thompson
Greenberg	Tippett-Cooper
Horrill	Tod
Isaacs	Wallace
Kurn	Warwick
Laming	Williams

Apologies for Absence:

Councillors Cramoysan, Small, Westwood and Wise

---

1. **TO ELECT FROM AMONGST THE MEMBERS OF THE COUNCIL A PERSON TO BE MAYOR OF THE CITY OF WINCHESTER FOR THE ENSUING YEAR.**

Proposed by Councillor Cutler and seconded by Councillor Learney and unanimously resolved that Councillor Angela Clear be elected the 824<sup>th</sup> Mayor of the City of Winchester for the period commencing 17 May 2023.

RESOLVED:

That Councillor Angela Clear be elected the 824<sup>th</sup> Mayor of the City of Winchester for the period commencing 17 May 2023.

2. **TO ELECT FROM AMONGST THE MEMBERS OF THE COUNCIL A PERSON TO BE DEPUTY MAYOR OF THE CITY OF WINCHESTER FOR THE ENSUING YEAR.**

Proposed by Councillor Porter and seconded by Councillor Power and unanimously resolved that Councillor Russell Gordon-Smith be elected Deputy Mayor of the City of Winchester for the period commencing 17 May 2023.

RESOLVED:

That Councillor Russell Gordon-Smith be elected Deputy Mayor of the City of Winchester for the period commencing 17 May 2023.

3. **TO CONFIRM THE LEADER OF THE COUNCIL FOR THE ENSUING YEAR.**

Proposed by Councillor Cutler and seconded by Councillor Thompson that Councillor Tod be elected Leader of the Council (Chairperson of Cabinet).

RESOLVED:

That Councillor Tod be appointed Leader of the Council (Chairperson of Cabinet).

4. **THE LEADER TO ANNOUNCE THE DEPUTY LEADER (VICE CHAIRPERSON OF CABINET) AND THE OTHER MEMBERS OF CABINET.**

The Leader, Councillor Tod, confirmed the Deputy Leader (Vice Chairperson of Cabinet) and other members of Cabinet.

RESOLVED:

That Councillor Cutler be appointed as Deputy Leader (Vice Chairperson of Cabinet) and Councillors Becker, Learney, Porter, Thompson and Westwood as remaining members of Cabinet.

5. **TO DETERMINE THE NUMBER OF SEATS TO BE ALLOCATED TO EACH GROUP AND TO CONFIRM THE MEMBERS AND DEPUTY MEMBERS OF THE FOLLOWING BODIES (OR OTHER BODIES AS COUNCIL MAY DETERMINE) FOR THE ENSUING YEAR.**

With the exception of Cabinet, the Council reviewed the political representation on Committees in accordance with the provisions of Section 15(1) of the Local Government and Housing Act 1989.

The number of seats to be allocated to each group and members and deputy members of each body were confirmed as set out in the appendix to these minutes and as set out below.

RESOLVED:

1. That the Monitoring Officer be authorised to make any minor consequential amendments to the Constitution to give effect to the decisions made.
2. That allocation of seats to political groups and memberships of the following bodies be confirmed be as follows:

**Scrutiny Committee** (7) – Councillors Reach, Scott, Laming, Pett, Williams (Liberal Democrats 5) and Councillors Brook, Horrill (Conservatives 2) plus deputies – Councillors Morris, Cramoysan (Liberal Democrats 2) and Councillors Bolton, Godfrey (Conservatives 2)

**Audit and Governance Committee** (6) – Councillors Power, Chamberlain, Gordon-Smith, V. Achwal (Liberal Democrats 4) and Councillors Godfrey, Miller (Conservatives 2) plus deputies – Councillors Eve, Wise (Liberal Democrats 2) and Councillors Bolton, Cunningham (Conservatives 2)

**Licensing and Regulation Committee** (10) – Councillors Laming, Brophy, Prest, Pett, S. Achwal, Eve (Liberal Democrats 6) and Councillors Kurn, Pearson, Langford-Smith (Conservatives 3) and Wallace (Green 1) plus deputies – Councillors Small, Morris (Liberal Democrats 2) and Councillors Cunningham, Read (Conservatives 2) and Lee (Green 1)

**Planning Committee** (9) – Councillors Rutter, Edwards, Small, Laming, Gordon-Smith, V. Achwal (Liberal Democrats 6) and Councillors Read, Cunningham (Conservatives 2) and Lee (Green 1) plus deputies – Councillors Pett, Williams (Liberal Democrats 2) and Councillors Bolton, Pearson (Conservatives 2) and Wallace (Green 1)

**Business and Housing Policy Committee** (7) – Councillors Batho, Chamberlain, Prest, Scott, Eve (Liberal Democrats 5) and Councillors Isaacs, Miller (Conservatives 2) plus deputies – Councillors Brophy, S. Achwal (Liberal Democrats 2) and Councillors Horrill, Brook (Conservatives 2)

**Health and Environment Policy Committee** (7) – Councillors Cramoysan, Wise, Greenberg, Tippet-Cooper, Morris (Liberal Democrats 5) and Councillors Bolton, Warwick (Conservatives 2) plus deputies – Councillors Williams, Brophy (Liberal Democrats 2) and Councillors Pearson, Kurn (Conservatives 2)

**Housing Appeals Committee** (3) - Councillors Rutter, Scott (Liberal Democrats 2) and Councillor Horrill (Conservatives 1) plus deputies – Councillors Batho, Power (Liberal Democrats 2) Kurn (Conservatives 1)

**Joint West of Waterlooville Planning Committee** (5) – Councillors Rutter, Small, Laming (Liberal Democrats 3) and Councillors Read, Pearson (Conservatives 2) plus deputies – Councillors Edwards, V. Achwal (Liberal Democrats 2) and Councillors Bolton, Cunningham (Conservatives 2)

Further to the above, and pursuant to Section 16 of the Local Government and Housing Act 1989, the Chief Executive served notice of each of the leaders of the political groups on the Council as to the allocation of seats indicated above.

6. **TO ELECT THE CHAIRPERSONS OF EACH OF THE FOLLOWING BODIES (OR OTHER BODIES AS COUNCIL MAY DETERMINE) FOR THE ENSUING YEAR.**

RESOLVED:

That chairpersons of the following bodies be confirmed as follows:

**Scrutiny Committee** – Councillor Brook

**Audit and Governance Committee** – Councillor Power

**Licensing and Regulation Committee** – Councillor Laming

**Planning Committee**– Councillor Rutter

**Business and Housing Policy Committee** – Councillor Batho

**Health and Environment Policy Committee** – Councillor Cramoysan

**Housing Appeals Committee** - Councillor Rutter

**Joint West of Waterlooville Planning Committee** – Councillor Rutter

7. **TO PASS THE FOLLOWING RESOLUTION IN RESPECT OF THE WINCHESTER TOWN FORUM.**

Proposed by The Leader, Councillor Tod and seconded by Councillor Cutler.

RESOLVED:

That the Winchester Town Forum be established for 2023/24 with membership consisting of all Members who represent the five Winchester Town Wards.

8. **TO PASS THE FOLLOWING RESOLUTION IN RESPECT OF THE HOUSING (APPEALS) COMMITTEE.**

Proposed by The Leader, Councillor Tod and seconded by Councillor Cutler.

RESOLVED:

That alternative arrangements other than proportional representation be agreed in respect of the Housing (Appeals) Committee.



9. **PRESENTATIONS TO FORMER COUNCILLORS IN RECOGNITION OF THEIR SERVICE TO THE COMMUNITY AS PREVIOUS MEMBERS OF WINCHESTER CITY COUNCIL.**

The Mayor firstly presented certificates to former councillors in recognition of their service to their communities and as members of Winchester City Council:

- Thérèse Evans – 28 years – Wickham ward and from 2016, Southwick & Wickham ward and as a member of cabinet 2002-2006 and 2010 - 2011 and also as Mayor 2001-2002.
- Vicki Weston – 17 years – Swanmore & Newtown ward and from 2016, Central Meon Valley ward and as a member of cabinet 2011-2017.
- Mike Craske – 4 years – St Barnabas ward.
- Hannah Williams - 4 years – Badger Farm & Olivers Battery ward and as a member of cabinet 2021.

The Mayor then asked that council record its thanks to former councillors who had been unable to attend the meeting to receive their certificates:

- Tony Bronk – 4 years - Colden Common & Twyford ward.
- Judy Clementson – 4 years – Denmead ward.
- Paula Ferguson - 4 years - St Bartholomew ward and as a member of cabinet 2020-2021 and 2022-2023
- Jonathan Fern – 4 years – Whiteley & Shedfield ward.
- Derek Green - 10 years – St Luke ward and as Mayor 2022.
- Hugh Lumby - 5 years – Upper Meon Valley ward.
- David McLean - 13 years – Bishops Waltham ward and as Mayor 2017-2018.
- Charles Radcliffe - 2 years – St Michael ward.

10. **ROYAL LOGISTIC CORPS - GRANTING OF FREEDOM OF ENTRY TO THE CITY OF WINCHESTER.**

The Mayor welcomed Colonel Allen from the Royal Logistic Corps to the meeting. The Leader then moved the Motion as set out on the agenda.

In summary, the Leader referred to the Corps' long and proud military history which included the predecessor units which came together to form the Royal Logistic Corps 30 years ago. Their connections to Winchester went back much further than their relatively recent relocation of their headquarters to Worthy Down. The honour to be bestowed on the Corps would go some way to thank them for their services to the country and for their commitment to a shared future to the city and district.

The Motion was seconded by Councillor Horrill (leader of the principal opposition). Councillor Horrill also restated the historical connections of the military to both the city and the district and referred to the direct links to the armed services with some members of the Council. She then referred to the vital role of His Majesty's armed forces across the globe and the critical support of the Royal Logistic Corps in their conducting successful operations.

The Motion was unanimously supported and the Mayor then presented a framed scroll of the council's resolution to Colonel Allen, who then responded.

In summary, Colonel Allen reiterated the special honour to have received the Freedom of Entry. He thanked the council in facilitating the Corps exercising its freedom on 1 June 2023 with a parade in celebration of its thirtieth anniversary. He also looked forward to the Corps ongoing special relationship with the City of Winchester.

**RESOLVED:**

That this Council, in recognition of the close ties of friendship which have been established between the City of Winchester and the Corps and the most excellent civil links thus formed, do confer upon the Royal Logistic Corps the Freedom of Entry to the City of Winchester, comprising the right to march through the City to the beat of drums, with swords drawn, bayonets fixed and colours flying.

The meeting commenced at 7.00 pm and concluded at 8.05 pm

The Mayor

<b>The Scrutiny Committee</b>	<b>Audit and Governance Committee</b>	<b>Licensing and Regulation Committee</b>	Planning Committee	<b>Business and Housing Policy Committee</b>	<b>Health and Environment policy committee</b>	<b>Housing Appeals Committee *1</b>	<b>Joint West of Waterlooville Planning Committee *4</b>
COMMITTEE SIZE 7	COMMITTEE SIZE 6	COMMITTEE SIZE 10	COMMITTEE SIZE 9	COMMITTEE SIZE 7	COMMITTEE SIZE 7	COMMITTEE SIZE 3	COMMITTEE SIZE 5

**Main Committee Members \*2**

<b>Liberal Democrats</b>	<b>Liberal Democrats</b>	<b>Liberal Democrats</b>	<b>Liberal Democrats</b>	<b>Liberal Democrats</b>	<b>Liberal Democrats</b>	<b>Liberal Democrats</b>	<b>Liberal Democrats</b>
Cllr Reach	<b>Cllr Power</b>	<b>Cllr Laming</b>	<b>Cllr Rutter</b>	<b>Cllr Batho</b>	<b>Cllr Cramoysan</b>	<b>Cllr Rutter</b>	<b>Cllr Rutter</b>
Cllr Scott	Cllr Chamberlain	Cllr Brophy	Cllr Edwards	Cllr Chamberlain	Cllr Wise	Cllr Scott	Cllr Small
Cllr Laming	Cllr Gordon Smith	Cllr Prest	Cllr Small	Cllr Prest	Cllr Greenberg		Cllr Laming
Cllr Pett	Cllr V Achwal	Cllr Pett	Cllr Laming	Cllr Scott	Cllr Tippett-Cooper		
Cllr Williams		Cllr S Achwal	Cllr Gordon Smith	Cllr Eve	Cllr Morris		
		Cllr Eve	Cllr V Achwal				

<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>
<b>Cllr Brook</b>	Cllr Godfrey	Cllr Kurn	Cllr Read	Cllr Isaacs	Cllr Bolton	Cllr Horrill	Cllr Read
Cllr Horrill	Cllr Miller	Cllr Pearson	Cllr Cunningham	Cllr Miller	Cllr Warwick		Cllr Pearson
		Cllr Langford-Smith					

<b>Green</b>	<b>Green</b>	<b>Green</b>	<b>Green</b>	<b>Green</b>	<b>Green</b>	<b>Green</b>	<b>Green</b>
		Cllr Wallace	Cllr Lee				

## Deputy Members \*3

The Scrutiny Committee	Audit and Governance Committee	Licensing and Regulation Committee	Planning Committee	Business and Housing Policy Committee	Health and Environment Policy Committee	Housing Appeals Committee *1	Joint West of Waterlooville Planning Committee *4
Liberal Democrats	Liberal Democrats	Liberal Democrats	Liberal Democrats	Liberal Democrats	Liberal Democrats	Liberal Democrats	Liberal Democrats
Cllr Morris	Cllr Eve	Cllr Small	Cllr Pett	Cllr Brophy	Cllr Williams	Cllr Batho	Cllr Edwards
Cllr Cramoysan	Cllr Wise	Cllr Morris	Cllr Williams	Cllr S Achwal	Cllr Brophy	Cllr Power	Cllr V Achwal
<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	<b>Conservatives</b>	
Cllr Bolton	Cllr Bolton	Cllr Cunningham	Cllr Bolton	Cllr Horrill	Cllr Pearson	Cllr Kurn	Cllr Bolton
Cllr Godfrey	Cllr Cunningham	Cllr Read	Cllr Pearson	Cllr Brook	Cllr Kurn		Cllr Cunningham
Green	Green	Green	Green	Green	Green	Green	Green
		Cllr Lee	Cllr Wallace				



This page is intentionally left blank

REPORT TITLE: ESTABLISHING A LOCAL HOUSING COMPANY

20 SEPTEMBER 2023

REPORT OF CABINET MEMBER: Councillor Chris Westwood, Cabinet Member for Housing

Contact Officer: Simon Hendey Tel No: 01962 848 421

Email: [shendey@winchester.gov.uk](mailto:shendey@winchester.gov.uk)

WARD(S): ALL

## PURPOSE

The purpose of this report is to seek council consideration of the reserved matters of the shareholder agreement with the council's wholly owned company Venta Living Ltd.

Following consideration on 10 July 2023 by Cabinet Committee: Housing, the draft financial business plan and appointment of auditors are recommended for approval.

Subject to council approving the financial business plan it is recommended that it pass a special resolution as sole shareholder of Venta Living Ltd to reduce the share capital to £150,000 reflecting the equity required by the financial business plan.

**RECOMMENDATIONS:**

1. To approve the draft financial business plan at exempt Appendix C as recommended by Cabinet Committee: Housing
2. Subject to approval of the financial business plan, agree to reduce the share capital of Venta Living Ltd from £300,000 to £150,000.
3. To approve the appointment of Fiander Tovell Ltd as external auditors to Venta Living Ltd as recommended by Cabinet Committee: Housing.



## 1 SUPPORTING INFORMATION

- 1.1 Venta Living Ltd has been established on the basis of share capital of £300,000 reflecting the equity required under earlier draft financial business plans. The draft financial business plan recommended for approval by Cabinet Committee: Housing in July 2023 requires £150,000 equity because it is based on an alternative model.
- 1.2 To amend the equity investment, the directors of Venta Living Ltd are required to make a resolution. The council as shareholder is required to make a special resolution to reduce the value of the share capital from £300,00 to £150,000.

## 2. OTHER OPTIONS CONSIDERED AND REJECTED

- 2.1 The share value could be left at £300,000. This is not recommended as it would require the council to invest £300,000 of equity in the company which is above what is required in the business plan. If the higher level of £300,000 is invested, it would be at the expense of £150,000 of capital receipts the council could invest in other activity, plus it would leave the additional equity as a balance for the company that would be subject to tax. As such it would not be tax efficient.

### BACKGROUND DOCUMENTS:-

#### Previous Committee Reports:-

CAB3406(H): *Establishing a Local Housing Company*  
Cabinet Committee: Housing, 10 July 2023

CAB3401: *Establishing a Local Housing Company*  
Cabinet, 16 March 2023

CAB3366: *Housing Company – Revised Options and Business Case*  
Cabinet, 14 December 2022

BHP022: *New Homes Programme Update*  
Business and Housing Policy Committee, 21 September 2021

Presentation: *Housing Development Strategy*  
Business & Housing Policy Committee 1 December 2020

CAB3160: *Establishing the Winchester Housing Company*  
Cabinet, 18 September 2019, and Council 25 September 2019

Presentation: *Housing Company*  
Business and Housing Policy Committee 18 June 2019

CAB3139(HSG): *Establishing the Winchester Housing Company*  
Cabinet (Housing) Committee 20 March 2019 and Cabinet 25 March 2019

CAB2990(HSG): *Establishing Local Housing Companies to Support New Homes Development*  
Cabinet (Housing) Committee 22 November 2017 and Cabinet 6 December 2017

CAB2911(HSG) – *Establishing Local Housing Companies to Support New Homes Development*  
Cabinet (Housing) Committee 22 March 2017

CAB2616(HSG): *Options for Increasing the Supply of Affordable Housing*  
Cabinet (Housing) Committee 1 October 2014

Other Background Documents:-

None.

APPENDICES:

Appendix A – Extract of the minutes of Cabinet Committee: Housing 10 July 2023

Appendix B – CAB3406(H), Establishing a Local Housing Company, Cabinet Committee: Housing 10 July 2023 with non-exempt appendices

Exempt Appendix C – exempt appendices accompanying CAB3406(H), Establishing a Local Housing Company, Cabinet Committee: Housing 10 July 2023

## **CL168 – APPENDIX A**

### **Extract from Cabinet Committee: Housing Committee held 10 July 2023**

7. **ESTABLISHING A LOCAL HOUSING COMPANY (LESS EXEMPT APPENDICES)**  
(CAB3406(H))

Councillor Westwood introduced the report which set out the financial business plan for consideration and referral to Council for approval.

Ian Tait spoke during public participation as summarised briefly below.

He highlighted the number of years the council had been discussing the proposal for a local housing company and queried what the benefits would be. He was unsure about the financial modelling and believed that the additional housing proposed could have been offered in conjunction instead with a registered housing provider. He also queried why the housing company had not been used to purchase the 16 HMOs referred to under the chairperson's announcements above.

The Strategic Director responded to the comments made, including outlining the benefits to the HRA of the housing company.

The Strategic Director, Corporate Head of Housing and Corporate Head of Finance responded to questions and comments from members and TACT representatives on the following:

- a) The acknowledged potential risk and impact on the General Fund through the VAT treatment on expenditure;
- b) The requirement to produce financial accounts in two different formats.
- c) The level of the proposed management charges to be deducted by Venta Living Ltd from rent collected prior to passing over to the council.
- d) Whether the company had sufficient flexibility to take on different housing projects in the future.
- e) The liability of the company directors.
- f) The governance arrangements for monitoring and reports back from the housing company.
- g) The calculation of the fee for services provided by the council to the housing company, including confirmation that this would be reviewed annually.

The Committee members (including invited councillors) then moved to exempt session to discuss the contents of the exempt appendices before returning to open session to consider the recommendations as set out below.

The Cabinet Committee agreed the following for the reasons set out above and outlined in the report.

RESOLVED:

1. That the draft financial business plan included at exempt Appendix B of the report be recommended for approval at full council.
2. That subject to approval of the financial business plan by full Council, the Strategic Director with housing responsibility be authorised to:
  - a) Finalise the lease of one block of 41 one-bedroom flats at Winnall from the council to Venta Living Ltd.
  - b) Approve General Fund capital expenditure of £150,000 for the equity investment in Venta Living Ltd by the council, which is a sufficient level of funding for working capital purposes.
3. That the soft marketing of the units at Winnall by Venta Living Ltd be authorised so tenancies commence with the minimum of delay following completion subject to full Council agreeing the reserved matters.
4. That appointment of Fiander Tovell Ltd as external auditors be referred for approval to full Council.

**That it be recommended to Council\*:**

5. **That the draft financial business plan included at exempt Appendix B of the report be approved.**
6. **To approve the appointment of Fiander Tovell Ltd as external auditors to Venta Living Ltd as recommended by Cabinet Committee: Housing.**

*[NB following is open minute summarising discussion on exempt appendices]*

10. **ESTABLISHING A LOCAL HOUSING COMPANY (EXEMPT APPENDICES)**  
(CAB3406(H))

The Strategic Director, Corporate Head of Finance and the Monitoring Officer responded to questions from members and provided further assurance on the following some concerns expressed regarding the potential risk and impact of the VAT treatment on expenditure and whether there were any further risks created by the government's current rent reform proposals. It was confirmed that the model proposed for the housing company had been used previously by other local authorities and the council had sought and received assurances from external legal advice.

RESOLVED:

That the contents of the exempt appendices be noted.

REPORT TITLE: ESTABLISHING A LOCAL HOUSING COMPANY

10 JULY 2023

REPORT OF CABINET MEMBER: Councillor Chris Westwood, Cabinet Member for Housing

Contact Officer: Gillian Knight Tel No: 01962 848 577

Email: gknight@winchester.gov.uk

WARD(S): ALL

PURPOSE

Providing *Homes for all* is a key priority within the Council Plan, which includes supporting households who struggle to access affordable longer-term market housing. To support this priority the council has established a wholly owned local housing company, Venta Living Ltd.

This report brings forward the final financial business plan for consideration required under the shareholder agreement with Venta Living Ltd, with an illustrative business model based on leasing 41 new flats in Winnall. It is underpinned by an alternative leasing model that is considered to be the most economically advantageous for both the council and Venta Living Ltd and on balance, carries less risk than the model originally proposed for the general fund, but more for the HRA.

The business case allows for future leasing opportunities to be considered on a case-by-case basis and fulfils the council's commitment to the community to ensure a greater diversity of tenure on the Winnall estate.

Approval of the proposed financial business plan and reserved matters will allow Venta Living Ltd to commence trading subject to agreement by full Council.

RECOMMENDATIONS:To Cabinet Committee: Housing:

1. To approve the draft financial business plan at Appendix B in the exempt part of the agenda and refer to full Council for consideration.
2. Subject to approval of the financial business plan by full Council, to authorise the Strategic Director with housing responsibility to:
  - a) Finalise the lease of one block of 41 one-bedroom flats at Winnall from the council to Venta Living Ltd.
  - b) Approve General Fund capital expenditure of £150,000 for the equity investment in Venta Living Ltd by the council, which is a sufficient level of funding for working capital purposes.
3. To authorise the soft marketing of the units at Winnall by Venta Living Ltd so tenancies commence with the minimum of delay following completion subject to full Council agreeing the reserved matters.
4. To refer approval of appointment of Fiander Tovell Ltd as external auditors to full Council.

To Council:

1. To agree the financial business plan as recommended by Cabinet Committee: Housing.
2. To approve the appointment of Fiander Tovell Ltd as external auditors to Venta Living Ltd as recommended by Cabinet Committee: Housing.

IMPLICATIONS:**1 COUNCIL PLAN OUTCOME**

- 1.1 The establishment of Venta Living Ltd supports the following Council Plan priorities:
- a) Tackling the climate change and creating a greener district – the Winnall flats are designed to be highly sustainable. Their convenient location within the city supports the Council Plan objectives to promote walking, cycling and use of public transport.
  - b) Homes for all – meeting local need through a wider range of tenures.
  - c) Vibrant local economy – supporting working households to live and work in the district.
  - d) Your service, your voice – better options for renting in response to survey feedback<sup>1</sup> from younger households.

**2 FINANCIAL IMPLICATIONS FINANCIAL IMPLICATIONS**

- 2.1 The latest iteration of the company leasing model is presented in the business case. The financial impact of this is shown in the exempt Appendix B within this report.
- 2.2 This new leasing model, which is materially different from that previously presented in December 2022 (CAB3366), is now based on the company managing the properties and the lettings; with the council retaining responsibility for the building, its maintenance and fixtures and fittings. Venta Living Ltd will let the properties and collect the rent, deduct from this a percentage of the gross rent receivable to cover its costs of management and overheads, passing the net rent receivable after these deductions to the council as a lease payment.
- 2.3 The reasoning behind setting the deductible amount as a percentage of the gross rent receivable is that it will provide more certainty to Venta Living Ltd about the amount it will receive to fund its operations each year. This allows the company's costs to increase with rental growth but provides comfort to the council that these costs are controlled. In year one there will be additional costs incurred in setting up the company and establishing the lease rental business, and the amount of deductible expenses will be c.29% of the gross rent income receivable, but from year 2 the deductible amount will be c18% ongoing.

---

<sup>1</sup> Young Persons survey – WCC, 2022

- 2.4 The table below shows the summarised estimated financial position of Venta Living Ltd over the 30 years of its business plan. This shows that as the lease payment is essentially the net cash flow after deducting operating expenses that the model essentially does not make any material profit or loss for the company. Projected cumulative retained profit for the company over the 30 years of the lease is just £9k. The projected profit will be subject to corporation tax and is essentially just the interest earned on bank balances and an amount set aside for the allowance for doubtful debts.

<b>b) Income and Expenditure Account</b>										
	2024/25	2025/26	2026/27	2027/28	2028/29	2033/34	2038/39	2043/44	2048/49	2053/54
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
	1	2	3	4	5	10	15	20	25	30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	350	453	462	471	480	530	585	646	714	788
Expenditure	(350)	(453)	(462)	(471)	(481)	(531)	(586)	(647)	(714)	(789)
Profit Before Interest & Charges	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(1)
Loan Interest Payable	0	0	0	0	0	0	0	0	0	0
Interest Receivable	1	1	1	1	1	1	1	1	1	1
Interest & Charges	1	1	1	1	1	1	1	1	1	1
Profit Before Taxation	1	0	0	0	0	0	0	0	0	0
Corporation Tax	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Profit/(Loss) after Taxation	1	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0	0
Profit/(loss) for the Year	1	0	0	0	0	0	0	0	0	0
Retained Profit/(Loss)	1	1	1	2	2	4	5	7	8	9

- 2.5 The business model transfers the financial risk to the HRA of rent loss through voids, with the company retaining responsibility for income collection and bad debts. The sensitivity of changes in the key drivers of voids, costs and income have been undertaken on the model these show the following impact on the HRA over a 30-year period.

<b>Change in Assumptions</b>	1.0%	2.0%	2.5%	3.0%	4.0%
	£000	£000	£000	£000	£000
Increase in Voids	12	48	0	-84	-119
increase in costs	173	0	-203	-359	-791
increase in rents	-805	0	359	826	1,909



- 2.6 The Venta Living Ltd business plan is presented in UK GAAP (Generally Accepted Accounting Practice) format (the basis on which the company will publish its financial reporting) but for incorporation in the council's group Financial Statements, the accounts will need to be converted to an IFRS (International Financial Reporting Standards) basis. There are significant differences between the two accounting methodologies. IFRS 16 *Accounting for Leases* introduces a single accounting model for all leases. Although it doesn't change the treatment for the council as lessor, it still receives the annual lease payment, it changes the way it is presented within the accounts of the lessee, Venta Living Ltd. The net present value of the future lease payments under IFRS is recognised and accounted for on the company balance sheet with both a lease liability and a 'right of use' asset. The right of use asset is depreciated over the life of the lease and the lease liability increased by the implicit financing interest costs and reduced by the actual lease payments. In the Income and Expenditure account the depreciation costs and financing costs now replace the lease payments seen in the UK GAAP format. As a result of the accounting involved the income and expenditure costs are front loaded in the early years. It will show a loss in the early years but the bottom line across after 30 years of the lease is identical. There is no impact on the Corporate Tax liability or on the cash flow of Venta Living Ltd.
- 2.7 The council's current policy is to set rent for the affordable property at 70% of market rent or LHA if lower. The assured shorthold tenancies will be let at market rent and the long-term projected level of cost deduction in managing the lettings is c.18% of net rent receivable. The council has received external advice that it is normal in valuing such an arrangement to see costs deducted of around 20% of gross income receivable.
- 2.8 The HRA will be financially better off than if it had managed the development as affordable housing. This is illustrated in Appendix E which shows the HRA is estimated to be £3.5m better off through this arrangement at the end of the leasing period.
- 2.9 This new model substantively shifts the operating risks of under occupancy and future rent risk, as well as the cost of major works and repairs from the company (wholly owned by the General Fund) to the HRA. The costs now falling on the General Fund are the costs of the equity investment, and any losses made by Venta Living Ltd. However, as Venta Living Ltd receives a proportion of the gross rent income receivable towards its costs and these are based on reasonable assumptions, it is unlikely that material losses will accrue under this new leasing model.
- 2.10 In addition, the General Fund makes a 5% margin on any support services it provides directly to Venta Living Ltd, although as illustrated at Appendix D, this amounts to only £25k over the 30-year lease period.

- 2.11 The risk and responsibility for rent collection will remain with Venta Living Ltd, who will have a bad debt provision of 2% within their retained funds to cover this element.
- 2.12 As the net rent receivable forms the basis of the lease payment to the council the model has minimal exposure to corporation tax, which is now only paid upon interest received on the equity investment. The projected company position at year 30 is essentially a breakeven position with a small surplus of just £9k.
- 2.13 It is further proposed that the company deductibles are kept to c.18% of gross income receivable within the lease as a mechanism to ensure effective control of company costs and to give the company certainty over its funding.
- 2.14 The level of working capital required is lower than previously anticipated, it is now calculated that to provide sufficient working capital for Venta Living Ltd will require an equity investment of £150k.
- 2.15 The equity investment will qualify as financial assistance within the terms of the Minimal Financial Assistance exemption under the Subsidy Control Act which limits such assistance to £315k in any three-year period. Consequently, there will be an administrative requirement to comply with the statutory notifications required under the Act between the council and the company.
- 2.16 There is a risk that any sum over £85k invested in the company and subsequently deposited in a UK bank will be at risk of loss if the bank goes into liquidation.
- 2.17 Importantly there is also a potential risk and impact on the General Fund through the VAT treatment on expenditure that now falls upon the council to incur. Under the new arrangement the VAT incurred on providing building maintenance, building services and fixtures and fittings will be an exempt supply. This will score against the council's 5% partial exemption limit, which if exceeded in any financial year will result in a loss of the whole amount c.£500k.
- 2.18 The likely projected annual additional costs of building services and reactive repairs is around £75k and the VAT recoverable will be 20% of this amount. At present, the council is at around 2.6% of the 5.0% limit. As this is likely to be ongoing and not a one-off it will in turn limit the council's available headroom to undertake any other exempt supply activity in the future. However, in later years if and when material major works are required, a mitigation would be to terminate the lease and return the properties to the HRA.
- 2.19 The proposed leasing structure model works for the rental of the Winnall block of 41 units however, the combined impact of the Subsidy Control Act and the risk upon the councils 5% VAT partial exemption limit mean that the company's ability to replicate future growth through the use of this leasing arrangement is materially and permanently constrained.

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

3.1 In response to external legal advice, a turnover or pass through lease model will be used for the lease of the block of 41 one-bedroom flats at Winnall from the council to Venta Living Ltd. In this model:

- a) The economic interest in the dwellings will remain with the council by way of a turnover lease, whereby **all net rent receivable** (less a percentage of the gross rent receivable retained by Venta Living Ltd towards costs and other liabilities (primarily management)) is passed as rent under the lease to the council.
- b) Day to day housing management would be contracted out by Venta Living Ltd to the council and that contract would be managed by Venta Living Ltd.
- c) Repairs, maintenance, major works and insurance will be the responsibility of the council.

3.2 Under this lease structure, risks of rent arrears would sit with Venta Living Ltd.

3.3 The Renters' (Reform) Bill introduced to Parliament in May 2023 will go through several parliamentary processes, undergo scrutiny and possible amendments, before it becomes law. As expected, the first draft contains proposals to replace assured shorthold tenancies with periodic tenancies and the abolition of s21 'no fault' evictions. The negative effects of these changes will be felt more by landlords who wish to have their tenants vacate their properties rather than landlords like Venta Living Ltd whose business plan is based on occupation.

### 4 WORKFORCE IMPLICATIONS

4.1 The following three directors have been appointed in accordance with the authority delegated by Cabinet in March (CAB3401) – Dawn Adey, Tim Sharpe and Councillor Jerry Pett. The councillor nominations to the board of directors will be reviewed in 12 months' time to reflect external legal guidance. Board of director training is scheduled for July.

4.2 CAB3366 noted that housing management, governance (including company secretary) and financial services would be provided to Venta Living Ltd by the council. This will not require amendment to the terms and conditions of employment for existing staff, as the scope of their roles is considered wide enough to cover these additional responsibilities. The cost of those services provided by the council are contained in the proposed business plan.

### 5 PROPERTY AND ASSET IMPLICATIONS

5.1 The draft financial business plan presented at exempt Appendix B of this report supports the disposal by a lease of 30 years of the flats at Winnall to Venta Living Ltd.

5.2 Other potential asset transfers will be considered as and when they arise and be supported by a detailed business case.

## 6 CONSULTATION AND COMMUNICATION

6.1 In addition to the extensive consultation already undertaken (CAB3366 and CAB3401 refer), officers are continuing to work closely with councils who have already established housing companies.

## 7 ENVIRONMENTAL CONSIDERATIONS

7.1 As with all new homes provided by the council, properties leased to Venta Living Ltd will be energy efficient, have lower carbon emissions and be resilient to climate change. In particular, overheating, flood risk and extreme weather events.

## 8 PUBLIC SECTOR EQUALITY DUTY

8.1 The proposals in this report are consistent with the current Housing Strategy, which was subject to an Equality Impact Assessment. The proposals expand the housing offer to the community and compliment the council's current offer which includes social and affordable rented housing and shared ownership homes. This supports the *Homes for All* priority.

8.2 A panel of officers was established in March 2023 to further review compliance with the duty. No concerns were raised from an equalities perspective, and the report noted that the proposals are supported by a broad range of existing data including the current Strategic Housing Market Assessment (SHMA), the Local Plan, the Council Plan, the Development and Housing Strategies.

8.3 It was noted that care should be taken with the marketing of the units at Winnall to ensure that relevant information is accessible to all potential applicants, and in particular that no-one is disadvantaged on the basis of either race or disability.

## 9 DATA PROTECTION IMPACT ASSESSMENT

9.1 Venta living Ltd will be required to satisfy its obligations towards data protection and there is provision in the business plan to purchase advice in that regard.

## 10 RISK MANAGEMENT

10.1 Key risks and opportunities for the council are outlined below.

10.2 Key risks for Venta Living Ltd are outlined in exempt Appendix A.

Risk	Mitigation	Opportunities
------	------------	---------------

Risk	Mitigation	Opportunities
<p><i>Financial Exposure</i></p> <p>Venta Living Ltd is or becomes non-viable and unable to operate</p> <p>Risks to the council as sole shareholder that intervention (additional investment) would be required if the company runs into financial difficulty (e.g. shortfall in working capital).</p> <p>Risk to council as shareholder</p> <p>VAT – risk that the council’s partial exemption threshold will be breached by excessive repairs &amp; maintenance spend on the properties leased to Venta Living Ltd</p> <p>Set-up costs exceed budget. Includes staffing resources, expenditure on professional fees, IT and marketing etc.</p> <p>Rents received are significantly lower than the receivable rental in the business plan (and upon which Venta Living Ltd’s fee is deducted)</p>	<p>Recruitment of suitably qualified non-executive directors to manage the business of the company in line with the annually agreed business plan. Requiring regular director review of Venta Living Ltd’s financial performance reporting / void levels / letting turnover etc.</p> <p>Regular review by the council of director’s reports on Venta Living’s performance reports.</p> <p>Costs incurred ahead of consideration by full Council will be limited to those necessary to ensure that Venta Living Ltd is operational ahead of completion of the flats at Winnall</p> <p>Regular annual and mid-year review of the business plan by company directors and reporting to the council.</p>	

Risk	Mitigation	Opportunities
impacting HRA with reduced income.		
<i>Exposure to challenge</i>	CAB3401 (s.3) identifies the powers that permit the council to set up a company. An EqlA was undertaken in March 2023 (see section 8 of this report). The EqlA within the current Housing Strategy also remains relevant.	
<i>Innovation</i>  Establishment of a new wholly owned subsidiary company by the council.	The council's role as sole shareholder will ensure control over the company. Due diligence carried out including external legal advice, intelligence gathering and discussions with local authorities and other registered providers.	An innovative approach that enables homes to be offered to a vehicle that has freedom to deliver to a broader market than the council can through its current housing stock.
<i>Reputation</i>  Delay in company set up and/or development of operational processes may compromise the delivery of project objectives for Winnall with consequent reputational risk	Careful project management of VLL set-up ensures that this is achieved ahead of completion	
<i>Achievement of outcome</i>  Legal  The Renters' (Reform) Bill introduced to Parliament May 2023 still needs to go through several	The progress of the draft Bill through Parliament will be monitored, and the full implications of the	

Risk	Mitigation	Opportunities
<p>parliamentary processes, undergo scrutiny and possible amendments, before it becomes law. The first draft contains as expected the replacement of assured shorthold tenancies with periodic tenancies and the abolition of s21 'no fault' evictions. This has potential implications for tenancy turnover</p> <p>Under this lease structure, risks of rent arrears, voids and fundamental risk of demand would sit with Venta Living Ltd</p>	<p>proposed changes evaluated in advance of enactment.</p> <p>The negative effects of these changes will be felt more by landlords who wish to have their tenants vacate their properties rather than landlords like Venta Living Ltd whose business plan is based on occupation.</p>	

## 11 SUPPORTING INFORMATION:

### Background

- 11.1 The extensive background to this proposal is well-documented in previous committee reports, most recently CAB3366 (December 2022) and CAB3401(March 2023).
- 11.2 CAB3366 supported the principle of establishing a council owned housing company to:
- a) Lease from the council and manage accommodation held in the HRA and the General Fund to be identified on a case-by-case basis and subject to a viable business case.
  - b) Provide high quality energy efficient rented accommodation for households who struggle to access council and other affordable housing products.
  - c) Take advantage of an early opportunity to lease from the council one block of 41 one-bedroom flats currently being developed at Winnall.
- 11.3 The Corporate Head of Housing was authorised to develop detailed proposals for further consideration by Cabinet including the strategic and financial

business cases, governance arrangements, director appointments and specific company conditions.

11.4 CAB3401 recognised that establishment of the company in advance of developing detailed proposals would be advantageous and help to ensure that the company was well placed to take responsibility for the development at Winnall in late 2023. As a result, in March 2023 Cabinet approved recommendations to:

- a) Agree the draft shareholder agreement and articles of association, with authority to finalise both documents delegated to the Strategic Director with housing responsibility.
- b) Authorise the Strategic Director with housing responsibility to establish the company for the purposes set out in CAB3366.
- c) Approve the company name as Venta Living.
- d) Appoint five company directors.
- e) Authorise the Strategic Director with housing responsibility to enter into a resourcing contract with the company subject to an agreed business plan.

11.5 Venta Living Ltd was incorporated in May and remains dormant pending agreement of the business plan by the shareholder.

11.6 The board of directors of Venta Living Ltd have agreed the submission of the proposed business plan. They have considered and agreed the resourcing contract that contains the services to be provided to the company by the council subject to shareholder agreement.

11.7 The council will be providing the following services to the company at an annual overall fee of £68,200.

- a) Lettings and housing management.
- b) Building services covered by service charges.
- c) Accountancy.
- d) Company secretary function.
- e) Estate services.

## 12 PROPOSALS

### Financial Business Plan for Venta Living Ltd

12.1 This is presented in detail in exempt Appendix B with key assumptions contained in exempt Appendix C.



Lease – WCC/Venta Living Ltd

- 12.2 It is proposed that the alternative leasing model outlined in section 3 of this report be adopted. It is considered to be the most economically advantageous for both the council and Venta Living Ltd and on balance, carries less risk to the General Fund than the original model (CAB3401 refers).

Strategic Business Case

- 12.3 The strategic business case was presented to Cabinet in December 2022 (CAB3366). Supported by a detailed affordability analysis, it remains fit for purpose and consistent with the Council Plan:
- a) The establishment of a company to lease properties from the council will allow it to act in a manner similar to an “institutional grade landlord” offering a product that compliments the council’s existing housing offers and address a gap in the local housing market.
  - b) The company will offer assured shorthold tenancies<sup>2</sup> to household who struggle to access affordable longer-term housing within the local market due to limited supply and the very high cost of private housing. As a landlord with a long-term commitment to providing rented accommodation, tenants will benefit from greater security of occupation and high-quality management and maintenance services provided by the council.
  - c) The vehicle will allow individual leasing opportunities to be considered on a case-by-case basis to ensure that all opportunities are feasible, meet objectives and that risks are suitably mitigated.
- 12.4 Alternative options were set out in CAB3366 paragraph 11.49 and section 13. These are summarised and updated below at section 14. Should a surrender of the lease between Venta Living Ltd and the council become necessary, they (and potentially others) would be revisited as part of an exit strategy. Any exit option will depend on the circumstances prevailing at the time.

Shareholder agreement – reserved matters

- 12.5 Prices were sought from suitable qualified auditors to undertake the audit of Venta Living Ltd. The appointment of the company’s auditor is a matter reserved to the shareholder thus authority is sought to approve the appointment of Fiander Tovell Ltd to undertake this role.

Early marketing of the Winnall flats

- 12.6 It is recommended (recommendation 2) that soft marketing, focusing on publicising the new flats, is launched ahead of full Council in order to maximise awareness of the new homes at Winnall. The early promotion of the

---

<sup>2</sup> See section 3 for proposed changes to the assured shorthold tenancy regime

scheme will minimise the risk of flats remaining empty. The marketing of the new shared ownership homes at Winnall is soon to commence and the council will work collaboratively with Venta Living Ltd in order to create marketing strategy synergies.

### 13 CONCLUSIONS

- 13.1 The strategic business case for the incorporation of a wholly owned subsidiary housing company was set out in CAB3366 and is briefly summarised above at section 12.3. Members are reminded that the company is not intended and nor is it financially viable to be an investment or a development vehicle that will deliver significant returns. However, it will extend the council's housing offer to support its *Homes for All* priority, whilst allowing the council as sole shareholder to retain a high degree of control.

### 14 OTHER OPTIONS CONSIDERED AND REJECTED

- 14.1 CAB3366 noted the potential alternatives to establishing a housing company and the risks they carried for the development at Winnall. These have been reviewed and updated below:
- a) Let the units as affordable rented housing through a community lettings plan. This would not meet the community commitment to diversify tenure or the Winnall housing scheme project objectives.
  - b) Let the units as affordable rented housing without a community lettings plan. This would also fail to meet the community commitment to diversify tenure or project objectives.
  - c) Lease the units to a registered provider/enter into a joint venture arrangement. This approach was considered no less complex than establishing a housing company with the added risk of the council having far less overall control.
  - d) Use as intermediate affordable housing, for instance, shared ownership sale or rent to buy (homes let at sub-market rents which gives the tenant the opportunity to save for a deposit to buy the property). Both options provide the opportunity for tenure diversification. However, although they *may* be appropriate exit strategy options they carry risks, would not meet all project objectives and so are not favoured alternatives at present. Homes will (in the case of shared ownership), or may ultimately not (in the case of rent to buy), be available to the rented market and so this alternative would undermine project objectives. Furthermore, in the case of shared ownership homes, the remainder of the development at Winnall is already earmarked as shared ownership and so there is a risk of market saturation and supply outstripping demand, particularly at a time of high interest rates. In the case of rent to buy, provision may need to be through a third party registered provider and the homes may not attract interest from a broader market than those who would normally seek affordable housing.



BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB3401: *Establishing a Local Housing Company*  
Cabinet, 16 March 2023

CAB3366: *Housing Company – Revised Options and Business Case*  
Cabinet, 14 December 2022

BHP022: *New Homes Programme Update*  
Business and Housing Policy Committee, 21 September 2021

Presentation: *Housing Development Strategy*  
Business & Housing Policy Committee 1 December 2020

CAB3160: *Establishing the Winchester Housing Company*  
Cabinet, 18 September 2019, and Council 25 September 2019

Presentation: *Housing Company*  
Business and Housing Policy Committee 18 June 2019

CAB3139(HSG): *Establishing the Winchester Housing Company*  
Cabinet (Housing) Committee 20 March 2019 and Cabinet 25 March 2019

CAB2990(HSG): *Establishing Local Housing Companies to Support New Homes Development*  
Cabinet (Housing) Committee 22 November 2017 and Cabinet 6 December 2017

CAB2911(HSG) – *Establishing Local Housing Companies to Support New Homes Development*  
Cabinet (Housing) Committee 22 March 2017

CAB2616(HSG): *Options for Increasing the Supply of Affordable Housing*  
Cabinet (Housing) Committee 1 October 2014

Other Background Documents: -

None.

APPENDICES:

Exempt Appendix A – Company Risk

Exempt Appendix B – Final draft Financial Business Plan – (non-IFRS16 basis)

Exempt Appendix C – Business Case Assumptions

Appendix D – Impact on General Fund

Appendix E – Impact on HRA



## General Fund Impact of the Financial Business Case

## APPENDIX D

### a) Revenue Impact

	2024/25	2025/26	2026/27	2027/28	2028/29	2033/34	2038/39	2043/44	2048/49	2053/54
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
	1	2	3	4	5	10	15	20	25	30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Income										
Income From Services Provided to Housing Company	13	13	14	14	14	16	17	19	21	23
Dividend Received	0	0	0	0	0	0	0	0	0	0
	13	13	14	14	14	16	17	19	21	23

### Revenue Expenditure

Expenditure on Services Provided to Housing Company	(12)	(13)	(13)	(13)	(14)	(15)	(16)	(18)	(20)	(22)
Minimum Revenue Provision	0	0	0	0	0	0	0	0	0	0
	(12)	(13)	(13)	(13)	(14)	(15)	(16)	(18)	(20)	(22)

Net Income/(Expenditure)	1	1	1	1	1	1	1	1	1	1
--------------------------	---	---	---	---	---	---	---	---	---	---

### b) Balances

Shareholder Equity	150	150	150	150	150	150	150	150	150	150
Cash	1	1	2	3	3	7	11	15	20	25
Debtors - Loans Outstanding	0	0	0	0	0	0	0	0	0	0
	151	151	152	153	153	157	161	165	170	175

General Fund Balances	1	1	2	3	3	7	11	15	20	25
PWLB Loan Balances	0	0	0	0	0	0	0	0	0	0
Provision for Credit Liabilities	0	0	0	0	0	0	0	0	0	0
Reserves	150	150	150	150	150	150	150	150	150	150
	151	151	152	153	153	157	161	165	170	175

Check (Should = 0) - TRUE	0	0	0	0	0	0	0	0	0	0
---------------------------	---	---	---	---	---	---	---	---	---	---

### c) Cash

Opening Balances	0	1	1	2	3	6	10	14	19	24
Equity Investment	(150)	0	0	0	0	0	0	0	0	0
Revenue Income	1	1	1	1	1	1	1	1	1	1
Reserves Applied	150	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0	0
Closing Balance	1	1	2	3	3	7	11	15	20	25

Check (Should = 0) - TRUE	0	0	0	0	0	0	0	0	0	0
---------------------------	---	---	---	---	---	---	---	---	---	---

This page is intentionally left blank

## HRA Impact of the Financial Business Case

## APPENDIX E

### a) Revenue Impact

	2024/25	2025/26	2026/27	2027/28	2028/29	2033/34	2038/39	2043/44	2048/49	2053/54
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

#### Revenue Income

Income From Lease Payments	216	371	378	386	393	434	479	529	585	645
Interest Receivable	0	0	0	0	0	0	0	0	0	0
Income From Services Provided to Housing Company	30	31	32	32	33	36	40	44	49	54
	246	402	410	418	426	471	520	574	633	699

#### Revenue Expenditure

Interest Payable on Net Cost to HRA	0	0	0	0	0	0	0	0	0	0
Expenditure on Services Provided to Housing Company	(29)	(29)	(30)	(31)	(31)	(35)	(38)	(42)	(46)	(51)
Rental Income Foregone Net of Cost Saving	(215)	(282)	(288)	(294)	(300)	(331)	(365)	(403)	(445)	(492)
	(244)	(312)	(318)	(324)	(331)	(365)	(403)	(445)	(492)	(543)

Net Income/(Expenditure)

	3	90	92	93	95	105	116	128	142	156
--	---	----	----	----	----	-----	-----	-----	-----	-----

### b) Balances

Cash	3	93	184	278	373	879	1,437	2,054	2,734	3,486
	3	93	184	278	373	879	1,437	2,054	2,734	3,486

HRA Balances	3	93	184	278	373	879	1,437	2,054	2,734	3,486
	3	93	184	278	373	879	1,437	2,054	2,734	3,486

### c) Cash

Opening Balances	0	3	93	184	278	774	1,321	1,925	2,593	3,330
Lease Payments	216	371	378	386	393	434	479	529	585	645
Revenue Income	(213)	(281)	(286)	(292)	(298)	(329)	(363)	(401)	(443)	(489)
Closing Balance	3	93	184	278	373	879	1,437	2,054	2,734	3,486

This page is intentionally left blank



## **THE SCRUTINY COMMITTEE**

**3 July 2023**

### **Minute Extract**

1. **ANNUAL SCRUTINY REPORT 2022/23**

The Chairperson introduced the report, which set out proposals for the Annual Scrutiny Report, (available here). The committee was recommended to consider the report and make any necessary comments on the content before its submission to full council.

The committee noted that the report represented a succinct summary of the main work it had conducted during the previous municipal year.

**RECOMMENDED TO COUNCIL:**

That Council note the annual scrutiny report for 2022/23.

This page is intentionally left blank

REPORT TITLE: Draft Annual Scrutiny Report 2022/23

3 July 2023

REPORT OF CHAIRPERSON: Councillor Caroline Brook

Contact Officer: Matthew Watson Tel No: 01962 848 317 Email  
mwatson@winchester.gov.uk

WARD(S): ALL

**PURPOSE**

At the end of each municipal year, the Chairperson of the Scrutiny Committee for that year reviews the work of all overview and scrutiny bodies and provides a report back to the council.

The draft report for the 2022/23 municipal year is attached at Appendix 1 so that the scrutiny committee can add its comments before it is finalised for presentation to full council.

**RECOMMENDATION:**

That the committee consider and make any necessary comments on the content of the report before its submission to full council.

# Annual Scrutiny Report 2022/23

## **1. What is Scrutiny?**

Rather than making decisions, the role of scrutiny is to improve decision-making by reviewing decisions taken and suggesting improvements that could be made.

Decisions taken must be monitored in this way to ensure that the council's services are of high quality and that the decision-making process is transparent and that the council's various programmes of work remain on track. It also provides an opportunity for the views of the public, businesses, community groups and others to be considered when reviewing the council's activities.

To achieve this, the council has established three Policy and Scrutiny committees, which are:

1. Business and Housing Policy Committee
2. Health and Environment Policy Committee
3. The Scrutiny Committee

One of the key roles of scrutiny is to hold decision-makers to account for their decisions. Scrutiny committees have the power to require Cabinet Members to attend their meetings and explain the decisions they have taken. Having heard from decision-makers and gathered any other evidence, policy and scrutiny committees can make recommendations on how things could be improved.

A key part of the role of the two policy committees is also to consider proposals for new policy and recommend new ways forward as well as to review existing policies and strategies.

In addition to reviewing decisions and performance, the policy and scrutiny committees can look at topics in more detail. Establishing a 'task and finish' group is a way to undertake more detailed work, gather evidence on the topic and develop recommendations that can make a difference and add value.

By focusing on a particular topic, a task and finish group can gather evidence from several sources, including customers, other people affected by the issue and experts from outside the Council. This provides the opportunity for the public to influence the policy-making process.

## **2. The Committees**

The Council has the following policy and scrutiny committees, which, as specified in the council's constitution, carry out the overview and scrutiny function with the following remits:

### **2.1. Business and Housing Policy Committee**

To maintain a strategic overview of the progress towards the achievement of the first two priorities in the Council strategy namely:

- a) Making the District a premier business location
- b) Delivering quality housing options

The broad terms of reference are as follows:

- a) It will hold the Cabinet to account by reviewing and scrutinising executive decisions.
- b) Reviewing and scrutinising the performance of the Council concerning its policy objectives and performance targets

### **2.2. Health and Environment Policy Committee**

To maintain a strategic overview of the following priorities:

- a) Improving the quality of the district's environment
- b) Improving the health and happiness of the community

The broad terms of reference are as follows:

- a) It will hold the Cabinet to account by reviewing and scrutinising executive decisions.
- b) Reviewing and scrutinising the performance of the Council in relation to its policy objectives and performance targets

### **2.3. Scrutiny Committee**

The Scrutiny Committee reviews and/or scrutinises decisions made, or actions taken in connection with the discharge of any of the Council's functions, apart from regulatory functions (decisions made in respect of permissions, licences and other similar consents).

It can monitor the implementation of decisions, service performance, and make reports and/or recommendations to the Cabinet. More generally, the Scrutiny Committee can select topics for closer enquiry in the interest of improving the council. It can further review and scrutinise the performance of other public bodies in the area and invite reports from them and/or invite them to address the Committee about their activities and performance. They can ask questions and gather evidence from any person or body (with their consent) and exercise the right to call in, for reconsideration, decisions made but not yet implemented by the Leader, Cabinet, or officers.

For Section 19 of the Police & Justice Act 2006, the Committee acts as the Council's Crime & Disorder Committee and as such is responsible for reviewing and scrutinising the decisions and work of the Community Safety Partnership (CSP)

## **2.4. Performance Panel**

During the 2022/23 year, the Scrutiny Committee continued to use the performance panel to undertake a detailed review of the quarterly performance and financial information.

The purpose of the panel is to provide a strategic review, on behalf of the scrutiny committee, of the quarterly performance and financial monitoring information which supports the delivery of the Council Plan and budget strategy.

The panel does this through:

- a) Reviewing quarterly Performance Monitoring reports
- b) Reviewing progress against Council plan delivery, Key Performance Indicators (KPIs) and agreed targets.
- c) Reviewing the quarterly Revenue and Capital budget Monitoring report
- d) Reviewing project highlight reports for Tier 1 projects and post-project reports at project completion
- e) Working with the Lead Officer to investigate areas of concern and request further information, inviting cabinet members and relevant officers to attend to discuss the performance of specific areas.

The questions raised, answers provided, and detailed minutes of the panel's meetings are published on the website and circulated to the scrutiny committee and cabinet with each of the quarterly performance papers. In addition, a verbal update is provided by the chair of the panel.

### **3. Membership and Meetings**

**Business and Housing Policy Committee:** The following councillors have attended as committee members during the year: Councillor Tony Bronk, Councillor Jonathan Fern Councillor Steve Cramoysan, Councillor Fiona Isaacs, Councillor Steve Miller, Councillor Charles Radcliffe, Councillor Jamie Scott, Councillor Anne Small, Councillor Caroline Horrill, Councillor James Batho, Councillor Chris Edwards, and Councillor Caroline Brook.

**Health and Environment Policy Committee:** The following councillors have attended as committee members during the year: Councillor Brian Laming, Councillor Vivian Achwal. Councillor James Batho, Councillor Angela Clear, Councillor Susan Cook, Councillor Frank Pearson, Councillor John Tippett-Cooper, Councillor Jan Warwick, Councillor Chris Westwood, Councillor Neil Bolton, Councillor Hannah Williams, and Councillor Neil Cutler.

**Scrutiny Committee:** The following councillors have attended as committee members during the year: Councillor Caroline Brook, Councillor Kathleen Becker, Councillor Susan Cook, Councillor Mike Craske, Councillor Neil Cutler, Councillor Brian Laming, Councillor Chris Westwood, Councillor Steve Cramoysan, Councillor Stephen Godfrey, Councillor Chris Edwards, Councillor Jane Rutter, and Councillor Caroline Horrill

**Performance Panel:** The following councillors have attended as committee members during the year: Councillor Caroline Horrill, Councillor Brian Laming, Councillor Chris Westwood, Councillor Mike Craske, Councillor Neil Cutler, Councillor Stephen Godfrey, Councillor Steve Cramoysan and Councillor Susan Cook



#### **4. Dates and times of meetings 2022/23**

##### **Business and Housing Policy Committee**

21/06/22 18:30	6:30 PM
06/10/22 18:30	6:30 PM
29/11/22 18:30	6:30 PM
28/02/23 18:30	6:30 PM

##### **Health and Environment Policy Committee**

05/07/22 18:30	6:30 PM
04/10/22 18:30	6:30 PM
06/12/22 18:30	6:30 PM
01/03/23 18:30	6:30 PM

##### **The Scrutiny Committee**

14/06/22 18:30	6:30 PM
13/07/22 18:30	6:30 PM
07/09/22 18:30	6:30 PM
29/09/22 09:30	9:30 AM
23/11/22 18:30	6:30 PM
07/02/23 18:30	6:30 PM
27/02/23 18:30	6:30 PM

##### **Performance Panel**

06/06/22 16:00	4:00 PM
22/08/22 16:00	4:00 PM
07/11/22 16:00	4:00 PM
15/02/23 16:00	4:00 PM

## **5. All items considered in 2022/23**

### **The Scrutiny Committee**

#### **14 June 2022**

Annual Report - Exceptions to Forward Plan 2021/22  
Annual Scrutiny Report - Draft Annual Scrutiny Report 2021/22  
Determination of Call-In (RPLC)  
Q4 Performance monitoring 2021/2022  
Appointments of external bodies related to scrutiny 2022/23

#### **13 July 2022**

Housing Revenue Account (HRA) Outturn 2021/2022  
General Fund Outturn 21/22  
Update on the Station Approach project

#### **07 September 2022**

Q1 Finance & Performance Monitoring  
Mental Health Matters: Task and Finish Group Feedback

#### **29 September 2022**

Consideration of Local Plan Topic Chapters

#### **23 November 2022**

HRA Business Plan and Budget Options  
General Fund Budget Options & Medium-Term Financial Strategy  
Q2 Finance and Performance Monitoring

#### **07 February 2023**

Capital Investment Strategy 2022-2032  
Community Safety Partnership Performance Review  
General Fund Budget 2023/24  
Housing Revenue Account (HRA) Budget 2023/24  
Treasury Management Strategy 2023/24

#### **27 February 2023**

Q3 Finance & Performance Monitoring Report  
Central Winchester Regeneration (CWR)

## **Performance Panel**

### **06 June 2022**

A detailed review of the draft Q4 Performance Monitoring

### **22 August 2022**

A detailed review of draft Q1 Performance Monitoring

### **07 November 2022**

A detailed review of the draft Q2 Finance & Performance Monitoring

### **15 February 2023**

Key Performance Indicator set.

A detailed review of draft Q3 Finance & Performance Monitoring

## **Business and Housing Policy Committee**

### **21 June 2022**

Empty Homes Strategy 2022 - 2027

Winchester District High Streets Priority Plan - Up-Date and Progress Report

Green Economic Development Strategy - Draft Action Plan

Housing Services - Compensation Policy

### **06 October 2022**

Findings and future plans following the Street Markets Review

Private Sector Housing Renewal Strategy

### **29 November 2022**

Sustainable Tourism Strategy - Scoping Plan

Disabled Facilities Grants

Emerging Housing Strategy- Scoping Report

### **28 February 2023**

Draft Housing Tenant Engagement and Communication Plan

Winchester District Cultural Strategy - Scoping

## **Health and Environment Policy Committee**

**05 July 2022**

Winchester Movement Strategy and Carbon Neutrality Programme  
Options for Funding Community Grants  
Carbon Neutrality Annual Report and Action Plan

**04 October 2022**

Review of Health and Wellbeing provision  
CNAP Report: Biodiversity Grass Verge Management (pilot road verge project)  
Cost of Living Crisis

**06 December 2022**

Discussion from Solent Freeport by Chair, Mr Brian Johnson  
Crowdfunding Options  
Air Quality Update  
Carbon Roadmap and Actions  
Review of the Community Infrastructure Levy

**01 March 2023**

Water Quality  
Air Quality Update - Latest Position  
Community Infrastructure Levy (CIL) Review  
CNAP: Council Homes Retrofit Programme  
Winchester District Youth Provision

**Public participation.**

The policy and scrutiny committee welcomes and encourages engagement with residents and other community representatives during its public participation session. During 2022/23 all public meetings of the council were live-streamed, recorded and made available on the council's YouTube channel which has improved the visibility and transparency of meetings.

The agenda, minutes, audio and video recordings for all Policy and Scrutiny meetings can be found on [our website](#)

## **Review of 2022/23**

### **Business and Housing Policy Committee.**

Report of the chairperson of the committee, Cllr Tony Bronk.

#### **Business**

During the municipal year the Business and Housing [B&H] Committee noted the progress of the High Streets Priority Plan, reviewed and commented on the Green Economic Development Strategy Draft Action Plan for 2022-24, commented on and supported recommendations arising from the Winchester District Street Markets Review, commented on the approach to deliver a Sustainable Tourism Strategy; and commented on the anticipated policy direction and delivery of the Winchester District Cultural Strategy (prepared with the participation of the Art Council England a member of which attended the B&H Committee meeting).

Meetings of the committee in June, October and November of 2022 reviewed and commented on several reports of the Portfolio Holder for Business and Culture which set out proposals dependent upon the Council's receipt of the Shared Prosperity Fund Grant; confirmation of which was finally received on 6th December. It was therefore satisfying to hear that the detailed proposals, carefully considered and commented upon to effectively utilise such funding (with the constraint that the allocation for 2022/23 could not be carried forward), had been a good use of officer and member time.

Reports provided members with large quantities of information and analysis, although such was the high level of interest that underlying data was sometimes requested and subsequently circulated enabling some members to make further comments. I consider such supplementary comments, when both timely and consistent with higher-level comments of the Committee to be valuable to the efforts of officers and committee members to secure the most effective outcomes. I, therefore, thank officers for their willingness to accept my and other committee members' subsequent comments; rather than submit more detailed appendices in committee papers or necessitate prolonging of the committee meeting to cover all points of detail. I hope that the Scrutiny Committee will note and support the continuance of this with the caveat that members endeavor to express all substantive views during a scrutiny committee meeting and any substantive comments communicated and adopted after the scrutiny committee are adequately disclosed in any subsequent report during the decision-making process.

## **Housing**

During the municipal year, the Cabinet Housing Committee was established, and a meeting of officers and selected members discussed and agreed on the allocation of papers to each committee for the remainder of the municipal year. This division aimed to ensure strategy and policy were reviewed by the B&H Committee whilst underlying procedures were to be reviewed and determined by the Cabinet Housing Committee.

The B&H Committee, therefore, commented on the new Housing Services Policy for Compensation and Reimbursement, the replacement Empty Homes Strategy 2022-2027, the updated Private Sector Renewal Strategy; the updated Disabled Facilities Grant Policy 2023-2025; the proposed and emerging priorities for the Housing Strategy 2023-2028; and the Draft Housing Tenant Engagement and Communication Plan.

Consistent with the 'Business' reports referred to above, some 'Housing' papers contained an "approach to" and "anticipated policy direction" as opposed to a draft policy or strategy. The meeting of the B&H Committee in November was presented with an Emerging Housing Strategy – Scoping Report. The committee was asked to comment on the proposed and emerging priorities of the Housing Strategy 2023-2028; with the intention that the Housing Strategy itself would be presented to the Cabinet Housing Committee for review and adoption. By way of example, the committee was asked to provide particular comments on priorities such as access to decent homes for all and responding to the housing need of an ageing and growing population. Amongst the comments made was the request that the District's Housing Strategy should refer to and seek to address the impact of the South Downs National Park on housing strategy in that area of the Winchester District.

The B&H Committee considered and commented on the Scoping Report and whilst it supported the bringing of a scoping report to the B&H Committee, it considered the importance of the actual wording of the resultant Housing Strategy to be too important not to be presented to the B&H Committee to enable it to perform an effective scrutiny function of the strategy itself. This concern was acknowledged by the Cabinet Member for Community and Housing and relevant officers, and it was subsequently agreed that the updated Housing Strategy would be submitted to the B&H Committee in the municipal year 2023-24. I, therefore, ask whether the Scrutiny Committee wishes to comment to clarify its views on the role of scrutiny committees in reviewing scoping of strategy (or policy) or reviewing the resulting strategy or policy, or being involved at both stages.

In November, the B&H Committee considered a draft revision to the existing Disabled Facilities Grant Policy. Amongst other things, the committee was specifically asked to comment on whether the existing Service Charge of 12%

should be reduced to 10.5%. The committee report stated why this was feasible and desirable by increasing the amount available for grants. The committee questioned and discussed the reasonableness of the basis for this recommendation and unanimously supported it.

The subsequent report to the Cabinet Housing Committee referred to consultation and communication but made no reference to abandoning the supported option to adopt a 10.5% service charge. Its reference to the B&H committee is " the committee provided comments and feedback regarding the policy, and it was well supported".

The above Cabinet Housing Committee agenda item was deferred, and a revised version of the Disabled Facilities Grant Policy was considered (as part of the Private Sector Renewal Strategy) at the next Cabinet Housing Committee on 21st March. The March paper provided details of the impact of newly proposed changes to the current policy to reflect new means-testing arrangements. There was no mention that this important change was subsequent to the B&H committee's consideration of the draft policy, giving the impression that the B&H committee considered and supported this (I am not wanting to suggest it would not have done, only that the extent of the B&H Committee's support is unclear).

My reason for raising this for the attention of the Scrutiny Committee is to suggest that a formal process is adopted to cross-check recommendations to and resolutions by scrutiny committees with papers subsequently submitted to other committees and to require that subsequent reports contain an explanation for major changes from papers reviewed by a scrutiny committee (or inaction on a scrutiny committee's resolution). Without this check and any resulting disclosure in a subsequent report, how can the Scrutiny Committee or the wider public take comfort that the resolutions or substantive comments from scrutiny committees are considered in subsequent decisions? My suggestion is not for an excessive addition to already detailed reports, but something more than a single short sentence of support in the existing section of reports intended to summarise the nature of consultation and communication.

Before concluding, I wish to mention that the committee is grateful for the attendance at and contribution to each of its meetings by representatives of TACT (Tenants and Council Together). In particular, it noted that the National Residents' Panel set up to improve tenant engagement and the regulation of the social housing sector included a Winchester City Council tenant and the committee extended its thanks to that person for their involvement.

Finally, I would like to highlight that the B&H Committee supported a 2023-2024 work plan proposal to establish a HMO task and finish group; and to seek a review of the council's policy regarding the installation of showers within its housing stock (in

addition to its scrutiny of strategies and policies that have reached their expiry dates or require update).



## **The Health and Environment Policy Committee**

Report of the chairperson of the committee, Cllr Brian Laming

The Health and Environment Policy Committee met four times during the municipal year, in July, October, December and March and had a full agenda at each meeting. It considered papers covering a range of issues affecting both the district's environment and the health/happiness of the district's residents and communities. These issues ranged from the Winchester movement strategy, a review of the community infrastructure levy, community grants and crowdfunding options, the review of the district's health and wellbeing provision and the Winchester district's youth provision, to the cost-of-living crisis, as well as an in-depth consideration of the policies relating to the core strands of the council's Carbon Neutrality Action Plan i.e., transport actions and biodiversity grass verge management. In addition, the committee also welcomed an update from the Chair of the Solent Freeport and received an extensive question and answer session with representatives from Southern Water and Natural England.

I would like to thank both officers and external guests for their professional input to the meetings, as well as Democratic Services for their support. In addition, I would also like to thank all those members of the public who came to speak to the committee plus my fellow councillors who sit on the committee for their detailed engagement with the topics at hand.

At the July meeting, the committee considered three papers, Carbon Neutrality Annual Report and Action Plan, Winchester Movement Strategy and Carbon Neutrality Programme – Transport actions update and Options for Funding Community Grants

At the October meeting, the committee considered three items – a presentation regarding the Review of Health & Wellbeing provision, a report in respect of the CNAP report: Biodiversity Grass Verge Management (pilot road verge project) and a presentation on the cost-of-living crisis.

At the December meeting, the committee considered five items – An update from the Chair of the Solent Freeport, a report and presentation on the Carbon Road Map and Actions, a report on Crowdfunding Options, a presentation on the Air Quality Update and a presentation on the review of the Community Infrastructure Levy.

At the March meeting, the committee considered two items. The Committee held an extensive question and answer session regarding water quality with representatives from Southern Water and Natural England and lastly considered a report and received a presentation on the Winchester District Youth Provision.

## **The Scrutiny Committee**

Report of the chairperson of the committee. Councillor Caroline Brook.

The scrutiny committee has a wide remit in its role of reviewing and scrutinising decisions made, or actions taken, related to the discharge of the council's functions.

Over the year the committee has dealt with several topics which are either contained in its terms of reference as annual responsibilities or were referred to the Committee from other Committees of the Council.

The committee met seven times during the 2022/23 municipal year, attendance was high throughout the year with just six apologies received from members. It was also pleasing to note that members of the public attended five of the committees' meetings and I am grateful for their contribution to our work. Public attendance was particularly high when the committee received a report regarding the Station Approach project in July 2022 and regarding the Local Plan in September 2022.

The following gives an overview of the committee's workload for the year.

The council's regeneration projects featured heavily on the committee's agenda this year with reports being tabled at both the July and February meetings before decisions being taken at cabinet.

The committee held a joint meeting with the Local Plan Advisory group in September 2022 to discuss the council's Local Plan Topics and Site Allocations. This 11-hour meeting allowed for specific scrutiny of the detail behind the council's proposals.

As is normal a key part of the work of the committee was to scrutinise the suite of budget papers at our February meeting before the formal decision at both cabinet and council.

The performance panel met on four occasions to scrutinise each of the quarterly finance and performance reports before those reports were tabled at the scrutiny committee and then to the cabinet. I am grateful to the panel members for the work they have undertaken during the year.

At the November 2020 meeting, the committee agreed to establish a task and finish panel to undertake a review of the current provision of mental health services across the district, including those related to the city council's policies and services. The panel met during the year and reported back its findings to the committee at our September meeting.

No call-ins were initiated by members in the municipal year.

For Section 19 of the Police & Justice Act 2006, the Committee acts as the Council's Crime & Disorder Committee and as such is responsible for reviewing and scrutinising the decisions and work of the Community Safety Partnership (CSP) which was undertaken at our February meeting, and we were pleased to welcome back Chief Inspector Jon Turton and wished him well on his retirement.

Members of the cabinet attended meetings of the committee which allowed for discussion and questions concerning policy and progress during the year. All members of the Committee contributed to the issues constructively put before them and I am grateful for their support. My thanks also go to the Vice-Chair for their help and advice during the past 12 months.

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank