

Public Document Pack

COUNCIL

A meeting of Council will be held at Council Chamber, Fenland Hall, County Road, March on THURSDAY, 20 FEBRUARY 2020 at 4.00 PM and I request you to attend accordingly for transaction of the following business:

- 1 To receive apologies for absence.
- 2 Previous Minutes (Pages 3 - 10)
To confirm and sign the minutes of 9 January 2020.
- 3 Civic Engagements Update. (Pages 11 - 12)
For information only.
- 4 To receive any announcements from the Chairman of the Council and/or the Head of Paid Service.
- 5 To receive members' declaration of any interests under the Local Code of Conduct or any interest under the Code of Conduct on Planning Matters in respect of any item to be discussed at the meeting.
- 6 To receive questions from, and provide answers to, councillors in relation to matters which, in the opinion of the Chairman, accord with the provisions of Procedure Rules 8.4 and 8.6.
- 7 To receive reports from and ask questions of Cabinet members with portfolio holder responsibilities, in accordance with Procedure Rules 8.1 and 8.2. (Pages 13 - 50)
- 8 Motion submitted by Councillor Tierney regarding the proposal of an incinerator facility in Wisbech. (Pages 51 - 52)
- 9 Final Business Plan 2020-21. (Pages 53 - 64)
For Council to consider and approve the Final Business Plan 2020-2021.
- 10 General Fund Budget Estimates 2020/21 and Medium Term Financial Strategy (MTFS) 2020/21 to 2024/25; Capital Programme 2020 - 2023. (Pages 65 - 132)

To consider the Cabinet recommendations in relation to:

- the General Fund Budget Estimates 2020/21 and the Medium Term Financial Strategy 2020/21 to 2024/25;
- the Council Tax levels for 2020/21;
- the Capital Programme 2020-2023;
- the Treasury Management Strategy Statement, Capital Strategy and Annual Treasury Investment Strategy for 2020/21.

- 11 Council Tax Resolution. (Pages 133 - 136)
- 12 Proposed Removal of the Cumulative Impact Assessment Policy (CIA) .
(Pages 137 - 172)

To remove the Cumulative Impact Assessment Policy

- 13 Constitutional Amendments - Cabinet Meetings. (Pages 173 - 174)

To advise Members of a change to the number of Cabinet meetings to be held within the municipal year and of other meeting arrangements.

- 14 Notification of appointment of Deputy Monitoring Officer. (Pages 175 - 176)

To advise Members of the appointment of Amy Brown, Chief Solicitor as the Council's Deputy Monitoring Officer (DMO).

- 15 Senior Manager Pay Policy Statement. (Pages 177 - 184)

The purpose of this report is for Council to adopt the Senior Manager Pay Policy Statement for 2020/21 attached to the report.

Fenland Hall
March



Chief Executive

Tuesday, 11 February 2020

NOTE The Council may, by resolution, as exemplified below, exclude the public from a meeting during the consideration of any item of business whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings that, if members of the public were present, there would be disclosure to them of exempt information as defined in Section 100 I of the Local Government Act, 1972

"Resolved that under Section 100(A)(4) of the Local Government Act, 1972 the public be excluded from the meeting for Item No./Minute No. on the grounds that the item involves the disclosure of exempt information as defined in Paragraph of Part I of Schedule 12A of the Act"

COUNCIL



THURSDAY, 9 JANUARY 2020 - 4.00 PM

PRESENT: Councillor Mrs K Mayor (Chairman), Councillor A Miscandlon (Vice-Chairman), Councillor I Benney, Councillor C Boden, Councillor G Booth, Councillor A Bristow, Councillor J Clark, Councillor S Clark, Councillor D Connor, Councillor M Cornwell, Councillor Mrs M Davis, Councillor D Divine, Councillor Mrs J French, Councillor K French, Councillor A Hay, Councillor Miss S Hoy, Councillor M Humphrey, Councillor Mrs D Laws, Councillor A Lynn, Councillor D Mason, Councillor A Maul, Councillor N Meekins, Councillor P Murphy, Councillor D Patrick, Councillor M Purser, Councillor W Rackley, Councillor C Seaton, Councillor R Skoulding, Councillor W Sutton, Councillor M Tanfield, Councillor S Tierney, Councillor D Topgood, Councillor S Wallwork, Councillor Wicks, Councillor Wilkes and Councillor F Yeulett

APOLOGIES: Councillor Mrs S Bligh and Councillor C Marks

C51/19 PREVIOUS MINUTES

The minutes of the meeting of 4 November 2019 were confirmed and signed.

C52/19 CIVIC ENGAGEMENTS UPDATE.

Councillor Mrs Mayor drew member's attention to the civic activities undertaken by herself and the Vice-Chairman in the weeks preceding Full Council.

C53/19 TO RECEIVE ANY ANNOUNCEMENTS FROM THE CHAIRMAN OF THE COUNCIL AND/OR THE HEAD OF PAID SERVICE.

Councillor Mrs Mayor thanked all members who attended the Community Carol Service on Sunday 8 December at St Johns Church in March. The event was well attended and got the festive season off to a good start.

Councillor Mrs Mayor thanked all staff who took part in the staff Christmas visits to all of the Fenland District Council offices. The visits took place on the 17 and 18 December, and were carried out by the Vice Chairman, Councillor Miscandlon.

Councillor Mrs Mayor gave members advance notice that she will be jointly hosting, along with the Chairman of the Fenland Twinning Association, a tea party on 22 January 2020 in the Council Chamber. The aims are to raise the profile of the Council's twinning links with Germany and Australia, to increase involvement in the district's twinning activities and to look at increasing the membership of the association.

C54/19 TO RECEIVE QUESTIONS FROM, AND PROVIDE ANSWERS TO, COUNCILLORS IN RELATION TO MATTERS WHICH, IN THE OPINION OF THE CHAIRMAN, ACCORD WITH THE PROVISIONS OF PROCEDURE RULES 8.4 AND 8.6.

Councillor Mrs Mayor said that no questions had been received submitted under Procedure Rule 8.6 and asked if there were any questions under Procedure Rule. 8.4 from Councillor Tanfield as

Leader of the Opposition.

Councillor Tanfield wished everybody a Happy New Year.

Councillor Boden also wished everybody a Happy New Year and congratulated Councillor Bristow with regard to his son who has become a member of the House of Commons.

Councillor Tanfield asked the Leader whether there will be any training for members who will be involved with the Investment Committee. Councillor Boden stated that there will not be a Committee, it will be an Investment Board and the members who will form part of the board, will hold the experience and knowledge to be able to assist in the workings of the Board. He added that in light of the question that has been raised, he will discuss with officers whether an element of training will be helpful.

Councillor Tanfield said that usually as a director of a company that deals with financial services, there needs to be the demonstration of being a competent and approved person and she would like assurances that this is the case. Councillor Boden stated that there is no proposal for any member of the Council to be a board member of any limited company. He added that the Investment Board is not a limited company, it is a sub-committee of Cabinet, and therefore those rules would not be relevant. He stated that even if it was proposed that members would be board members of LATCo or any of its subsidiaries, the FCA rules would not apply in that case either. Councillor Tanfield questioned whether that also applied to any officers who were on the Board. Councillor Boden responded and said that given the nature of the decisions that they will be making, he would not expect there to be the need for any training, however this will be thoroughly checked by officers.

Councillor Tanfield asked whether there will be an audit committee within LATCo. Councillor Boden stated that the vast majority of limited companies would not have an Audit Committee. The Council has a different method for governance and control.

Councillor Tanfield stated that although the Board will be a sub-committee of Cabinet, she would like clarification from the Local Government Association with regard to proportionality, and whether it is acceptable for all members of the board to originate from the same political party. Councillor Boden confirmed that clarification will be sought from the LGA.

C55/19 TO RECEIVE REPORTS FROM AND ASK QUESTIONS OF CABINET MEMBERS WITH PORTFOLIO HOLDER RESPONSIBILITIES, IN ACCORDANCE WITH PROCEDURE RULES 8.1 AND 8.2.

Members asked questions of Portfolio Holders in accordance with Procedure Rules 8.1 and 8.2 as follows:

- Councillor Patrick addressed Councillor Murphy and asked for an update with regard to the possibility of the re-introduction of the free collection of brown bins. Councillor Murphy replied that there are no plans to reinstate the free collections. He added that Central Government will make the decision over the next few years as to whether they will fund a free collection and if they do, this free service will be passed onto residents.
- Councillor Cornwell addressed Councillor Wallwork with regard to the Council's representation on the County Council Health Committee and the Health and Wellbeing Board. He added that there does not appear to be any information or recommendations available following these meetings, on any action or progress affecting the residents of Fenland and asked whether there is a system in place to report back. Councillor Wallwork replied that there has only been one meeting, since she was elected, with the next meeting being scheduled for late January. She gave assurances that the information is circulated following this meeting, and added that the new draft strategy should be available for

consultation at the start of February. Councillor Cornwell thanked Councillor Wallwork and said that it is important that all members are kept apprised with regards to the subject of health, so that all members are able to answer questions from residents if approached.

- Councillor Cornwell addressed Councillor Mrs French with regard to Civil Parking Enforcement (CPE), stating that at the last meeting and following on from a question raised at the July Council meeting, there had been an expectation to see a draft report on the subject which still not had been circulated and he asked Councillor Mrs French to provide an update. Councillor Mrs French stated that it is a very long and drawn out process and work is currently underway to look at how East Cambridgeshire Council deal with parking enforcement. She added that there are different options to consider, some of which would be costly to the Council. Councillor Boden advised members that he has attended a number of meetings on the subject with officers, along with Councillor Mrs French to explore the options. He added that the time frame to introduce CPE would take longer than two years and outlined the various possibilities. Firstly Cambridgeshire County Council would need to review street signage, yellow lines and other existing traffic regulations that exist across Fenland to ensure they were correct and consistent with the law. Councillor Boden added that with regard to past performance, it is his understanding that a significant number would have to be changed in order to satisfy a CPE application being made, and that process will take 9 months and will incur a charge from County Council in excess of £90,000. Councillor Boden continued by stating that there is concern amongst the community which may mean that the Civil Parking Enforcement becomes a reality, even with the cost implication and the extended time it will take to implement. The options include paying Cambridgeshire Constabulary to have dedicated staff to carry out the work allocated to them by the District Council. The second option is the possibility of the devolution of powers from the Police to the local authority and/or Parish and Town Councils to allow them to carry out enforcement work and the third is to use environmental regulations, to take action against those persons who are parking on double yellow lines outside of school premises with their engines idling. Councillor Boden concluded by stating that all options are being looked into and a decision on the way forward will be reached within the next few months. Councillor Cornwell thanked the Leader for the information he has provided and added that in his opinion it may be prudent to issue a press release to reflect this information and see what feedback is received from the local community. Councillor Boden stated that he will ask Councillor Tierney the Portfolio Holder for communications to give some thought and consideration with regard to a press release.
- Councillor Booth addressed Councillor Murphy with regard to the associated charge for brown bin collections. Councillor Booth added that there was a motion which was considered by Cabinet in May 2019, where the abolition of the brown bin charge was discussed and he would like clarification as to when the decision was made to disregard that motion. Councillor Murphy said that he has always stated he will wait to see what course of action Central Government will adopt. Councillor Murphy agreed to come back to Councillor Booth with that information.
- Councillor Bristow stated that he appreciates that there is a working party that is reviewing the rail services within the fens, however he would like to know what letters and communication there has been with Greater Anglia and Cross Country rail companies. He added that the companies had previously been advertising that an hourly service would run to Cambridge by the end of 2019, however this has not commenced. Councillor Boden stated that Greater Anglia are updating all of their rolling stock, however it is clear that the plans they have in place to swap the old stock to new stock have not run smoothly as it has been reported that there have been software issues which have caused operating issues. Councillor Boden stated that it will be up to the Government to decide whether Greater Anglia is a fit and proper organisation to run a railway service. Councillor Bristow added that Greater Anglia have stated that when they took the franchise that they would introduce a faster service, however this was retracted once they won the franchise. Councillor Boden added that as a franchisee, Greater Anglia has not performed well and for those customers, who rely on a branch line service, they have performed very poorly and the assurances that

were made at the start of the franchise have not come to fruition.

- Councillor Sutton addressed Councillor Boden and stated that at the last Council meeting, it had been agreed that a letter would be written to the Parish Councils with regards to the issues concerning the arrangements for street lighting. He added, he was aware that this letter had been sent and he now felt it would be prudent for a meeting to take place imminently with Councillor Boden, Councillor Mrs Davis, Councillor Connor, Councillor Booth, Councillor Mrs French and himself to discuss the matter further. Councillor Boden stated that street lighting is a difficult and complex situation, given that half the Parish Councils who have street lights are part of the Fenland District Council contract and half are not. Councillor Boden confirmed that Councillor Mrs Davis and Councillor Connor along with their Parish Clerks have already attended a meeting with himself, which proved to be very informative. He stated that he will be happy to meet with any Parish Council and Councillors and added that he is keen to find a satisfactory resolve, but further information regarding the Fenland District Council contract is still being obtained, including how the contract can be utilised in the future. It was agreed that a meeting would be arranged.
- Councillor Sutton addressed Councillor Mrs Laws with regard to the new Local Plan and the Level 2 Strategic Flood Risk Assessment (SFRA). He stated that he has not seen anything within the documents that he has read which contains information concerning SFRA. He stated that it is imperative that consideration is given to include a crosspatch level 2 SFRA within the new Local Plan. Councillor Mrs Laws assured Councillor Sutton that this will happen and added that it is important that the new plan is fit for purpose, which encompasses both Parish and Market Towns. Councillor Mrs Laws stressed that water issues are firmly on the working parties agenda and will not be ignored.

(Councillor Seaton arrived in the Council Chamber)

- Councillor Sutton questioned whether the figures provided in the Portfolio Holder reports with regard to the Anglia Revenues Partnership are a true and accurate reflection with regard to levels of service. Councillor Mrs French responded and added that she is aware of some minor issues and following a meeting she had attended in June 2019 she has been made aware that there are a large number of empty homes within the district, which Councillor Hoy is investigating. A number of questions will be raised at the forthcoming Overview and Scrutiny Committee when ARP will be present and hopefully some answers will be sought.
- Councillor Sutton addressed Councillor Boden, with regard to an explanation as to the meaning of WVI (waste vertical integration). Councillor Boden stated that is an interesting concept and it is where savings are made by integrating everything from the original attempts to reduce waste, through to the collection of waste ending with the disposal of waste, including the conversion of waste into power. It is something that the County Council are looking into, however it would need the cooperation of the authority that has the responsibility of the disposal, along with all of the authorities who have the responsibility for collection. He added that some local authorities are not as engaging with County Council as others.
- Councillor Booth addressed Councillor Mrs French and stated that Parish Councils are currently trying to set their precepts and there is concern around how street lighting can be budgeted for. Councillor Booth asked when information will be disseminated to the Parish Councils to assist with budget setting and Councillor Mrs French said she was unable to provide an answer at this time.
- Councillor Tierney advised members that there are two Cabinet post holders for environment. Councillor Murphy is the Portfolio Holder for operational matters and Councillor Tierney is for strategic matters.

The Chairman stated that as Councillor Bristow was in attendance at the meeting, that this item would now be removed from the agenda.

C57/19 COUNCIL TAX REDUCTION SCHEME REVIEW (CTRS) - 2020/21

Members considered the Council Tax Reduction Scheme (CTRS) 2020/21 report, presented by Councillor Boden.

Proposed by Councillor Boden, seconded by Councillor Connor, Council AGREED the Council Tax Reduction Scheme (CTRS) effective from 1 April 2020 as set out in this report and at Appendix B be approved.

C58/19 COMMERCIAL AND INVESTMENT STRATEGY

Members considered the Commercial and Investment Strategy report presented by Councillor Boden.

Councillor Boden advised members that on Page 281, appendix B of the report there is a diagram which contains a couple of anomalies with regard to the inter relationship between various bodies involved in the proposal. He also advised members that the Chairman of Overview and Scrutiny will be attending the Investment Board meetings as an observer and the overview of the officers on the Local Authority Trading Company (LATCo) board will be given to an elected member, rather than a non-executive member and will be in an observation capacity only.

Proposed by Councillor Boden, seconded by Councillor Hay, Councillor Mrs Mayor opened the item for discussion.

Members asked questions, made comments and received responses as follows:

- Councillor Hay stated that she welcomes the proposal. She added that she has a query contained within appendix 1, with regard to the core principles of the assets, where it states 'to minimise management and risk, preference is for single occupancy investments'. She stated that in her opinion, it could increase the risk. She added that if a property has multiple tenants and one ceases their tenancy, there will still be an income generated, however if a sole tenant ceases their tenancy then all revenue is lost. She asked whether consideration has been given to this. Councillor Boden confirmed that full thought had been given to the balance of the core principles.
- Councillor Yeulett stated that in principle he is in favour of the strategy, although he has concerns. He added that at Overview and Scrutiny Committee, questions were raised concerning risk, investment, expertise and accountability. Councillor Yeulett provided 2 examples of councils who have encountered issues in financial and property investments, where they have been unable to redeem finances. Councillor Yeulett stressed the importance of being able to access funds without any delay. Councillor Yeulett made reference to a Sunday Telegraph newspaper article from December 2019, which states that the Bank of England and Financial Conduct Authority are reviewing whether redemption terms should be changed, due to concerns that local authorities are exposed to large losses following investments in commercial property. Councillor Yeulett added that he would ask for a cautious approach when considering any proposed investments and stated that he has concerns with regard to the proposed structure and stated that he would like to see a wider member involvement with the process. Councillor Boden provided assurances that this Council will change its attitude and management to risk going forward ensuring a sensible assessment before decisions are made.
- Councillor Boden stated that the Council is looking at investments in property and not investments in equities, which provides a greater reassurance and stability. He added that the property funds that the Council will be investing in will only be institutional investments

and not retail opportunities. He stated that the understanding and nature and format of the underlying assets which the council decides to invest in, will form a major aspect of the councils appraisal of the process of investment. Councillor Boden assured members that there will be active monitoring of the councils portfolio by officers along with the support of the councils treasury management advisors.

- Councillor Yeulett asked for confirmation as to whether the necessary skills are held within the council to deal with the proposed strategy. Councillor Boden confirmed that the Section 151 Officer will be prudent and oversee all aspects of the work in a thorough manner. He added that with regard to investments, the authority already uses external consultants to provide us with advice and guidance and we are currently taking advice from the advisors with regard to property investments.
- Councillor Patrick addressed Councillor Boden with regard to the Nene Waterfront Development and stated that although he is very supportive of the regeneration, he questioned whether consultants will be instructed to assist with the project at a highly inflated cost. Councillor Boden gave assurance to Councillor Patrick that this will not be the case.
- Councillor Booth stated that he has concerns with regard to the demographic deficit when the Investment Board is set up and added that it will only have three Council members on the Board with the Chairman of Overview and Scrutiny attending in an observation capacity. He questioned how other members will have an oversight of the progress being made and added that having three members on the Board assisting with major decision making responsibilities is too restrictive. With regard to the strategy and direction, he has concerns that there is no clear definition within the report with regard to what the Council's objectives are from setting up a LATCo. Councillor Booth expressed the view that the Governance and scrutiny needs to be in place at the start of the project and then appropriate level of scrutiny going forward.
- Councillor Boden thanked for Councillor Booth for his concerns and gave strong assurances that there will be a high level of scrutiny. He stated that the LATCo will be scrutinised by the Investment Board, there will be reports to Cabinet and Council and also further scrutiny from Corporate Governance and Overview and Scrutiny Committees. Councillor Boden confirmed that internal auditors will be involved with the Investment Board and will require details from LATCo. It is expected that LATCo will only be dealing with straightforward investment opportunities and there are no plans to deal with complicated leases or joint ventures. He stated that with regard to the Investment Board, they will have the support of the Chief Executive, Monitoring Officer and the Section 151 Officer, who will ensure that the necessary expertise is in place before any decisions are made. Councillor Boden stated that with regard to strategy and direction, there have been no specific targets set as of yet, partly because it would be unrealistic to do so. Councillor Boden expressed the view that having too much member involvement at the start of the project is not a good idea.
- Councillor Sutton said that he will not be supporting this strategy. He supports the idea, but has concerns surrounding the delivery and management of the project.
- Councillor Booth asked for clarity as to when was it decided that the Investment Board would be able to utilise and borrow sums up to a maximum of £25 million. Councillor Boden stated that the figure of £25 million is a figure to propose to Council as a limit for total investments, with the expectation that the limit will not be reached for a long period of time.
- Councillor Sutton requested a recorded vote.

In favour of the proposal: Councillor Boden, Councillor Benney, Councillor Bristow, Councillor S Clark, Councillor Connor, Councillor Mrs Davis Councillor Mrs French, Councillor Miss French, Councillor Hay, Councillor Humphrey, Councillor Miss Hoy, Councillor Mrs Laws, Councillor Lynn, Councillor Mason, Councillor Murphy, Councillor Purser, Councillor Rackley, Councillor Seaton, Councillor Skoulding, Councillor Tierney, Councillor Topgood, Councillor Wallwork

Against the proposal: Councillor Booth, Councillor Cornwell, Councillor Divine, Councillor Patrick, Councillor Sutton, Councillor Yeulett, Councillor Wicks, Councillor Wilkes

Abstentions: Councillor John Clark, Councillor Meekins, Councillor Maul, Councillor Tanfield

Council AGREED to adopt the recommendations within the report of the Commercial Investment Strategy.

C59/19 CREATION OF ELECTIONS AND BUDGET EQUALISATION RESERVE

Members considered the Creation of Elections and Budget Equalisation Reserve report presented by Councillor Boden.

Proposed by Councillor Boden, seconded by Councillor Booth, Councillor Mrs Mayor opened the item for discussion.

Members asked questions, made comments and received responses as follows:

- Councillor Booth stated that he will support the proposal. He expressed the view that although there is an equalisation reserve, he would hope that it will not become normality where there are surpluses. He added that service costs for the next 4 to 5 years need to be reviewed going forward.

Proposed by Councillor Boden, seconded by Councillor Booth, and Council AGREED to adopt the recommendations within the report.

C60/19 COMBINED AUTHORITY EXECUTIVE COMMITTEE APPOINTMENTS

Members considered the Combined Authority Executive Committee Appointments report presented by Councillor Boden.

Proposed by Councillor Boden, seconded by Councillor Skoulding, and Council AGREED to adopt the recommendations within the report.

5.54 pm

Chairman

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Civic Engagements

From January 8, 2020 to February 19, 2020

27 January 2020	Peterborough Holocaust Memorial Day Service Attended by the Chairman Thetford Peace Bell Service Attended by Vice Chairman
7 February 2020	Mayor of March Charity Ball Attended by the Chairman
13 February 2020	East Northamptonshire Council, Chairman's Tapas Night Attended by the Chairman
15 February 2020	Mayor of Huntingdon Town Council Grand Masquerade Ball Attended by the Chairman

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Cabinet and Corporate Management Team

Portfolio Holder Briefing Report

February 2020
(For performance up to December 2019)

Cabinet Members



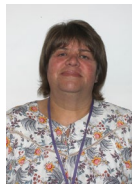
**Councillor
Chris Boden**

Leader of the Council
& Portfolio Holder for
Finance



**Councillor
Ian Benney**

Portfolio Holder for
Economic Growth



**Councillor
Sam Clark**

Portfolio Holder for
Social Housing &
Leisure



**Councillor
Susan Wallwork**

Portfolio Holder for
Communities



**Councillor
Mrs Jan French**

Deputy Leader of the
Council



**Councillor
Miss Sam Hoy**

Portfolio Holder for
Housing



**Councillor
Mrs Dee Laws**

Portfolio Holder for
Planning



**Councillor
Peter Murphy**

Portfolio Holder for
Environment



**Councillor
Chris Seaton**

Portfolio Holder for
Social Mobility &
Heritage



**Councillor Steve
Tierney**

Portfolio Holder for
Transformation &
Communication

Communities

Projects from Business Plan:

Leisure Update (Cllr Sam Clark)

Freedom Leisure officially launched the new Hudson Leisure facilities and new gym equipment at the other three centres on 1 February. This work represents a £1.6m joint investment in facilities for our communities and is expected to encourage more people into the leisure centres every day.

Councillor Clark invited elected members to the events at all centres to see the work that has been undertaken. Jordan Gill, Chatteris' successful boxer also attended. Freedom, Fenland and Jordan will be promoting a Foundation that he is setting up to encourage young people to become more active and support their confidence in the future.

The investment in the centres is reflected in the increasing membership numbers, as well as the high customer satisfaction ratings that Freedom are achieving.

December signalled the completion of year one of the Freedom 15-year contract. All sites have completed a successful new gym-kit installation with Hudson LC also benefitting from substantial investment in much of the facility. Public reaction has been positive during the improvement works – the projects were handled sympathetically, closures (if required) were kept to a minimum and staff enthusiasm and buy-in for the improvements is evident

Memberships (individuals with pre-paid arrangements with the centres) shows a healthy growth from September to the end of December of 2.1%.

December is traditionally the month where membership numbers can go down as the 1.5% drop from November shows but the provisional figures for part-way through January already show a 4.5% growth on the previous month.

Figures below show member totals to the end of December (mid-January)

Live members	30/09	31/10	30/11	31/12	(15/01)
Hudson	1998	2105	2254	2285	2419
Chatteris	840	820	842	813	852
Manor	2159	2182	2171	2100	2186
George Campbell	2240	2207	2231	2193	2266
Total	7237	7314	7498	7391	7723

Customer Feedback (Net Promoter Score)

This asks two simple questions : a) Score us from 0-10 and b) Why?
This produces a score in the range -100 to + 100

Industry Average = 31

Freedom Average = 32
Current Fenland Average = 56

NPS Score	31/07	30/11
Hudson	27	67
Chatteris	44	58
Manor	39	53
George Campbell	27	48
Average	34.2	56.5

Repair and maintenance issues continue to surface with on-going shower problems at Hudson, a water quality issue at the same site, changing room provision at George Campbell and sporadic leaks in the heavy rains of December. These are not unique to Freedom or any busy leisure operator and, with the exception of the Hudson showers which have taken longer than expected to fix, the problems have been dealt with effectively with minimal public inconvenience.

Health & Wellbeing Strategy / Working in Partnership (Cllr Susan Wallwork)

The joint Cambridgeshire and Peterborough Health and Wellbeing sub-committee met in November to consider the Best Start in Life Strategy 2019-24. The sub-committee endorsed the strategy which is a 5 year strategy which aims to improve life chances of children (prebirth to 5 years) in Cambridgeshire and Peterborough by addressing inequalities, narrowing the gap in attainment and improving outcomes for all children, including disadvantaged children and families. The Children's Health and Wellbeing Executive Board will monitor progress of the strategy.

The Best Start in Life strategy focusses on three key outcomes which represent the ambition for children in Cambridgeshire and Peterborough:

- Children live healthy lives
- Children are safe from harm
- Children are confident and resilient with an aptitude and enthusiasm for learning

Papers from the meeting are here:

https://cambridgeshire.cmis.uk.com/ccc_live/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1312/Committee/58/Default.aspx

Active Fenland Update (Cllr Sam Clark)

Active Fenland projects continue to run on profile with attendees and sessions on target.

The Controlling Migration Fund project ends in March 2020. Should any further funding be available FDC will bid to try and extend this project.

The agreement with Cambridgeshire County Council for the Let's Get Moving programme also ends shortly – in June 2020. CCC has decided to carry out a formal procurement programme as they wish to continue Let's Get moving. FDC is part of a consortium of District Councils, Vivacity (Peterborough Leisure Charity) and Living Sport (County Sports Network) who are bidding for the opportunity to manage the project. Should our consortium be unsuccessful, Let's Get Moving will continue in Fenland, albeit under a different supplier.

The Sports Development Manager has submitted joint bid with Vivacity and South Holland Council to the Dept. for Education for around £190k to run holiday hunger and physical activity sessions in the three partner's areas. If successful, the bid will fund Summer Holiday 2020 sessions.



June 2015 to December 2019



10,627

Sessions ran across the region, from athletics to yoga



£821,578

Funding awarded over 5 years and invested into our communities



256,868

Visits to our sessions, helping people across the region live a healthier life

"I genuinely believe that this individual progress for myself and my family, and the positive impact on the wider community, wouldn't have happened if Lauren hadn't had the foresight to approach me in the first place about setting up that monthly group at Hudson.

It's down to her continual positivity and encouragement that the group has gone from strength to strength, and even though she's no longer directly involved with organising the sessions, she frequently checks in with me to ensure that I'm happy with how things are going and to see if there's anything she can do to help.

Her willingness to help and support in every which way possible is just one of the characteristics which marks her out as going 'above and beyond' for the community which she happily serves."

Rebecca Griffiths - Home education mum and session volunteer

"I can't express adequately just how much of an influence Lauren has had in me from the very start and her enthusiasm has spurred me on to help provide a real service to the community that has now become self-sufficient and will continue as a legacy long after these projects finish. She has been amazing and continues to be so. The sheer number of people that have benefited from Lauren's time leading these projects speaks for itself. It's an amazing achievement and she deserves all the plaudits and recognition."

Gary Bligh - Running coach

"I would just like to take the opportunity to thank Fenland District Council for organising the free ten week Tai Chi Lessons. I have since continued with the Tai Chi as has my Husband albeit on an intermittent basis, and cannot express enough how this has positively impacted on our lives, not just physically but also mentally. To the point that having been on anti-depressants for most my adult life I am now no longer taking them. Obviously this has been under supervision.

I have always been aware of the benefits of physical exercise, but have failed to find any exercise that I have enjoyed. Being given the opportunity to try Tia Chi has quite literally changed my life for the better. This has been augmented by the coaching by the wonderful instructor Jason, who is so obviously passionate about Tai Chi you cannot help but be infected by his enthusiasm and knowledge and above all patience."

Tai Chi participant

Other Projects:

Trailblazer Project Update (Cllr Sam Hoy)

The work of early homeless prevention across the Fenland-led Trailblazer project continues to make a valuable difference to people's lives and wellbeing within Cambridgeshire and Peterborough.

Since the start of the project in August 2017, there have been over 1,200 referrals to the service. Fenland has consistently had the highest level of referrals, over 600 between April and November 2019, from individuals and partner agencies requesting help to prevent families and individuals from becoming homeless.

The Trailblazer team is working with social and private sector landlords to prevent homelessness including the use of mediation, debt advice and financial advice.

The focus for 2020/21 (funding secured to September 2020) will be:

- Develop partnership protocols. For example hospital discharge, mental health patients and 16/17 year olds, for the Cambridgeshire and Peterborough area to enable more effective processes to identify and assist those at risk of homelessness early.
- Workforce development across the system to train non homeless employees the signs of housing insecurity and how to get help early.
- Continued work with partners to identify and assist clients at risk of homelessness before 56 days.

Rough Sleeping Update (Cllr Sam Hoy)

The Council continues to work effectively with partners to deliver the government funded Rough Sleeper Initiative via the delivery of the Hub with Ferry Project and Outreach Service delivered by CGL funded by the Controlling Migration fund (CMF).

Outcomes so far include:

- 158 Clients registered with the Hub
- 39 clients have been assisted with therapeutic interventions such as counselling and Mental health assessments
- 38 Supported into Hostel services
- 54 Supported into Night services
- 2 Reconnected to Romania
- 6 Supported into work and accommodation

- 10 prevented from being homeless

All clients have opportunity to access Community Locally Lead Development fund and Building Better Opportunities which offer help with Training and employability.

The Hub has supported clients in opening Bank accounts, benefit claims, Prescription medication, registering with GP's, organising patient transport, and hand holding where required to appointments such as doctors, Opticians, DWP, providing phones to allow clients to enter in work as often Employers need this to text shift times.

Supporting to access Drug and Alcohol services.

A Housing First model (to provide intensive support) has been implemented in partnership with the Council, Ferry Project, CCC learning Disability team, Cambs CC Contracts Team and Anglia Revenues Partnership (ARP). The trial is exceeding expectations with a client in very high need of support and early outcomes have been extremely encouraging.

The outreach service operated by CGL (funded via CMF – Controlling Migration fund) has achieved the following:

- 29 people prevented from rough sleeping – including referrals to ferry Project
- housed in private rented sector
- tenancies sustained through rent in advance
- getting people in to work
- 40 settled status claims achieved

Fenland District Council has successfully secured a further Rough Sleeping Initiative grant from the Ministry of Housing, Communities and Local Government (MHCLG) to continue services helping to tackle homelessness across the district.

The funding will be used by the Council, partner agencies and third sector providers to help vulnerable rough sleepers get the support they need to leave the streets for good. This includes street-based outreach services, emergency accommodation and specialist support to help them rebuild their lives.

The funding will be used to continue the following services until the end of March 2021:

- Homeless day HUB – run by the Ferry Project, the HUB is open seven days a week providing specialist support for all rough sleepers in Fenland, including help with finding accommodation, work and training, mental health support, help with debts and benefits, as well as homelessness prevention advice.
- Outreach service – run by CGL (Change, Grow, Live), the outreach service locates people sleeping rough and engages with them, providing bespoke help and support relevant to their individual needs.
- Rough sleeper co-ordinator post – covering the whole of Fenland, this post co-ordinates actions for rough sleepers to prevent duplication between organisations
- An additional four beds at the Ferry Project's emergency Night Shelter

Empty Homes Update (Cllr Sam Hoy)

The Empty Homes Officer commenced work on the 25th November. Intelligence has been gathered from various data sources and where possible the officer has made contact with owners via email or telephone. For those who we cannot call letters will be sent. There will be a three stage letter approach sent over a period of 6-12 weeks. If owners fail to make contact after the third letter then evidence will be gathered and action taken to bring the property back into use. There are a number of types of action which are currently being explored. The primary focus at the moment is to make contact with homes that have been empty for over 2yrs. Then those properties which have been empty for 6 months or over will be contacted. The focus initially will be to understand from every home owner who has an empty property why that is the case and to then work with that home owner to bring the property back into use.

The Officer has visited Suffolk and Peterborough Council's to meet with their Empty Homes Officer, gaining useful information and best practice; providing links to support their ongoing work and ideas for moving the process forward.

The officer is currently working from the data provided by ARP in November 2019.

Empty Properties :- Data received from ARP November 2019	Total
6mths Plus	305
2yrs Plus	102

Future updates will highlight the number of properties brought back into use.

Private Sector Housing Enforcement (Cllr Sam Hoy)

The Council has undertaken 58 positive interventions in response to new requests for service for Houses in Multiple Occupation (HMOs) across the district.

The Council has also investigated 159 complaints from tenants occupying privately rented accommodation in the same period. Council officers intervened to remove Category 1 hazards (serious faults) and Category 2 hazards (less serious faults) from properties to make them safe for the residents.

The geographical spread is as follows:

Town	HMOs investigated	Privately Rented Homes
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		investigated
Wisbech	46	71
March	5	33
Chatteris	6	10
Whittlesey	1	22
Villages	0	23

We have a new focus on enforcement from 11 September 2019:

Private Sector Housing enforcement 11 September 2019 – 19 December 2019

	Numbers since September 11th	Raised charge total	Income received
Notice / Prosecution	0	0	0
Improvement Notice	18	4,080	720
Prohibition	0	0	0
CPN (Intent)	12	52,200	n/a
CPN (Final)	7	16,353	0
Other	0	0	0
HMO applications	20 (57 in total)	n/a	15,000 (42,750)

Points to note:

Civil Penalties Notices (CPNs) are an alternative to prosecution. Intents to serve are initially sent to offenders who are asked to provide their representations in their defence. The case is then reviewed by the Council with notice and fine either upheld, reduced or revoked. Subject to that process a Final Civil Penalty Notice is served. The defendant then has the opportunity if they wish to appeal against the Council's decision to the Residential Property Tribunal who will make any final decision.

In the pipeline:

- 4 properties for improvement notices
- 1 prohibition order for undersize HMO room
- 2 properties for CPN (intent) for failure to comply with improvement notices
- 3 properties for CPN (intent) for failure to comply with HMO management regulations

Pride In Fenland Awards (Cllr Susan Wallwork)

Publicity has started for the 2020 Pride In Fenland Awards which is due to take place on 18th March 2020 at Wisbech St Mary Sports and Community Centre. This is a great opportunity to celebrate the unsung heroes and heroines in our Communities.

Nomination categories are as follows:

- Volunteer in the Community
- Sports in the Community (sponsored by Freedom Leisure)
- Group, Club, Organisation or Charity benefitting the Community
- Young Person in the Community
- Special Judges Award

Forms can be found on the Fenland Citizen and Fenland District Council Websites by searching Pride In Fenland and the closing date for nominations is 5pm on Monday 17th February 2020.

Members are encouraged to get the word out in your communities to encourage nominations to be sent in.

Wisbech 2020 Update (Cllr Chris Boden)

A meeting of the Wisbech 2020 Vision Core Vision Group has been arranged for Friday 21 February. The next steps in relation to Wisbech 2020 Vision and other Wisbech projects will be discussed.

Corona Virus Update (Cllr Susan Wallwork, Cllr Sam Hoy, Cllr Ian Benney, Cllr Steve Tierney)

In response to the current Corona Virus outbreak in China, the Local Resilience Forum is holding weekly teleconferences where information is shared and local issues or concerns can be raised. The meetings are chaired by Liz Robin, Director of Public Health, and partners in attendance include; Local Councils, Police, Fire Service, Ambulance Service, Public Health England, Health Services, Foundation Trusts, Red Cross, Health Service Commissioners, NHS.

As Fenland has two inland ports which are classed as 'gateways' officers are in regular contact with port managers at both sites in order to cascade information and assist with queries. Current actions include displaying health information and ensuring rest areas are risk assessed to ensure anyone showing symptoms are provided with the correct information and access to services. Shipping agents have been requested by the Harbour Office to obtain a health/medical declaration from any vessel master prior to entry into either of the Nene ports.

Current situation nationally:

A nationally led UK-wide public information campaign has been launched to advise the public on how to slow the spread of coronavirus and reduce the impact on NHS services.

Additional links below have also been shared within the CPLRF.

<https://www.gov.uk/government/organisations/public-health-england>

<https://www.gov.uk/government/organisations/department-of-health-and-social-care>

<https://www.who.int/emergencies/diseases/novel-coronavirus-2019>

<https://www.gov.uk/guidance/wuhan-novel-coronavirus-information-for-the-public>

EU Settlement Scheme Update (Cllr Chris Boden)

What is the EU Settlement Scheme?

If people are an EU citizen and want to stay in the UK beyond 30 June 2021, they and members of their family will need to apply to the Home Office EU Settlement Scheme to enable them to do so.

Gaining settled or pre-settled status under the EU Settlement Scheme allows people to continue to live, work and study here in the UK. In reality it means that they will continue to be eligible for:

- Access to public services, such as healthcare and schools;
- Public funds and pensions.

To apply,

- They will need to be an EU citizen or a non-EU family member of an EU citizen;
- They will need to be living in the UK by 30 June 2021.

People who have been living in the UK for more than five continuous years at the point when they apply then they will be eligible for **settled status**. If they have been a resident for less than five continuous years at that point, they will be eligible for **pre-settled status**. They can convert this status to settled status after they have been in the UK for 5 years. If someone is an Irish citizen they already have indefinite leave to remain.

The Home Office reinstated its media campaign to promote this scheme on the 10th February 2020, and they will be speaking to communications teams in each area to coordinate/ ascertain what local needs and support would be appropriate.

The Home Office have produced district by district statistics to show the number of people applying for settled/ pre-settled status and up to and including 31st December 2019: **7,320** have applied to the EUSS scheme in Fenland. Broken down by age 1,030 people who applied are under 18; 6,170 who applied are aged 18- 64 and 120 people who applied were over 65. They will be updating this information quarterly and will be

giving indicative update figures on a monthly basis.

Key PIs:

Key PI	Description	Baseline	Target 19/20	Cumulative Performance	Variance (RAG)
ARP1	Council tax support – days to process new claims and changes	8 days	8 days	6.7	
ARP2	Housing benefit – days to process new claims and changes	8 days	8 days	6.2	
CELP1	Total number of private rented homes where positive action has been taken to address safety and cohesion issues	N/A	200	217	
CELP2	Number of households prevented from becoming homeless	315	200	257	
CELP3	Number of homes adapted to assist vulnerable disabled residents to remain in their home	130	130	105	
CELP4	Number of people who attend the Golden Age events (as per event)	300	200	298	
CELP5	Customer satisfaction with Golden Age events (as per event)	100%	90%	100%	
CELP6	% of those asked who are satisfied with FDC's leisure centres (quarterly)	32	40	56	
CELP7	Grant income achieved by the Active Fenland Team	N/A	N/A	£201,785	
CELP8	Number of attendees at Active Fenland events	N/A	N/A	13,481	

Comments

CELP4 – Next Golden Age event due on 11th February in Walsoken

Environment

Projects from Business Plan:

Four Seasons Events (Cllr Peter Murphy)

The events team wrapped up the year with two large Christmas events. Starting with March Christmas Market at the beginning of December and followed shortly after by Wisbech Christmas Fayre. A record number of stalls booked to attend March this year which attracted 5,000 shoppers into the town centre. Wisbech committee also expanded their event with a number of new attractions, including a Ferris wheel and £1,000 sponsorship from Vodafone.

We are looking forward to supporting the committees and growing the events even further in 2020. Objectives include attracting external funding and securing headline acts to develop the Council's cultural offering.

Open Spaces and Grounds Maintenance Contract Update (Cllr Peter Murphy)

The quietest time of the year for the Grounds maintenance contract but a period where outstanding work can be tidied up and preparations put in place for the new mowing season (March 2020). Staff numbers are halved to 8 from November to February but work takes place on shrubs, hedges, and tree issues whilst equipment is being readied for the new season

The new skate park at West End (March) completed on time and is proving extremely popular. Similarly, Wenny Rec play area, despite the wet underfoot conditions, has become a better attraction since its November opening

Shared CCTV Service Update (Cllr Susan Wallwork)

The upgrading of the 71 public space CCTV cameras across the district with new digital cameras as well as replacing the recording system with new digital network servers is almost complete with only a small number of cameras left to replace. The new cameras have provided the shared service control room with much improved images for the Fenland cameras as well as improved night-time visibility in general from our CCTV network.

The Fens CCTV control room closed on the 6th January 2020 with the new shared service going live from the 1st January 2020. The staffing restructure for the new shared service is now complete.

The shared service delivers a circa 55k saving with a commitment to drive new income streams via a more commercial approach to CCTV delivery – this will be a focus during 2020/21. An official opening of the new control room is planned for February 2020.

Future High Streets Fund (Cllrs Ian Benney and Chris Seaton)

The draft business case has been submitted to MHCLG.

A Cabinet and March Member workshop was held on 5th December to ensure that member views and comments were included in the bid and that they are kept up to date with progress. A further Member workshop will be arranged for March 2020.

A report was also be tabled at the Cabinet meeting on 9th January 2020.

Feedback on the draft business case is expected from MHCLG during February/ March 2020, and the full business case will be submitted by the deadline of 30th April 2020. Results are expected in the summer.

Wisbech High Street Project (Cllr Chris Seaton)

The Gap – 24 High Street

Rear building: Demolition works are currently underway and are hoped to be completed during February. Due to the way the derelict structure is tied into existing structures on two sides (including a listed building) this demolition work needs to be undertaken carefully with support from a structural engineer.

11-12 High Street

The project is awaiting the return of tenders by the developer before being in a position to formally request funding from the National Lottery Heritage Fund. This is expected during February/March, as is the signing of the build lease. The developer plans to commence demolition works in February 2020 and we have obtained NLHF consent for this.

13-17 High Street

We understand the access issues have now been resolved and a start date is expected from the applicant once the tender has been revised.

Other Properties

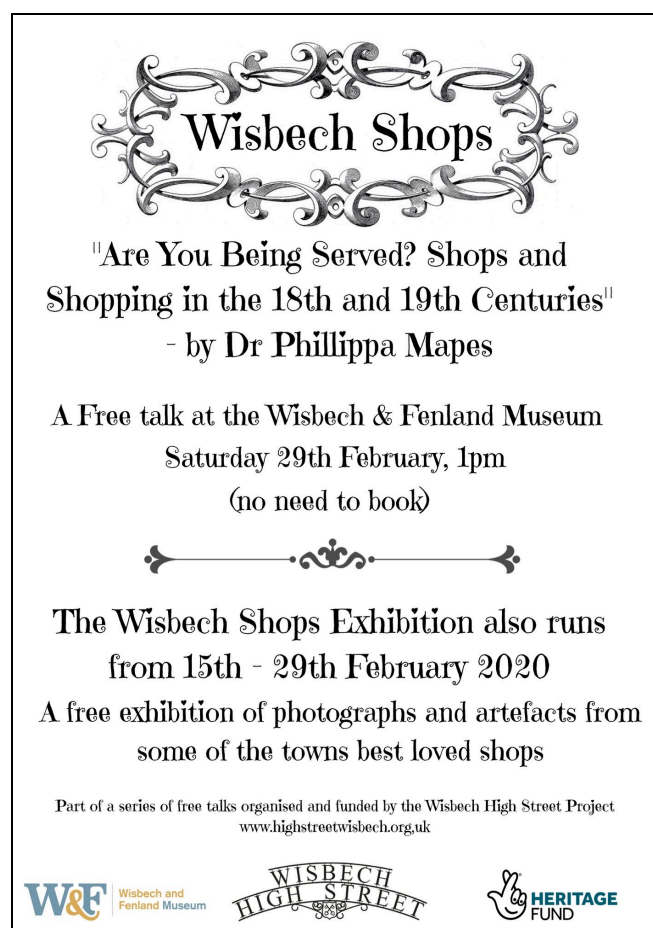
The project is currently working with owners and tenants of a further 6 properties who are in the process of applying for a grant for building improvements. All of these are historic properties and two are listed buildings. With a grant of 65% available to assist with the repairs, the owners/tenants are in the process of gathering quotes, applying

for statutory consents where applicable and completing their applications.

Although grant uptake remains a challenge as there are many still not engaging in discussions and some still considering the long term future of their buildings and leases, we continue to actively encourage and remind occupiers and the owners of the availability of funds. The Town Heritage officer is working closely with Conservation Officers to make contact with owners who could be at risk of enforcement action in the future. This may encourage discussions about grant applications while the funding is still available.

Activity Plan:

Due to the busy Christmas period there were no activities or events delivered during December or January however there are several in the planning to be delivered during 2020. The next event is an exhibition on old Wisbech shops which will run for two weeks in February. The exhibition ends with a talk on Shopping in the 18th and 19th Centuries on Saturday 29th February.



The poster features a decorative floral border at the top. The title "Wisbech Shops" is centered within this border. Below the title, the text reads: "Are You Being Served? Shops and Shopping in the 18th and 19th Centuries" - by Dr Phillippa Mapes. It then states: A Free talk at the Wisbech & Fenland Museum, Saturday 29th February, 1pm (no need to book). A decorative flourish separates this from the next section: The Wisbech Shops Exhibition also runs from 15th - 29th February 2020. A free exhibition of photographs and artefacts from some of the towns best loved shops. At the bottom, it mentions: Part of a series of free talks organised and funded by the Wisbech High Street Project www.highstreetwisbech.org.uk. Logos for W&F Wisbech and Fenland Museum, WISBECH HIGH STREET, and HERITAGE FUND are at the bottom.

Wisbech Shops

"Are You Being Served? Shops and Shopping in the 18th and 19th Centuries"
- by Dr Phillippa Mapes




A Free talk at the Wisbech & Fenland Museum
Saturday 29th February, 1pm
(no need to book)

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**The Wisbech Shops Exhibition also runs
from 15th - 29th February 2020**

A free exhibition of photographs and artefacts from
some of the towns best loved shops

Part of a series of free talks organised and funded by the Wisbech High Street Project
www.highstreetwisbech.org.uk

Street Lighting (Cllr Jan French)

An order has now been placed for the replacement of the FDC category two defective street lights. The works shall be undertaken in two sequential phases, with

the first phase being aimed at replacing assets which are structurally defective or end of life and are not of an ornate nature. The second phase shall focus on those assets which have a low estimated remaining life or are ornate and require site specific lighting design.

It is anticipated that works will commence at the end of February following the delivery of associated materials and be completed in May 2020.

FDC Car Park Maintenance (Cllr Peter Murphy)

The Capital improvement and refurbishment works to Church Terrace Car Park, Wisbech commenced in September and were completed in December. The tendered works were undertaken in three stages and incorporated resurfacing and relining along with drainage and signage improvements in addition to car park lighting upgrade works.

The works were delivered within the capital budget allocation and will help reduce FDC's maintenance liability on the annual revenue budget over the coming years. The completed works provides users with a safer and more aesthetically pleasing facility whilst the new LED lighting benefits CCTV camera operators with night time surveillance.

The new ornate replacement LED lighting incorporates the very latest LED blue light filter technology and is the first installation of its type to be installed in the UK. This is likely to generate a great deal of interest within the lighting industry and will help to put Fenland on the map as a forward thinking innovative authority.

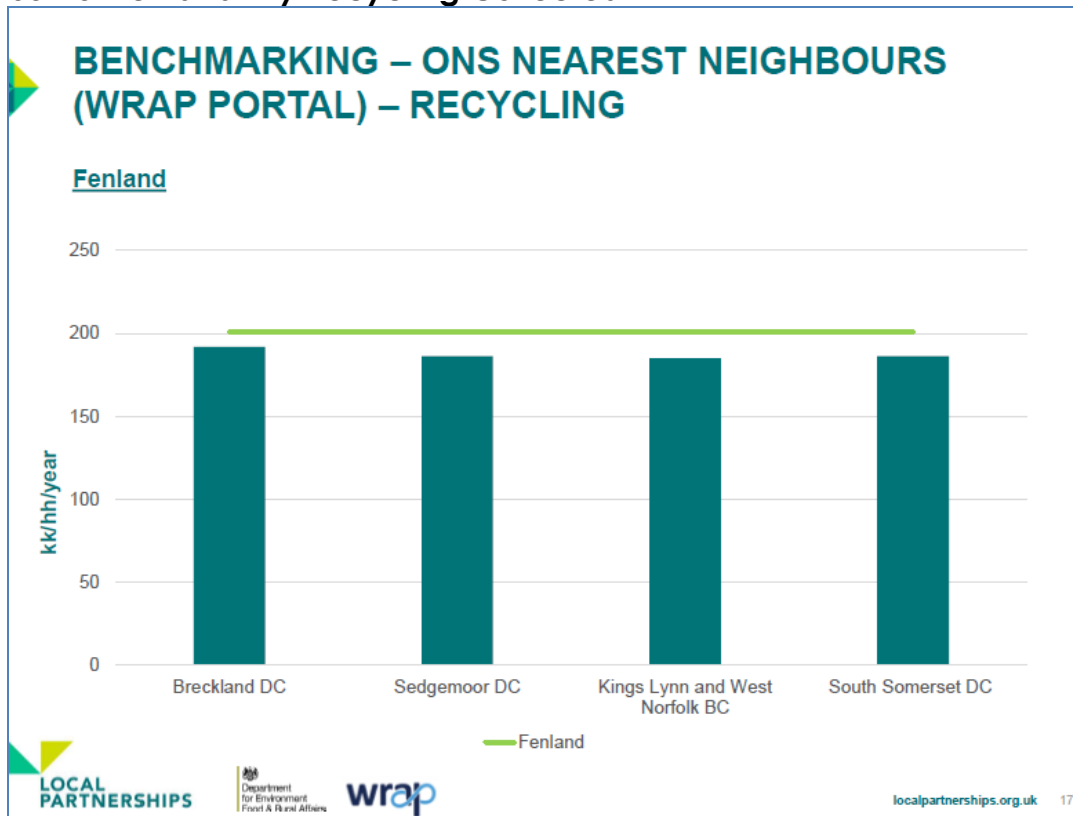
All of the essential improvements ensure that FDC's public parking facilities remain safe and operational for users and visitors alike whilst continually improving the Councils assets.

Other Projects:

Recycling Improvement Plan Update (Cllr Peter Murphy)

Overall, Fenland customers have a good track record for recycling and we know that the performance of this service is above that of other similar authorities.

Comparison of Fenland Dry Recycling Collected



Using the Office of National Statistic (ONS) information, WRAP (www.wrap.org.uk) has compared Fenland collected dry recycling in kilogrammes per household per year and we exceed that of comparable authorities. Even so, there still remains more that can be done to improve recycling across Fenland.

Collected Household Waste Blue Bin Recycling to December 2019

	April – Dec 2019
Dry Recycling (Blue bin and bring banks)	6,437
Residual Waste (Green bin)	16,958
Dry Recycling % of waste	28%

From initial figures, within the first 3 quarters of the 2019/20 financial year we have had 6,437 tonnes of suitable recycling generated from the materials collected. From the 6,947 tonnes collected, our contractor reports that 90.2% was suitable for recycling.

Waste Analysis

This year, for the first time in many years, a countywide analysis of customer's residual waste bins (as performed by the Recap waste partnership across the Cambridgeshire and Peterborough area) shows that whilst customers are recycling well, there are specific areas where opportunities still exist for all the authorities to increase the amount of recycling.

Information from a sample of Fenland customers shows that customers are recycling more than three quarters of the materials available overall, although customers could do more to recycle their cans, cardboard and plastics. This information will be used to frame the future action plan for Fenland and the Recap Partnership.

Overall Fenland Recycling

April – November 2019	Collected Waste	HWRCs in Fenland	Total
Recycling and Composting	11,799	9,410	21,209
Residual Waste	15,057	2,916	17,973
Recycling % of waste	44%	76%	54%

The overall recycling rate for household waste in Fenland from collected waste and household waste recycling sites, from confirmed data to the end of November, was 54% and supports the business plan target to deliver more than 50% for Cambridgeshire.

Fenland customers using their blue bins, along with the materials recycled at Fenland household waste recycling sites (HWRCs) and through the Fenland Garden Waste Service all contribute towards this total.

Getting it Sorted Volunteers Update (Cllr Peter Murphy)

It's been a good year for the Getting it Sorted Volunteers and since April they have developed **11** new trained recycling champions, created their own Facebook page and website, they have attended events, provided support and training along with promoting recycling and the local environment.

There are currently **31** trained Recycling Champions ready to run their own events and education opportunities with new volunteers coming forward to join in. As a result of finding employment or moving away, 10 Volunteers have left the team during the year. Volunteers have attended and supported **84** events for all ages, including nursery schools, WI meetings, Scouts and Guides, and volunteered a total of **1,438** hours so far this year.

The volunteers have developed a Facebook page and share what they have been up to including recycling tips and information www.facebook.com/gettingitsortedvolunteers. So far posts has a reach of **42,753**

views between April and December. Following the promotion of recycling sacks by the volunteers, **1,206** customers have ordered extra for their recycling so far this year.

Through wind turbine Section 106 funding the volunteers have developed a website (www.gettingitsorted.org) where customers can see what can be recycled in Fenland. This multi-lingual website shows how to recycle a range of materials and, what to put in your blue bin, what to take to the tip or recycle back at the shop. Launched as a trial site earlier this month, it has already received enthusiastic reviews from customers.

The volunteers also developed their own comprehensive leaflet based on the questions they were being asked at events.

https://www.fenland.gov.uk/media/9073/What-goes-in-my-blue-bin/pdf/Waste_and_Recycling_Leaflet.pdf. This is now in regular use by the volunteers along with the Environmental Services and other teams.

As a result of all their promotions, the team have developed a network of almost **1,000** customers registered as part of the Getting it Sorted Volunteer network who commit to encouraging others to recycle more and receive the Getting it Sorted Volunteers e-newsletter written by the volunteers on a regular basis. Take the pledge online here <https://www.surveymonkey.co.uk/r/GettingitsortedPledge> to receive a pack and the e-newsletter.

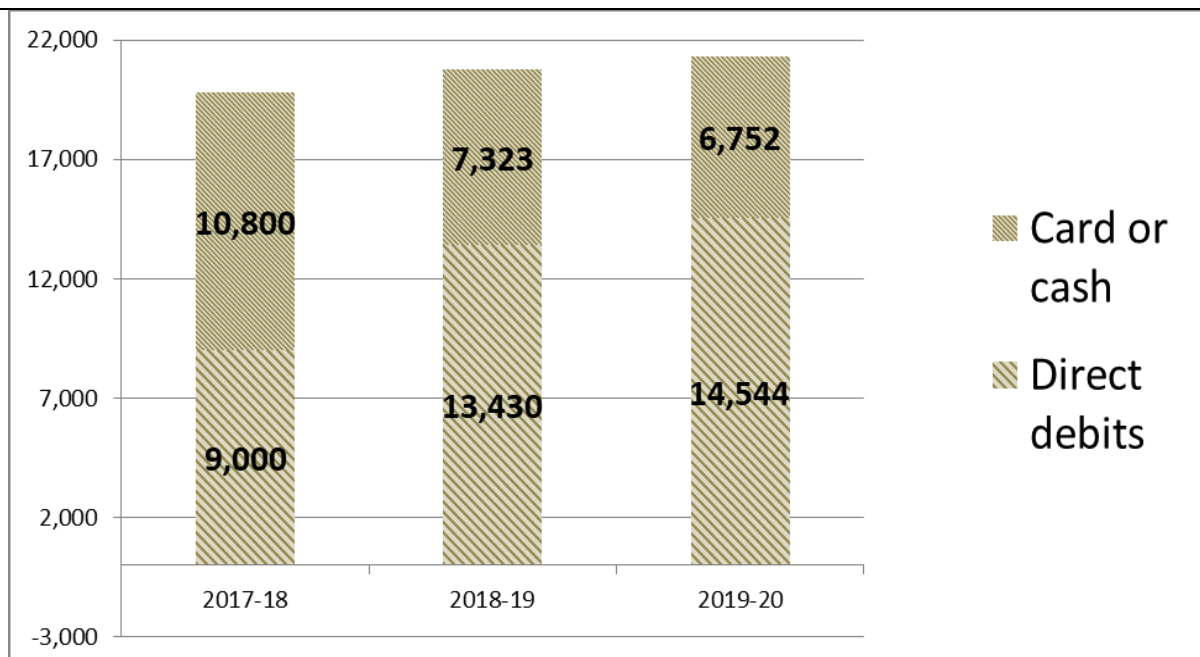
The Fenland recycling webpages including the volunteers page (www.fenland.gov.uk/volunteers) have attracted a lot of attention and has been visited **5,994** times since April and posts on the Fenland District Council Social Media pages have a reach of **104,557** views.

The further development of the Getting it Sorted Volunteers, and this type of community resilience, forms a key element of the Council's business plan and the recycling action plan for 2020.

Garden Waste Service Update (Cllr Peter Murphy)

The Fenland Garden Waste service is about to enter a fourth year from April 2020. Subscription levels continue to increase each year with almost 21,300 subscriptions in this current year.

Garden Waste Subscription Levels 2017-2019



The increasing levels of subscriptions year on year have meant the service remains self-funding and has allowed the Council to freeze the fee for a further year at £36 for direct debit (in advance) and £40 for cash or card.

Ready for the fourth year, the communications for the 2020 season are in place and progressing well.

The communications follow the successful format of previous years; with bin tags, bespoke webpages, shop leaflets, parish news adverts along with letters directly to existing cash/card subscribers.

New subscriptions will start being dispatched early in 2020 and, if they wish, customers can put their sticker straight on their brown bin.

During March, the Summer Collection Calendar is delivered to all properties across Fenland with details of the Easter and summer collection arrangements, along with a reminder to those that have yet to subscribe.

Whilst our communication are aimed at encouraging customers to sign up early, as in previous years there will be tags placed on any unsubscribed garden waste bins presented from April. The new subscription year starts on Wednesday, 1 April 2020.

Steve Tierney)

A Recap commissioned waste analysis across Cambridgeshire and Peterborough was reported to the most recent Recap Board meeting and the results will be used to set the communication priorities for the partnership as well as inform future strategy.

The winners of the Recap summer children's competition in cooperation with local libraries were announced and the winner supported to create their own video with their classmates to promote recycling. This engaging video, created by the winning children, can be seen here - <https://www.youtube.com/watch?v=-dZvhZhUN7w>

The Government's information on the Resources and Waste Strategy for England proposes changes to domestic and business recycling collections over coming years. We anticipate the second round of consultation from Defra very soon to help to define the nature of future domestic and business waste and recycling collections.

In line with this, the Cambridgeshire and Peterborough waste authorities (Recap) have in place a contract for the sorting, transport and onward sale of blue bin recycling materials until at least November 2022, with 2 further years as options. This will allow time for the required decision making within the Recap partnership, and for implementing any resultant changes required by changes in legislation and government guidance.

Environmental Enforcement Update (Cllr Peter Murphy)

Street Scene enforcement - Actions to December 19

Location	Enforcement Action
March	12 Parking FPNs issued (March Market Place)
Whittlesey	1 Littering FPN
Total	13 actions

All FPNs issued have been paid.

Kingdom enforcement

Location	Fixed Penalty Notices served
March	1 for littering
Wisbech	2 for littering
Whittlesey	1 for littering
Chatteris	2 for littering
Total	6

Prosecutions

During this time frame there has been 4 individuals found guilty for littering. All were fined a total of £448.50 at Peterborough Magistrates Court.
A further individual paid their original FPN prior to their court date so were not prosecuted.

The total number of fly tipping instances recorded for December 2019 is 122

This, broken down into areas, is as follows:

Chatteris –5
March –22
Whittlesey – 8
Wisbech – 38
Villages – 49
Total – 122

The majority of the fly tipping was household related with 74 instances, 18 were vehicle related and 9 of electrical and commercial waste. A number of these instances are being further investigated.

Kingdom concluded their association with us on 31st January 2020 and Cabinet Members have asked officers to work up a proposal for an in house service.

Community Safety Partnership Update (Cllr Susan Wallwork)

Current focus for Community Safety Partnership :

- Preventative work that has been identified to date includes the need to deliver workforce development for frontline staff/volunteers relating to 'harm reduction linked to substance abuse' in particular drug misuse. This is being delivered in partnership with the Drug and Alcohol Team in the Public Health and Change Grow Live.
- Working with Cambridgeshire Constabulary we are also coordinating a training session for 3rd party reporting centres for hate crime.
- There is expected to be some future activity linked to Organised Crime and Modern Day Slavery when the analytical work has been completed (expected February 2020). This will no doubt build upon the successful work of Operation Pheasant.
- The second CSP newsletter was published late in December 2019. The newsletter has been circulated to all district elected members and town and parish councils. Hard copies have been made available at the town libraries and it is also available on the Community Safety Partnership web page of the Council website.
- There are four planned community engagement events during the first quarter of this year and the subjects being covered include Loan Sharks, Substance Abuse and Cybercrime & Scams.

- Further exploration is underway to look at Fenland specific work streams to tackle Child Exploitation. This will include workforce development and how to complete a risk matrix.
- The conclusion of a current Domestic Homicide Review is not expected to be concluded until the spring but is on schedule with the Home Office fully informed of progress.

Street Drinking Update (Cllr Susan Wallwork)

The Wisbech Street Drinking & Associated ASB Partnership Group had their most recent meeting on 20th December 2019. Data provided by police, CCTV and subsequently CGL outreach workers indicates a continued reduction of street drinking in Wisbech town centre.

However, the Councils street cleansing team has provided information relating to alcohol related litter and evidence of anti-social activity which has been shared to influence patrol activity by outreach workers, police and Streetscene staff.

The group are developing processes linked to education, diversion and enforcement with the intention of having all appropriate legal guidance and translated material available for the spring. The spring deadline being chosen as spring being recognised as the beginning of the peak period.

Key PIs:

Key PI	Description	Baseline	Target 19/20	Cumulative Performance	Variance (RAG)
CELP7	Rapid or Village Response requests actioned the same or next day	97%	90%	95%	
CELP8	% of inspected streets meeting our cleansing standards (including graffiti and flyposting)	99%	93%	99%	
CELP9	% of collected household waste – blue bin recycling (1 month in arrears)	28.3%	28%	28%	
CELP10	Customer satisfaction with refuse and recycling services (quarterly)	99%	90%	By year end	
CELP11	Customer satisfaction with our garden waste service (quarterly)	99%	85%	By year end	
CELP12	Number of Street Pride and Friends Of community environmental events supported	249	204	195	
CELP13	% of those asked who are satisfied with FDC's events (May, July, October, January)	100%	90%	97%	

Economy

Projects from Business Plan:

Growing Fenland Update (Cllr Ian Benney)

The final Growing Fenland reports have now been approved by each of the relevant Town Councils, FDC Cabinet and the CCC Communities & Partnership Committee. Following a discussion at the CPCA Board meeting on Wednesday 29 January 2020, where the Growing Fenland town plans received final approval, it was agreed that each of the towns in the Combined Authority area would bid for a funding pool, once all town masterplans had been received and approved by the CPCA. This will take place later on in the year and members will be kept informed of any further developments.

Local Plan Review (Cllr Dee Laws)

The consultation on the Issues & Options stage of the plan has recently finished (the consultation programme included four community events) and the team are in the process of logging all the responses and will then start to assess them, along with the sites that have been put forward for development.

We had over 100 people / organisations make comments and some 300 potential development sites suggested.

The viability assessment report has been recently received and this is being assessed prior to being shared with members.

The Member Working Group continues to meet every 4-6 weeks to review progress and provide input to the emerging plan.

The Water Cycle Study and Strategic Housing Market Assessment study have recently been commissioned and we are at tender stage for the Gypsy & Traveller Needs Assessment work.

All of these will form part of the evidence base for the local plan and will inform the policy content of the plan.

Other Projects:

Economic Growth Team Update (Cllr Ian Benney)

After an extensive recruitment process Officers are pleased to confirm that offers have been made and accepted for the posts of Economic Growth Manager & Business Account Manager.

It is anticipated that these Officers will take up their roles at the beginning of April and will begin to lay the foundations to deliver the Council's Economic Growth ambitions. As part of this work, the new team will develop a new Economic Growth Strategy, setting the future direction of Economic Growth in the District.

Skills Update (Cllr Chris Seaton)

The Environmental Services team has created links with pupils and staff at Meadowgate school. The school have had information about jobs at the Council and have been invited to visit and see the operation of refuse and cleansings services in the Spring.

Internally, the Council offers a range of apprenticeship qualifications out to our workforce, and are currently developing a wider apprenticeship offer to maximise apprentice posts being offered by the Council. We already have:

- 1 x HR Apprentice;
- 1 x Business Administration Apprentice (Business Centres);
- 3 x Management Apprenticeship;
- 1 x Accountancy Apprenticeship (Finance);
- 1x ICT Apprentice;
- 1 x GDPR Apprentice (Member Services);
- 2 x Planning Apprentice

In addition to this, we are actively seeking apprenticeship opportunities in a number of teams, such as Project Management, Leadership and Management.

Sail the Wash Partnership Update (Cllr Ian Benney)

The hydro surveys at Sutton Bridge have been completed, detailed design will happen in the New Year. The group looked at drawings produced by Fenland and it was thought that it might be risky to extend the pontoon so far out because of the proximity to the bridge. If it cannot be extended this far south, then the other option is

to do an infill to the north, but the existing moorings are a different size and height and would need new ones at an extra cost. LCC to make the decision on this. Fenland has no money to put into it.

For MMO application will include the infill in case we do that now or do that in the future. The MMO was submitted by Fenland (16th Dec 19).

Affordable Homes (Cllr Sam Hoy)

- 97 new affordable homes are on schedule to be completed this financial year.

Case study

1 of the completions followed extensive canvassing over a period of months from Officers to find a willing Registered Provider partner to take on an equity share in the fully adapted home of a Fenland resident with very complex disabilities.

Cambridgeshire Housing Society (CHS) provided the only positive response to our request for assistance and stepped in to prevent the vulnerable disabled person to lose the specially adapted home.

As a result of the ongoing efforts of both parties, CHS were granted Home Ownership for people with long term disabilities (HOLD) funding from Homes England which enabled them to enter into a shared ownership arrangement with our resident and keep them in their home that they would have otherwise been forced to leave.

Without CHS' involvement, the Council would have faced the very difficult task of finding appropriate re-housing to meet this resident's needs and the resident would have faced the distressing and daunting prospect of upheaval while already coping with significant health issues.

Great credit and thanks has been given to CHS to work creatively to find the best solution to this resident's unique and challenging housing needs.

Broad Concept Plans Update (Cllr Dee Laws)

Persimmon Homes expect to submit a BCP for the land at West March within the next 6 months and a planning application will follow thereafter. A meeting is in the process of being set up to invite neighbouring landowners to establish if they would be interested in 'joining' the proposed Persimmon development.

There is some developer interest in the housing site area of the South Wisbech BCP and officers are supporting this.

FDC's Strategic Landholdings & Surplus Asset Disposal Programme (Cllr Ian Benney)

A further five properties are being prepared for Auction in February. The disposal of these surplus assets will release sites that can be redeveloped and will remove or reduce the responsibilities associated with maintaining surplus sites.

Going forward, the surplus asset disposal programme will be reviewed in line with the emerging Commercial & Investment Strategy. Whereupon sites with development potential will be evaluated against a set of criteria which will assess whether such sites are likely to produce greater returns if they are developed by the Council.

Transport Update (Cllr Chris Seaton)

Hereward Community Rail Partnership (CRP)

In January 2020 the Hereward CRP secured community rail national accreditation from the Department for Transport. This means that we meet the national standard for delivering community rail projects and are also accredited to delivery community rail projects for others. In November 2018 the Department for Transport launched their new Community Rail Strategy title Connecting Communities. This strategy replaces the national designation status with a new accreditation process that is being phased in until March 2020.

Environmental Health inspection and business support programme (Cllr Sam Hoy)

During November and December 69 food premises inspected during reporting period by officers from both Fenland District Council and South Holland (South Holland are our current LA partner supporting with achieving the inspection programme for 2019/2020).

The ratings awarded for those businesses inspected that fall under the food hygiene rating scheme were as follows:

5 Rated	4 Rated	3 Rated	2 Rated	1 Rated	0 Rated
54	8	1	2	2	1

During December two food premises were closed voluntarily by the food business operators due to inspectors being satisfied there was an imminent risk to health. Both premises were allowed to open shortly afterward when the immediate risks were addressed.

Licensing Multi Agency Day of Action (Cllr Sam Clark)

The Council coordinates the Responsible Authority Officer group in Fenland. It helps capture intelligence relating to licensed premises and then agree which power and organisation is best to help resolve the concerns raised.

Part of the work includes Multi Agency days of action. The latest day of action took place in January. The action took place in Wisbech.

Enforcement officers carried out a number of raids on premises suspected of selling illegal tobacco and cigarettes following test purchases and intelligence received. Illicit cigarettes and tobacco worth over £10,000 were seized.

The operation was led by HMRC with Cambridgeshire County Council's Trading Standards, Police, Fire, officers from Fenland District Council (Licensing, Environmental Health, Housing and Street Scene) and sniffer dogs from Wagtail International.

In total, they seized over 30,000 cigarettes and over 4kg of hand rolling tobacco from four premises. The haul was a mixture of counterfeit and illegally imported goods, with a street value of more than £10,000. Investigations are ongoing following the seizures. With the help of sniffer dogs, they discovered the cigarettes and tobacco hidden away inside walls and draws, and a behind a safe.

Other related actions were picked up, for example Licensing compliance issues that are now being addressed.

Food Safety prosecution

The Council has successfully prosecuted the former owner of Georges Bar, High Street, March. The case was heard in Peterborough Magistrates where the former owner pleaded guilty to all charges under the Food Safety and Hygiene Regulations. The prosecution followed a history of poor Food Hygiene Rating scores where the Bar twice scored a '0'.

Standards on inspection last year were rated poor with serious issues related to cleanliness, poor temperature control, risks of cross contamination, lack of relevant staff training and a general lack of procedures.

Magistrates stated that the offences were serious and the former owner was highly culpable due to his poor food safety record demonstrating that the offences were not isolated incidents. The defendant was fined £2000 in total with a £170 victim surcharge and £1000 costs were awarded to the Council.

Key PIs:

Key PI	Description	Baseline	Target 19/20	Cumulative Performance	Variance (RAG)
CELP15	% of major planning applications determined in 13 weeks (or within extension of time)	100%	75%	100%	
CELP16	% of minor planning applications determined in 13 weeks (or within extension of time)	94%	80%	96%	
CELP17	% of other planning applications determined in 8 weeks (or within extension of time)	99%	90%	96%	
EGA1	% occupancy of the business premises estate	92%	90%	86.1%	
EGA2	% tenant satisfaction with business premises (quarterly)	100%	95%	100%	
MS1	Number of berth holders / occupancy of berths at Wisbech Yacht Harbour (85 berths)	100%	81	80	
CELP18	Number of local businesses supported and treated fairly (quarterly)	100%	90%	100%	

Comments
<p>CELP15-17 With regard to speed of decision making against the national targets (2 year rolling assessment) we achieved 100% performance for majors and 96% for minor & other applications (one of the top performing councils in the country).</p> <p>With regard to appeals, again using the national 2 year rolling assessment, 1.4% appeals relating to major applications were allowed (up to 10% is the threshold) and in relation to minor / other appeals, we achieved 1.7% (10% being the threshold).</p>
<p>MS1 With regard to occupancy of berths at Wisbech Yacht Harbour, numbers can sometimes drop at this time of year as some boat owners remove their boats for the winter.</p>

Quality Organisation

Projects from Business Plan:

Digital Transformation Plan (including develop and launch a new website design to improve content and navigation) (Cllr Steve Tierney)

A Web Officer secondment commenced at the start of December as part of the My Fenland project.

Wi-Fi access is now available in all council buildings.

PAS Review Action Plan Update (Cllr Dee Laws)

- Training - Two rounds of external training have taken place to the benefit of FDC members and also Town & Parish Councils.
- Increasing Delegation to Officers – discussions with planning committee members concluded that members did not support this and so this work stream has now closed.
- Staff Training Project Management – This has been undertaken by relevant staff now so this action is now closed.
- Validation Training – Following the cancellation of the first event due to low levels of interest and second was held in January.
- Council has an adopted investment strategy so this action is now closed (though naturally we are at implementation stage now which will require some planning input).

Armed Forces Employer Recognition Scheme (Cllr Steve Tierney)

Fenland District Council signed the Armed Forces Covenant in 2011 which demonstrates our intention to support the Armed Forces community by working with a range of partners who have signed the covenant. The covenant is a national responsibility involving government, businesses, local authorities, charities and the public. Being part of the covenant has given FDC an opportunity to be recognised by the Employer Recognition Scheme (ERS) award. The ERS award shows that we deliver support for the Armed Forces community. Therefore in January 2020 a submission was made and FDC have subsequently been awarded with the bronze award.

This means as an organisation we will actively encourage and promote being armed forces-friendly and ensure we are open to employing reservists, armed forces veterans (including the wounded, injured and sick), cadet instructors and military

spouses/partners.

As part of this ongoing work, officers will be in contact with members and Town and Parish Councils to map out what is going on for veterans in the district.

Elections Update (Cllr Chris Boden)

Register of Electors Re-Publication 2019

The Register of Electors was successfully re-published on 1 December 2019, This is in line with the requirement for the Electoral Registration Officer to undertake an Annual Canvass of the 45,000+ residential households in the District to establish who should appear in the register of electors each year. However, due to the General Election the register was not renumbered until 16 December 2019 to avoid confusion with the elector number printed on the Poll Cards that had been issued for the General Election.

A 93% response rate was achieved, which is comparable with previous years. The current total electorate figure is 75,403, which is a slight decrease of 31 electors from when the register was last published on 1 December 2018.

During the canvass period (1 August to 1 December 2019) 4,239 electors were added to the register, 4,633 electors were deleted and 3,296 electors were amended. In addition, there are a further 3,213 people who are in the various stages of being invited to register.

General Election

On the 12 December 2019 the Council successfully delivered the UK Parliamentary General Election for the North East Cambridgeshire Constituency with just 6 weeks' notice and despite the challenge of the poll being held in the Winter.

Fenland is responsible for 54 polling stations in total across all of the district and additionally 12 polling stations from the East Cambs District Council area. The total eligible electorate for the above elections was 82,713 of which 13,577 postal votes were sent out and 271 proxies were appointed.

The turnout was 63.6% and Stephen Barclay of the Conservative Party was elected.

Other Projects:

3Cs Update (Cllr Steve Tierney)

3Cs category	Measure	1 Apr 19 – 31 Dec 19	1 Apr 18 – 31 Dec 18	% Change + / -
Compliments	Total number received (over given period)	209	125	+67%
Comments	Total number received (over given period)	3	12	-75%
Correspondence	Total number received (over given period)	56	104	-46%
Complaints	Total number received (over given period)	234	309	-24%
Total contact (over given period)		502	550	-9%

Communications Update (Cllr Steve Tierney)

News update:

The number of news stories added to the FDC website and distributed as press releases to local media in December = 8
(News story opportunities were restricted until Friday 13 December due to the pre-election period).

Monthly update on FDC social media sites:

The number of social media updates added to the FDC twitter and Facebook accounts in December;

Twitter = 89

Facebook = 80

We currently have 2,645 likes on Facebook and 8,409 followers on twitter.

Consultation Summary:

Current/recent Consultations:

- Draft Business Plan & Budget – 9 January to 3 February 2020

Corporate Asset Management Plan Update (Cllrs Chris Boden and Ian Benney)

A number of incremental changes and initiatives are aiming to shift the culture of asset management within the organisation.

Taking cues from the Asset Management Plan 2017-20, Officers have been working on establishing a stronger asset management culture within the organisation, which has included creating a Corporate Accommodation Team, comprised of Officers from different support teams that provide a greater oversight of planned accommodation projects. Allied to this is the work to instil a greater degree of the 'Corporate Landlord Model', which centralises the decision making process and assesses accommodation-related projects on a more holistic basis.

Work has also been undertaken to obtain a much better understanding of the Council's asset portfolio, this has included undertaking further surveys and assessments of the Council's operational portfolio to ensure that repairs & refurbishment projects are programmed & budgeted for appropriately.

In connection with budget management practices the Council has established a much more robust internal assessment group; the Capital Delivery Group, who not only assess capital works proposals, but are instrumental in delivering those projects. The accuracy of forecasting and the assessment of project progress is now aligned much more closely with the Council's Finance Teams to assist with robust project and financial management activities.

Capital Programme Update (Cllrs Chris Boden and Ian Benney)

The Council is currently involved with the delivery of over 50 Capital Schemes, which range from small repair projects to community assets up to significant asset refurbishment or replacement schemes.

In November each year new schemes are assessed for the forthcoming financial year and a prioritisation exercise is undertaken to ensure that such schemes meet with the stringent assessment criteria, before being recommended to Cabinet & Council in February 2020.

Corporate Accommodation Review (Cllrs Ian Benney and Steve Tierney)

As part of the Council's ongoing commitment to generating operational efficiencies and cost savings, work is ongoing to align a number of initiatives and projects which will create the opportunity for additional income streams and lead to better utilisation of Fenland Hall & The Base. This work relates directly with the proposals and actions documented within the Council's Asset Management Plan 2017-20.

Projects include a review of the current physical storage areas and rationalisation, together with the release of surplus office capacity to public or private sector occupiers. These proposals will be programmed to align with other planned refurbishment & replacement projects to ensure that our assets are maintained in a good condition.

Commercial Investment Strategy (Cllrs Chris Boden & Ian Benney)

The Commercial and Investment Strategy was approved at Full Council on 9 January with the creation of an Investment Board subsequently being approved at Cabinet on 16 January.

Work continues on implementing the Commercial and Investment Strategy.

Key PIs:

Key PI	Description	Baseline	Target 19/20	Cumulative Performance	Variance (RAG)
PRC1	% of customer queries resolved at first point of contact	95%	85%	94.66%	
PRC2	% of customers satisfied with our service (March)	95%	90%	N/A due in March	N/A
PRC3	% of contact centre calls answered within 20 seconds	38%	20%	61.77%	
PRC4	% of contact centre calls handled	78%	50%	91.32%	
ARP3	% of council tax collected	96.84%	97.3%	83.88%	
ARP4	Net council tax receipts payable to the Collection Fund	£53,286,255	£53,608,303	£48,152,963.50	
ARP5	% of NNDR collected	97.7%	98.3%	80.80%	
ARP6	Net business rates receipts payable to the Collection Fund	£23,969,262	£24,663,273	£20,173,070	
PRC5	Number of visits to our website	607,378	620,000	511,692	

MOTION

MOTION SUBMITTED BY COUNCILLOR TIERNEY REGARDING THE PROPOSAL OF AN INCINERATOR FACILITY IN WISBECH

This Council understands that there is a proposal to build an Incinerator Facility in Wisbech.

Incinerators are actually wasteful. They burn much of what it otherwise recyclable and their demand for fuel can sometimes result in a reduction in recycling due to their need to bid for more and more waste. This means that it becomes typical for incineration to lead to a reduction in recycling and discourages efforts to preserve resources and creates incentives to generate more waste.

Waste Incineration is not a renewable source of energy. Incinerator companies are marketing “waste-to-energy” as a source of renewable energy. But unlike other renewables the fuel does not come from infinite natural processes. On the contrary, it is source from finite resources.

Burning waste produces toxic emissions. Burning waste is hazardous for citizens’ health and the environment. Even the most advanced technologies cannot avoid the release of vast amounts of pollutants that contaminate air, soil and water, and end up entering the food chain. Incinerators are major emitters of carcinogenic pollutants as well tiny particles of dust that can lead to decreased lung function, irregular heartbeat, heart attacks, and premature death.

Burning waste creates less employment opportunities than recycling. Incinerators offer relatively few jobs when compared to recycling. The large footprint of a huge Incinerator could clearly produce more jobs as regular manufacturing space. The idea that the Incinerator is a valuable job creator for local people is bluster.

The World is embracing Zero Waste, and Incineration is a backwards step. “Waste-to-energy” is often described as a good way to extract energy from resources, but in fact it works against the circular economy, producing toxic waste, air pollution and for those that are concerned about Climate Change - contributing to it.

Wisbech Roads will be heavily affected. An Incinerator of the size proposed would create hundreds of additional large lorry journeys daily creating significant additional congestion and wear and tear on already busy roads.

Wisbech Rail is under threat. Wisbech’ long held hope to re-open its rail line has been champions by the Mayor of Cambridgeshire and Peterborough, the local MP and all local Councils. Millions of pounds have been invested to get to the current point. The proposed location of the Incinerator limits the potential options for a new rail station and cuts off part of the potential route it could take.

In 2019, Wisbech Town Council’s motion to oppose the Incinerator project met with nearly unanimous support. An original local campaign opposing the Incinerator has

since been joined by a second Campaign doing the same thing. Rallies, public meetings and large campaigns are in place.


Many Environmental Groups are opposed to Incineration due to the issues already discussed. The public are overwhelmingly opposed to the building of an Incinerator in Wisbech.

The Incinerator proposal is of such a large size that it bypasses the usual Planning route through local Councils and instead will be decided directly at Government level. This means local people and local Councils have very limited opportunities to make their views known.

It is important that local people see that Fenland District Council as an organisation understands the strength of public opinion against the Incinerator and that it is willing to stand up and be counted in the campaign to try and prevent it ever happening.

THIS COUNCIL STATES THAT:

- 1/ We do not support the construction of an incinerator in Wisbech.**
- 2/ We will write to the Secretary of State to make clear our opposition to these plans.**
- 3/ We will take any and all legal avenues and processes available to us to continue to fight on behalf of the residents of Wisbech, the surrounding villages, and Fenland as a whole and to challenge this unwelcome scheme every step of the way.**

Agenda Item No:	9	
Committee:	COUNCIL	
Date:	20 February 2020	
Report Title:	FINAL BUSINESS PLAN 2020-21	

1 Purpose / Summary

- For Council to consider and approve the Final Business Plan 2020-2021

2 Key issues

- Our Business Plan is a high level strategic document that identifies the key challenges and opportunities for Fenland in 2020-21. It outlines our three Corporate Priorities which focus on Communities, the Environment and the Economy. A cross-cutting Quality Organisation priority also ensures that staff and resources effectively focus on the projects that matter the most to local people.
- The Council remains committed to delivering high-quality services, despite the challenges posed by a decade of public sector austerity. The development of a Commercial and Investment Strategy alongside the 'My Fenland' project are just two examples of how the organisation is transforming the way it works in order to maximise efficiency and to ensure it is well placed to meet future needs.
- We continue to lobby for investment to tackle important issues relating to skills, transport, affordable housing, education and regeneration. Two such examples are the improvements planned as part of the National Heritage Lottery Funded Wisbech High Street Project and the recently completed 'Growing Fenland' masterplans.
- Alongside partners, we continue to develop new ways of working. Initially supported by £736,000 of Government funding, the partnership 'Trailblazer' approach to early stage homelessness prevention has helped many local people and is shaping policy across the country. Our successful bid for £2.2million from the DCLG Controlling Migration Fund is supporting us and the wider Diverse Communities Forum partnership to tackle a variety of issues including homelessness, overcrowding, poor housing conditions, modern day slavery, discrimination and street drinking.
- The Draft Business Plan was presented to the Overview and Scrutiny Panel on 13th January 2020. It was also subject to public consultation.

3. Recommendations

- For Council to consider and approve the Final Business Plan 2020-21.

4 Overview and Scrutiny Recommendations

- The Draft Business Plan was considered by Overview and Scrutiny on 13th January 2020. The Panel recommended a small update to the wording of the agricultural land infographic (Page 2) and a revision to the recycling performance indicator (Page 5). These changes have been actioned and are reflected in the final document.

5 Public Consultation

- We ran a public consultation about our Draft Business Plan and Budget 2020-21 between 9 January and 3 February 2020. The questionnaire was available to complete online, in our Customer Service Centres/Hubs and Business Centres. It was publicised through press releases, social media posts and notification to district, town and parish councillors.
- 37 people responded to our survey. 78% of people said that our Draft Business Plan and Budget clearly explained the services we plan to provide and how we will use our resources over the next 12 months. Residents said the most important services to them (listed in priority order) were bins and recycling, road/rail infrastructure, keeping the streets clean and parks and open spaces.
- The Business Plan Consultation report in full is available to view at www.fenland.gov.uk/pastconsultations

6. Risks

Risks associated with delivering the Business Plan are contained within the Council's Corporate Risk Register, Service and Project Risk Registers. The Corporate Risk Register is reviewed by the Corporate Governance Committee on a regular basis.

7. Community Impact

The Business Plan's main aim is to improve the quality of life for residents in Fenland.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Councillor Chris Boden, Leader of the Council Cabinet Members
Report Originators & Contact Officers	Paul Medd, Chief Executive Peter Catchpole, Corporate Director Carol Pilson, Corporate Director
Background Paper(s)	Budget and Medium Term Financial Strategy Draft Business Plan 2020-21; Cabinet - 09 January 2020

Fenland District Council Business Plan

2020/21

Introduction by the Leader of the Council and Chief Executive

Our aim: "To improve the quality of life for people living in Fenland."

Welcome to Fenland District Council's Business Plan for 2020/21.

Our Business Plan sets out the projects and services we will deliver across Fenland over the next 12 months. It should be read alongside our Budget and Medium Term Financial Strategy, which explain how we will manage our finances over the next few years.

Public sector austerity has now continued for over a decade. Since 2010, we have made savings of £9.9million, and must make a further £1.651million between 2020/21 and 2023/24. The challenge remains to deliver good quality services that our residents need, whilst investing in services and projects that help the district to grow. We continue to work closely with partners, with well-established arrangements in place for a number of our key services including Revenues and Benefits and Planning Policy. Our recent partnership with Freedom Leisure has already enabled improvements to be made to our leisure centre facilities, whilst saving £351,000 per year.

As an organisation, work is underway to ensure we are operating as effectively as possible – not only to meet current needs, but to meet future ones too. We recently adopted a Commercial and Investment Strategy which will support us to make good decisions on income generation, regeneration and place-shaping opportunities. Our 'My Fenland' Customer Services project is enabling us to transform our processing of customer enquiries by utilising technology to enable residents to access services 24/7. A number of transformation projects, spanning across a variety of service areas, are also changing the way we work to meet emerging needs.

We are an ambitious, forward thinking organisation and continue to lobby for investment to help tackle important issues – particularly relating to skills, transport, affordable housing, education and regeneration. As a result, we have commitments of £61 million from the Cambridgeshire and Peterborough Combined Authority towards projects that will benefit Fenland. We continue to work with partners to deliver property improvements, including ambitious plans for 11/12 and 24 High Street, as part of the National Heritage Lottery Funded Wisbech High Street project. The recently completed 'Growing Fenland' masterplans also offer exciting possibilities to bring economic growth and regeneration for our four market towns. As ever, we continue to pursue funding for ambitious and transformational projects and hope to secure Government funding for our 'March Future High Street' bid, having been successful in the first phase.



Chris Boden –
Councillor
Leader of
the Council

Alongside partners, we also continue to develop new ways of working. Now in its third year, and initially supported by £736,000 of Government funding, our new partnership 'Trailblazer' approach to homelessness prevention across Cambridgeshire and Peterborough is shaping best practice across the country. Early intervention and multi-agency working has supported over 1,000 households, who would usually not qualify for help, to avoid becoming homeless. We also successfully bid for £2.2million of funding from the DCLG Controlling Migration Fund. This is supporting us and the wider 'Diverse Communities Forum' partnership to successfully tackle migration issues affecting local people including homelessness, overcrowding, poor housing conditions, modern day slavery, discrimination and street drinking. This work has recently been shortlisted for a national award and best practice is being shared nationally, contributing to sector-led improvement.



Paul Medd –
Chief Executive

We hope this introduction has provided a valuable insight into just some of what we do and aim to achieve. We remain committed to working with all our towns, villages and rural communities to make Fenland an even better place to live and work.

About Fenland

Fenland has strong community spirit and pride in its heritage. Over 101,400 people live in the district (ONS: 2018), which covers 211 square miles within North Cambridgeshire. 75% of people live in our four market towns of Chatteris, March, Whittlesey and Wisbech. Our beautiful rural landscape is home to 29 villages and attracts visitors from around the country.

Fenland has the lowest house prices in Cambridgeshire and plentiful availability of commercial land. As a result, our population is growing quickly. By 2036, it is predicted that the population will have increased by 9% to 110,700 (ONS: 2018). We have plans in place, some of which are discussed within this plan, to maximise the positive opportunities that growth brings.



Our population is also getting older. 29% of our population are aged 60 or over; above average compared to Cambridgeshire and the UK as a whole (ONS: 2019). Alongside partners, we are working to enable residents to access the support they need to live happily, healthily and independently.

We also face some challenges around deprivation, particularly around education and health. We are the 80th (out of 326) most deprived area in the country, with some wards within the top 10% most deprived (IMD: 2019), Nevertheless, we continue to work closely with other organisations to positively overcome these challenges.



Our Priorities

Our Business Plan sets out the priorities we aim to deliver over the next 12 months. These priorities have been developed to address the most important needs of local people and communities as a whole.

Our priorities are split into three headings: Communities, Environment and Economy. The fourth priority, Quality Organisation, sits alongside each priority.

Despite continued austerity challenges, our 366 employees are proud to deliver a variety of high-quality core services. In a typical year we empty 3 million bins, clean 210 million square miles of town centres and open spaces, answer 78,000 telephone enquiries, determine 1,300 planning applications, enable 75,400 people to vote in elections – and more!

As an organisation, our unique ‘one-team’ culture supports the effective delivery of our priorities. It enables officers, elected members and partners to effectively work together without the constraints of traditional department silos. We support and invest in our workforce to give them the skills they need to work effectively in their roles, which has been recognised by continued Customer Service Excellence (CSE) re-accreditations. In our latest Staff Survey (2018), 84% of staff said they were proud to work for us.

Summary of Corporate Priorities

The table below gives a summary of our cross-cutting corporate priorities, which are explained in more detail over the next few pages. Some priorities relate to our ‘core’ services that we deliver day-to-day, such as bin collection and processing benefits. Others explain the specific projects we will deliver within 2020/21.

Each priority is underpinned by a series of performance indicators, which is reported to all Members at our Council meetings. These public reports are summarised to provide end of year performance updates in our Annual Report. This explains what the Council has been doing over the previous financial year to achieve its objectives.

Quality Organisation	Communities	<ul style="list-style-type: none"> • Support vulnerable members of our community • Promote health and wellbeing for all • Work with partners to promote Fenland through culture and heritage
	Environment	<ul style="list-style-type: none"> • Deliver a high performing refuse, recycling and street cleansing service • Work with partners and the community on projects that improve the environment and our street scene • Work with partners to keep people safe in their neighbourhoods by reducing crime and anti-social behaviour and promoting social cohesion
	Economy	<ul style="list-style-type: none"> • Attract new businesses, jobs and opportunities whilst supporting our existing businesses in Fenland • Promote and enable housing growth, economic growth and regeneration across Fenland • Promote and lobby for infrastructure improvements across the district

Quick Links

- To view our Annual Report, visit www.fenland.gov.uk/annualreport
- To view information about our finances, please visit www.fenland.gov.uk/finances

Should you require this information in an alternative format, please call 01354 654321 or email info@fenland.gov.uk

Support vulnerable members of our community

- Enable residents to claim Housing Benefit and Council Tax they are entitled to through our shared service (Anglia Revenues Partnership: ARP)
- Work with partners to support residents to manage the effects of welfare reform changes and Universal Credit
- Use our housing powers to prevent homelessness and reduce rough sleeping, meet housing needs, improve housing conditions and keep homes safe and accessible
- Work with partners to build capacity and resilience so that residents can support themselves and their community
- Encourage a range of partners to support the delivery of the Golden Age programme to support older people
- Work with partners and the community to deliver the Wisbech 2020 Action Plan

Promote Health and Wellbeing for all

- Support our local community by delivering our Leisure Strategy in partnership with Freedom Leisure
- Work collaboratively with partners, including in new and emerging networks, to deliver our Health and Wellbeing Strategy in order to tackle local health priorities and reduce health inequalities
- Create healthier communities through activities developed by Active Fenland and community partners

Work with partners to promote Fenland through Culture and Heritage

- Work with local stakeholders to develop a Culture Statement for Fenland
- Support voluntary and community groups to hold public events safely

Key projects planned in 2020/21

- Work with landlords to improve housing conditions and management standards in the district's private sector including using the Council's enforcement powers
- Support property owners to bring long-term empty homes back into use, helping to address the district's housing needs
- Prevent homelessness and reduce rough sleeping through working with individuals, families, landlords, housing associations and providers to meet the housing needs of residents in crisis
- Deliver four Golden Age fairs across the district
- Increase the use of local open spaces and collaborate with local activity providers, and other partners, to address health inequalities
- Active Fenland will work with the community to develop further health initiatives funded by third party organisations

In 2020/21 we will report on the following

- Days taken to process new claims and changes for Council Tax Support
- Days taken to process new claims and changes for Housing Benefit
- Total number of private rented homes where positive action has been taken to address safety issues
- Number of people prevented from becoming homeless
- Number of empty properties brought back into use
- Amount of New Homes Bonus achieved as a result of bringing empty homes back into use
- Satisfaction at Golden Age events
- Number of Active Health local sessions per year that improve community health
- Customer feedback across Freedom Leisure facilities in Fenland

Deliver a high performing refuse, recycling and street cleansing service

- Work with partners, the community and volunteers to divert at least 50% of Cambridgeshire's household waste from landfill
- Maximise the value of materials collected for recycling including through Getting It Sorted Recycling Champions
- Deliver an effective, self-funding Garden Waste collection service
- Deliver clean streets and public spaces as set out in the national code of practice
- Work with key stakeholders to deliver an effective waste partnership and to update the Cambridgeshire and Peterborough waste strategy, aligned to the developing national Waste and Resources Strategy

Work with partners and the community on projects to improve the environment and streetscene

- Use education, guidance and Council powers to fairly enforce environmental standards and tackle issues such as fly tipping, illegal parking, dog fouling, littering and anti-social behaviour
- Ensure well maintained open spaces by working in partnership with our grounds maintenance contract and supporting community groups such as Street Pride, In Bloom, Green Dog Walkers and Friends Of groups
- Work with Town Councils and the community to provide local markets, market town events and Four Season events

Work with partners to keep people safe in their neighbourhoods by reducing crime and anti-social behaviour and promoting social cohesion

- Deliver projects through the Community Safety Partnership to reduce crime, hate crime and anti-social behaviour
- Support the Fenland Diverse Communities Forum to deliver the Fenland-wide Community Cohesion Action Plan and projects resourced by the Controlling Migration Fund (CMF)

Key projects for 2020/21

- Continue to deliver environmental enforcement using fixed penalty notices and the court process for serious offences
- Deliver the Four Seasons event programme in partnership with our four market towns
- Deliver the Recycling Action Plan
- Deliver a competitive trade waste service
- Monitor and respond to the DEFRA Waste and Resources Strategy consultation with RECAP partners
- Review the current arrangements for parking enforcement in Fenland
- Deliver the CCTV shared service with Peterborough City Council

Performance indicators for 2020/21

- Rapid or Village response requests actioned the same or next day
- % of inspected streets meeting our cleansing standards
- % of household waste recycled through the blue bin service
- Customer satisfaction with our Refuse and Recycling services
- Customer satisfaction with our Garden Waste service
- Number of Street Pride, Green Dog Walkers and Friends Of community environmental events supported
- % of those asked satisfied with events

Attract new businesses, jobs and opportunities whilst supporting our existing businesses in Fenland

- Work with partners, local businesses and the Combined Authority to attract inward investment and establish new business opportunities
- Provide responsive business support to encourage business growth, job diversity, skills development and increased grant applications
- Promote and develop our Business Premises at South Fens, The Boathouse and Light Industrial Estates to encourage investment, business and job creation and skills diversification

Promote and enable housing growth, economic growth and regeneration across Fenland

- Enable appropriate growth, development and infrastructure through the delivery of a proactive and effective Planning service
- Supported by our Commercial Investment Strategy, drive forward the development and delivery of new homes and commercial space by using our surplus property and land assets to deliver sustainable economic and residential growth
- Identify and bid for external funding that aligns with and supports our housing, economic and growth objectives

Promote and lobby for infrastructure improvements across Fenland

- Promote sustainable road, rail and concessionary transport initiatives to improve access to employment and local services
- Engage with the Combined Authority and Cambridgeshire County Council on the feasibility and delivery of major road and rail infrastructure projects across Fenland
- Work with the Combined Authority to influence how housing and infrastructure funding is used to stimulate housing development and economic growth in the district

Key projects for 2020/21

- Continue to review council land and property assets to ensure they are fit for purpose and optimised to deliver better public services, improve efficiency and release surplus land for residential and commercial development as outlined in our Commercial Investment Strategy
- Continue to lobby for improvements to our transport infrastructure, including the A47 economic corridor
- Support the delivery of interventions listed within the four market town 'Growing Fenland' socio-economic masterplans
- Continue to prepare a new Local Plan document, which will determine how the district will grow in the future
- Deliver railway projects with CPCA support through the Manea, March and Whittlesea Stations Project Boards
- Work with partners to deliver property improvements and the activity plan as part of the National Heritage Lottery funded Wisbech High Street Project
- Support local businesses to achieve regulatory compliance through a 'better business for all' approach

Performance indicators for 2020/21

- % of major planning applications determined in 13 weeks
- % of minor applications determined in 8 weeks
- % of other applications determined in 8 weeks
- % occupancy of Business Premises estates
- % of customers satisfied with our Business Premises estates
- % occupancy of our Wisbech Yacht Harbour
- Local businesses supported and treated fairly

Our 'Quality Organisation' priorities aim to support effective service delivery. They contribute to the strong foundations of the Council by making sure it runs smoothly day-to-day.

Governance, Financial Control and Risk Management

- Maintain robust and effective financial standards, robust internal controls and organisational management
- Comply with data protection and GDPR requirements

Transformation and Efficiency

- Sustainably deliver required savings, whilst pursuing transformation and commercialisation opportunities, to ensure the organisation is fit for the future
- Engage with the Combined Authority's Public Service Reform agenda

Performance Management

- Set relevant and robust performance targets to ensure the effective delivery of Business Plan priorities
- Report regularly on service performance to the Corporate Management Team, Councillors and the Public

Consultation and Engagement

- Appropriately consult with residents about our services and proposals as outlined in our Consultation Strategy

Excellent Customer Service

- Maintain our CSE accreditation to ensure we continue to deliver the most effective service to our communities
- Help residents to self-serve and access our services digitally to allow us to provide greater support for vulnerable customers and complex queries

Equalities

- Meet our Public Sector Equality duty by delivering the requirements of the 2010 Equality Act and 1998 Human Rights Act through our core service delivery and publication of a statutory Annual Equality Report

Asset Management and Commercialisation

- Ensure our asset base is sustainable, suitable and fully utilised to maximise income opportunities and financial efficiencies
- Deliver our adopted Capital Programme in line with our Corporate Asset Management Plan to maintain the integrity and safety of our assets
- Work jointly with public, private and third sector partners to improve access to our services, including from co-located facilities
- Begin implementation of our Commercial Investment Strategy in order to make informed decisions about the purchase and management of property assets

Workforce Development

- Equip our workforce with the right skills to effectively deliver our priorities
- Support and empower our staff to make effective decisions within a pleasant working environment

Enforcement

- Use a fair and proportionate approach to improve living, working and environmental standards as set out in our suite of Enforcement Policies

Health and Safety

- Maintain effective Health and Safety systems to comply with relevant legislation and local requirements
- Deliver all aspects of the Council's Health and Safety action plan to ensure the safety and wellbeing of our workforce, partners and the wider community

Key projects for 2020/21

- Launch our Commercial Investment Strategy
- Deliver the 'My Fenland' project to modernise customer service arrangements across the district
- Develop and launch a new website design to improve content, navigation and online transactions
- Identify and deliver projects that support us to become a 'Council For the Future' (CFF)


Performance indicators for 2020/21

- % of customer queries resolved at first point of contact
- Customers satisfied by our service
- Contact Centre calls answered within 20 seconds
- Contact Centre calls handled
- Council Tax collected
- Council Tax net collection fund receipts
- NNDR collected
- NNDR net collection fund receipts
- Number of visits to our website



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Agenda Item No:	10	
Committee:	Council	
Date:	20 February 2020	
Report Title:	General Fund Budget Estimates 2020/21 and Medium Term Financial Strategy (MTFS) 2020/21 to 2024/25; Capital Programme 2020 - 2023	

Cover sheet:

1 Purpose / Summary

To consider the Cabinet recommendations in relation to:

- the General Fund Budget Estimates 2020/21 and the Medium Term Financial Strategy 2020/21 to 2024/25;
- the Council Tax levels for 2020/21;
- the Capital Programme 2020-2023;
- the Treasury Management Strategy Statement, Capital Strategy and Annual Treasury Investment Strategy for 2020/21.

2 Key issues

- The Final Local Government Finance Settlement was announced on 6 February 2020 and there are no changes to the provisional settlement figures. Business Rates Baseline Funding (Settlement Funding Assessment) has increased by 1.63% (based on CPI as at September 2019).
- In accordance with the motion adopted by Council in July 2019, a 0% Council Tax increase has been included in the MTFS for 2020/21 and over the medium term.
- Council Tax Referendum limits for 2020/21 have been set at an increase of 2% or £5 whichever is the higher.
- Projections for 2019/20 are currently forecasting an under-spend of £94k at the end of the financial year. This excludes the budgeted contribution of £151k from the General Fund Balance.
- Current forecasts for 2020/21 show a balanced budget based on the assumptions detailed in Appendix C. The following years show an increasing shortfall, reaching £1.105m in 2024/25.
- The forecasts for 2020/21 and over the MTFS include a number of additional resource opportunities (as detailed in paragraph 8.9 of the report). These ensure the Council is able to deliver a balanced budget for 2020/21 without the need for any contribution from the General Fund Balance.
- An updated Capital Programme for 2019/20 and for the medium term 2020-23 is proposed. This includes the previously agreed £25m for the Commercial and Investment Strategy.
- Given the scale of the challenges and uncertainties faced by the Council, the financial forecasts represent a significant achievement, demonstrating the focus

from Members and Officers throughout the Council in delivering the required savings.

- The Council continues to focus on delivering quality services and to minimise the impact on front-line services.

3 Recommendations

- **It is recommended by Cabinet that:**

- (i) the General Fund revenue budget for 2020/21 as set out in Section 8 and Appendix A be approved;
- (ii) the Medium Term Financial Strategy as outlined in this report and Appendix B be adopted;
- (iii) the Capital Programme and funding statement as set out in Appendix D be approved;
- (iv) the adoption of the Additional Business Rates Relief measures detailed in paragraphs 5.8 – 5.9 be approved;
- (v) the expenses detailed in Section 11 be approved to be treated as general expenses for 2020/21;
- (vi) the Port Health levy for 2020/21 be set as shown in Section 12;
- (vii) the Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision, Treasury Investment Strategy, Prudential and Treasury Indicators for 2020/21 as set out in Section 14 and Appendix E be approved;
- (viii) the Band D Council Tax level for Fenland District Council Services for 2020/21 be set at £260.46, no increase on the current year.

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder, Finance
Report Originator(s)	Peter Catchpole, Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
Background Paper(s)	Final Finance settlement – Ministry for Housing, Communities and Local Government (MHCLG). Spending Round 2019 (HM Treasury) Medium Term Financial Strategy working papers. Government announcements since February 2019.

This report contains the following Appendices:

Appendices

- A. (i) General Fund Revenue Estimates - Summary
(ii) General Fund Revenue Estimates – Individual Services
- B. Medium Term Financial Strategy (MTFS)
- C. Assumptions built into Budget and Medium Term Strategy
- D. Capital Programme
- E. Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Strategy, Annual Treasury Investment Strategy and Prudential Indicators
- E. Annex A Capital Strategy
- F. Parish Precepts
- G. Earmarked Reserves

Report:

1 INTRODUCTION

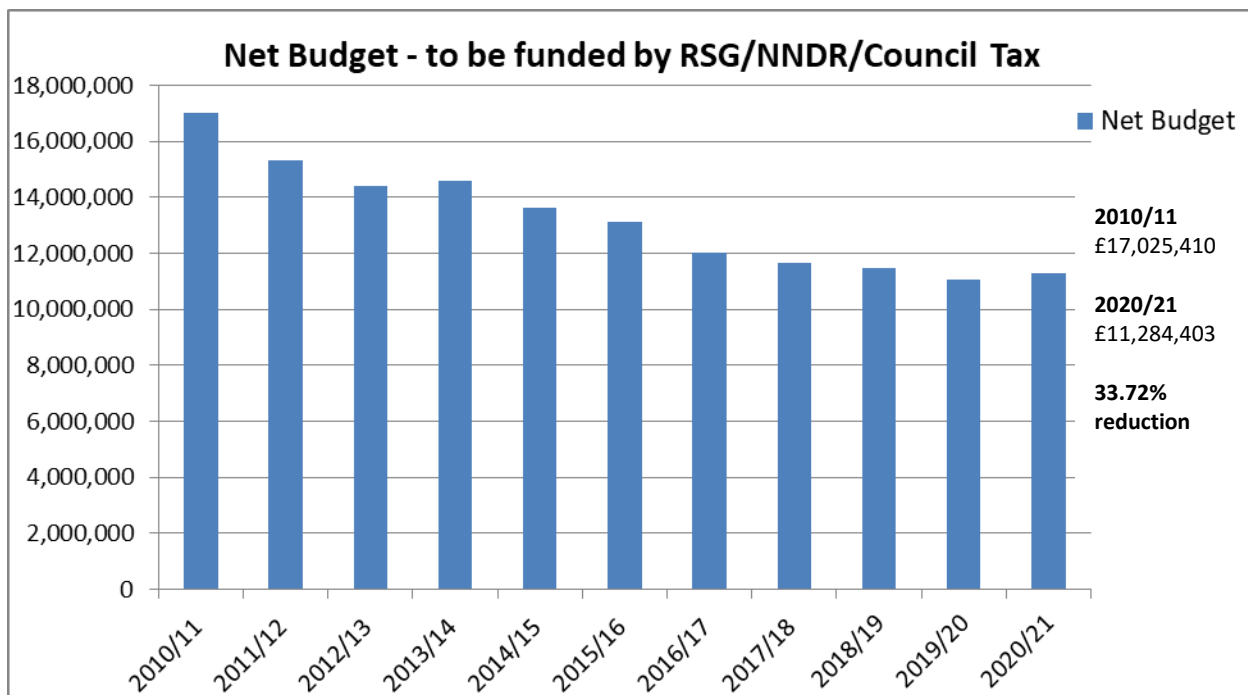
1.1 This report sets out the financial implications of the council's priorities described in the draft Business Plan 2020/21. The Revenue budget estimates and the Capital Programme are final at this stage for approval. The draft Business Plan 2020/21 and draft Budget Estimates 2020/21 considered by Cabinet on 9th January 2020 together were subject to a public and stakeholder consultation from 9th January to 3rd February 2020, prior to final budget and council tax setting for 2020/21 on 20th February 2020. The results from the consultation are published on the Council's website:

https://www.fenland.gov.uk/media/15331/Draft-Business-Plan-and-Budget-Consultation-Feedback-2020/pdf/Draft_Business_Plan_and_Budget_Consultation_Feedback_2020.pdf

The Overview and Scrutiny Panel considered the Draft Budget 2020/21 and MTFs on 13 January 2020 and made its comments to the Cabinet. Members asked questions, made comments and received responses from Officers and Portfolio Holders. The Chairman thanked officers for their contribution and said that members were satisfied with the advice and information received.

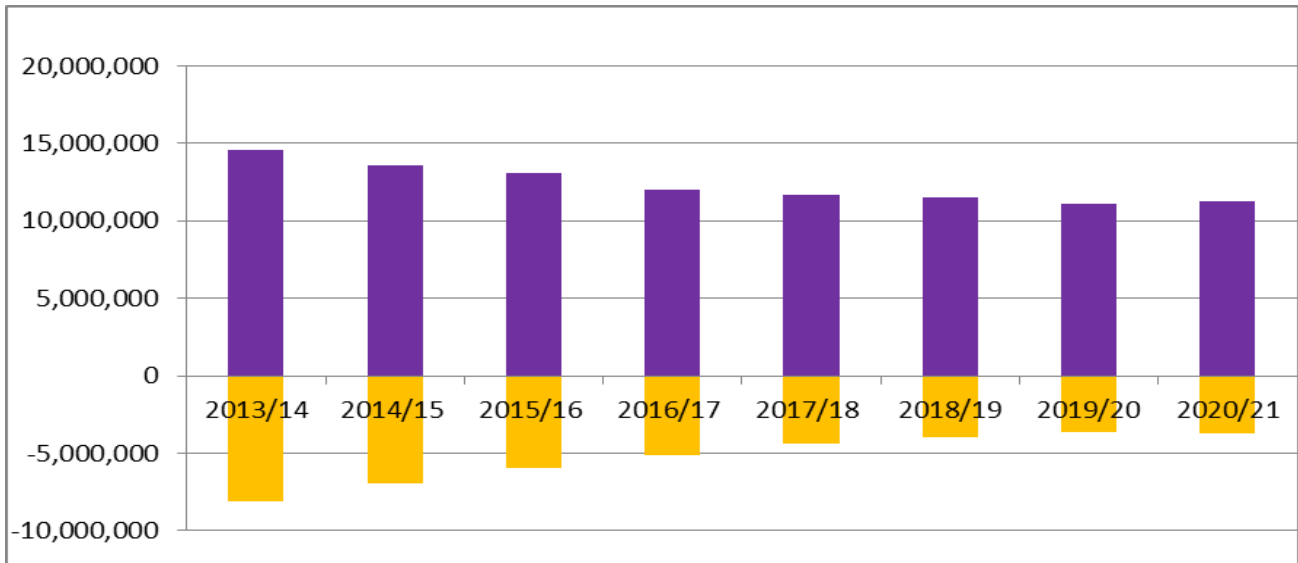
1.2 Much of the financial information is necessarily based on a number of assumptions which are wholly or partly influenced by external factors. However, where final and known actual costs and revenue is known then they are included for example the Final Local Government Finance Settlement for 2020/21 was announced on 6 February 2020. Equally, some additional costs and income discussed later in this report became known since the Draft Budget Estimates were prepared; for example actual allocations of New Homes Bonus and other specific government grant announcements.

1.3 Local Government has been at the forefront of the austerity measures introduced by the government to reduce the national deficit following the General Election in 2010. This Council has had to reduce its Net Budget significantly since 2010 and by the end of 2020/21 it will have reduced by 33.72%. This is exemplified in the graph below:

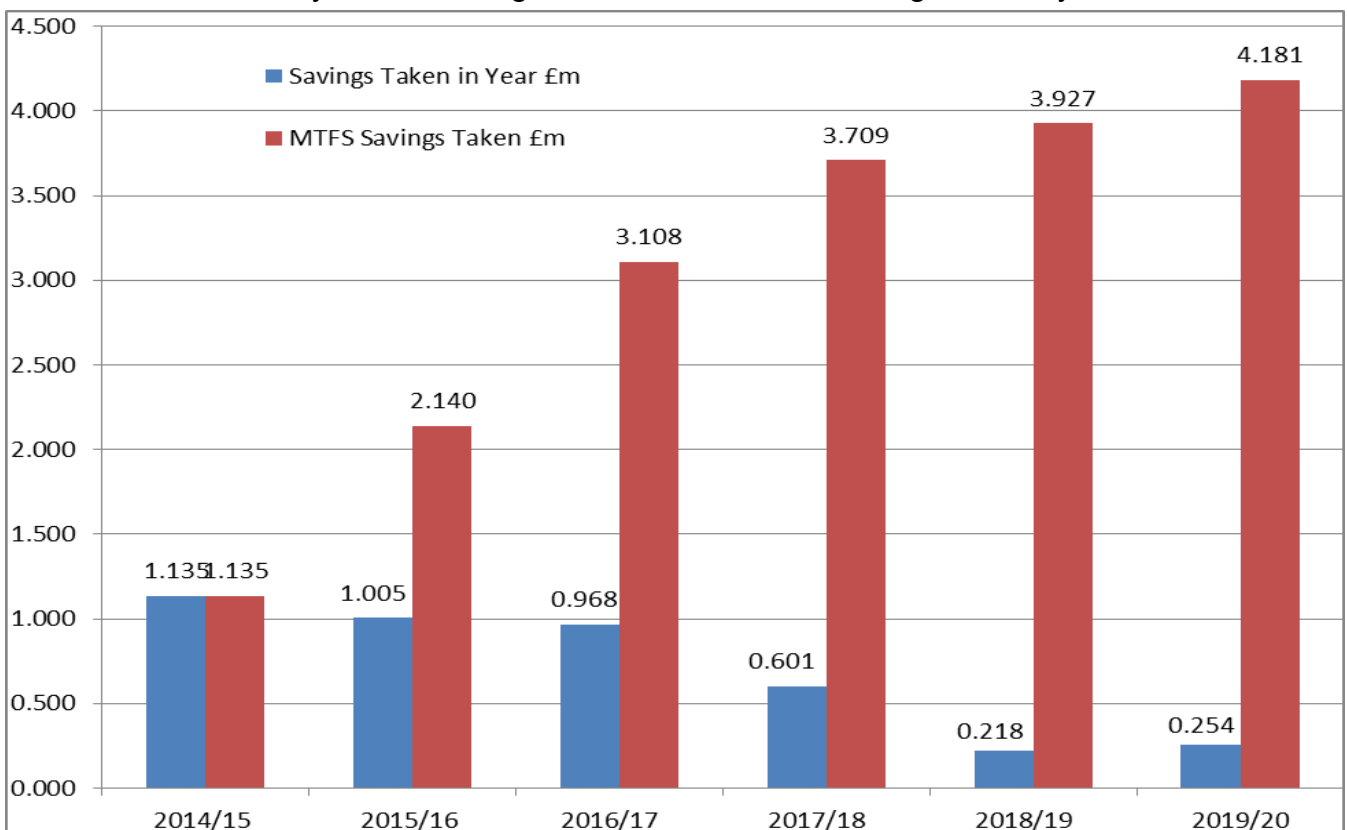


1.4 Since 2013/14 government support has reduced by around 54% and the Council's net budget by around 23% as illustrated in the following tables. In addition, Council Tax referendum principles have restricted increases in Council Tax.

	2013/14	2020/21	Reduction	%
Government Grant/Business Rates Baseline	£8,094,919	£3,701,878	£4,393,041	54.27
Net Budget	£14,604,750	£11,284,403	£3,320,347	22.73



1.5 The following graph illustrates how successful the Council has been in delivering savings over the last 6 years, enabling it to achieve balanced budgets each year.



During these years, Members have been very clear, that where possible, front line services should be protected. The Council's strategy of identifying savings at least 12 months in advance of the financial year has led to the successful delivery of the required savings targets and means the Council are in a good position to meet the challenges of 2020/21 and beyond. These savings have been achieved through a number of ways, such as Management and Service reviews, shared services, procurement and income generation.

2 2019 SPENDING ROUND AND LOCAL GOVERNMENT FINANCE SETTLEMENT TECHNICAL CONSULTATION

2.1 On 4 September 2019, the Government outlined its spending plans for 2020/21 by setting budgets for each central government department. Following this, on 3 October 2019, the Government set out its proposals for the 2020/21 Local Government Finance Settlement in a technical consultation.

2.2 The relevant points for this Council from both of these announcements are as follows:

- Local Government's business rate baseline funding levels will increase in line with inflation (determined by the CPI rate as at September 2019, ie. 1.7%);
- A proposed Council Tax referendum limit of 2% (together with an additional 2% increase for Adult Social Care);
- Continuation of homelessness and rough sleeping funding at 2019/20 levels as a minimum;
- The Fair Funding Review and introduction of 75% business rate retention will now be implemented in April 2021;
- Continuation of the New Homes Bonus for 2020/21 with potential changes to the scheme design, legacy payments and allocations in future years.

2.3 Details of how this will be converted into specific funding allocations for individual local authorities were announced as part of the final local government finance settlement on 6 February 2020.

2.4 It is anticipated that a 3 year Spending Review will be undertaken by the government in Autumn 2020 covering the period 2021/22 – 2023/24.

3 LOCAL GOVERNMENT FINANCE SETTLEMENT

3.1 The Final Finance Settlement for 2020/21 was announced on 6 February 2020. The government confirmed the settlement for the Council as was set out provisionally on 20 December 2019.

3.2 The Council's Settlement Funding Assessment for 2020/21 is made up entirely of its Business Rates Baseline Funding (Revenue Support Grant was phased out in 2019/20) and is detailed below.

Table 1 – Final Settlement Funding Assessment (Core Funding)

	Actual 2019/20 £000	Actual 2020/21 £000	2020/21 % Increase
Settlement Funding Assessment (Business Rates Baseline Funding only)	3,643	3,702	1.63%

3.3 The settlement only provides detail of figures for 2020/21 with future funding announcements dependent on the outcome of the 3 year spending review to be undertaken in Autumn 2020. The Medium Term forecasts detailed in Appendix B have assumed a continuation of the current policy of increasing business rates baselines by

inflation (CPI as at September each year) and increases of 2% per annum has been allowed for in 2021/22 onwards.

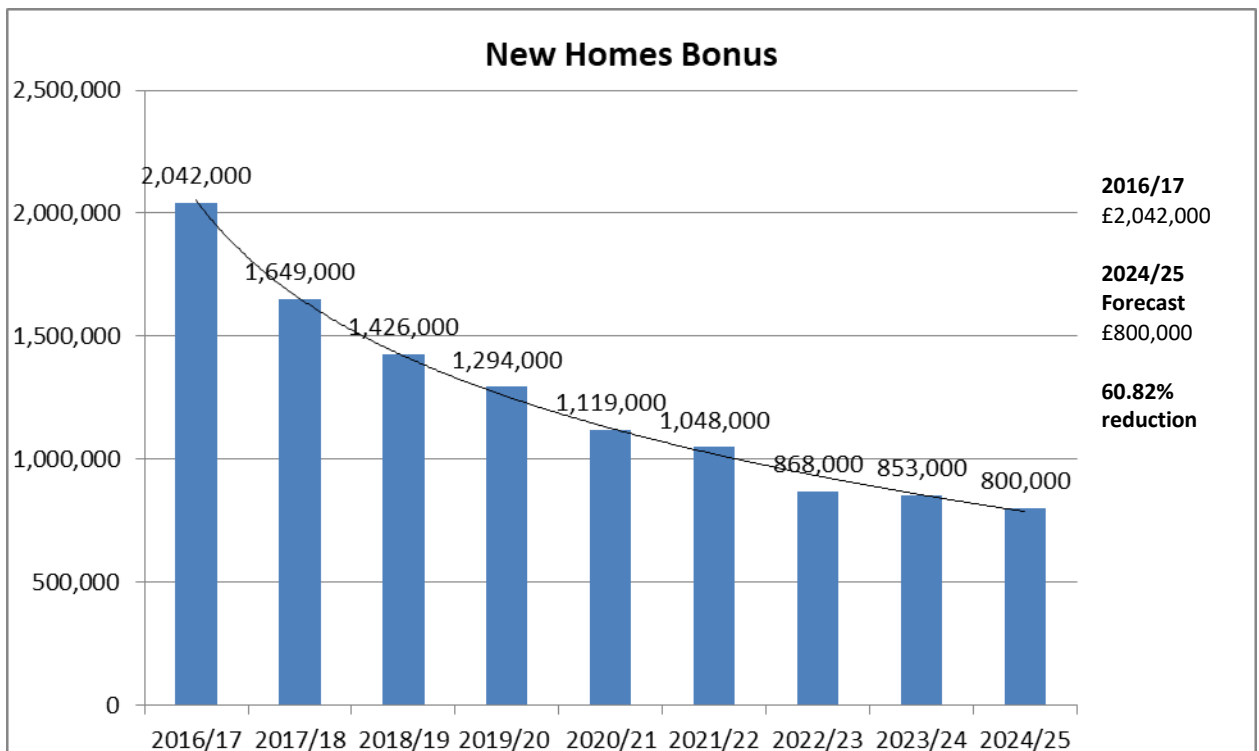
Fair Funding Review

- 3.4 The Government has now confirmed that it is looking to implement the Fair Funding Review in April 2021 rather than the previously announced date of April 2020. Working groups continue to develop proposals for the Fair Funding Review and MHCLG have issued consultation papers on various aspects of the review.
- 3.5 To date, the consultations explore what factors should be taken into account in determining the needs and resources of local authorities. This is particularly important as these elements have a major impact on what the government determines individual authorities 'spending assessment' will be. This will, in turn determine how much of future business rates income this Council will retain through its' Baseline Funding Level (see Section 5 below). It is therefore, intrinsically linked to the reform of the business rates retention system.
- 3.6 One aspect of local authorities' resources specifically referenced in the consultation documents is that the government will include car park charging income to determine the national resource total. This could have consequences for the Council's 'spending assessment' calculation as the Council has determined it will not charge for car parking in the medium term. Consequently, this could lead to a lower Baseline Funding Level than currently forecast.
- 3.7 The consultation documents imply that the government in assessing relative needs, favours a simpler distribution formula with fewer indicators based largely around population projections with deprivation removed from the formula. This could have a detrimental effect on this Council's funding. However, the options around relative resources (the ability of each authority to generate council tax income) could result in a transfer of funding from high-taxbase (lower-need) authorities to low-taxbase (higher-need) authorities, which could benefit this Council. At the current time, there is no reasonable assessment that can be made of the potential impact on this Council of the Fair Funding Review.
- 3.8 The outcome of this review and the reform of the Business Rates Retention System (75% also from April 2021) will have a potentially significant impact on the future allocation of resource and represents major risks to the Council's medium term forecasts. It is considered that future funding of local government will be based mainly on the Business Rates Retention system including the new formula based Fair Funding distribution system, Council Tax and locally raised fees and charges. Thus, locally raised revenue will be the prominent element in the amount of resources a local authority will have each year to support its revenue funding compared to what it receives from the government in the form of redistributed Business Rates. Furthermore, this Council does not have adult social care and children's services responsibilities which are the areas where the greatest budget and spending pressures are being experienced by those authorities that have those responsibilities and which are unlikely to be fully funded in the near to medium term.

4 NEW HOMES BONUS

- 4.1 In 2017/18, reforms to the allocation methodology of the New Homes Bonus (NHB) were made which significantly reduced the total amount available for distribution which consequently reduced this Council's allocation.
- 4.2 The key focus of the reforms was to reduce the payments from 6 years to 5 years in 2017/18 and to 4 years from 2018/19. In addition, from 2017/18, a national baseline for housing growth of 0.4% was introduced, below which New Homes Bonus is not paid, reflecting a percentage of housing that would have been built anyway.

4.3 Actual NHB received in 2019/20 is £1.294m and will be £1.119m in 2020/21. Based on the actual NHB from additional homes delivered during the past year (from October 2018 – October 2019) and the current allocation methodology, the forecast NHB reduces to around £800k by 2024/25. The graph below shows how the amount received from NHB has significantly changed over the past four years together with forecasts over the medium term.



- 4.4 Although the NHB is being paid in full for 2020/21, with no changes to the allocation methodology, the future of the NHB in 2021/22 onwards is much more uncertain. The government has stated that they will not pay legacy payments in future years on the 2020/21 allocations. The written Ministerial Statement says ‘It is not clear that the NHB in its current form is focussed on incentivising homes where they are needed most. I am therefore announcing that the government will consult on the future of the housing incentive in the spring. This will include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance.’
- 4.5 Although it is hard to argue against reform of the NHB, the impact on this Council’s funding could be significant. We have included £1m of NHB funding in the MTFS for 2021/22 reducing year on year to £800k in 2024/25. These will be replaced by allocations we receive from whatever the new Housing Incentive system will look like following the consultation exercise. For example, under the current system, a 0.1% increase in the growth threshold would result in the loss of around £50,000 per annum in NHB, leading to a reduction in NHB of around £200,000 compared to the current MTFS forecasts.
- 4.6 In addition, the national total to be allocated by way of NHB (currently £900m) will be determined by the outcome of the government’s 3 year spending review during Autumn 2020. **This is a significant risk to the MTFS.**

5 BUSINESS RATES

- 5.1 Members will be aware that the Business Rates Retention system was introduced in April 2013. Under this system, authorities would benefit if their actual Business Rates income collected in a year was higher than the baseline funding determined by government.
- 5.2 There has been real business rates growth in Fenland over the last five years, however how this impacts on the resources available to this Council is complex, due to the rules and the operation of the current 50% Business Rates Retention system.

Business Rates Pooling Arrangement – 2020/21

- 5.3 The Council has joined with the County Council, Peterborough City Council, Fire Authority, East Cambridgeshire and South Cambridgeshire and applied to the government to become part of a pooling arrangement for business rates for 2020/21. Unlike the Business Rates Pilot schemes, this is not a bidding process against other pools but is part of the existing system whereby authorities can choose to apply to become a pool with the agreement of the constituent authorities.
- 5.4 MHCLG confirmed on 18 December 2019 that the Cambridgeshire Business Rates Pool had been approved. The designation has effect for the year beginning 1 April 2020 and every year after that, unless the Government exercises the power to revoke the pool (either by request from the pool or as a result of a change in government policy). Whether or not the pool will remain financially beneficial to its constituent authorities following the implementation of the proposed 75% retention system from April 2021 will be reassessed by the pool partners when this information becomes available (expected around Summer/Autumn 2020). Consequently, for the purposes of the MTFs the benefits of this pooling arrangement will initially only be recognised in 2020/21.
- 5.5 The benefit of being in a pool is that authorities will not be liable to levy payments on their business rates growth, which is then shared amongst the pooled authorities by a mutually agreed method. This will be based on where the growth has originated from with an appropriate share allocated to the County Council and Fire Authority.
- 5.6 Depending on actual business rates received in 2020/21, the net effect of the pooling arrangement could be considerable for the authorities in the pool. This Council for example could receive up to £370k additional income according to the sharing methodology agreed between the pooled authorities. This benefit will initially be recognised for one year only in 2020/21 and is included in the estimates at Appendix A.
- 5.7 The actual benefit of the pooling arrangement will only be determined when actual figures are available at the end of 2020/21. Consequently, the actual benefit could be higher or lower than estimated.

Additional Business Rates Relief Measures 2020/21

- 5.8 The Government have announced, in a written ministerial statement, additional business rates measures that will apply from 1 April 2020. These measures will increase the current retail discount and extend that discount to cinemas and music venues; extend the duration of the local newspapers office space discount and introduce an additional discount for public houses as follows:-
- Currently retail premises receive a discount of one-third. In 2020/21 this will be increased to 50 percent for eligible retail premises that occupy a property with a Rateable Value less than £51,000. Eligible retail premises have been extended to include cinemas and music venues
 - Offices occupied by Local Newspapers will receive a discount of £1,500 for 5 years from 1 April 2020 until 31 March 2025

- Public Houses with a rateable value less than £100,000 will receive a £1,000 discount in 2020/21. This will be in addition to the retail discount detailed above and will apply after the retail discount.

5.9 The Government have issued guidelines on the operation of these reliefs and State Aid rules will apply in the usual way. Local Authorities are expected to use their discretionary relief powers (section 47 of the Local Government Act 1988, as amended) to grant these reliefs in line with the relevant eligibility criteria set out in the guidelines. However, the full cost of granting this relief will be compensated through a section 31 grant from Government.

5.10 In order for these reliefs to be awarded with effect from 1st April 2020, Council is recommended to approve the reliefs as set out in paragraph 5.8 above.

75% Business Rates Retention – 2021/22 onwards

- 5.11 It is expected that the 75% Business Rates Retention Scheme will now be implemented nationally from April 2021. Further consultations on how the new scheme will operate are expected from MHCLG shortly.
- 5.12 As the content and character of any new system and its effect on Fenland District Council are unknown at this stage, no adjustments have been made to the business rates funding within the MTFs and it has been assumed that from 2021/22, retained business rates will increase by CPI at around 2% per annum. Nationally, the implementation of this scheme is meant to be fiscally neutral overall, however any redistribution will create losers and winners and the extent of that is an unquantifiable risk for the Council currently.
- 5.13 Although the forecasts in the MTFs has assumed a 'neutral' funding position regarding retained business rates, the consultation papers to date identifies a range of options which would mean this Council will almost certainly 'lose' some of the business rates growth it's seen since the current system started in April 2013.
- 5.14 In the estimate for 2020/21 and the medium term forecasts from 2021/22, around £1m of business rates above the Council's Baseline Funding Level is being retained. From 2021/22 onwards, the Baseline Funding Level of all Councils will be reset with all 'growth' income being taken into account nationally and redistributed in the new system. This means initially the additional £1m business rates income would be removed and redistributed. What remains unclear, is how much of this £1m will be returned to the Council as part of its recalculated Baseline Funding Level.
- 5.15 In theory therefore, the Council could lose all of this additional £1m in the absolute worst case scenario. However, this is unlikely and would create significant volatility within future funding allocations nationally, which the government does not wish to see. There will also undoubtedly be some kind of transitional arrangements which would also limit the extent of any gains and losses in funding arising from the new system. The national total to be distributed to local authorities will also be dependent on the next government spending review.
- 5.16 Although it is extremely difficult to exemplify the impact of this redistribution, in broad terms, if the Council were to lose 50% of its growth income then this would add a further £500k per annum from 2021/22 to the current forecast MTFs shortfalls. A 20% loss of growth income would add a further £200k per annum to the current shortfalls.
- 5.17 **At the time of writing, the Fair Funding Review, the introduction of 75% Business Rates Retention and the reforms to the New Homes Bonus are all major risk areas for this Council over the medium term.**

6 FENLAND COMPREHENSIVE SPENDING REVIEW

6.1 The estimated total net savings generated from the FDC-CSR proposals agreed previously at £1.667m will now amount to £1.8m by the end of 2020/21 with £1.65m achieved by the end of 2019/20. During this year several proposals have been implemented together with the full-year benefit of proposals implemented in 2018/19. These include the following:

- Relocation of March and Wisbech Shops
- CCTV – alternative service delivery with Peterborough City Council

together with the full-year benefit in 2019/20 of the following:

- Staffing Review of Customer Services, Human Resources, Accountancy and Vehicle Workshop
- Leisure Centre management options (contract commenced 4 December 2018)
- Leisure and Open Spaces Management Review
- Community House closure

6.2 The savings generated from these and other CSR proposals are included within the Medium Term Financial Strategy detailed at Appendix B and have significantly contributed to the required savings target over the medium term.

7 FORECAST OUTTURN 2019/20

7.1 As part of the budget setting process for 2019/20, approved by Council on 21 February 2019, which included a freeze to the level of Council Tax, £0.103m of savings (from CSR1 proposals not yet implemented) together with a contribution of £0.151m from the General Fund Balance were required to ensure a balanced budget.

7.2 It is pleasing to report that the required savings from CSR proposals have been achieved for 2019/20 and it is forecast that the budgeted contribution from the General Fund Balance will not be required.

7.3 Organisational efficiency changes (e.g. Corporate Management Team, Assets and Projects), the relocation of March and Wisbech shops, the implementation of a shared CCTV service delivery with Peterborough City Council together with the full-year benefit of previous projects such as the Leisure Centres management contract in December 2018, have enabled the savings target to be met for this year with significant contributions towards the savings target for 2020/21.

7.4 This is a considerable achievement and demonstrates the focus from Cabinet and Officers in delivering a balanced budget. The savings identified to date have not significantly affected front-line services as the Council is determined to maintain the quality of these services during these difficult and challenging times.

7.5 The latest revised estimates for 2019/20 are set out at Appendix A and show the likelihood of an under-spend in the region of £94k by the end of this financial year. This excludes the use of the approved £151k contribution from the General Fund Balance, which effectively means an under-spend of £245k has been achieved against the original budget.

7.6 The deletion of a Corporate Director Post and other changes in the Assets and Projects team has resulted in significant employee cost savings (-£174k). As a result of the Insurance re-tendering exercise, significant annual savings in premiums have been achieved (-£189k). In addition, savings have been made in the budgeted costs of the District elections due to the number of uncontested seats (-£48k); lower Drainage Board levies (-£16k); higher forecast income from Investments and VAT sharing arrangement (-£100k); a reduction in capital financing charges as a result of the re-profiled capital programme (-£79k) and higher income from Cemeteries (-£32k). These have been off-set

by a significant increase in Repairs and Maintenance (£227k); reductions in income from Marine Services (£145k) and Economic Estates (£33k) and other service variations(-£12k).

- 7.7 In addition, following a reassessment of the appeals provision for Business Rates for 2019/20 and a reduction in income following valuation reassessments, the total retained business rates income for 2019/20 is forecast to be around £144K higher than originally estimated. However, to smooth out the timing impact of these reassessments on the Council's budget (a change in this year will impact in next year), £144k has been set-aside in reserves in 2019/20 with the same amount being utilised from reserves in 2020/21. This will mitigate the impact on the Council's bottom line over these two years.
- 7.8 At the present time, Corporate Management Team, Senior Managers and the Accountancy Team are managing and monitoring the position carefully and will continue to review spending levels to ensure where possible, this position is maintained at the year end.

8 DRAFT BUDGET ESTIMATES 2020/21 AND MTFS

- 8.1 The Council's MTFS ensures that the commitments made in the Business Plan are funded not only in the year for which formal approval of the budget is required (2020/21) but for forecast years as well, within a reasonable level of tolerance.
- 8.2 The Council's medium term forecasts are shown at Appendix B and summarised in Table 2 below. The table includes a 0% Council Tax increase in 2020/21 and the medium term.

Table 2 - MTFS - 0% increase in 2020/21 onwards

	Estimate 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25
	£000	£000	£000	£000	£000
Expenditure					
Net Service Expenditure	12,415	12,677	13,036	13,316	13,709
Corporate Items	504	496	754	931	1,004
Renewable Energy Rates Retained	-338	-369	-376	-384	-391
Retained Business Rates (Growth)	-926	-930	-954	-978	-1,004
Business Rates Pool Benefit	-370	0	0	0	0
Net Budget Requirement	11,285	11,874	12,460	12,885	13,318
Funding					
Business Rates Baseline	-3,702	-3,776	-3,851	-3,928	-4,007
Business Rates Collection Fund Deficit	311	0	0	0	0
Council Tax Collection Fund Surplus	-128	-50	-50	-50	-50
Council Tax (<i>increases of 0% in 20/21 onwards</i>)	-7,766	-7,863	-7,961	-8,059	-8,156
Total Funding	-11,285	-11,689	-11,862	-12,037	-12,213
Surplus(-)/Shortfall(+)	0	+185	+598	+848	+1,105

- 8.3 Government grant figures for 2020/21 were announced as part of the final finance settlement. This Council will only be receiving retained business rates from the finance settlement. The projections for 2021/22 onwards are based on the best estimates and information available and are consistent with the announcements on business rates in the Spending Round 2019. However, subject to further clarity on the detailed implementation of the announcements, there remains a degree of uncertainty in these projections.
- 8.4 The net budget requirement for 2020/21 is currently estimated at **£11.285m** after all identified savings and contingencies are included. This includes the assumptions detailed at Appendix C. With the provisional funding assumptions and a 0% increase in Council Tax a balanced budget is presented for 2020/21.

- 8.5 The forecasts include all proposed savings from the FDC-CSR process over the next two years together with assumptions regarding additional receipts from Council Tax and Business Rates. In addition, the forecast impact of the 'MTFS Opportunities' detailed below have been included in the budget for 2020/21 and over the MTFS.
- 8.6 At an earlier agenda item, proposals for additional funding towards Parish Street Lighting are being presented. The financial impact of these proposals have been included within the budget for 2020/21 detailed at Appendix A and the MTFS detailed at Appendix B.
- 8.7 Taking into account the proposals in the Table 2 above, the estimated net budget requirement in 2020/21 is detailed in Appendix A. The level of forecast resources available to the Council and the estimated levels of expenditure over the medium term are set out in detail in Appendix B. These show a funding gap of £1.105m by the end of 2024/25.
- 8.8 The forecasts for the years 2021/22 – 2024/25 are provisional at this stage and should be considered with extreme caution. Future announcements and consultation outcomes will also determine government policy and therefore the funding in the future years. In addition, the forecasts are dependent on permanently maintaining the savings identified through the FDC-CSR proposals and the MTFS 'Opportunities' detailed below.

MTFS 'Opportunities'

- 8.9 There are a number of additional resource opportunities including potential one-off benefits and also medium term annual benefits, which it is forecast will not only contribute to a balanced budget in 2020/21 (as detailed above and Appendix A) but also make a significant contribution to the shortfalls over the medium term. These are detailed below:
- As detailed in paragraphs 5.3 – 5.7 above, there is a potential benefit of being part of a Business Rates Pooling arrangement in 2020/21 with other Cambridgeshire Districts, County Council and Peterborough City Council. This is expected to realise around £370k of additional income in 2020/21;
 - In April 2020, this Council is due to receive its' share of the distribution of Cambridgeshire Horizons funds back to constituent authorities. This is a one-off benefit and could amount to between £2.5m - £3.7m subject to finalising all the Horizon's statutory liabilities. For the purposes of the budget proposals for 2020/21, it has been assumed that a sum of £2.5m will be received and until proposals for its use have been finalised, this amount has been transferred to the Budget Equalisation Reserve. In the meantime, this money will be earning investment income;
 - Officers are currently evaluating the impact of investing 'surplus cash' in Property Funds with potential for additional annual investment income from 2020/21 onwards, commensurate with the Council's risk appetite. Based on an initial investment of £5m, current projections are that around £250k of additional investment income could be generated per annum from 2021/22 with an additional £100k, net of costs being realised in 2020/21;
 - Development of the Commercial and Investment Strategy has the potential to generate significant returns over the MTFS. It is difficult to forecast the extent of such returns as much will depend on the type and timing of investment opportunities;
 - Members will be aware that the Council is developing the Council for the Future (CFF) transformation plans which could see further savings/additional income being generated over the MTFS. Included within the MTFS are the potential benefits of the 'My Fenland' transformation project which is expected to generate savings of around £157k in 2020/21 and £412k per annum from 2021/22.

Significant Risks to MTFS

- 8.10 As detailed earlier in this report, Business Rates Retention Reform, Fair Funding Review and changes to the New Homes Bonus could have a significant impact on the Council's forecast resources over term of the MTFS. Further to the risks associated with these externally determined funding streams the Council should also ensure that income budgets are achieved and new income streams considered and implemented for medium to long term sustainability in combination with any operational and transformational benefits that the Council realises. The use of general reserves to support revenue expenditure adds to the overall risks to the Council as such reserves can only be used once but the cumulative impact of such use will continue to be felt into the future.

Other Risks

Capital Programme – Future Funding

- 8.11 The Council is increasingly relying on borrowing (Internal and Prudential) to fund its future programme as the amount of capital receipts and the level of reserves available to fund the capital programme are reducing considerably over the next two years. Consequently, any new capital schemes (which do not generate a return to repay borrowing costs) will have to be funded through borrowing which will result in revenue costs and therefore will impact on the MTFS and future shortfalls.
- 8.12 For example, a £1m scheme with a 20 year life, funded by prudential borrowing, would result in around an additional £80,000 per annum in interest (3%) and repayment costs.

Potential Impact of Major Risks

- 8.13 To exemplify the effect on the MTFS of potential additional costs arising from the above risks, Table 3 below details a scenario whereby the Council loses 50% of its business rates growth income following the reforms in 2021/22.

Table 3: MTFS Potential Impact of Major Risks – for illustrative purposes only

	Estimate	Forecast	Forecast	Forecast	Forecast
	2020/21	2021/22	2022/23	2022/23	2024/25
	£000	£000	£000	£000	£000
MTFS Shortfall - Appendix B	0	185	598	848	1,105
<i>(0% CT increase in 2020/21 onwards)</i>					
50% loss of NNDR growth income		500	500	500	500
Increasing NHB threshold by 0.1%		50	100	150	200
Revised Shortfall	0	735	1,198	1,498	1,805

- 8.14 As stated earlier, it is important to note that the figures detailed in the above table are purely illustrative as no decisions have yet been made regarding changes to these funding streams and the potential impact on this Council.

9 PARISH PRECEPTS

- 9.1 The levels of parish precepts set throughout Fenland are provided for information at Appendix F. These will be reported to Council as part of the Council Tax setting process.

10 FEES AND CHARGES

- 10.1 The Overview and Scrutiny Panel reviewed fees and charges for 2020/21 at its meeting on 13 January 2020 and these were subsequently considered by Cabinet on 16 January 2020. All of the recommendations from these meetings have been included in the financial forecasts.

11 SPECIAL AND GENERAL EXPENSES

- 11.1 For the purposes of Section 35 of the Local Government Finance Act 1992, the Council needs to pass appropriate resolutions for each financial year to determine how expenses which could legally be regarded as special should be treated.
- 11.2 If expenses are treated as special expenses, then they must be charged against the parts of the Council's area to which they relate.
- 11.3 Parish precepts are special expenses and cannot be treated as general expenses.
- 11.4 Drainage Board and Port Health levies which affect only part of the Council's area are treated as general expenses unless the Council resolves otherwise. These are currently treated as general expenses and it is recommended that this position continues for 2020/21.
- 11.5 Expenses incurred by the Council in performing, in part of its area, a function performed elsewhere by a parish council are special expenses unless the Council determines otherwise. Currently, these are treated as general expenses. To maintain this position, it is recommended that the Council determines that such expenses should not be treated as special expenses for the financial year 2020/21.

12 PORT HEALTH

- 12.1 The Port Health levy for 2020/21, based on expected expenditure, is recommended as shown in Table 4 below for Council to approve.

Table 4: Port Health Levy 2020/21

Description	£
a) Port Health anticipated expenditure	15,304
b) Port Levy	
Fenland District Council	13,544
South Holland District Council	1,071
King's Lynn and West Norfolk Borough Council	689
Total	15,304

13 FENLAND DISTRICT COUNCIL - COUNCIL TAX 2020/21

- 13.1 As part of the 2020/21 Final Local Government Finance Settlement announcement, the government is again proposing that local authorities will be required to seek the approval of their local electorate in a referendum if they set council tax increases in 2020/21 that exceed the government set limit. This limit has been set at 2% or greater than £5, whichever is higher for 2020/21 for District Councils
- 13.2 Council at its meeting on 18 July 2019, agreed to re-position the MTFS to show 0% Council Tax increases through to 2023/24. This report extends the MTFS period and 0% increases to 2024/25. The motion agreed by Council emphasised that 0% increases in Council Tax throughout the MTFS period is an ambition and it was recognised that the Council continues to face significant financial challenges and uncertainties that may not allow this ambition to be met.
- 13.3 The motion also stated that Members of the Council need to act responsibly each year when setting the precept to balance the ambition of achieving a 0% Council Tax rise with the legal need to balance the budget. It was agreed that raising Council Tax in any of the next four years will be a last resort in order to minimise the financial effects of Council Tax on all of Fenland's households.

- 13.4 For information, an additional 1% increase in Council Tax in 2020/21 would generate in the region of £78,000 of revenue per annum to the Council. Even with this additional revenue included, the estimates for future years show a significant and increasing shortfall (see Table 2 in paragraph 8.2 above and Appendix B).
- 13.5 After the estimates of expenditure and income have been prepared, and the Final Settlement has been received, the next step is to set the council tax for 2020/21 for Fenland District Council. This is the final piece of the “jigsaw” that identifies the balance of the total resources required to fund the Council’s services.
- 13.6 In line with the motion agreed by Council on 19 July 2019, assumed Council Tax increases of 0% have been included for 2020/21 and over the period of the MTFS.
- 13.7 It is expected that this level of Council Tax together with the potential benefits from the ‘opportunities’ detailed at 8.8 above, would provide the resources required to fund the current level of service provision in 2020/21. However, over the period of the MTFS, the Council will need to continually consider its strategy to meet the estimated shortfalls shown at Table 2 and in Appendix B.
- 13.8 The implications of not increasing Council Tax over the MTFS is that the Council would be reducing its financial base permanently as it would not be able to recover potential revenue foregone due to the cumulative year on year impact. The consequences of continually setting zero Council Tax levels and not achieving the necessary savings/additional income have been clearly demonstrated by the events at Northamptonshire County Council. The ability to achieve significant year on year savings (without increasing existing and introducing new revenue streams together with transformational change) to balance the budget becomes progressively difficult without eventually impacting on front-line services and delivery.
- 13.9 Council can of course agree to a higher increase (up to the referendum limit of 2%) and a 1% increase in Council Tax raises around £77,000 revenue per annum. Table 5 shows the implications of increasing the Council Tax in 2020/21 by 1.98% per annum and thereafter compared to freezing the Council Tax in 2020/21 and throughout the MTFS period.

Table 5: MTFS Deficits at Differing Council Tax increases in 2021/22 onwards

Deficits based on different % increases	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000
Deficits at 0% increase <i>(as shown in Table 2/Appendix B)</i>	+185	+598	+848	+1,105
Additional CT with 1.98% increase p.a. from 2021/22	-155	-318	-487	-665
Deficits at 1.98% increase	+30	+280	+361	+440

13.10 Table 6 shows the Band D Council Tax for spending at the level proposed, together with Council Tax levels from the major preceptors and Parishes.

Table 6: Band D Council Tax Levels 2020/21

COUNCIL TAX BASE	2020/21 29,815		2019/20 29,380	
	£	Band D £	£	Band D £
Fenland District Council Precept (Appendix A)	<u>7,765,610</u>		<u>7,652,310</u>	
Fenland District Band D Council Tax	0.00%	260.46	0.00%	260.46
MAJOR PRECEPTORS				
County Council	(3.59%)	1,359.18	(4.98%)	1,312.11
Police & Crime Commissioner	(4.49%)	232.65	(12.05%)	222.66
Fire Authority	(1.91%)	72.09	(2.88%)	70.74
Sub Total BAND D TAX		1,924.38		1,865.97
Parish Councils-average (Appendix F)	(4.42%)	48.46	(-1.19%)	46.41
Total average Band D Tax		1,972.84		1,912.38
Total average increase over 2019/20	£60.46 (3.16%)			

13.11 The County Council increase for 2020/21 includes 2% for the Adult Social Care precept (£26.24) and 1.59% on the general council tax (£20.83), giving a total increase of 3.59% (£47.07). For 2020/21, the Police and Crime Commissioner is allowed to increase council tax by up to £10.00 on a Band D property. The actual increase is £9.99 (4.49%).

14 TREASURY MANAGEMENT STATEMENT, CAPITAL STRATEGY AND ANNUAL TREASURY INVESTMENT STRATEGY 2020/21

14.1 Full details of the proposed Treasury Management, Capital Strategy and Annual Investment Strategy for 2020/21 are contained in Appendix E. The proposed strategies were presented to and endorsed by Corporate Governance Committee on 4 February 2020.

14.2 The key issues relating to the strategies and their impact on the MTFs are as follows:

- The prudential and treasury indicators detailed in paragraphs 2-12 of Appendix E, show that the Council's capital investment plans are affordable, prudent and sustainable.
- The Capital Strategy, detailed at Annex A of Appendix E, sets out the context in which capital expenditure and investment decisions are made and establishes that the Council has arrangements in place to ensure it gives due consideration to risk, reward, and impact on the achievement of priority outcomes.
- The MRP policy sets out how the Council will make prudent provision for the repayment of borrowing needs over the medium term forecast.
- The Treasury Management Strategy has been organised so that the Council will have sufficient cash resources to meet capital expenditure plans and operational cash flows.

- Due to the Council's long term PWLB debt portfolio (£4.5m at 31/03/19) currently attracting excessive premiums; it is not financially advantageous for the Council to comply with the gross borrowing and capital financing prudential indicator.
- Total external interest which includes finance lease interest payments; revised estimate for 2019/20 is £502,190 and the estimate for 2020/21 is £596,190. Additionally, in the extreme case, if the authority were to borrow £25M on 1st April 2020 to fund schemes taken forward as part of the Commercial and Investment Strategy this would attract annual interest payments of £602,500 per year from 2020/21 onwards.
- Bank rate is assumed to increase steadily but slowly over the next few years to reach 1.25% by quarter 2 2022.
- The current Medium Term Financial Strategy assumes that some external borrowing will be required, to fund the Council's Capital Programme, over the four-year period to 31 March 2023.
- The aim of the Council's annual treasury investment strategy is to provide security of investments whilst managing risk appropriately; investment returns are commensurate with the Council's historic low risk appetite although we are in the process of transition as a Council from a low risk policy to an appropriately managed risk policy. The Council achieves these objectives through differentiating between "specified" and "non-specified" investments and through the application of a creditworthiness policy.
- Total investment income is an estimated £200,000 for 2019/20 and £270,000 for 2020/2021. The increase in 2020/21 reflects the expectation that the Council will start investing in property funds during that financial year.

15 REVIEW OF GENERAL FUND BALANCE AND EARMARKED RESERVES

- 15.1 An important part of any budget strategy is the review and consideration of reserves. Earmarked Reserves are typically held and used in a planned way to deal with issues where it is foreseen that resources need to be set aside to meet a specific need but the exact amount and timing is not known. General Reserves are held to cushion the impact of an event or events that cannot be foreseen whilst maintaining these resources at a consistent and reasonable level over the medium term.
- 15.2 Sufficient levels of reserves are necessary to provide for various contingent and unplanned items that could include:-
- significant increased costs of providing statutory services
 - significant increased contractual costs
 - an unexpected and/or significant event or disaster, e.g. civil emergency
 - an unexpected major liability in law
 - the need to make significant payments in relation to prior year adjustments under the direction of the external auditor
- 15.3 The Council's current uncommitted General Fund Balance is £2m. As part of the budget setting process for 2019/20, a contribution of £150,720 from the General Fund Balance was approved. As detailed in Section 7, the forecast outturn for 2019/20 is not expected to require this contribution.
- 15.4 It is good practice to keep the balance on this reserve under review alongside ensuring that the purposes for which other earmarked reserves were allocated remain consistent with and relevant to the Council's Medium Term Financial Strategy. Cabinet at its meeting on 9th January 2020 considered and approved a report proposing a number of

changes impacting on reserves, including the General Fund. The analysis of reserves at Appendix G reflects the decisions taken by Cabinet.

- 15.5 In addition, Council at its meeting on 9th January 2020 agreed the establishment of two new reserves. Firstly, to smooth out the cost of District elections over a 4 year period and avoid the full cost being budgeted and charged to the financial year of the election, an Elections Reserve has been established with effect from 2020/21 and an annual contribution of £30,000 is to be made to this reserve. This reserve will then be utilised to fund the cost of District elections every 4 years. This contribution is reflected in the budget and MTFS figures at Appendices A and B.
- 15.6 Secondly, a Budget Equalisation Reserve has been established to provide a smoothing mechanism between financial years which could provide resources to help achieve balanced budgets in future years. Council approved that the initial allocation to this reserve will be the £200k underspend from 2018/19 together with the current forecast £94k underspend in 2019/20. This allocation will be amended based on the actual position at the year-end. In addition, any 'surplus' in 2020/21 will be allocated to this reserve.
- 15.7 The analysis of reserves at Appendix G details the projected General Fund and earmarked reserves position as at 31 March 2020 and 31 March 2021 taking account of the proposals approved by Cabinet and Council on 9th January 2020.

16 CAPITAL PROGRAMME

- 16.1 Capital Expenditure and Income plans have been prepared through the Council's service and financial planning cycle. The Council's capital resources are dependent on government funding, external grants or through the ongoing disposal of assets.
- 16.2 A fully updated Capital Programme for 2019-23 is presented at Appendix D for approval. The programme has been updated to ensure it adequately reflects the cost and anticipated timing of schemes previously approved.
- 16.3 In June 2019 Members approved a series of recommendations relating to the disposal of surplus assets. These recommendations have been taken forward by officers and the summary of resources available to finance the current capital programme takes account of disposal proceeds the Council expects to generate over the life of the current programme. Whilst it is difficult to determine with certainty the returns the Council might be able to generate such returns are important in the context of the Council's Medium Term Financial Strategy as where capital expenditure can be financed through the application of capital receipts it does not need to be financed from borrowing.
- 16.4 Good progress has been made towards delivering the capital schemes identified in the current capital programme. In particular, the improvements to the Hudson Leisure Centre incorporated into the Council's agreement with Freedom Leisure were completed ahead of schedule and replacement gym equipment has been installed at all four leisure centres. Following completion of works in City Road car park in March in the previous financial year, works at the Council car park at Church Terrace in Wisbech commenced in this financial year and have recently been completed.
- 16.5 The updated capital programme is set out in Appendix D to this report. A small number of changes have been made to the programme previously approved by Cabinet on 9 January 2020. The most significant of these is the incorporation of an additional £609K to fund the investment in Information Technology assessed as being necessary to take forward initiatives as part of the Council for the Future programme. This investment is split between investment in infrastructure, hardware and software. The revenue impact of this investment, which principally relates to maintenance costs and technical support, is reflected in the Medium Term Financial Strategy. Remaining changes to the programme previously approved principally relate to the timing of capital expenditure.

- 16.6 Cabinet and Council have recently considered reports relating to the development and implementation of a Commercial and Investment Strategy for the Council. Whilst there will be some revenue expenditure associated with the implementation of the strategy, investments taken forward will be capital in nature including any instances where the Council advances loan funding to fund projects of a capital nature or acquires share capital. The capital programme incorporates an allocation of £25M to the Investment Board. No assumptions have been made about when the £25M will be spent. The full allocation has been shown in the 2020/21 financial year recognising that the Investment Board has the authority to determine when to spend the funds allocated.
- 16.7 In the report considered by Cabinet on 9 January 2020 it was noted that the Council was exploring opportunities to work with the Cambridgeshire and Peterborough Combined Authority. One such project which was recently approved was a proposal to expand existing business space at South Fens Business Park in Chatteris. Cabinet have considered a separate report on this proposal. The capital programme has been prepared on the basis that Cabinet will recommend that the scheme be taken forward and the grant money allocated will be drawn down.
- 16.8 Work is continuing to assess the requirements for future capital resources to ensure the premises used by Council staff or let to third parties remain fit-for-purpose. An update on the outcome of this work will be provided in the early part of the new financial year.
- 16.9 Council resources allocated to take forward the capital schemes within the Wisbech High Street project reflect decisions taken by Cabinet and Council at the time of preparing this report. The cost of the schemes disclosed reflects the cost to the Council of the approved schemes. The values quoted therefore exclude grant money relating to the Wisbech High Street project.
- 16.10 Should resources from external funding and/or capital receipts not generate the level of receipts forecast, or there is a delay in disposal of assets, then the capital programme will need re-visiting to ensure funding is sufficient to meet proposed expenditure including through borrowing. Reviews of the programme and resources available are carried out regularly during the year.
- 16.11 The Council's Borrowing Strategy which is incorporated into the Council's Treasury Management Strategy Statement, recognises that prudential borrowing will be required over the life of the capital programme. This applies not only to schemes to be taken forward as part of the implementation of the Commercial and Investment Strategy but also to schemes involving investment in the asset base required to maintain and enhance the delivery of front-line services. The revenue budget assumes that Commercial and Investment Strategy schemes will not be taken forward unless they generate a positive return after taking account of financing costs. Consequently, no provision has been made in the budget for interest costs in respect of Commercial and Investment Strategy schemes. The projected additional annual revenue costs for the Council of the borrowing which expected to be required to fund for all other capital schemes is reflected in the MTFS.

17 RISK ASSESSMENT

- 17.1 There is an element of risk inherent in any process that looks into the future to make forecasts, particularly in the current economic climate and other national and international events now or in the future that may impact on the Council either directly or indirectly. The Council has a strong track record in good financial management as recognised in the recent Annual Audit Letter. This risk is further minimised by adopting the following methodology when preparing the estimates:-
- Service managers and the Accountancy Team working together to define likely service income/expenditure patterns matched with service delivery plans;

- Maintaining “earmarked” reserves for expenditure that it is known will occur but the exact amount and timing of the expenditure is not known;
- Maintaining an adequate level of general reserves to meet sudden and or unforeseen expenditure;
- Adopting clear guidelines and control systems (robust revenue and capital budget management and monitoring procedures, Financial Regulations and Contract Procedure Rules etc.) to alert service managers, and members before variances reach tolerance levels;
- Using professional and expert advice and economic forecasts where these are available, e.g. treasury management, interest rates;
- Maintaining a rolling review of forecast estimates beyond the current year.

17.2 These assumptions are made with all available information but are necessarily calculated based on broad assumptions. In the current economic climate, some of these assumptions are particularly volatile. The MTFs will be prepared annually on a rolling basis so that as information becomes more certain the figures will be updated and early consideration can be given to any action or changes in direction that may be required.

18 REPORT OF THE CHIEF FINANCE (SECTION 151) OFFICER UNDER SECTION 25 OF THE LOCAL GOVERNMENT FINANCE ACT 2003.

18.1 Under Section 25 of the Local Government Act 2003 and CIPFA Code of Practice, the Council’s Chief Finance Officer (Section 151 Officer) is required to report on the robustness of the estimates made for the purpose of the budget calculations and the adequacy of the proposed reserves.

Cabinet and Council are required under the 2003 Act to consider and give due regard to the Chief Finance Officer’s report as part of the budget approval and council tax setting process.

18.2 The proposed budget is set against the context of significant uncertainty regarding government funding over the MTFs. In 2021/22 the Government intends to make fundamental changes to the funding system for Local Government through the introduction of a new needs based fairer funding formula and the introduction nationally of 75% business rates retention (BRR) and a new system of distributing the New Homes Bonus. The cumulative impact of these changes and lack of visibility on any transition or damping arrangements means that financial planning for 2021/22 is very uncertain. The Council should therefore retain its current level of reserves to mitigate against the impact of forthcoming changes to afford it the ability to plan for a sustainable financial future.

18.3 The Corporate Director and Chief Finance Officer (Section 151 Officer) makes the following statement:

The robustness of the Budget estimates and the adequacy of the reserves are largely dependent on the levels of risk and uncertainty. There is an element of judgement as budget estimates of spending and income are made at a point in time and may change as circumstances change.

This statement on the robustness of estimates cannot give a 100% guarantee about the budget but should give the Council reasonable assurance that the budget has been based on the best information and assumptions available at the time.

The principal financial assumptions made in the Budget are noted in this report and attached at Appendix C. Budget monitoring throughout the year will be an important tool in identifying, at an early stage, potential issues so appropriate action can be taken.

The delivery of the planned savings and major business projects **is critical** to the successful delivery of the Council's budget strategy. Current activity provides adequate assurance as to the deliverability of the 2020/21 budget with future year projections representing realistic planning assumptions which will be subject to review as part of the annual budget setting process.

The Budget has been prepared reflecting known service pressures and following thorough review by Service Managers of planned savings.

A risk based approach to consideration of the level of reserves is a component of the Council's overall risk management framework. Operational risks should be managed within Services' bottom line budgets and thus will not normally result in a call on the Council's General Balances, as detailed in Section 15 above.

My assessment of the process that has been undertaken is that the calculations used in the preparation of the estimates for the Budget for 2020/21 are fair and robust and that reserves are adequate to reflect known circumstances and to be able to manage the stated uncertainties and risks as far is known at this time. All earmarked reserves are held for the purpose for which they are set up and are considered to be adequate to meet the requirements of those purposes when called upon based on the best information available as at the time of writing.

FENLAND DISTRICT COUNCIL

Summary of Revenue Estimates

	Current Approved Estimate 2019/20 £	Projected Outturn 2019/20 £	Estimate 2020/21 £
Service Summary			
<i>As detailed in Appendix A(ii)</i>			
Growth & Infrastructure	1,341,980	1,439,880	1,521,890
Communities, Environment, Leisure & Planning	5,140,305	5,091,529	4,296,960
Resources & Customer Services	6,437,200	6,435,010	6,595,330
NET COST OF GENERAL FUND SERVICES	12,919,485	12,966,419	12,414,180
Corporate Items			
Contributions to/ (from) Earmarked Reserves	-1,349,729	-1,277,593	-248,811
RTB/VAT Sharing Income	-65,000	-120,000	-40,000
Drainage Board Levies	1,464,110	1,464,110	1,508,030
Financing Charges - <i>Interest/Minimum Revenue Provision</i>	745,231	745,231	1,121,130
Investment Income	-200,000	-200,000	-270,000
New Homes Bonus	-1,294,000	-1,294,000	-1,118,635
Savings from Prepayment of Pension Deficit Lump Sum	-34,000	-34,000	-52,000
A14 Contribution	0	0	32,000
Vacancy Factor (2.5%)	0	0	-270,000
Business Rates - net additional income above baseline <i>(government grants for reimbursement of reliefs, growth less levy payment)</i>	-1,416,831	-1,432,834	-1,264,491
Business Rates Pool - FDC Share of Benefit	0	0	-370,000
FDC Share of Cambridgeshire Horizons Funds	0	0	-2,500,000
Corporate Adjustments	-2,150,219	-2,149,086	-3,472,777
Net Expenditure before CFF savings	10,769,266	10,817,333	8,941,403
<i>CFF Transformation Savings identified not yet implemented</i>			-157,000
Net Expenditure after further CFF Savings	10,769,266	10,817,333	8,784,403
Transfer to Budget Equalisation Reserve	0	0	2,500,000
NET EXPENDITURE	10,769,266	10,817,333	11,284,403
Core Funding			
Business Rates Baseline Funding	-3,642,529	-3,642,529	-3,701,878
Business Rates Collection Fund Deficit(+)	442,988	442,988	311,349
Council Tax Collection Fund Surplus(-)	-59,319	-59,319	-128,264
Council Tax	-7,652,310	-7,652,310	-7,765,610
Surplus(-)/Shortfall(+)	-141,904	-93,837	0

GROWTH AND INFRASTRUCTURE			
Service	2019/20 Current Approved Estimate £	2019/20 Projected Outturn £	2020/21 Original Estimate £
Direct Services			
Marine Services	37,450	96,900	-8,780
Drainage (District)	3,000	3,000	3,000
Highways	127,100	127,100	126,600
Car Parks	168,100	165,500	180,500
Sewage Treatment Works	-9,600	-9,600	-16,500
Parish Council Concurrent Functions	40,050	40,000	242,000
Miscellaneous (Clocks, Monuments)	13,500	13,500	3,750
Economic Estates	21,650	42,650	-53,300
Transport Development	87,800	74,650	121,200
Economic Development	125,550	89,400	168,150
Regeneration	22,900	22,900	0
HLF- High St Wisbech	29,380	41,880	42,720
Total Direct Services	666,880	707,880	809,340
Support Services			
Asset & Project Services	329,200	329,200	365,200
Fenland Hall	317,900	371,800	303,050
The Base	98,000	101,000	114,300
Total Support Services	745,100	802,000	782,550
Net Cost of Services	1,411,980	1,509,880	1,591,890
Less Support Services Recharges to Capital Schemes	-70,000	-70,000	-70,000
TOTAL GROWTH AND INFRASTRUCTURE	1,341,980	1,439,880	1,521,890

Notes:

1. Within all the Service Estimates detailed in Appendix A(ii), Support Services costs have not been reallocated with the exception of recharges to Capital Schemes.
2. Similarly, Capital Charges have not been reallocated as these 'costs' are reversed out within the Corporate Items section of the estimates, thereby having no impact on the Budget Requirement and Council Tax.
3. Estimates for 2020/21 include the assumptions on pay, expenditure and income detailed at Appendix C. In addition, staff cost allocations to services have been reviewed for 2020/21 and have resulted in costs being re-allocated to better reflect time spent on providing those services.

COMMUNITIES, ENVIRONMENT, LEISURE & PLANNING			
Service	2019/20 Current Approved Estimate £	2019/20 Projected Outturn £	2020/21 Original Estimate £
Direct Services			
Housing Strategy	132,890	132,890	135,760
Private Sector Renewals	104,820	106,820	81,200
Housing Standards	35,525	35,530	55,150
Care & Repair	28,940	28,940	29,150
CCTV	133,130	139,830	56,490
Safer Fenland	74,890	61,890	78,520
Licensing	-29,420	-31,540	-1,540
Housing Options	379,200	362,460	244,990
Controlling Migration	600,280	600,280	33,250
Community Development	145,560	145,560	136,380
Travellers Services	-36,500	-36,500	-78,970
Pollution Reduction	215,620	203,560	117,350
Public Health	221,270	226,750	232,240
Food Safety	104,380	103,000	143,740
Health and Safety	56,460	56,140	76,670
Refuse Collection - Domestic	1,170,610	1,176,670	1,215,890
Garden Waste	-85,720	-86,670	2,610
Refuse Collection - Trade Waste	-133,860	-132,080	-153,500
Street Cleansing	808,230	807,300	809,450
Streetscene	211,780	203,250	214,670
Public Conveniences	29,160	34,160	23,580
Arts Development & Culture	18,280	18,150	5,210
Tourism Development	21,160	27,170	7,090
Planning Policy	230,750	230,750	200,750
Development Management	-43,800	-43,800	-124,200
Building Control	54,000	54,000	54,000
Conservation	40,900	40,900	39,800
Planning Compliance	86,350	86,350	89,950
Technical Support	181,000	181,000	188,400
Leisure Centres	-256,300	-240,120	-300,440
Sports Development	107,140	48,080	74,280
Parks and Open Spaces	474,120	474,849	491,100
Cemeteries	-22,680	-26,930	-14,020
Markets and Fairs	-8,890	-6,880	-5,120
Community Events	107,090	105,630	114,930
Vehicle Workshop	-16,060	4,140	22,150
TOTAL COMMUNITIES, ENVIRONMENT, LEISURE & PLANNING	5,140,305	5,091,529	4,296,960

RESOURCES AND CUSTOMER SERVICES			
Service	2019/20 Current Approved Estimate £	2019/20 Projected Outturn £	2020/21 Original Estimate £
Direct Services			
Miscellaneous Central Services	204,040	204,040	205,040
Unfunded Pension Costs/Apprenticeship Levy	976,700	976,700	969,000
Corporate Management	670,300	650,390	889,050
Council Tax Cost of Collection	189,490	198,910	189,860
Business Rates Cost of Collection	-28,040	-23,960	-21,090
Housing Benefits	123,050	131,870	187,240
ICT Direct Service Costs	648,750	644,460	636,740
Policy	209,000	209,000	197,760
Land Charges	-76,200	-61,200	-65,200
Elections & Electoral Registration	280,450	291,900	202,550
Democratic Services	561,350	561,350	529,350
Emergency Planning	67,140	67,140	70,750
Total Direct Services	3,826,030	3,850,600	3,991,050
Support Services			
Accountancy	546,500	548,350	539,140
Information & Communication Technology	361,330	367,400	393,910
Customer Access	902,240	892,020	809,030
Post & Reprographics	161,150	161,150	164,300
Internal Audit	90,450	90,500	136,050
Legal Services	262,800	237,800	262,800
Corporate Health & Safety	3,940	3,940	4,170
Human Resources	282,760	283,250	294,880
Total Support Services	2,611,170	2,584,410	2,604,280
TOTAL RESOURCES AND CUSTOMER SERVICES	6,437,200	6,435,010	6,595,330

APPENDIX B
(0% Council Tax increase)

Medium Term Financial Strategy	Projected 2019/20 £000	Estimate 2020/21 £000	Forecast 2021/22 £000	Forecast 2022/23 £000	Forecast 2023/24 £000	Forecast 2024/25 £000
Expenditure						
Service Expenditure/Income						
Gross Service Expenditure	23,119	20,843	20,885	21,346	21,705	22,184
Fees and Charges	-6,056	-6,051	-6,208	-6,319	-6,395	-6,474
Grants and Contributions	-3,159	-1,417	-1,025	-996	-979	-966
Recycling Credits	-937	-960	-975	-995	-1,015	-1,035
Total Net Service Expenditure	12,967	12,415	12,677	13,036	13,316	13,709
Corporate Items						
Corporate Expenditure/Savings						
Drainage Board Levies	1,464	1,508	1,538	1,569	1,600	1,632
Financing Charges - Interest on External Borrowing	502	596	581	581	581	581
Financing Charges - Current Capital Programme - MRP	243	525	650	650	650	650
Savings from Prepayment of Pension Lump Sum	-34	-52	-57	-63	-63	-68
Vacancy Factor (2.5%)	0	-270	-279	-286	-294	-301
A14 Upgrade - contribution	0	32	32	32	32	32
Transfer to Budget Equalisation Reserve	0	2,500	0	0	0	0
CFF Transformation Savings identified not yet implemented	0	-157	-412	-412	-412	-412
	2,175	4,682	2,053	2,071	2,094	2,114
Corporate Income Items						
RTB/VAT Sharing Income	-120	-40	-40	-10	-10	-10
Investment Income	-200	-270	-415	-390	-400	-400
New Homes Bonus	-1,294	-1,119	-1,048	-868	-853	-800
Contribution to(+)/from(-) Earmarked Reserves	-1,278	-249	-54	-49	100	100
Business Rates - net additional income above baseline	-1,433	-1,264	-1,299	-1,330	-1,362	-1,395
Business Rates Pool - FDC Share of Benefit	0	-370	0	0	0	0
FDC Share of Cambridgeshire Horizons Funds	0	-2,500	0	0	0	0
	-4,325	-5,812	-2,856	-2,647	-2,525	-2,505
Total Corporate Items	-2,150	-1,130	-803	-576	-431	-391
Gross Service/Corporate Expenditure	25,294	23,025	22,938	23,417	23,799	24,298
Gross Service/Corporate Income	-14,477	-11,740	-11,064	-10,957	-10,914	-10,980
Net Budget Requirement	10,817	11,285	11,874	12,460	12,885	13,318
Funding - NNDR/CT						
Business Rates Baseline Funding	-3,643	-3,702	-3,776	-3,851	-3,928	-4,007
Business Rates Collection Fund Deficit	443	311	0	0	0	0
Council Tax Collection Fund Surplus	-59	-128	-50	-50	-50	-50
Council Tax (increases of 0% in 19/20 onwards)	-7,652	-7,766	-7,863	-7,961	-8,059	-8,156
Total Funding - NNDR/CT	-10,911	-11,285	-11,689	-11,862	-12,037	-12,213
Surplus(-)/Shortfall(+)	-94	0	+185	+598	+848	+1,105
Summary						
Total Gross Expenditure	25,294	23,025	22,938	23,417	23,799	24,298
Funded by:						
Fees and Charges	-6,056	-6,051	-6,208	-6,319	-6,395	-6,474
Grants and Contributions	-3,159	-1,417	-1,025	-996	-979	-966
Recycling Credits	-937	-960	-975	-995	-1,015	-1,035
New Homes Bonus	-1,294	-1,119	-1,048	-868	-853	-800
Investment Income, VAT/RTB	-320	-310	-455	-400	-410	-410
Reserves	-1,278	-249	-54	-49	100	100
Retained Business Rates	-4,633	-5,025	-5,075	-5,181	-5,290	-5,402
Council Tax	-7,711	-7,894	-7,913	-8,011	-8,109	-8,206
Total Funding	-25,388	-23,025	-22,753	-22,819	-22,951	-23,193
Surplus(-)/Shortfall(+)	-94	0	+185	+598	+848	+1,105

Assumptions built into Budget and Medium Term Financial Strategy (MTFS)

Within the forecasts are a number of assumptions which are necessary to produce the overall budget strategy. However, there is an element of risk associated with this process although the aim is to mitigate these risks as detailed in section 17 of the main report.

The main assumptions are as follows:

- 0% Council Tax increase for 2020/21 and thereafter (1% increase generates around £77k of resources and 1.98% around £153k of resources);
- 1.48% increase in Council Tax base in 2020/2021(Tax-base 29,815) and 1.20% thereafter (increase of 375 Band D equivalent properties per annum);
- Inflation (CPI) increases in Retained Business Rates income (1.7% for 2020/21 and assumed 2% for 2021/22 onwards);
- Inclusion of this Council's share (£370k) of the benefit arising from the Cambridgeshire Business Rates Pool in 2020/21only. Potential benefit from the Pool in future years will be dependent on the scheme design of the new 75% Business Rates Retention System from 1 April 2021.
- 2% pay award (£240k cost) for 2020/21 and thereafter together with an allowance for pay increments of around 1% p.a. (£120k cost) reflecting the continuing impact of the pay grades re-modelling following the national pay award agreement effective from April 2019;
- Employer's Pension Contributions – following the triennial valuation as at 31.03.2019, the rate for 2020/21 is to remain the same as 2019/20 (17.4% of salary with additional past deficit lump sum payment of £865k). For 2021/22 and 2022/23 the contribution rate remains at 17.4% with a lump sum payment of £953k in 21/22 and £1.041m in 22/23, representing an overall increase of 1% p.a. in total contributions. For 2023/24 onwards, following the next triennial valuation, further increases have been assumed in line with the current triennial valuation;
- Inclusion of a vacancy factor in 2020/21, equivalent to a reduction in staff costs of 2.5% (£270,000 in 2020/21);
- 0% general inflation for the period of the MTFS;
- Specific allowance for inflation where required eg: business rates, external contracts, energy and water, drainage board levies;
- Investment interest rates to stay at current rates until second quarter of 2021 when market rates are forecast to begin rising slowly;
- Investment income includes an assumed £5m investment in property funds during 2020/21(additional £100k income net of costs) with the full year impact from 2021/22 onwards (additional £250k income per annum);
- Continuing impact of 2019/20 in year income pressures;
- Assumptions regarding forecast income levels from fees and charges have been included. These are a combination of fee increases (where applicable) and review of activity levels;
- The New Homes Bonus for 2020/21 onwards has been included as detailed in paragraph 4.3 of the report.

CAPITAL PROGRAMME AND FUNDING 2019 - 2023

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Capital Programme (excluding Commercial and Investment Strategy Schemes)	5,507	5,673	2,054	1,557
Commercial and Investment Strategy Schemes	0	25,000	0	0
CURRENT FORECAST EXPENDITURE	5,507	30,673	2,054	1,557

FORECAST RESOURCES AVAILABLE

Capital Grants	1,454	2,063	950	950
Usable Capital Receipts - In Year	467	225	0	0
Usable Capital Receipts - B/fwd	0	0	0	0
Reserves used in year to fund Capital	672	361	400	0
Section 106s and Other Contributions	65	244	45	12
Borrowing (Internal and Prudential)	2,849	27,780	659	595
Total Forecast Resources	5,507	30,673	2,054	1,557

CAPITAL PROGRAMME SUMMARY 2019/20 - 2022/23

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
Leisure Centres								
1 Hudson Leisure Centre Improvements	864				864	864		
2 Leisure Equipment	644				644	644		
3 Condition Survey Improvements	128	237	212	75	652	652		£229K R&M Reserve
Regeneration Programmes								
4 Fenland Renaissance and Place Shaping	16				16	16		
5 Heritage Lottery Fund - Match Funding bid	150				150	150		
6 Heritage Lottery Fund - 24 High Street, Wisbech	87				87	87		
7 Railway Station Improvements		179			179	63	116	£63K S106 money. £116K CPCA funding
Cemeteries								
8 Rebuild Front Wall - St Mary's Churchyard, Whittlesey	34				34	34		
9 Manea Chuchyard		15			15	15		
10 Remedial Works in Closed Cemeteries		28	25	25	78	78		
11 Mt Pleasant Cemetery, Wisbech		60			60	60		
12 Walsoken Cemetery		20			20	20		
Car Parks								
13 Church Terrace, Wisbech	220				220	220		
Highways								
14 Catgeory 1 Street Lights - Parishes	12				12	12		
15 Catgeory 2 Street Lights - FDC Lights	214	142			356	356		£47K Invest to Save Reserve
16 Street Name Plates/District Facilities Signage	4	40			44	44		
Street Light Improvements - Parishes (Contribution to Cat								
17 2 Replacements)	98				98	98		£98K Capital Contribution Reserve
Office Accommodation								
18 AV Equipment in Council Chamber	42				42	42		
19 Reversion Works at March and Wisbech One Stop Shops	222				222	222		£222K Management of Change Reserve
20 Fenland Hall - Repairs and Renewals	65				65	65		
Environment								
21 Replacement Littter Bins		88	83		171	171		
Port								
22 Boat/Vessels - Replacement Deck, Hull and Engines		54	30		84	84		
23 Yacht Harbour Improvements		15			15	15		
24 Wisbech Port Structural Works	140	250			390	390		
25 Wisbech Port Fender Piles		90			90	90		
Sub Total	2,940	1,218	350	100	4,608	4,492	116	

Brought Forward	2,940	1,218	350	100	4,608	4,492	116	
Parks and Open Spaces								
26 West End Park, March - Replace Skate Ramps	141				141	108	33	£33K Grant Money. £15K S106 money
27 Water Tower Park, Whittlesey	57				57	5	52	£47K Grant Funding, £5K Town Council Contribution
28 Manea Skate Park		64			64	64		£64K S106 money
29 Parks, Play Areas and Open Space - Chatteris	48	30	30	40	148	145	3	£51K S106 money, £3K Grant Money
30 Parks, Play Areas and Open Space - Doddington		45			45	45		£21K S106 money
31 Parks, Play Areas and Open Space - Parson Drove		30			30	30		£30K S106 money
32 Parks, Play Areas and Open Space - Whittlesey		40	45		85	85		£85K S106 money
33 Parks, Play Areas and Open Space - Wisbech	13	20		20	53	40	13	£32K S106 money, £13K External Grant
Vehicles and Plant								
34 Vehicles	476	310	104	210	1,100	1,100		
ICT System Replacement Programme & Upgrades								
35 Replacement & Upgrade Programme	149	504	400	75	1,128	1,128		£700K Management of Change Reserve
36 Replacement of Cash Machines in One Stop Shops	45				45	45		
Improvement of Assets								
37 Sewage Treatment Works Refurbishment	25	335	150	150	660	660		
38 Birch Fen Silt Removal and Outfall Maintenance			25		25	25		
39 March Moorings Renewals		12		12	24	24		
40 Hostel Roof Renewal		28			28	28		
41 Lattersley Nature Reserve - Capping Layer		40			40	40		
42 Sandbank Travellers Site Pumping Station	25				25	25		£25K Travellers Reserve
43 Nene Parade Surface Water Pumping Station	50				50	50		
Economic Estates								
44 Replacement of AV Equipment at Business Centres		50			50	50		
45 Station Road, Whittlesey - Carriageway Resurfacing	40				40	40		£12K Station Road Reserve
46 South Fens Business Park Expansion		1,997			1,997	1,000	997	£997K CPCA 'Business Space' Funding
Community Safety								
47 CCTV Control Room Upgrade	40				40	40		
48 Camera Replacements	100				100	100		£100K CCTV Reserve
Private Sector Housing Support								
49 Private Sector Renewal Grants	150	40	40	40	270		160	£160K Govt Grant
50 Disabled Facilities Grants	1208	910	910	910	3,938		4,048	£4.048M Govt Grant
Total - Approved Programme	5,507	5,673	2,054	1,557	14,791	9,369	5,422	

Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2020/21

1 Introduction

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

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and pursuit of optimum performance consistent with those risks."

2 Capital Strategy Reporting Requirements

- 2.1 The CIPFA revised 2017 Prudential and Treasury Management Codes require all local authorities to prepare an additional document, a Capital Strategy (see Appendix A attached), which will provide the following:
 - a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - an overview of how the associated risk is managed; and
 - the implications for future financial sustainability.
- 2.2 The aim of the Capital Strategy is to ensure that all elected members on full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite. The Capital Strategy has been substantially revised and updated from that approved in February 2019 to reflect

decisions taken by members in this financial year which have culminated in the approval of a Commercial and Investment Strategy for the Council.

- 2.3 This capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the articulation of the Council's arrangements to identify, pursue and monitor commercial investments in accordance with the approach set out in the recently-approved Commercial and Investment Strategy. The capital strategy explains:
- The corporate governance arrangements for these types of activities;
 - Any service objectives relating to the investments;
 - The expected income, costs and resulting contribution;
 - The debt related to the activity and the associated interest costs;
 - The payback period (incorporating but not restricted to the MRP policy);
 - For non-loan type investments, the cost against the current market value;
 - The risks associated with each activity.
- 2.4 Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.
- 2.5 Where the Council has borrowed to fund any non-treasury investment, i.e. an investment where the principal motivation for making the investment is to profit from the sums invested there should also be an explanation of why borrowing was required and why the MHCLG Investment Guidance and CIPFA Prudential Code have not been adhered to.
- 2.6 If any non-treasury investment sustains a loss during the final accounts and/or audit process, the strategy and revenue implications will be reported through the same procedure as the capital strategy.
- 2.7 The Council's Commercial and Investment Strategy was approved in January 2020. The upcoming 2020/21 financial year will be the first year in which any non-treasury investments may be undertaken in accordance with the provisions of this policy. At its meeting on 9 January 2020 Council noted the proposed intention that the newly-established Investment Board would be permitted to invest up to £25M which would be funded from a combination of borrowing and use of reserves. The allocation of £25M is expected to be formally confirmed as part of the budget-setting process.
- 2.8 The Council's Commercial and Investment Strategy provides the Council, through its Investment Board, with the flexibility to take forward a range of different types of non-treasury investments, including the facility to deliver projects through the use of a Local Authority Trading Company. At the time of preparing this report the Investment Board is yet to meet therefore no decisions regarding the Council's investment programme have been taken.
- 2.9 The Council's Minimum Revenue Provision policy has been updated so, as required by regulation, Full Council can approve its approach to charging MRP on any non-treasury investments before any transactions take place.
- 2.10 Section Four of the Council's Capital Strategy explains that, as part of the appraisal process, the S151 Officer will provide the Investment Board with details of how the proposed investment will impact on the Council's financial position. The cumulative impact of approved investments on the Council's medium-term financial position will be reflected in the information presented in future treasury management reports to Corporate Governance Committee, Cabinet and Full Council as per the reporting requirements outlined below.

3 Treasury Strategy Reporting Requirements

3.1 The Council is required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals. These reports are required to be adequately scrutinised by Corporate Governance Committee and Cabinet before being recommended to the Council.

3.2 **Prudential and Treasury Indicators and Treasury Strategy** (this report), the first and most important report is forward looking and covers:

- the capital plans (including prudential indicators);
- a Minimum Revenue Provision policy (how residual capital expenditure is charged to revenue over time);
- the Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
- an Investment Strategy (the parameters on how investments are to be managed).

A Mid-Year Treasury Management Report - This will update Members with the progress of the capital position, amending prudential indicators as necessary and whether any policies require revision.

An Annual Treasury Report - This is a backward looking review document and provides details of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

3.3 The Strategy covers two main areas:

Capital issues

- the capital expenditure plans and associated prudential indicators;
- the MRP policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and the MHCLG Investment Guidance.

4 Capital Prudential Indicators 2020/21 to 2022/23

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

4.2 The capital expenditure prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously and those forming part of this budget

cycle. Commercial activities/non-financial investments relate to areas such as capital expenditure on investment properties, loans to third parties etc.

- 4.3 The table below summarises the capital expenditure plans and how these are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital Programme	2019/20 Revised Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Forecast Capital Expenditure	5,507	5,673	2,054	1,557
Commercial and Investment Strategy – Approved Allocation to Investment Board	0	25,000	0	0
TOTAL	5,507	30,673	2,054	1,557
Financed by:				
Capital Grants	1,454	2,063	950	950
Capital Receipts	467	225	0	0
Reserves used in year to fund Capital	672	361	400	0
Section 106 and Other Contributions	65	244	45	12
Total Financing	2,658	2,893	1,395	962
Net Financing Need For The Year (Borrowing)	2,849	27,780	659	595

- 4.4 The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness, its underlying borrowing need. Any capital expenditure shown above, which has not immediately been paid for will increase the CFR.
- 4.5 The CFR does not increase indefinitely, as each year the Council is required to pay off an element of the capital spend (including finance leases) through a statutory revenue charge (MRP). In the case of schemes taken forward as part of the Council's capital programme this has the effect of reducing the Council's (CFR) broadly over the asset's life.
- 4.6 In the case of capital expenditure incurred in accordance with the Council's Commercial and Investment Strategy the MRP charge cannot be determined until such time that the Investment Board approves a scheme. Where the projected Capital Financing Requirement is disclosed in this report the figures used reflect the impact of borrowing to fund the full allocation of £25M but no assumptions have been made regarding how MRP might reduce the CFR attributable to these schemes. This approach is considered reasonable until such time that any schemes are formally approved by the Investment Board.
- 4.7 In this context, it is also important to note that, as well as the statutory MRP charge, the Council is permitted to make additional voluntary payments to reduce the CFR. These voluntary payments will typically reduce the statutory charge that would have been due in future years. Voluntary payments can be funded from capital resources. This is particularly significant in the context of the Council's Commercial and Investment Strategy. As a result of investments undertaken, the Council may receive significant

capital receipts and/or repayments of amounts due under the terms of loan agreements with third parties, including the proposed Local Authority Trading Company. These amounts may be received before the maturity date of the external borrowing used to undertake the initial investment. Any assumptions regarding the anticipated use of capital resources to reduce the CFR will be reported as part of future treasury management reporting.

- 4.8 The CFR includes any other long term liabilities (finance leases). A finance lease is a commercial arrangement between the Council and a lessor (finance company), where in consideration for a series of payments the Council has the right to use an asset (e.g. refuse vehicle) for the lease duration (typically 7 years). The annual lease payment is made up of a capital and interest repayment.
- 4.9 Although legally the Council doesn't own the asset during the lease duration, International Accounting Standards require that the Council capitalise the asset and liability on its balance sheet, much like a loan. Whilst this increases the CFR, the nature of the finance lease agreement doesn't require the Council to separately borrow to fund the asset.

Capital Financing Requirement (CFR)	2019/20 Revised Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
CFR – as at 31 March				
FDC Capital Programme	3,818	6,073	6,082	6,027
Commercial and Investment Strategy – Approved Allocation to Investment Board	0	25,000	25,000	25,000
Total CFR	3,818	31,073	31,082	31,027
Movement in CFR	2,606	27,255	9	(55)
Movement in CFR represented by				
Net financing need for the year	2,849	27,780	659	595
Less MRP and other Financing Movements	(243)	(525)	(650)	(650)
Movement in CFR	2,606	27,255	9	(55)

5 Minimum Revenue Provision (MRP) Policy Statement

- 5.1 The Council is required to pay off an element of the accumulated general fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision).
- 5.2 MHCLG regulations have been issued which require the Council to approve an MRP statement in advance each year. A variety of options are provided to Councils within the guidance. Councils are permitted under the guidance to establish their own approach to setting MRP and different approaches can be applied for different types of assets. The Council's principal responsibility is to ensure that they can demonstrate that whatever approach they adopt across their asset base it is prudent. Given the Council's decision to adopt a Commercial and Investment Strategy it has been necessary to revise the MRP policy which applied to previous years to take account of investments which might feasibly be taken forward in accordance with the Commercial and Investment Strategy. The policy applicable from the 2020/21 financial year onwards shall be as follows:

- (1) For unsupported borrowing (including finance leases) undertaken to fund the Council's capital programme, excluding any capital expenditure approved by the Council's Investment Board, MRP will be based on the estimated useful life

of the assets to be purchased or acquired. Repayments made under the terms of finance leases shall be applied as MRP.

- (2) For Investment Properties purchased or constructed (following a decision taken by the Council's Investment Board) the MRP charge shall be based on the difference between the value of the asset and the value of any outstanding unsupported borrowing secured to fund the original purchase of the asset. A calculation shall be undertaken at the end of each financial year to identify the difference between the value of the asset and the amount borrowed. Where a difference exists MRP shall be charged over a period commensurate with the period the Council expects to hold the asset as set out in reports presented to the Investment Board.
- (3) For any loans made to third parties, including those made to the Local Authority Trading Company, no MRP shall be charged where the loan requirement requires the third party to make repayments on at least an annual basis over the life of the loan. In the unlikely event of the Council providing a maturity loan to a third party, MRP shall be charged in equal amounts over the life of the loan.
- (4) Should the Council acquire an equity stake in any third party, the MRP charge will be for the lower of twenty years or the scheduled completion date of any projects funded by the third party using the proceeds from selling an equity stake to the Council.
- (5) For investment in Property Funds which the Council, following consultation with its Treasury Advisors, assesses as meeting the definition of capital expenditure MRP shall be charged over the period the Council expects to hold the investment. The period over which MRP can be charged for this type of investment shall not be permitted to exceed 20 years.

6 The Use of Council's Resources and the Investment Position

- 6.1 The application of resources (capital receipts, reserves etc) and temporary use of 'surplus cash balances' to both finance capital expenditure and other budget decisions to support the revenue budget reduces cash investment balances held (see below). Unless resources are supplemented with new sources (asset sales, capital grants, etc) then new borrowing will be required to fulfil the objectives as set in the Council's Business Plan. Detailed below are estimates of the year end balances for each resource.

Year End Resources	2019/20 Revised Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Fund balances / reserves	8,713	7,595	6,880	6,750
Capital Grants Unapplied	396	0	0	0
Total core funds	9,109	7,595	6,880	6,750
Expected Cash investments	16,000	11,250	10,150	9,550

7 Affordability Prudential Indicators

- 7.1 The previous sections cover the overall capital and control of borrowing prudential indicators; also within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators. This indicator identifies the trend in the cost of capital

(borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Financing Costs to Net Revenue Stream	2019/20 Revised Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
	%	%	%	%
General Fund (excluding Commercial and Investment Strategy Schemes)	4.99	8.31	8.99	8.86
Commercial and Investment Strategy Schemes (£25M allocation)	0	5.34	5.15	5.08
Total	4.99	13.65	14.14	13.94

Treasury Management Strategy

- 7.2 The capital expenditure plans set out in section 4 provide a summary of future level of spend. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet service activity and the Council's capital strategy. This will involve both the organisation of cash flow and where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.
- 7.3 The Council's treasury portfolio as at 31 March 2019 for borrowing and investments was £8.363m and £20.2m respectively. As of 31 December 2019, investments are £21.9m and borrowing £8.294m.
- 7.4 The Council's forward projections for borrowings are summarised below. The next table shows the actual external debt, against the underlying capital borrowing need (the Capital Financing Requirement - CFR).

	2019/20 Revised Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
	£000	£000	£000	£000
Debt at 1 April	7,800	7,800	36,574	36,159
Expected change in debt to fund capital programme (excluding Commercial and Investment Strategy schemes)	0	3,774	(415)	(415)
Borrowing to fund Commercial and Investment Strategy Schemes	0	25,000	0	0
Other long term liabilities (OLTL)	563	406	243	106
Expected change in OLTL	(157)	(163)	(137)	(83)
Actual gross debt at 31 March	8,206	36,817	36,265	35,767
Capital financing requirement (CFR) at 31 March	3,818	31,073	31,082	31,027

Borrowing less CFR – 31 March				
	4,388	5,744	5,183	4,740

- 7.5 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020/21 and the following two financial years. This allows some flexibility for limited early borrowing for future years and ensures that long term borrowing is not undertaken for revenue or speculative purposes (in the sense of anticipating future upward movements in interest rates), other than where the borrowing fits in with the Council's approved Investment Strategy (Appendix A refers).
- 7.6 The Council notes that the Prudential Code published by CIPFA prohibits local authorities from borrowing in advance of need. This prohibition has been recently re-affirmed by MHCLG in its Statutory Guidance on Local Authority Investments which states that this prohibition extends to undertaking borrowing to fund the purchase of financial and non-financial investments, including investment properties. This is on the basis that in such circumstances local authorities would be borrowing 'purely in order to profit from investment of the extra sums borrowed'. Section 4 of the Council's Capital Strategy explains how the Council has had regard for this guidance and notes the Council's approach to determining whether the motivation behind any proposed investment is purely to profit from investment of any sums borrowed.
- 7.7 As a result of the Council's long term Public Works Loan Board (PWLB) debt portfolio of £4.5m (31/03/19) currently attracting excessive premiums (£3.152m at the time of writing this report), if it were prematurely repaid and the fixed rate market loan of £3.3m (31/03/2019), attracting a premium charge on application to prematurely repay, it is not financially advantageous for the Council to fully comply with this prudential indicator. This has been the case since the housing stock transfer in 2007 and has been acknowledged and approved by Council since then. In addition, the Council's external auditors have also acknowledged this situation and have not raised any issues with our strategy.
- 7.8 Interest repayments associated with the external debt (including finance leases) above are shown below. The figures in the third column reflect the interest which would fall due if the Investment Board were to approve schemes totalling the full allocation of £25M on 1st April 2020 and fund all of that expenditure from a maturity loan at today's rate.

YEARS	INTEREST DUE (EXISTING CAPITAL SCHEMES) £000	INTEREST DUE (FUNDING OF COMMERCIAL AND INVESTMENT STRATEGY) £000	TOTAL £000
2019/20	502	-	502
2020/21	596	603	1,199
2021/22	581	603	1,184
2022/23	581	603	1,171

- 7.9 The operational boundary is the limit beyond which external debt is not normally expected to exceed. In most cases this would be a similar figure to the CFR but may be lower or higher depending on the levels of actual debt.

Operational Boundary	2019/20 Revised Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
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	£000	£000	£000	£000
Debt	12,000	12,000	12,000	12,000
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities / Non Financial Investments	25,000	25,000	25,000	25,000
Total	38,000	38,000	38,000	38,000

- 7.10 The authorised limit is a key prudential indicator, which represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited and this limit needs to be set or revised by full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term but is not sustainable in the longer term.
- 7.11 This is a statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all council's plans, or those of a specific council, although this power has not yet been exercised. The Council is asked to approve the following authorised limit.

Authorised Limit	2019/20 Revised Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Debt	17,000	17,000	17,000	17,000
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities / Non Financial Investments	25,000	25,000	25,000	25,000
Total	43,000	43,000	43,000	43,000

8 Prospects for Interest Rates

- 8.1 The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives Link Assets Service's central view.

Link Asset Services Interest Rate View													
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.80	0.80	0.90	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.90	1.00	1.00	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	0.90	0.90	1.00	1.10	1.20	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.30	2.30	2.40	2.40	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.00	3.10
10yr PWLB Rate	2.50	2.50	2.60	2.60	2.70	2.80	2.90	3.00	3.10	3.10	3.20	3.20	3.30
25yr PWLB Rate	3.00	3.00	3.10	3.20	3.30	3.40	3.50	3.60	3.70	3.80	3.80	3.90	3.90
50yr PWLB Rate	2.90	2.90	3.00	3.10	3.20	3.30	3.40	3.50	3.60	3.70	3.70	3.80	3.80

- 8.2 The above forecasts have been based on an assumption that there is an agreed deal on Brexit, including agreement on the terms of trade between the UK and EU, at some point in time. The result of the general election has removed much uncertainty around this major assumption. However, it does not remove uncertainty around whether agreement can be reached with the EU on a comprehensive trade deal within the short time to December 2020, as the prime minister has pledged.

- 8.3 2019 was a weak year for UK economic growth as political and Brexit uncertainty depressed confidence. It was therefore little surprise that the Monetary Policy Committee (MPC) left Bank Rate unchanged at 0.75% during the year. However, during January 2020, financial markets were predicting a 50:50 chance of a cut in Bank Rate at the time of the 30 January MPC meeting. Admittedly, there had been plenty of downbeat UK economic news in December and January which showed that all the political uncertainty leading up to the general election, together with uncertainty over where Brexit would be going after that election, had depressed economic growth in quarter 4 of 2019. However, that downbeat news was backward looking; more recent economic statistics and forward looking business surveys, all pointed in the direction of a robust bounce in economic activity and a recovery of confidence after the decisive result of the general election removed political and Brexit uncertainty. The MPC clearly decided to focus on the more recent forward-looking news, rather than the earlier downbeat news, and so left Bank Rate unchanged. Provided that the forward-looking surveys are borne out in practice in the coming months, and the March Budget delivers with a fiscal boost, then it is expected that Bank Rate will be left unchanged until after the December trade deal deadline. However, the MPC is on alert that if the surveys prove optimistic and/or the Budget disappoints, then they may still take action and cut Bank Rate in order to stimulate growth.
- 8.4 There had been much speculation during 2019 that the bond market had gone into a bubble, as evidenced by high bond prices and remarkably low yields. However, given the context that there have been heightened expectations that the US was heading for a recession in 2020, and a general background of a downturn in world economic growth, together with inflation generally at low levels in most countries and expected to remain subdued, conditions were ripe for low bond yields. While inflation targeting by the major central banks has been successful over the last thirty years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last thirty years. We have therefore seen over the last year, many bond yields up to ten years in the Eurozone actually turn negative. In addition, there has, at times, been an inversion of bond yields in the US whereby ten-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated, as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities. However, stock markets are also currently at high levels as some investors have focused on chasing returns in the context of dismal ultra-low interest rates on cash deposits.
- 8.5 During the first half of 2019-20 to 30 September, gilt yields plunged and caused a near halving of longer term PWLB rates to completely unprecedented historic low levels. (See paragraph 9.9 for comments on the increase in the PWLB rates margin over gilt yields of 100bps introduced on 9.10.19.) There is though, an expectation that financial markets have gone too far in their fears about the degree of the downturn in US and world growth. If, as expected, the US only suffers a mild downturn in growth, bond markets in the US are likely to sell off and that would be expected to put upward pressure on bond yields, not only in the US, but also in the UK due to a correlation between US treasuries and UK gilts; at various times this correlation has been strong but at other times weak. However, forecasting the timing of this, and how strong the correlation is likely to be, is very difficult to forecast with any degree of confidence. Changes in UK Bank Rate will also impact on gilt yields.
- 8.6 One potential danger that may be lurking in investor minds is that Japan has become mired in a twenty-year bog of failing to get economic growth and inflation up off the floor, despite a combination of massive monetary and fiscal stimulus by both the central bank

and government. Investors could be fretting that this condition might become contagious to other western economies.

- 8.7 Another danger is that unconventional monetary policy post 2008, (ultra-low interest rates plus quantitative easing), may end up doing more harm than good through prolonged use. Low interest rates have encouraged a debt-fuelled boom that now makes it harder for central banks to raise interest rates. Negative interest rates could damage the profitability of commercial banks and so impair their ability to lend and / or push them into riskier lending. Banks could also end up holding large amounts of their government's bonds and so create a potential doom loop. (A doom loop would occur where the credit rating of the debt of a nation was downgraded which would cause bond prices to fall, causing losses on debt portfolios held by banks and insurers, so reducing their capital and forcing them to sell bonds – which, in turn, would cause further falls in their prices etc.). In addition, the financial viability of pension funds could be damaged by low yields on holdings of bonds.
- 8.8 The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.
- 8.9 In addition, PWLB rates are subject to ad hoc decisions by H.M. Treasury to change the margin over gilt yields charged in PWLB rates: such changes could be up or down. It is not clear that if gilt yields were to rise back up again by over 100bps within the next year or so, whether H M Treasury would remove the extra 100 bps margin implemented on 9.10.19.
- 8.10 Economic and interest rate forecasting remains difficult with so many influences weighing on UK gilt yields and PWLB rates. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

9 Borrowing Strategy

- 9.1 As noted above in paragraph 8.5 the Council recognises that statutory guidance indicates that whilst the Council has the necessary powers to borrow in advance of need the government and CIPFA state it should refrain from doing so where such borrowing takes place purely in order to profit from investment of the extra sums borrowed. None of the Council's current borrowing was undertaken in advance of need. Section 4 of the Council's Capital Strategy explains how this Council will have regard for this guidance in future. This section of the strategy explains the process to be followed should the Chief Finance Officer wish to bring forward a proposal to borrow in advance of need purely in order to profit from investment of the extra sums borrowed. Risks associated with borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.
- 9.2 As a result of the Council's decision not to repay debt of £7.8m at the time of the housing stock transfer in 2007, the Council is currently over borrowed (see paragraph 8.6 above); the Council's gross debt exceeds its CFR over the term of the treasury strategy.
- 9.3 Where the Council has insufficient internal resources to fund its capital programme the difference between available resources and funds required is met through borrowing. The Council is able to borrow internally if it identifies that it has surplus funds currently held in investments which could be used to finance its capital programme. However, any decision to borrow internally has to consider when any funds borrowed might be required

to support the day-to-day cash needs of the Council. Unless the Council is able to increase the surplus funds it has available, i.e. through generating surpluses on the revenue account, internal borrowing will only provide a temporary solution to funding the capital programme.

- 9.4 When the Council borrows externally it will ordinarily do so using funds borrowed from the Public Works Loan Board. The current Medium Term Financial Strategy assumes that some external borrowing will be required over the four-year period to 31 March 2023. Assumptions about the level of external interest payable are reflected as part of the prudential indicators included in this document. Responsibility for deciding when to borrow externally, together with details of the amount to borrow and the term and type of any loan, rests with the Chief Finance Officer. The Chief Finance Officer's decision will be informed by advice from the Council's treasury management advisors and information regarding the progress of schemes set out in the capital programme. Any borrowing decisions will be reported to Cabinet through either the mid-year or annual treasury management reports.
- 9.5 Following the decision by PWLB on 9 October 2019 to increase their margin over gilt yields by 100 bps to 180 bps on loans lent to local authorities, consideration will be given to sourcing funding at cheaper rates from other sources.
- 9.6 The Chief Finance Officer will monitor capital plans and interest rates in financial markets and adopt a pragmatic approach to funding the capital programme. Any borrowing decisions and budget consequences will be reported to Cabinet through either the mid-year or annual treasury management reports.
- 9.7 Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing and are required for upper and lower limits.

Maturity structure of fixed interest rate borrowing 2020/21	Lower %	Upper %
Under 12 months	0	20
12 months to 2 years	0	50
2 years to 5 years	0	75
5 years to 10 years	0	75
10 years and above	0	100

Maturity structure of variable interest rate borrowing 2020/21	Lower %	Upper %
Under 12 months	0	100
12 months to 2 years	0	100
2 years to 5 years	0	100
5 years to 10 years	0	100
10 years and above	0	100

10 Debt Scheduling / Repayment

- 10.1 When the Council takes on new borrowing it shall not only have regard for the limits shown above but it shall also consider the risk presented by over-concentration of maturity dates. Over-concentration presents a considerable risk to the revenue budget if the Council needs to re-finance and interest rates have increased significantly from those which applied at the point the borrowing was originally undertaken. It should be noted that, as well as maturity loans, the Council is able to borrow money using instruments which incorporate regular repayment of amounts borrowed over the life of the loan.

- 10.2 Rescheduling of current borrowing in our debt portfolio is unlikely to occur as the 100 bps increase in PWLB rates only applied to new borrowing rates and not to premature debt repayment rates.
- 10.3 If rescheduling was done, it will be reported to the Cabinet at the earliest meeting following its action.

11 Annual Treasury Investment Strategy

- 11.1 The MHCLG and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).
- 11.2 The Council's investment policy has regard to the following:-
- MHCLG's Guidance on Local Government Investments ("the Guidance");
 - CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code"); and
 - CIPFA Treasury Management Guidance Notes 2018.
- 11.3 The intention of the strategy is to provide security and appropriately manage risk. The Council's investment priorities are:
- the security of capital;
 - the liquidity of its investments;
 - return on its investments.
- 11.4 The above guidance from the MHCLG and CIPFA, place a high priority on the management of risk. The Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means.
- 11.5 Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings
- 11.6 Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
- 11.7 Investment instruments identified for use in the financial year are listed below under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.
- 11.8 **Specified Investments** – These investments are sterling investments (meeting the minimum 'high' quality criteria where applicable) of not more than one year maturity, or those which could be for a longer period but where the Council has the right to repay within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. Investment instruments identified for use in the financial year are as follows:
- term deposits with part nationalised banks and local authorities;
 - term deposits with high credit criteria deposit takers (banks and building societies);

- callable deposits with part nationalised banks and local authorities;
- callable deposits with high credit criteria deposit takers (banks and building societies);
- money market funds (CNAV) / (LVNAV) / (VNAV);
- Debt Management Agency Deposit Facility (DMADF); and
- UK Government gilts, custodial arrangement required prior to purchase.

11.9 **Non-Specified Investments** – These are any other type of investment (i.e. not defined as specified above). Investment instruments identified in both “specified” and “non-specified” categories are differentiated by maturity date and classed as non-specified when the investment period and right to be repaid exceeds one year. Non-specified investments are more complex instruments which require greater consideration by members and officers before being authorised for use. Investment instruments identified for use in the financial year are as follows:

- term deposits with high credit criteria deposit takers (banks and building societies);
- term deposits with part nationalised banks and local authorities;
- callable deposits with part nationalised banks and local authorities;
- callable deposits with high credit criteria deposit takers (banks and building societies);
- Debt Management Agency Deposit Facility (DMADF);
- UK Government gilts, custodial arrangement required prior to purchase; and
- Property funds.

11.10 As a result of the change in accounting standards first introduced in 2018/19 under IFRS 9, the Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. In November 2018, the Ministry of Housing, Communities and Local Government, [MHCLG], concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from 1.4.18.

11.11 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Short term cash flow requirements (up to 12 months) include payments such as, precepts, business rate retention, housing benefits, salaries, suppliers, interest payments on debt etc.

11.12 On the assumptions that the UK and EU agree a Brexit deal including the terms of trade by the end of the 2020 or soon after, then Bank rate is forecast to increase only slowly over the next few years to reach 1.25% by quarter 1 2023. Bank rate forecasts for financial year ends (March) are:

- 2020/21 – 0.75%
- 2021/22 – 1.00%
- 2022/23 – 1.25%

11.13 Forecast average investment interest rates for returns on investments placed for periods up to about three months during each financial year are as follows:

- 2019/20 - 0.75%
- 2020/21 - 0.75%

- 2021/22 - 1.00%
- 2022/23 - 1.25%

11.14 Estimated investment income is shown below. These figures assume that none of the existing cash balances held by the Authority will be utilised to fund schemes approved by the Investment Board. The increase from 2020/21 onwards reflects the expectation detailed in the MTFs that the Council will start investing in property funds during the 2020/21 financial year.

YEARS	INVESTMENT INCOME £
2019/20	200,000
2020/21	270,000
2021/22	415,000
2022/23	390,000

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

	2020/21 £000	2021/22 £000	2022/23 £000
Maximum principal sums invested > 365 days	8,000	8,000	8,000

11.16 For its cash flow generated balances, the Council will seek to utilise its call accounts and short dated deposits (overnight to 180 days) in order to benefit from the compounding interest.

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

12 Creditworthiness Policy

12.1 The Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- "watches" and "outlooks" from credit rating agencies;
- Credit Default Swaps spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

12.2 This modelling approach combines credit ratings, Watches and Outlooks in a weighted scoring system, which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- yellow 5 years;
- dark pink 5 years for ultra-short dated bond funds with a credit score of 1.25;
- light pink 5 years for ultra-short dated bonds funds with a credit score of 1.5;
- purple 2 years;
- blue 1 year (only applies to nationalised or semi nationalised UK banks);
- orange 1 year;
- red 6 months;
- green 100 days
- no colour not to be used.

- 12.3 The Link Asset Services creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system does not give undue preponderance to just one agency's ratings.
- 12.4 Typically the minimum credit ratings criteria the Council will use will be short term rating (Fitch or equivalents) of F1 and a long term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use
- 12.5 The Council's own bank currently meets the creditworthiness policy. However, should they fall below Link Asset Services creditworthiness policy the Council will retain the bank on its counterparty list for transactional purposes, though would restrict cash balances to a minimum.
- 12.6 All credit ratings are monitored weekly and prior to any new investment decision. The Council is alerted to changes to ratings of all three agencies through its use of the Link Asset Services creditworthiness service.
- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
 - In addition to the use of credit ratings the Council will be advised of information in movements in credit default swaps against the iTraxx European Financials benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 12.7 Sole reliance will not be placed on the use of Link Asset Services Creditworthiness policy. In addition, this Council will also use market data and market information, information on any external support for banks to justify its decision making process.
- 12.8 To further mitigate risk the Council has decided that where counterparties form part of a larger group, group limits should be used in addition to single institutional limits. Group limits will be as set through the Council's Treasury Management Practices – schedules.
- 12.9 In relation to financial institutions, the Council currently only invests in UK banks and building societies, which provides sufficient high credit quality counterparties to meet investment objectives. It should be noted that in some cases these banks are subsidiaries of foreign banks but these are of the highest credit quality.

13 External Service Providers

- 13.1 The Council uses Link Asset Services, Treasury Solutions as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the authority at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be

undertaken with regards to available information, including, but not solely, our treasury advisors.

- 13.2 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.
- 13.3 The scope of investments within the Council's operations now includes both conventional treasury investments, (the placing of residual cash from the Council's functions), and more commercial type investments, such as investment properties. The Council will engage specialist advisers for commercial-type investments.

FENLAND DISTRICT COUNCIL
CAPITAL STRATEGY 2020/21-2022/23

1. OVERVIEW AND CONTEXT

- 1.1 The Council has established statutory and regulatory responsibilities for the management of its financial affairs. These responsibilities encompass revenue and capital expenditure. The specific responsibilities of full Council, the Cabinet, the Investment Board, Corporate Management Team (CMT) and the Council's appointed Section 151 Officer are defined within the Council's constitution.
- 1.2 The Council regularly updates its Medium Term Financial Strategy (MTFS). The MTFS provides a framework for setting the Council's annual revenue budget and updating the Council's three-year capital programme. The MTFS sets out the primary assumptions underpinning the assessment of the resources available to the Council and anticipated service budgets over the coming five financial years.
- 1.3 Whilst local authorities are required to set a balanced revenue budget, legislation permits local authorities to obtain credit and therefore fund their capital programmes from borrowing. Individual authorities are required to have regard for the Prudential Code published by the Chartered Institute of Public Finance and Accountancy. The Prudential Code requires authorities to ensure:
- all capital expenditure and investment plans are affordable;
 - all external borrowing and long-term liabilities are within prudent and sustainable levels;
 - treasury management and other investment decisions are taken in accordance with professional good practice; and
 - authorities can demonstrate themselves to be accountable by providing a clear and transparent framework.
- 1.4 Historically, this Council has discharged its responsibilities under the Prudential Code by ensuring that the Treasury Management Strategy, which is approved annually by full Council, is prepared with reference to the latest capital programme. The Capital Programme is itself developed with explicit consideration of the extent to which proposed capital investment is affordable, prudent and sustainable given the resources available to the Council as set out in the MTFS.

- 1.5 Following an update to the Prudential Code in December 2017, local authorities are now required to have a Capital Strategy. The introduction of this requirement acknowledges that individual authorities will each have their own approach to assessing priorities for capital investment, the amount the Authority can afford to borrow and the Authority's appetite to risk.
- 1.6 This strategy sets out in a single document the long term context in which capital expenditure and investment decisions are made and establishes that the Council has arrangements in place to ensure it gives due consideration to risk, reward, and impact on the achievement of priority outcomes. The Strategy is updated annually and reviewed by the Council's Corporate Governance Committee prior to being approved by Full Council alongside the annual budget.

2. CAPITAL EXPENDITURE

- 2.1 Capital expenditure incorporates a range of different types of financial transaction which the Council might enter into. What these transactions have in common is that they relate to investments decisions which impact on the Council and its stakeholders over a period which extends beyond the financial year in which the transaction is entered into. The Council's appointed S151 Officer ultimately has responsibility for determining whether expenditure is capital in nature in accordance with relevant regulation and statute.

Role and Purpose of the Asset Management Plan

- 2.2 The Council has developed an Asset Management Plan in accordance with acknowledged best practice. This document provides a strategic framework for managing the Council's current portfolio of land and buildings ensuring that officers and elected members can have confidence, in the long-term, that the Council has the land and property needed to fulfil the pledges set out in the Council's Business Plan.
- 2.3 The Asset Management Plan incorporates oversight of operational and non-operational property owned by the Council. Operational assets are those assets held by the Council to enable the Council, or its partners, to deliver those services which are either statutory in nature or provided on a discretionary basis to the extent that providing those services is consistent with the strategic objectives of the Council. Non-operational assets are those assets which are not directly used for the purposes of service delivery but are held to either provide the Council with a return on investment, either through rental income, appreciation in the value of the asset or the potential contribution that holding the asset makes to the Council's wider corporate objectives, e.g. taking forward opportunities to regenerate and develop the local economy.
- 2.4 Responsibility for the Asset Management Plan rests with the Council's Assets and Projects team which reports to the Council's Corporate Director (Growth and Infrastructure). The Assets and Projects team regularly appraise the condition of the Council's property portfolio to determine the revenue and capital resources required to ensure the portfolio continues to meet the needs of Service Managers. When the needs of services managers change the Assets and Projects team will assist in determining the impact on the property portfolio, including the resources required to meet those needs. The Assets and Projects team recognise that the Council's property needs are unlikely to remain static and the past cost of maintaining a Council asset is not necessarily a reliable indicator of future costs. Forward projections

regarding the resources to be allocated to asset management recognise the interaction between revenue and capital expenditure in determining the Council's cost base.

- 2.5 The capital resources required to meet investment needs identified as part of the Asset Management Plan are routinely assessed and anticipated capital expenditure is profiled over the financial years when it is expected to be incurred. On at least an annual basis capital schemes identified as part of the Asset Management Plan are presented to a meeting of the Council's Corporate Asset Team to determine when and if they should be incorporated into the Council's Capital Programme.

Investment in Vehicles, Plant, Equipment and IT

- 2.8 The Council has nominated service managers who are responsible for the vehicles, plant and information technology assets in use within the Council. These assets all have an expected useful economic life informed by an assessment by the nominated manager. The need to allocate capital resources to fund the replacement of these assets at the end of their useful life is assessed annually by the Council's Corporate Asset Team. There is also an annual appraisal of business cases relating to proposals to invest in additional equipment not reflected in the programme of rolling replacements.

Role and Function of the Corporate Asset Team

- 2.9 The Corporate Asset Team is an officer-led group which meets bi-monthly under the Chairmanship of the Corporate Director (Growth and Infrastructure). On behalf of the Council's Corporate Management Team, the Corporate Asset Team assumes responsibility for providing a strategic oversight in respect of all matters pertaining to asset management.
- 2.10 All proposed changes to the Council's three-year capital programme are subject to review by the Corporate Asset Team prior to being considered by Corporate Management Team, the Cabinet and Full Council. Any scheme which is not already incorporated into the Council's Asset Management Plan will only be considered for inclusion in the Capital Programme if the Officer proposing the scheme can demonstrate, with appropriate evidence, one or more of the following:
- there is a statutory obligation for the Council to incur the capital expenditure proposed;
 - the proposed capital expenditure relates to works deemed necessary on the grounds of health and safety;

- capital expenditure is proposed to protect a Council asset and reduce the risk of excessive revenue expenditure being incurred in upcoming financial years;
- the proposed capital expenditure will generate income, either of a revenue or capital nature, in excess of the capital expenditure which is expected to be incurred including any financing costs; and/or
- the proposed capital expenditure will (after including financing costs) reduce revenue expenditure incurred by one or more of services in future financial years.

2.11 The capital financing regulations permit the Council to treat as capital expenditure certain types of transaction which do not result in the acquisition of a physical asset by the Council. These transactions can be high-volume, small value transactions such as the awarding of Disabled Facilities Grants which are currently funded from monies received as part of Cambridgeshire County Council's Better Care Fund allocation. Such transactions do not require specific approval providing the nature and purpose of the expenditure has been approved as part of the Capital Programme.

2.12 Any proposals to incur capital expenditure which do not lead to the recognition of a physical asset where the expenditure proposed exceeds £10,000 but does not fall within the scope of the Council's Commercial and Investment Strategy will be considered at a meeting of CMT. If approved by Cabinet, approval will be sought at a meeting of Cabinet before being considered at full Council if necessary. Possible examples include, but are not restricted to:

- granting loans to third parties (for reasons not linked to the objectives of the Commercial and Investment Strategy);
- providing grant-funding to a third party which enables that third party to undertake expenditure which would have been capital in nature had it been undertaken by the Council.

Role and Function of the Investment Board

2.13 During the 2019-20 financial year the Council initiated the development of a Commercial and Investment Strategy for the Council. The current version of the Strategy was approved by full Council on 9 January 2020.

2.14 The Commercial and Investment Strategy was developed in recognition of the investment opportunities available to the Council acknowledging that utilising the Council's powers to invest could bring substantial benefits not only to the Council but also to the wider District and its residents. The Capital Strategy has been updated to take account of the changes in the

Council's arrangements for determining its capital priorities which arise from the implementation of the Commercial and Investment Strategy. This is explained in more detail in section four of this document.

- 2.15 Following the approval of the Commercial and Investment Strategy Cabinet approved the establishment of a sub-committee known as the Investment Board. The Investment Board has initially been allocated a maximum budget of £25M to take forward capital schemes which facilitate the achievement of the objectives set out in the Strategy.
- 2.16 The Investment Board undertakes its own appraisals of proposed capital schemes. The appraisal of such schemes will be separate from and in addition to the proposals for new capital schemes considered at meetings of Corporate Asset Team which follow the process outlined in paragraph 2.10 of this strategy. The Investment Board has delegated powers to approve schemes providing the maximum budget is not exceeded.
- 2.17 Capital schemes which fall within the remit of the Investment Board include the acquisition of share capital or the granting of loan funding to companies and/or partnerships in which the Council has an interest. The decision about whether to establish a company or enter into a partnership rests with Cabinet. The Investment Board is responsible for the approval of the business plans of any entities created as a result of a decision taken by Cabinet. Approval of the relevant business plan will precede the allocation of capital funds.

3 DEBT AND BORROWING AND TREASURY MANAGEMENT

3.1 Day-to-day responsibility for the Treasury Management function rests with the Chief Finance Officer. This section of the strategy reproduces key information taken from the Treasury Management Strategy Statement. For reasons outlined in that document, no assumptions have been made regarding the timing of any borrowing (internal and/or external) arising from the implementation of the Commercial and Investment Strategy. However, the operational boundary and authorised limits shown in Tables 3 and 4 have been determined with reference to the budget allocated to the newly-established Investment Board referred to in paragraph 2.15 above.

Key Considerations relating to Treasury Management

3.2 The tables below set out the Council's Investment and Debt positions with forward projections.

Year End Investments	2019/20 Revised Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Fund balances / reserves	8,713	7,595	6,880	6,750
Capital Grants Unapplied	396	0	0	0
Total core funds	9,109	7,595	6,880	6,750
Expected investments	16,000	11,250	10,150	9,550

Table 1: Year End Investment Balances projected over the period 1 April 2019 – 31 March 2023

Year-End Debt	2019/20 Revised Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Debt at 1 April	7,800	7,800	36,574	36,159
Expected change in debt to fund capital programme (excluding Commercial and Investment Strategy schemes)	0	3,774	(415)	(415)
Borrowing to fund Commercial and Investment Strategy schemes	0	25,000	0	0
Other long term liabilities (OLTL)	563	406	243	106
Expected change in OLTL	(157)	(163)	(137)	(83)
Actual debt at 31 March	8,206	36,817	36,265	35,767

Table 2: Year End Debt and Net Investment projected over the period 1 April 2019– 31 March 2023

3.3 At 1 April 2019 the Council's Debt position comprised other long-term liabilities relating to finance leases of £563k and external borrowing of £7.8m. These loans were taken out at prevailing market rates between 1994 and 2004. The term of these loans is between 25 and 50 years. Following the transfer of the Council's Housing Stock in 2007, which generated a significant capital receipt for the Council, the Council has retained investment balances which exceed the amounts borrowed. However, changes in prevailing interest rates since the loans were taken out mean that a high premium would be payable by the Council if it were to seek to repay any of the loans early. The premiums to be applied are considered to be prohibitively high for early redemption to be regarded as a reasonable treasury management decision. The Council continues to keep this situation under review with the support of its appointed treasury management advisors. However, for the purposes of this strategy, it has been assumed that external borrowing of £7.8m brought forward, as at 1 April 2019, will continue to be carried forward due to the current historically low interest rates.

3.4 Regulation requires the Council to determine, as part of the Treasury Management Strategy, the maximum external debt position for the upcoming three financial years. This is known as the Council's authorised limit. Additionally, the Council is required to set an operational boundary. The purpose of the operational boundary is to set a threshold for external borrowing which the Council would not expect to exceed in the ordinary management of its affairs. Sustained breaches of the operational boundary would be indicative that the Council could be at risk of exceeding its authorised limit.

3.5 The current authorised limits and operational boundaries for the period covered by this strategy are set out in the table below

Operational Boundary	2019/20 Revised Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Debt	12,000	12,000	12,000	12,000
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities/ Non-Financial Investments	25,000	25,000	25,000	25,000
Total	38,000	38,000	38,000	38,000

Table 3: Operational Boundary over the period 1 April 2019 – 31 March 2023

Authorised Limit	2019/20 Revised Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000	2022/23 Estimate £000
Debt	17,000	17,000	17,000	17,000
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities / Non-Financial Investments	25,000	25,000	25,000	25,000
Total	43,000	43,000	43,000	43,000

Table 4: Authorised Limit over the period 1 April 2019 – 31 March 2023

3.6 Table 2 above indicates that the Council's Actual Debt position is expected to increase over the period covered by this strategy. This reflects an anticipated decision to undertake external borrowing to fund the expenditure commitment set out in the capital programme. In accordance with the Council's constitution, any decision about when, how much and from where to borrow will be made by the appointed S151 Officer.

3.7 Regulations prevent the Council from borrowing in advance of need. However, there is no requirement for the Council to draw on investment balances to fund its capital commitments prior to undertaking external borrowing. To manage interest rate effectively, the Council will continue to consider medium and long-term forecasts of interest rates provided by its Treasury Management advisors to project likely returns from the investment of surplus funds and the financing costs associated with external borrowing. This approach recognises that postponing long-term borrowing to future years could be more expensive over the life of the loan if interest rates were to increase.

3.8 The Council is required by statute to make arrangements to ensure that there is provision to repay as part of the Council's revenue budget any borrowing undertaken to finance the capital programme. This is known as the Minimum Revenue Provision (MRP) and the Council is required to approve its MRP policy on an annual basis:

	Projected Minimum Revenue Provision £000
2019/20	243
2020/21	525
2021/22	650
2022/23	650

Table 5: Projected Minimum Revenue Provision over the period 1 April 2019 – 31 March 2023

3.9 Regulation requires the Council to ensure that its MRP policy results in prudent levels of MRP. The Council's MRP policies are explained in full as

part of the Treasury Management Strategy Statement which is approved by Full Council annually. Specific provisions are in place to explain the approach taken to determine MRP for schemes taken forward as part of the Commercial and Investment Strategy.

- 3.10 At the present time no assumptions have been made regarding the MRP which would be due on schemes taken forward as part of the implementation of the Commercial and Investment Strategy. These assumptions will be updated as schemes are taken forward.
- 3.11 In recognition of the inherent volatility of commercial investment the Council has established an Investment Strategy reserve. One of the purposes of that reserve is that it should hold surpluses in respect of those years where actual income generated from commercial investments exceeds budget estimates. This can help reduce the impact on the General Fund of any unanticipated shortfall which might arise in future years.

4. COMMERCIAL ACTIVITY

- 4.1 The Council has a long-standing portfolio of non-operational assets which it manages to secure a rental income and income from fees and charges earned from providing facilities for conferences and meetings. The main non-operational assets held by the Council are:
- Boathouse Business Centre, Wisbech – Office Units, Conference and Meeting Space
 - South Fens Business Centre, Chatteris - Office Units, Conference and Meeting Space
 - South Fens Enterprise Park, Chatteris – Light Industrial Units for Small Business Use
- 4.2 Rents generated from the lease to third parties of areas of land, buildings and/or infrastructure held by the Council principally for the purposes of service delivery, i.e. premises at Fenland Hall, the Base and Wisbech Port have been assessed by officers to fall outside the scope of commercial activity in the context of this section of the Council Strategy. This reflects the fact that the motive for holding these assets is not principally commercial in nature.
- 4.3 Responsibility for assessing the need for capital investment in the current portfolio of non-operational assets, reflecting those non-operational assets held as at 31 March 2020 currently rests with the Corporate Asset Team in accordance with the arrangements set out in paragraph 2.10 above.
- 4.4 During the 2019-20 financial year the Council approved a Commercial and Investment Strategy. The Council has established an Investment Board to take forward capital schemes which deliver against objectives set out in part two (commercial property investment) and part three of the Strategy (commercial investment and regeneration).
- 4.5 The Commercial and Investment Strategy sets out the assessment criteria to be used for investments undertaken in accordance with part two of the strategy. This requires the Council to determine the net yield associated with each proposed acquisition, after taking account of financing costs, including MRP, and to assess the particular circumstances relating to each acquisition to understand the risks the Council is subject to and possible sources of mitigation.
- 4.6 The Investment Board is a sub-committee of the Cabinet. The Council's constitution requires that the committee's membership includes the Leader (who Chairs the Investment Board), the Portfolio Holder for Finance, as well as one other member of Cabinet appointed by the Leader or two members of Cabinet if the Leader also has the Finance Portfolio. The constitution

requires the Chair of the Investment Board to ensure the Investment Board meets a minimum of three times each year. The Chair of the Overview and Scrutiny Panel will attend the Investment Board's meetings in an observational capacity.

- 4.7 The Investment Board is a decision-making body and its functions include the determination of investment appraisals and business cases submitted for its consideration. A report on the discharge of these functions is provided to the Cabinet twice a year.
- 4.8 The Investment Board also has responsibility for monitoring the performance and financial delivery of those appraisals and business cases it agrees to fund. The Section 151 Officer ensures that reports on the activities of the Investment Board prepared for consideration by Cabinet include details about the impact of the Board's activities on the overall financial position of the Council.
- 4.9 Statutory guidance published by MHCLG requires the Council to:
- assess and disclose publically the extent to which it is dependent on profit-generating investments to deliver a balanced revenue budget over the life of the medium-term financial strategy; and
 - to set limits for gross debt and commercial income as a proportion of the Council's budgeted net service expenditure over the life of the medium-term financial strategy.

Commercial Income as a proportion of net service expenditure

- 4.10 The current limit for budgeted commercial income as a proportion of net service expenditure has been set at 20% (equivalent to commercial income of £2.313M per year based on 2019/20 budgeted net service expenditure).
- 4.11 The Investment Board was established in January 2020 and it is yet to approve any capital schemes. Consequently the Council currently only has a very limited reliance on its non-operational assets to generate income to balance the Council's budget. This is shown in the table 6 below:

Budgeted Income from pre-2019/2020 non-operational assets (Economic Estates - Revised Budget 2019/20)	£842,000
Net Service Expenditure	£11,565,000
Commercial Income as a proportion of Net Service Expenditure	7.3%
Approved Limit	20%

Table 6: Commercial Income as a proportion of Net Service Expenditure

Gross Debt as a proportion of net service expenditure

4.12 The current limit for gross debt as a proportion of net service expenditure has been set at 375% (equivalent to gross debt of £43.370M per year based on 2019/20 budgeted net service expenditure).

4.13 As explained in paragraph 3.3 above whilst the Council has not undertaken external borrowing in recent years it does have £7.8M of external debt which was taken out at prevailing market rates between 1994 and 2004. This impacts on the calculation of gross debt as a proportion of net service expenditure as follows:

Gross Debt expected as at 31 March 2020	£7,800,000
Net Service Expenditure	£11,565,000
Gross Debt as a proportion of Net Service Expenditure	67%
Approved Limit	375%

Table 7: Gross Debt as a proportion of Net Service Expenditure

Commercial Property Investment – Loan to Value Assessment

4.14 An important consideration when appraising the impact of the Council's commercial and investment strategy on the Council is to consider the extent to which borrowing undertaken by the Council to fund investment in property is matched by the underlying value of the assets purchased.

4.15 When assets are first purchased it is common for the directly attributable costs associated with acquiring the asset, including applicable stamp duty, to exceed the realisable value of the asset. Consequently, if a property purchase is funded from borrowing this may mean in the early years of the Council's ownership the fair value of property owned by the Council may be less than the borrowing undertaken by the Council to fund the acquisition. Over time, if property prices appreciate this will have a positive impact on the Council's loan to value ratio.

4.16 The Council will obtain valuations of all its commercial investment properties annually and disclose the Loan to Value ratio as part of each year's capital strategy. Currently the Council does not hold any investment properties which have been funded from borrowing.

Borrowing in Advance of Need

- 4.17 Statutory guidance on Local Authority Investments and the Prudential Code published by CIPFA requires that authorities must not borrow in advance of their needs purely in order to profit from the investment of the extra sums borrowed. Government has clarified that this requirement extends to the use of external borrowing to fund the purchase of non-financial investments, including investment properties.
- 4.19 As noted in paragraph 2.15 above the Council's Investment Board has been allocated a budget of £25M to take forward the Council's Commercial and Investment Strategy. The Council's Commercial and Investment Strategy provides for two types of investments to be taken forward: part two of the strategy sets out the process to be followed for commercial property investment and part three is concerned with investments for regeneration and place-shaping.
- 4.20 The Council will need to undertake external borrowing if it is to utilise the full budget of £25M which has been allocated by Full Council. Part two of the Council's Commercial and Investment Strategy states that any investments made in accordance with this part of the strategy will be 'for pure financial benefit'. Consequently any borrowing undertaken to enable such investments to take place will be in breach of the statutory guidance published by MHCLG.
- 4.21 The statutory guidance recognises that the Council can disregard the provisions of the Prudential Code and the statutory guidance providing it explains its reasons for doing so and its policies for investing the extra amounts borrowed and the arrangements in place to manage the associated risks.
- 4.22 The launch of the Council's Commercial and Investment Strategy represents a key element of the Council's 20/21 Business Plan. This Council believes that investment in property is an appropriate and proportionate response to the Council's current financial position. Exploiting opportunities presented by commercial property could provide this Council with a reliable long-term source of revenue income to fund the provision of Council services. Securing such an income stream could therefore help achieve the reduction in net expenditure necessary to meet the financial gap identified in the Council's Medium Financial Strategy. This approach also further diversifies the Council's sources of income recognising that upcoming reforms to the business rates system and the implementation of the fair funding review could adversely impact on the Council's financial position.
- 4.23 The Commercial and Investment Strategy sets out in detail the appraisal and decision-making approach the Investment Board is required to follow before any investment in commercial property is undertaken. This ensures that appropriate governance arrangements are in place and the Council has due regard to the risks associated with investments both individually and in the context of the overall level of risk presented by the Council's

current portfolio. The extent to which the Council needs to borrow in advance of need to undertake investment in commercial property will be fully disclosed to the Investment Board by the Chief Finance Officer before any investment is undertaken.

- 4.24 Active monitoring of the portfolio will take place throughout the year with reference to the indicators included in this strategy together with appropriate commentary relevant to the particular investments held by this Council.

5. KNOWLEDGE AND SKILLS

- 5.1 The Council has professionally qualified staff across a range of disciplines including finance, legal and property that follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.
- 5.2 Appropriate external advice will be engaged from suitably qualified professionals as and when required. This will apply particularly in those circumstances when the Council needs to undertake independent due diligence prior to making a decision regarding a proposed investment. Additionally, the Council will continue to enlist the year-round support of external Treasury Management advisors. This support is currently provided by Link Asset Services.
- 5.3 Internal and external training is offered to members to ensure they have up to date knowledge and expertise to understand and challenge capital proposals brought forward for approval and interpret the treasury management policies developed by officers in conjunction with relevant professional advisors.

PARISH PRECEPTS 2020/21

TAX BASE (Equated Band D Properties)	PRECEPT 2019/20 £	COUNCIL TAX PER BAND D PROPERTY £	PARISH	TAX BASE (Equated Band D Properties)	PRECEPT 2020/21 £	COUNCIL TAX PER BAND D PROPERTY £	INCREASE FROM 2019/20 %
351	12,852	36.62	BENWICK	357	12,852	36.00	-1.7
3,326	151,000	45.40	CHATTERIS	3,345	151,000	45.14	-0.6
268	12,750	47.57	CHRISTCHURCH	274	12,750	46.53	-2.2
814	51,540	63.32	DODDINGTON	838	56,459	67.37	6.4
1,168	41,267	35.33	ELM	1,192	40,367	33.86	-4.2
387	17,000	43.93	GOREFIELD	390	19,000	48.72	10.9
1,100	53,000	48.18	LEVERINGTON	1,123	53,000	47.20	-2.1
808	47,487	58.77	MANEA	853	55,143	64.65	10.0
6,505	283,000	43.50	MARCH	6,554	320,000	48.83	12.2
237	13,000	54.85	NEWTON IN THE ISLE	235	13,000	55.32	0.9
448	19,378	43.25	PARSON DROVE	449	20,643	45.98	6.3
389	1,000	2.57	TYDD ST GILES	389	1,000	2.57	0.0
5,285	171,015	32.36	WHITTLESEY	5,424	171,015	31.53	-2.6
756	64,560	85.40	WIMBLINGTON	758	65,851	86.87	1.7
6,383	369,200	57.84	WISBECH	6,466	372,270	57.57	-0.5
1,155	55,510	48.06	WISBECH ST MARY	1,168	80,510	68.93	43.4
29,380	1,363,559	46.41	GRAND TOTAL	29,815	1,444,860	48.46	4.42

Reserve Name	Balance 01.04.19 £	Re-allocations Cabinet 9 January 2020	Capital Funding £	Revenue Contributions to(+)/from(-) 2019/20 £	Revised Balance 31.03.20 £	Capital Funding £	Revenue Contributions to(+)/from(-) 2020/21 £	Estimated Balance 31.03.21 £	Comments / Conditions of Use
Travellers Sites	305,820		-25,000	6,810	287,630		56,070	343,700	Can only be used for specific future maintenance liabilities.
Station Road, Whittlesey - Maintenance	11,200		-12,000	2,800	2,000		2,800	4,800	Required for future road maintenance.
CCTV - Plant & Equipment	100,723		-100,000	10,000	10,723		10,000	20,723	Available for future CCTV maintenance & replacement liabilities.
Invest to Save	120,521		-47,000		73,521			73,521	To provide resources for schemes which will deliver future efficiencies. £50k committed to energy efficiency schemes match funded by Salix Finance, as part of the Council's 'Keen to be Green' strategy.
Conservation	4,124	-4,124			0			0	Previously available for the purchase, renovation and subsequent re-selling of difficult properties of local importance where intervention by this Council is seen as the only solution. Given minimal balance on reserve remaining balance transferred to Investment Strategy reserve in January 2020.
Management of Change	1,201,800		-262,000	-40,000	899,800	-260,000		639,800	Available for the effective management of any organisational changes required to meet the Council's future priorities.
Neighbourhood Planning Reserve	185,156	-185,156			0			0	Previously available to assist the Council with delivering the 'Neighbourhood Planning' objective and delivery of the Core Strategy. Amalgamated with Local Plan Reserve to form Planning Reserve in January 2020.
Specific Government Grants (received in previous years)	1,620,144	-165,637		-733,711	720,796		-36,621	684,175	Available to fund specific spending commitments in future years.
Personal Search Fees	115,524	-115,524			0			0	Previously available to off-set restitution claims associated with the revocation of the personal search fees of the local land charges register. No longer required as explained in report presented to Cabinet on 9 January 2020 therefore transferred to Investment Strategy reserve.
Community Projects Reserve	12,431	-12,431			0			0	Available for small-scale community projects. Previously used to assist Parish/Town Councils to fund Diamond Jubilee Celebrations. On 9 January 2020 Cabinet approved proposal to transfer residual balance to Investment Strategy reserve.
Business Rates Equalisation Reserve	1,055,883			-412,233	643,650		-143,650	500,000	Available to assist the Council in smoothing out volatility in the business rates retention system.
Capital Contribution Reserve	419,932	422,000	-98,000		743,932			743,932	Available to fund specific spending commitments in future years.
Port - Buoy Maintenance	147,319				147,319			147,319	Available for future buoy maintenance to service windfarms.

Reserve Name	Balance 01.04.19 £	Re-allocations Cabinet 9 January 2020	Capital Funding £	Revenue Contributions to(+)/from(-) 2019/20 £	Revised Balance 31.03.20 £	Capital Funding £	Revenue Contributions to(+)/from(-) 2020/21 £	Estimated Balance 31.03.21 £	Comments / Conditions of Use
Local Plan Reserve	451,178	-451,178			0			0	Available to assist the Council with reviewing the Local Plan.
Repairs and Maintenance	642,518		-128,000	-21,659	492,859	-101,000	-42,000	349,859	Available to provide funding for one-off schemes, not covered by the normal Repairs and Maintenance revenue budgets.
Property Development Fund	1,000,000	-1,000,000			0			0	Available to enable progression of future development and property schemes. On 9 January 2020 Cabinet approved proposal to transfer residual balance to Investment Strategy reserve.
Heritage Lottery Fund (HLF) - Wisbech	151,966			-41,880	110,086		-42,720	67,366	To manage the Heritage Lottery Funded scheme in Wisbech.
Brexit Preparation Reserve	17,484	-17,484			0			0	Available to mitigate any potential short-term impact of Brexit. On 9 January 2020 Cabinet approved proposal to transfer residual balance to Investment Strategy reserve.
Solid Wall Remediation	100,000				100,000			100,000	Available to fund potential costs linked to solid wall installations in the District.
Highways Street Lighting	17,500			17,310	34,810		17,310	52,120	Available to fund future repairs and maintenance relating to street lighting.
Investment Strategy Reserve	0	1,315,200		34,970	1,350,170			1,350,170	Established to provide future funding for Commercial and Investment Strategy projects.
Budget Equalisation Reserve	0	200,236			200,236		2,500,000	2,700,236	Year-end surpluses are transferred to this reserve. If a deficit is forecast this reserve can be used to offset the expected shortfall.
Planning Reserve	0	636,334		-100,000	536,334		-100,000	436,334	Available to fund additional planning costs not reflected in the annual budget, including the development of the Local Plan.
Elections Reserve	0				0		30,000	30,000	Available to fund four-yearly District-wide elections. Transfers are made to this reserve each year to fund the cost of the next District-wide election.
TOTAL EARMARKED RESERVES	7,681,221	622,236	-672,000	-1,277,593	6,353,864	-361,000	2,251,189	8,244,053	
General Fund Balance	2,622,236	-622,236			2,000,000			2,000,000	Unallocated general reserve required for various and unplanned for contingencies, to mitigate risks associated with future financial planning as well as for general day to day cash flow needs.
TOTAL RESERVES	10,303,457	0	-672,000	-1,277,593	8,353,864	-361,000	2,251,189	10,244,053	

NB: In accordance with the Council's Financial Rules and Scheme of Financial Delegation (Part 4, Rule 6 of the Constitution), paragraphs B57 - B60 delegates authority to the Chief Finance Officer to approve expenditure from these reserves in accordance with their approved use as detailed above.

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COUNCIL TAX RESOLUTION

Council Tax 2020/21

Following consideration of the report to this Council on 20 February 2020 and the setting of the Revenue Budget for 2020/21, the Council is required to pass the resolution below to set the Council Tax requirement.

RESOLVED

- (1) it be noted that the Tax Base for the year 2020/21 has been calculated in accordance with the Local Government Finance Act 1992 and associated regulations as follows:
- (a) 29,815 being the amount calculated by the Council as its Council Tax Base for the year, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended).
- (b) Part of the Council's area

Parish	Tax Base
Benwick	357
Chatteris	3,345
Christchurch	274
Doddington	838
Elm	1,192
Gorefield	390
Leverington	1,123
Manea	853
March	6,554
Newton	235
Parson Drove	449
Tydd St Giles	389
Whittlesey	5,424
Wimblington	758
Wisbech	6,466
Wisbech St Mary	1,168
TOTAL	29,815

being the amounts calculated by the Council, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate, in accordance with regulation 6 of the Regulations.

- (2) The Council calculates that the Council Tax requirement for the Council's own purposes for 2020/21 (excluding Parish precepts) is £7,765,610.

(3) That the following amounts be now calculated by the Council for the year 2020/21 in accordance with Sections 31 to 36 of the Local Government & Finance Act 1992 (as amended):

- (a) 47,367,710 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act **[Gross Expenditure including benefits & Town/Parish Precepts]**
- (b) 38,157,240 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act **[Revenue Income including reimbursement of benefits, specific & general grants & use of reserves]**
- (c) 9,210,470 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year **[Net Expenditure, including Parish Precepts]**
- (d) 308.92 being the amount at 3(c) above divided by the Council Tax Base at 1(b) above, in accordance with Section 31B(1) of the Act, **[basic amount of its Council Tax for the year, including Parish precepts]**
- (e) £1,444,860 being the aggregate amount of all special items referred to in Section 35(1) of the Act **[Parish Precepts]**
- (f) 260.46 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount at (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates

(g) Part of the Council's area:

Parish	Band D
Benwick	296.46
Chatteris	305.60
Christchurch	306.99
Doddington	327.83
Elm	294.32
Gorefield	309.18
Leverington	307.66
Manea	325.11
March	309.29
Newton	315.78
Parson Drove	306.44
Tydd St Giles	263.03
Whittlesey	291.99
Wimblington	347.33
Wisbech	318.03
Wisbech St Mary	329.39

being the amounts given by adding to the amount at 3(f) above the amounts of the special items relating to dwellings in those parts of the Council's area

mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34 (3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(h) Part of the Council's area

	Valuation Bands							
Parish of	A £	B £	C £	D £	E £	F £	G £	H £
Benwick	197.64	230.58	263.52	296.46	362.34	428.22	494.10	592.92
Chatteris	203.73	237.69	271.64	305.60	373.51	441.42	509.33	611.20
Christchurch	204.66	238.77	272.88	306.99	375.21	443.43	511.65	613.98
Doddington	218.55	254.98	291.40	327.83	400.68	473.53	546.38	655.66
Elm	196.21	228.92	261.62	294.32	359.72	425.13	490.53	588.64
Gorefield	206.12	240.47	274.83	309.18	377.89	446.59	515.30	618.36
Leverington	205.11	239.29	273.48	307.66	376.03	444.40	512.77	615.32
Manea	216.74	252.86	288.99	325.11	397.36	469.60	541.85	650.22
March	206.19	240.56	274.92	309.29	378.02	446.75	515.48	618.58
Newton	210.52	245.61	280.69	315.78	385.95	456.13	526.30	631.56
Parson Drove	204.29	238.34	272.39	306.44	374.54	442.64	510.73	612.88
Tydd St Giles	175.35	204.58	233.80	263.03	321.48	379.93	438.38	526.06
Whittlesey	194.66	227.10	259.55	291.99	356.88	421.76	486.65	583.98
Wimblington	231.55	270.15	308.74	347.33	424.51	501.70	578.88	694.66
Wisbech	212.02	247.36	282.69	318.03	388.70	459.38	530.05	636.06
Wisb. St Mary	219.59	256.19	292.79	329.39	402.59	475.79	548.98	658.78

being the amounts given by multiplying the amounts at 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands
[Council Tax relating to the District Council & Parish expenditure]


- (4) it be noted that for the year 2020/21 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwellings shown below:

	Valuation Bands							
Precepting Authority	A £	B £	C £	D £	E £	F £	G £	H £
Cambridgeshire County Council	906.12	1,057.14	1,208.16	1,359.18	1,661.22	1,963.26	2,265.30	2,718.36
Cambridgeshire & Peterborough Fire Authority	48.06	56.07	64.08	72.09	88.11	104.13	120.15	144.18
Police & Crime Commissioner for Cambridgeshire	155.10	180.95	206.80	232.65	284.35	336.05	387.75	465.30
Total	1,109.28	1,294.16	1,479.04	1,663.92	2,033.68	2,403.44	2,773.20	3,327.84

- (5) having calculated the aggregate in each case of the amounts at 3(h) & 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act, 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2020/21 for each of the categories of dwellings shown below:

	Valuation Bands							
Parish of	A £	B £	C £	D £	E £	F £	G £	H £
Benwick	1,306.92	1,524.74	1,742.56	1,960.38	2,396.02	2,831.66	3,267.30	3,920.76
Chatteris	1,313.01	1,531.85	1,750.68	1,969.52	2,407.19	2,844.86	3,282.53	3,939.04
Christchurch	1,313.94	1,532.93	1,751.92	1,970.91	2,408.89	2,846.87	3,284.85	3,941.82
Doddington	1,327.83	1,549.14	1,770.44	1,991.75	2,434.36	2,876.97	3,319.58	3,983.50
Elm	1,305.49	1,523.08	1,740.66	1,958.24	2,393.40	2,828.57	3,263.73	3,916.48
Gorefield	1,315.40	1,534.63	1,753.87	1,973.10	2,411.57	2,850.03	3,288.50	3,946.20
Leverington	1,314.39	1,533.45	1,752.52	1,971.58	2,409.71	2,847.84	3,285.97	3,943.16
Manea	1,326.02	1,547.02	1,768.03	1,989.03	2,431.04	2,873.04	3,315.05	3,978.06
March	1,315.47	1,534.72	1,753.96	1,973.21	2,411.70	2,850.19	3,288.68	3,946.42
Newton	1,319.80	1,539.77	1,759.73	1,979.70	2,419.63	2,859.57	3,299.50	3,959.40
Parson Drove	1,313.57	1,532.50	1,751.43	1,970.36	2,408.22	2,846.08	3,283.93	3,940.72
Tydd St Giles	1,284.63	1,498.74	1,712.84	1,926.95	2,355.16	2,783.37	3,211.58	3,853.90
Whittlesey	1,303.94	1,521.26	1,738.59	1,955.91	2,390.56	2,825.20	3,259.85	3,911.82
Wimblington	1,340.83	1,564.31	1,787.78	2,011.25	2,458.19	2,905.14	3,352.08	4,022.50
Wisbech	1,321.30	1,541.52	1,761.73	1,981.95	2,422.38	2,862.82	3,303.25	3,963.90
Wisb. St Mary	1,328.87	1,550.35	1,771.83	1,993.31	2,436.27	2,879.23	3,322.18	3,986.62

- (6) authorise the publication of the amounts
- (7) authorise the appropriate officer to demand the amounts in accordance with the Council Tax (Administration and Enforcement) Regulations 1992
- (8) This Council hereby determines that its relevant basic amount of Council Tax for 2020/21 is not excessive in accordance with Section 52ZB of the Local Government Finance Act 1992, as amended by section 5 of the Localism Act 2011.

Agenda Item No:	12	
Committee:	COUNCIL	
Date:	20 FEBRUARY 2020	
Report Title:	Proposed Removal of the Cumulative Impact Assessment Policy (CIA)	

1 Purpose / Summary

- To remove the Cumulative Impact Assessment Policy

2 Key issues

- The current Cumulative Impact Assessment Policy (CIA) was adopted by Full Council on 12 May 2016
- Due to a recent amendment to the Licensing Act 2003 Act, the Council, as the Licensing Authority, must look to review the CIA Policy every 3 years to ensure all evidence is relevant to the current issues.
- On 23 July 2019, the Licensing Committee approved the consultation on the current CIA Policy. A copy of the minutes can be seen at <https://www.fenland.gov.uk/localgov/ieListDocuments.aspx?CId=138&MId=1379&Ver=4>
- The consultation took place from 5 August 2019 until 13 September 2019.
- 30 consultation responses were received from the public in respect of the CIA Policy
- 2 responses were received from Responsible Authority Officer; these were from Public Health and Cambs Police
- 2 responses were received from consulted partners; these were from Wisbech Town Council and Fenland Community Safety/CCTV
- The Licensing Committee report showing responses received during the consultation period can be found on the following link: <https://www.fenland.gov.uk/localgov/documents/g1380/Public%20reports%20pack%2002nd-Oct-2019%2013.30%20Licensing%20Committee.pdf?T=10>
- On 02 October 2019, the Licensing Committee met again to review and consider received responses to the current CIA policy. All information regarding the policy and Committee discussion can be found on the following link: <https://www.fenland.gov.uk/localgov/ieListDocuments.aspx?CId=138&MId=1380&Ver=4>
- On 04 November 2019, the CIA policy was presented to the Council with a recommendation for them to approve the decision made by the Licensing Committee. All the information regarding the Committee discussion can be found on the following link: <https://www.fenland.gov.uk/localgov/ieListDocuments.aspx?CId=156&MId=1340&Ver=4>

Following this meeting, it was decided to refer the policy back to the Licensing Committee for a further discussion.

- On 14 January 2020, the Licensing Committee met again to review and consider the CIA policy. The Committee agreed for the policy to be removed and the Statement of Licensing Policy to be amended accordingly. All the information regarding the Committee discussion and proposal can be found on the following link:
<https://www.fenland.gov.uk/localgov/ieListDocuments.aspx?CId=138&MId=2415&Ver=4>
- The Licensing Committee felt that there could be other ways in which the concerns of street drinking and non-compliant licence holders could be tackled.
- Appendix A shows the Statement of Licensing Policy amendments (as track changes) from the last policy adopted in 2016.
- A Customer (equality) Impact Assessment was undertaken in relation to the draft policy for the Cumulative Impact Assessment. The impact assessment can be seen at APPENDIX B.

3 Recommendations

- For Council to agree the recommendation from the Licensing Committee to remove the Cumulative Impact Assessment Policy and amend the Statement of Licensing Policy Area for the period of 2016 - 2021 as set out in Appendix A.

Wards Affected	Medworth, Clarkson, Peckover, Hill and Kirkgate
Forward Plan Reference	N/A
Portfolio Holder(s)	Councillor Sam Clark, Portfolio Holder with responsibilities for Licensing
Report Originator(s)	Michelle Bishop, Licensing Manager, Tel: 01354 622542, Email: mbishop@fenland.gov.uk
Contact Officer(s)	Michelle Bishop, Licensing Manager, Tel: 01354 622542, Email: mbishop@fenland.gov.uk Dan Horn, Head of Housing & Community Support, Tel 01354 654321, Email: dhorn@fenland.gov.uk Carol Pilson, Corporate Director, Tel: 01354 622360, Email: cpilson@fenland.gov.uk
Background Paper(s)	The Licensing Act 2003 Section 182 Guidance to the Licensing Act 2003

FENLAND DISTRICT COUNCIL

STATEMENT OF LICENSING POLICY

2016-2021

REVISION HISTORY

Version	Status	Date of Issue	Reason for Change	Sections
V 01	Draft – approved Licensing Committee	15/01/2016	First Draft	All
V 02	Approved – Licensing Committee	19/04/2016	Reviewed and final edits made	All
V 03	Final – Approved Full Council	12/05/2016		All
V04	Draft – Full Council	20/02/2020		

PREFACE

This Statement of Licensing Policy has been prepared by Fenland District Council acting as the licensing authority under the Licensing Act 2003. It represents the authority's policy with respect to the exercise of its licensing functions for the licensing of the sale and supply of alcohol, certain forms of entertainment and the provision of late night refreshment

The statement comes into effect from 12 May 2016.

The Act has introduced greater flexibility for the entertainment industry, which can have a positive impact upon local communities in Fenland. This is balanced by tougher controls for the police and the licensing authority and an opportunity for other businesses and residents to raise concerns in the event of those greater freedoms having an adverse effect on our communities.

The licensing authority consulted widely in the preparation of the Statement and took into account the views submitted in its adoption.

Fenland District Council covers an area of 54,645 hectares and is situated in the north-east of Cambridgeshire between the larger and contrasting centres of Cambridge, Peterborough, King's Lynn and Huntingdon.

The area is predominantly rural in character with four market towns at Chatteris, March, Whittlesey and Wisbech plus a number of villages and hamlets. It has a population of approximately 95,262.

Fenland district offers a wide and developing variety of culture, history, businesses, recreation and dwellings with transport infrastructure provided by the mainline railway to London, Peterborough, Cambridge and Stansted Airport, and local bus services.

CONTENTS

Paragraph	Item	Page
	Preface	3
1.0 – 1.4	Foreword	5
1.5 – 1.6	Licensing Objectives	5
1.7 – 1.10	Statement of Licensing Policy	5
1.11	Disclaimer	5
1.12 – 1.13	Consultation	5
1.14 – 1.17	Links to Other Strategies	6
1.18 – 1.20	Regulated Entertainment	6
1.21 – 1.29	Applications	6 – 7
1.30 – 1.34	Planning and Building Control	7 – 8
1.35 – 1.40	New/Varied Premises Licences/Club Premises Certificates	8 – 9
1.41 – 1.48	Interested Parties	10 – 11
1.49 – 1.56	Representations	11 – 13
1.57 – 1.65	Conditions	13
1.66	Delegation of Functions	13
1.67	Need for Licensed Premises	13
1.68 – 1.72	Cumulative Impact	13 – 14
1.73 – 1.75	Other Special Policies	14 - 15
1.76 – 1.77	Advice and Guidance	15
1.78 – 1.82	Reviews of Licences	16
1.83 – 1.87	Enforcement	17
2.0 – 2.9	Licensing Objectives	17 –
3.0 – 3.8	Prevention of Crime and Disorder	17
4.0 – 4.3	Public Safety	19 –
5.0 – 5.7	Prevention of Public Nuisance	19
6.0 – 6.10	Protection of Children from Harm	21
7.0	Cultural Activities	23
8.0	Duplication	24
9.0	Conditions	24
10.0	Temporary Event Notices	24
11.0	Personal Licenses	24
12.0	Premises Licences/Club Premises Certificate applications	25

13.0	Administration	25
14.0	Relevant Legislation	26
Appendix A	Responsible Authorities	

1.0 INTRODUCTION

Foreword

- 1.1 Fenland District Council is the “Licensing Authority” under the Licensing Act 2003 and is responsible for granting premises licenses, club premises certificates, personal licenses and authorising temporary event notices in the district in respect of the sale and/or supply of alcohol and the provision of regulated entertainment and late night refreshment.
- 1.2 The Licensing Act gained Royal Assent on 10 July 2003 and replaced regimes previously administered by either the Licensing Justices or the local authority with a unified system of licensing under the control of the local authority. The new regime came into effect on 24 November 2005. The council set up a Licensing Committee as part of these changes.
- 1.3 The Licensing Authority is required to discharge its licensing function through a committee of 12 members known as the Licensing Committee. The Council has appointed a committee of members, which operates on the basis of convening panels of 3 members drawn from the.12.
- 1.4 When assessing applications, the Licensing Authority must be satisfied that the measures proposed in the applicant’s operating schedule aim to achieve the four licensing objectives
- 1.5 However, it should be recognised that this policy covers a wide variety of premises and activities undertaken therein, including theatres, cinemas, restaurants, pubs, nightclubs, private members’ clubs, village halls and community centres, as well as off-licences and late night food premises and vehicles selling hot food or hot drink after 23:00 hours. For this reason, it is not practical to detail all the possible factors that could influence the achievement of the licensing objectives in any given scenario.

Licensing Objectives

- 1.6 The 2003 Act requires the Licensing Authority to undertake its various licensing functions in a manner that promotes the four licensing objectives. These are
- the prevention of crime and disorder
 - public safety
 - the prevention of public nuisance
 - the protection of children from harm.

These objectives are the only matters to be taken into account in determining the application and any conditions to be attached must be necessary to achieve the licensing objectives.

- 1.7 In respect of each of the four licensing objectives, applicants will need to provide evidence to the Licensing Authority that suitable and sufficient measures, as detailed in their operating schedule, will be implemented and maintained, relevant to the individual style and characteristics of their premises and events. Reference will need to be made to whether additional measures will be taken on an occasional or specific basis such as when a special event or promotion is planned, which is intended to, or likely to attract, larger audiences.

Statement of Licensing Policy

- 1.8 The Licensing Authority for Fenland ('the Council') makes this Statement of Licensing Policy in accordance with section 5 of the Licensing Act 2003 ('The Act').

- 1.9 The policy sets out how Fenland will exercise its licensing functions. Licensing functions are the duties and powers of the Council in its capacity as 'the Licensing Authority'. No licensing functions may be discharged by the Council's executive. The vast majority of licensing functions cannot be undertaken by the Council itself, but are the responsibility of a special Licensing Committee which has been established by the Council. The responsibilities and powers are detailed in the Act. Fenland's statutory Licensing Committee comprises twelve councillors appointed by the whole Licensing Authority, that is, the Full Council.

- 1.10 The licensing authority under the Licensing Act 2003 and is responsible for the licensing of licensable activities as defined under the Act. These are:

- The sale by retail of alcohol;
- The supply of alcohol by or on behalf of a club to, or to the order of, a member of a club;
- The provision of regulated entertainment;
- The provision of late night refreshment (i.e. the supply of hot food or hot drink between 11pm & 5am).

- 1.11 Regulated entertainment is where the entertainment takes place in the presence of an audience and is provided for the purpose of entertaining that audience. The descriptions of entertainment are:

- A performance of a place,
- An exhibition of a film,
- An indoor sporting event,
- A boxing or wrestling entertainment,
- A performance of live music,
- Any playing of recorded music,
- A performance of dance,
- Entertainment of a similar description to a performance of live music, recorded music or performance of dance.

- 1.12 This policy shall apply to all applications and notices given under the Act in respect of the following:
- Premises licences;
 - Club Premises Certificates;
 - Personal Licences;
 - Temporary Event Notices;
- 1.13 This policy statement will not seek to regulate matters which are provided for in other legislation e.g. planning, health & safety, fire safety etc.
- 1.14 This 'Statement of Licensing Policy' has been prepared in accordance with the provisions of the 2003 Act and having regard to the Home Office Guidance issued under Section 182 of the Act.
- 1.15 The 2003 Act further requires the Licensing Authority to monitor, review, and, where appropriate, amend its Statement of Licensing Policy
- 1.16 Before determining its policy for any five year period, the Licensing Authority will consult the community and in particular:
- a) The chief officer of police for the area (Cambridgeshire Constabulary);
 - b) The fire authority for the area (Cambridgeshire Fire and Rescue Service);
 - c) Persons/bodies representative of local holders of premises licences;
 - d) Persons/bodies representative of local holders of club premises;
 - e) Persons/bodies representative of local holders of personal licences; and
 - f) Persons/bodies representative of businesses and residents in its area.
- 1.17 The views of all these persons/bodies listed will be given appropriate weight when the policy is determined. It is recognised that it may be difficult to identify persons or bodies' representative for all parts of industry affected by the provisions of the 2003 Act, but the Licensing Authority will make reasonable efforts to identify persons or bodies concerned.
- 1.18 In determining its policy, the Licensing Authority will have regard to the guidance issued under Section 182 of the Licensing Act 2003 and give appropriate weight to the views of those it has consulted.
- 1.19 This Statement of Licensing Policy was reviewed in 2016, circulated for consultation between 10 February 2016 and 9 March 2016 prior to being ratified by Council on 12 May 2016.

Disclaimer

- 1.20 Advice and guidance contained in the Statement of Licensing Policy is intended only to assist readers and should not be regarded as legal advice. Readers are strongly advised to seek their own individual legal advice if they

are unsure of the requirements of the Licensing Act 2003 or of the Guidance or Regulations issued under the Act.

Consultation

- 1.21 There are a number of groups which have a stake in the leisure industry, including providers, customers, residents and enforcers, all of which have views and concerns that require consideration as part of the licensing function and promotion of the licensing objectives.
- 1.22 In developing this policy statement, the Licensing Authority consulted widely. Along with the statutory consultees (the Responsible Authorities), the views of existing licence holders, businesses, voluntary groups and residents were also taken into account. Due consideration was given to the views of all those who responded to that consultation process.

Links to other Strategies

- 1.23 In preparing this Statement of Licensing Policy, the Licensing Authority has had regard to and consulted with those involved in Fenland District Council's local strategies on crime prevention, planning, transport, culture, tourism, community, eGovernment and economic development, to ensure the proper co-ordination and integration of the aims and actions of these policies. Review and amendment of these strategies will be considered for their impact upon this Statement of Licensing Policy.

This Statement of Licensing Policy will have key links to Cambridgeshire's Health & Wellbeing Board (Health & Wellbeing Strategy 2012-2017) and local work undertaken by the Fenland Health and Wellbeing Partnership. Public Health has been working closely with representations from Fenland District Council and Fenland Community Safety Partnership to work collaboratively to address alcohol misuse and we welcome an inclusion of the role of this partnership and associated strategies in this section.

- 1.24 The Secretary of State has provided guidance on the relationship between planning and licensing stating that they are separate regimes. Where the Licensing Authority receives relevant representations that a licensing proposal is contrary to a planning consent and that to grant a licence for such activity would be likely to affect the licensing objectives then a refusal, or the attaching of conditions to prevent such a use until the position has been regularised may be appropriate. It would be expected that a responsible and prudent applicant would ensure that an appropriate planning consent was in place before submitting a licence application.
- 1.25 The Licensing Authority recognises that the Equality Act 2010 places a legal obligation on public authorities to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations, between persons with different protected characteristics. The protected characteristics are age, disability,

gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

Regulated Entertainment

- 1.26 Having regard to Fenland District Council's equality and diversity policies and the International Covenant on Economic, Social and Cultural Rights (ICESCR), ratified in 1976, a diverse provision of cultural activities is welcomed for the benefit of communities.
- 1.27 The Licensing Authority will monitor the licensing of regulated entertainment, especially with regard to live music and dancing, theatrical performances, circuses, etc. to ensure that such events are promoted without unreasonable restrictions being imposed, which would discourage such events.
- 1.28 The Licensing Authority will need to balance the natural concern to prevent disturbance in neighbourhoods with the wider cultural benefits, particularly the cultural benefits for children & young people. -

Applications

- 1.29 When considering applications, the Licensing Authority will have regard to
- The Licensing Act 2003 and the licensing objectives
 - Home Office Guidance issued under Section 182 of the Licensing Act 2003
 - Any supporting regulations
 - This Statement of Licensing Policy.
- 1.30 This does not, however, undermine the rights of any person to apply under the 2003 Act for a variety of permissions and have the application considered on its individual merits, nor does it override the right of any person to make representations on any application or seek a review of a licence or certificate where they are permitted to do so under the 2003 Act.
- 1.31 The Licensing Authority recognises that, in some circumstances, longer licensing hours for the sale of alcohol may help to avoid concentrations of customers leaving premises simultaneously and to reduce the potential for disorder. It also recognises that overly restrictive hours may inhibit the development of night time economies that are important for investment, employment and tourism.
- 1.32 When determining applications by the Licensing Committee, the Licensing Authority will seek to balance those factors against its duty to promote the four licensing objectives and the rights of residents to peace and quiet.
- 1.33 When the Licensing Authority is considering any application, it will avoid duplication with other regulatory regimes, so far as possible, and does not intend to use the licensing regime to achieve outcomes that can be achieved by other legislation.

- 1.34 When one part of Fenland District Council seeks a premises license from the Licensing Authority, the Licensing Committee and its officers will consider the matter from an entirely neutral standpoint. If relevant representations are made, for example, by local residents or the police, they will be considered fairly and impartially by the committee. Those making representations genuinely aggrieved by a positive decision in favour of a local authority application by the Licensing Authority are entitled to appeal to the Magistrates' Court and thereby receive an independent review of any decision made.
- 1.35 In all cases, applicants and those making representation in respect of applications to the Licensing Authority have a right of appeal to the Magistrates' Court against the decisions of the Licensing Authority.
- 1.36 It should be noted that incomplete applications will not be accepted and processed, but will be returned with an explanation of why it is incomplete.
- 1.37 The licensing authority welcomes applications made via Fenland District Council's electronic application facility.

Planning and Building Control

- 1.38 The licensing authority will ensure that planning, building control and licensing regimes will be separated to avoid duplication and inefficiency.
- 1.39 The licensing authority would normally expect that applications for premises licences for permanent commercial premises should normally be from businesses with planning consent for the property concerned. However, the licensing authority acknowledges that applications for premises licences or club premises certificates may be made prior to any relevant planning permission having been sought or granted by the planning authority. Applicants would be expected to ensure that all relevant permissions are obtained.
- 1.40 The licensing authority recognises that licensing applications should not be a re-run of planning applications nor should they cut across decisions taken by the planning committee or following appeals against decisions taken by the Council's planning committee. The licensing authority's licensing committee will not be bound by decisions made by the Council's planning committee and vice versa.
- 1.41 Where the granting of any variation to a premises licence or club premises certificate involves a material alteration to a premise, the licensing authority would expect the applicant to apply for relevant planning permission or building control consent where appropriate.
- 1.42 The licensing authority recognises that when, as a condition of planning permission a terminal hour has been set for the use of the premises for commercial purposes, and where these hours are different from the licensing hours, the applicant must observe the earlier closing time. Premises operating in breach of their planning permission would be liable to prosecution under planning law.

New and Varied Premises Licences/Club Premises Certificates

- 1.43 Where no premises licence or club premises certificate exists in respect of a premises, an application for a new premises licence or club premises certificate must be made to enable the carrying out of licensable activities.
- 1.44 An application to vary an existing premises licence or club premises certificate should be made where the proposed variation is in respect of changes to the types of licensable activities that are to be undertaken and/or the hours that those activities are to take place, or where structural changes are to be made to the premises.
- 1.45 Where the proposed variation to a premises licence or club premises certificate is in respect of structural alterations, the application must always be accompanied by a plan of the proposed alterations in addition to the existing premises licence or club premises certificate and the plan to which it relates.
- 1.46 If the actual date when the alterations have been completed differs from that requested, applicants must inform the licensing authority so that the premises licence or club premises certificate can be issued correctly. Failure to do so may result in an offence being committed under Section 136 of the Licensing Act 2003 of carrying on a licensable activity otherwise than under and in accordance with an authorisation.

Responsible Authorities and Other Persons

- 1.47 Responsible authorities are public bodies that are statutory consultees that must be notified of licensing applications. A list of the responsible authorities in respect of applications and notices made to the District Council can be found at Appendix A to this policy or alternatively at www.fenland.gov.uk/licensing

Cambridgeshire County Council Director of Public Health (DPH) are now responsible authorities with all of the powers and responsibilities this brings. This Licensing Authority acknowledges that DPH will be useful in providing evidence of alcohol-related health harms when there is a revision of policy particularly in relation to cumulative impact policies or early morning restriction orders. This Licensing Authority envisages that DPH's will also be useful in providing evidence such as alcohol-related A & E admissions or ambulance service data that might be directly relevant to an application under the Act.

- 1.48 When dealing with licensing applications for premises licences and club premises certificates the District Council is obliged to consider representations from two categories of persons, referred to as responsible authorities and other persons. This allows for a broad range of comment to be received both for and against the licensing applications.
- 1.49 The District Council has carefully considered its role as the Licensing Authority as a Responsible Authority under the Act. It achieves separation of responsibilities through procedures and approved delegations within the authority to ensure procedural fairness and eliminate conflicts of interest. The

District Council does not expect to act as a Responsible Authority on behalf of third parties but accepts that there may be exceptional circumstances where this approach may be required.

In cases where this Licensing Authority is also acting as responsible authority there will be a separation of powers between those officers who exercise that role and those who administer the licensing application to ensure procedural fairness and eliminate conflicts of interest.

Representations

- 1.50 Any Responsible Authority or Other Person may make relevant representations on applications for the grant of a premises licence or club premises certificate and request reviews of licences or certificates that have been granted.
- 1.51 A representation will only be 'relevant' if it relates to the likely effect of the grant of the licence on the promotion of at least one of the four licensing objectives. In addition, the representation in relation to Other Persons must not be frivolous or vexatious.
- 1.52 Only the Chief Officer of Police may make representations in respect of the grant of a personal licence relating only to the crime prevention objective of the Act.
- 1.53 As the Licensing Authority must be satisfied that the representation is made by an Other Person, which can generally only be determined by reference to the name and address of the person making it, this authority will not consider any representation that fails to provide those details.
- 1.54 Where relevant representations are made, the Licensing Authority must provide copies of those representations to the applicant or his/her representative. The Licensing Authority accepts that in exceptional circumstances an Other Person may not wish for his/her personal details to be disclosed to the applicant.
- 1.55 Where the Licensing Authority considers that a relevant representation has been made and that exceptional circumstances exist, details of the name and address may be deleted from the copy of the representation that is provided to the applicant or his/her representative.
- 1.56 In all cases, applicants and those making representations that are genuinely aggrieved by a decision of the Licensing Committee are entitled to appeal to the Magistrates' Court against the decision of the committee.
- 1.57 Where the Responsible Authorities or Other Persons do not raise any relevant representations about the application made to the Licensing Authority, the Licensing Authority will grant the premises licence or club premises certificate subject only to conditions that are consistent with the

Conditions

- 1.58 Licensing is about the appropriate control of licensed premises, qualifying clubs, temporary events and the people who manage them or hold personal licences within the terms of the 2003 Act.
- 1.59 The Licensing Authority may not impose any conditions unless its discretion has been engaged following the making of relevant representations and it has been satisfied at a hearing of the necessity to impose conditions due to the representations raised. It may then only impose such conditions as are necessary to promote the licensing objectives arising out of consideration of the representations.
- 1.60 The Licensing Authority actively promotes the benefits of partnership working between the Council and local businesses to enhance business operations and thereby achieve the community benefits of minimisation of waste, enhancement of the street scene, promotion of community safety, reduction of the fear of crime and the encouragement of tourism and inward investment.
- 1.61 To maximise the efficiency of administering licences and reduce the necessity for hearings, the Licensing Authority will actively encourage applicants and clubs to consult with Responsible Authorities and seek professional guidance from Council services, when operating schedules are being prepared to allow for proper liaison to take place in such areas as noise reduction, CCTV, refuse and litter, etc., to avoid representations being necessary. The Licensing Authority accepts that while some applicants may find it useful to contact the Responsible Authorities and Council services for advice and professional assistance, others will not need to do so, and that applications cannot be refused on the basis that such consultation has not taken place.
- 1.62 Where relevant representations are made, the Licensing Authority will seek to make objective judgements as to whether conditions may need to be attached to various authorisations and others in possession of relevant authorisations, to secure achievement of the licensing objectives.
- 1.63 Any conditions arising from the operating schedule or as a result of representations will focus primarily upon the direct impact of the activities taking place at licensed premises on those attending the premises and members of the public living, working or otherwise engaged in normal activity in the area concerned and will cover matters that are within the control of individual licensees.
- 1.64 The Licensing Authority acknowledges that the licensing function cannot be used for the general control of the anti-social behaviour of individuals once they are beyond the direct control of the licensee of any premises concerned. However, other mechanisms may be utilised, where appropriate, to tackle unruly or unlawful behaviour of consumers when beyond the control of the individual, club or business holding the licence, certificate or authorisation concerned.

- 1.65 If an applicant volunteers a prohibition or restriction in his/her operating schedule because his/her own risk assessment has determined such prohibition or restriction to be appropriate, such volunteered prohibitions or restrictions will become conditions attached to the licence or certificate and will be enforceable as such.
- 1.66 The Licensing Authority will consider all applications on an individual basis and any condition attached to such a licence will be tailored to each individual premise, depending upon the facts of each particular application, to avoid the imposition of disproportionate, unnecessary and other burdensome conditions on those premises. Standard conditions, other than mandatory conditions, will, therefore, be avoided and no condition will be imposed that cannot be shown to be necessary for promotion of the licensing objectives.

Delegation of Functions

- 1.67 With the exception of the approval and review of its Licensing Policy, decisions on licensing matters will be taken in accordance with an approved scheme of delegation aimed at underlining the principles of timely, efficient and effective decision-making. The Council has an approved scheme of delegation of functions under the Licensing Act 2003.

Need for Licensed Premises

- 1.68 There can be confusion about the difference between “need” and the “cumulative impact” of premises on the licensing objectives. “Need” concerns the commercial demand for another pub or restaurant or hotel. This is not a matter for a Licensing Authority in discharging its licensing functions or for its Statement of Licensing Policy.

Cumulative Impact of a Concentration of Licensed Premises

- 1.69 “Cumulative impact” means the potential impact upon the promotion of the licensing objectives where there are a number of licensed premises concentrated in one area. The cumulative impact of licensed premises on the promotion of the licensing objectives is a proper matter for a Licensing Authority to consider in developing its Statement of Licensing Policy.
- 1.70 ~~The Licensing Authority acknowledges that a concentration of licensed premises in a particular area can result in an increased number of people walking through or congregating in streets during the night with the potential impact of an increase in crime, anti-social behaviour, noise pollution and other disturbance to residents, together with an increase in littering or fouling. In such cases, the amenity of local residents can be placed under severe pressure but may not be attributable to any individual premises.~~
- 1.71 In 2020, The Licensing Authority has ~~removed the~~adopted a special policy on cumulative impact policy based on evidence that there has been a reduction ~~a significant number of licensed premises concentrated in one area are~~ resulting, in the unacceptable levels of crime and disorder or public nuisance.

- 1.72 ~~Please see Appendix B detailing the Special Policy for the Cumulative Impact Zone in Wisbech.~~

Other Special Policies

1.73 **Early Morning Restrict Orders (EMRO)**

The power for this licensing authority to introduce an EMRO is specified in sections 172A to 172E of the 2003 Act which was amended by Section 119 of the Police Reform and Social Responsibility Act 2011. These provisions and the regulations prescribing the requirements in relation to the process were brought in force on 31st October 2012. Government Guidance has also been produced.

The legislation provides this licensing authority with the discretion to restrict sales of alcohol by introducing an EMRO to tackle high levels of alcohol related crime and disorder, nuisance and anti-social behaviour. The order may be applied to the whole or part of this licensing authority's area and if relevant on specific days and at specific times. This licensing authority must be satisfied that such an order would be appropriate to promote licensing objectives.

The only exemptions relating to EMRO's are New Year's Eve and the provision of alcohol to residents in premises with overnight accommodation by means of mini bars and room service. The decision to implement an EMRO will be evidence based. The function of making, varying or revoking an EMRO is specifically excluded from the delegation of functions and may not be delegated to the Licensing Committee.

1.74 **Late Night Levy**

The legislative provisions relating to the late night levy are not part of the Licensing Act 2003 but are contained in Sections 125 to 139 of the Police Reform and Social Responsibility Act 2011. The provisions came into force on 31st October 2012.

Regulations have been brought into force setting out the way in which the levy must be applied and administered, and arrangements for expenses, exemptions and reductions. Government Guidance has been produced.

These new powers enable licensing authorities to charge a levy in relation to persons who are licensed to sell or supply alcohol late at night as a means of raising a contribution towards the costs of policing the night time economy. The function of making, varying or ceasing the requirement for a levy may not be delegated to the licensing committee.

Advice and Guidance

- 1.76 The Licensing Authority recognises the valuable cultural, social and business importance that premises and events requiring a licence under the Licensing Act 2003 provide and welcomes the diversity of activities that are provided by licence holders. For this reason, pre-application discussions will be encouraged to assist applicants to develop their operating schedule. The Licensing Authority and the Responsible Authorities will offer as much advice and guidance to applicants as resources permit.
- 1.77 The Licensing Authority will also seek to liaise with applicants and/or mediate between applicants and others who may make representations, to achieve a satisfactory outcome for all involved, wherever possible and where resources permit. Where an applicant considers that mediation and liaison may be likely or probable, it is recommended that he/she discusses his/her proposal with the Licensing Section and those from who they think representations are likely prior to submitting an application. Once an application has been lodged, there are statutory timescales imposed upon the application and determination process, which restrict the opportunity for such discussions, liaison and mediation.

Reviews of Licences

- 1.78 Where possible and appropriate, the Licensing Authority and the Responsible Authorities will give early warning to licence holders of any concerns about problems identified at premises and of the need for improvement.
- 1.79 Any Responsible Authority or Other Person may apply for a review of a premises licence or a club premises certificate by serving a notice containing details of the application on the holder of the licence or certificate and to each of the Responsible Authorities.
- 1.80 An application for review will only be 'relevant' if the grounds upon which it is made relate to the promotion of at least one of the four licensing objectives and is not frivolous, vexatious or repetitious. An evidential basis will be required to be presented to the Licensing Authority.
- 1.81 Where an Other Person applies for a review, the Licensing Authority must be satisfied that the application is relevant. There is no appeal to the decision of the Licensing Authority other than by the way of Judicial Review.
- 1.82 This Authority will not consider any application that fails to provide the name and address applicable to the Other Persons

Enforcement

- 1.83 The District Council recognises that most licence, certificate and notice holders seek to comply with the law. Notwithstanding, any enforcement action will take a graduated approach and in the first instance will include education and guidance. Where holders of authorisations continue to flout the law or act irresponsibly then firm action, including prosecution will be taken.

- 1.84 Fenland District Council delivers a wide range of enforcement services aimed at safeguarding the environment and the community and at providing a 'level playing field' on which businesses can trade fairly. The administration and enforcement of the licensing regime is one of these services. The authority has adopted the Government's Enforcement Concordat designed to ensure effective and efficient public protection services. Specifically, Fenland District Council is committed to accord with the principles of good enforcement practice by carrying out its regulatory functions in a fair, open and consistent manner.
- 1.85 The Enforcement Concordat is based upon the principles that businesses should
- receive clear explanations from enforcers of what they need to do and by when
 - have opportunities to resolve differences before enforcement action is taken, unless immediate action is needed
 - receive an explanation of their rights of appeal.

A copy of the Enforcement Concordat is available upon request.

- 1.86 The Licensing Authority recognises the interests of both citizens and businesses and will work closely, with partners, to assist licence holders to comply with the law and the four licensing objectives that it seeks to promote. However, proportionate but firm action will be taken against those who commit serious offences or break the law consistently.
- 1.87 The Licensing Authority works in partnership with all of the Responsible Authorities under the Licensing Act 2003 on enforcement issues. This joint working protocol provides for a more efficient deployment of staff and police officers who are commonly engaged in enforcing licensing law and the inspection of licensed premises. In particular, these protocols should also provide for the targeting of agreed problem and high-risk premises, which require greater attention, while providing a lighter touch in respect of low risk premises, which are well run. The 2003 Act does not require inspections to take place save at the discretion of those charged with this role. The principal of risk assessment and targeting will prevail and inspections will not be taken routinely but if and when they are judged necessary. This should ensure that resources are more effectively concentrated on problem premises.

2.0 LICENSING OBJECTIVES

- 2.1 The following sections set out the Licensing Authority's Policy relating specifically to the four licensing objectives
- the prevention of crime and disorder
 - public safety
 - the prevention of public nuisance
 - the protection of children from harm.

3.0 PREVENTION OF CRIME AND DISORDER

- 3.1 The District Council acknowledges that the Police are the main source of advice on Crime and Disorder
- 3.2 Fenland District Council is committed to improving further the quality of life for the people of the district by continuing to reduce crime and the fear of crime.
- 3.3 Section 17 of the Crime and Disorder Act 1998 introduced a wide range of measures for preventing crime and disorder and imposed a duty upon Fenland District Council, Cambridgeshire Police, Cambridgeshire County Council and others to consider crime and disorder reduction in the exercise of all their duties. The Licensing Act 2003 reinforces this duty for local authorities.
- 3.4 The promotion of the licensing objective to prevent crime and disorder places a responsibility on licence holders to become key partners in achieving this objective. Applicants will be expected to demonstrate in their operating schedule that suitable and sufficient measures have been identified and will be implemented and maintained to reduce or prevent crime and disorder on and in the vicinity of their premises, relevant to the individual style and characteristics of their premises and events.
- 3.5 When addressing the issue of crime and disorder, the applicant should demonstrate that those factors that impact upon crime and disorder have been considered. These could include
- under-age drinking
 - drunkenness on premises
 - public drunkenness
 - drugs
 - violent behaviour
 - anti-social behaviour.
- 3.6 Within the operating schedule for premises from which alcohol will be sold, the premises licence holder must specify a personal licence holder as the 'Designated Premises Supervisor' (DPS). The Licensing Authority will normally expect the premises licence holder to give the DPS the day-to-day responsibility for running the premises. Although there is no legal obligation for the DPS to be on the premises at all times, the Licensing Authority acknowledges that the premises licence holder and the DPS, in particular with regard to the sale of alcohol, remain responsible at all times, including in their absence from the premises, for compliance with the terms of the Licensing Act 2003 and conditions attached to the premises licence to promote the licensing objectives. In addition to the DPS holding a personal licence, the Licensing Authority would strongly encourage the DPS to undergo additional training and to have experience commensurate with the nature and style of entertainment provided and the capacity of the premises.
- 3.7 Whilst the Licensing Act 2003 requires each sale of alcohol to be made or authorised by a personal licence holder, there is no requirement for every sale to be made by a personal licence holder or for them to be personally present at every transaction. In determining whether real authorisation is given, the Guidance issued by the Secretary of State encourages the practice

of an overt act of authorisation, such as a specific written statement being given by personal licence holders to persons not holding a personal licence to make sales of alcohol in their absence.

- 3.8 Certain temporary events are not required to be licensed but can be notified to the Licensing Authority using the Temporary Event Notice procedure. However, depending upon the nature and location of such events, these can have serious crime and disorder implications. Organisers of these events are encouraged to submit their notification as soon as reasonably practicable, giving at least ten working days minimum statutory notice, to enable the police and the Licensing Authority to work with them to identify and reduce the risk of crime and disorder. The Licensing Authority acknowledges that 'ten working days' notice' means ten working days exclusive of the day on which the event is to start and exclusive of the day on which the notice is given.

4.0 PUBLIC SAFETY

- 4.1 Fenland District Council is committed to ensuring that the safety of any person visiting or working in licensed premises is not compromised. To this end, applicants will be expected to demonstrate in their operating schedule that suitable and sufficient measures have been identified and will be implemented and maintained to ensure public safety, relevant to the individual style and characteristics of their premises and events.
- 4.2 Licence holders have a responsibility to ensure the safety of those using their premises as part of their duties under the 2003 Act. This concerns the safety of people using the relevant premises rather than public health which is addressed in other legislation. Physical safety includes the prevention of accidents and injuries and other immediate harms that can result from alcohol consumption such as unconsciousness or alcohol poisoning.
- 4.3 When addressing the issue of public safety, an applicant must demonstrate that those factors that impact upon the standards of public safety have been considered.
- 4.4 The following non exhaustive examples of good management practice are given to assist applicants who may wish to take account of them when preparing their operating schedule, having regard to their particular type of premises and/or activities:
- suitable and sufficient risk assessments
 - effective and responsible management of premises
 - provision of a sufficient number of people employed or engaged to secure the safety of the premises and patrons
 - appropriate instruction, training and supervision of those employed or engaged to secure the safety of the premises and patrons
 - adoption of best practice guidance (e.g. licensing trade voluntary codes of practice, including those relating to drinks promotions)
 - provision of effective CCTV in and around premises

- The measures that are appropriate to promote public safety will vary between premises and the matters listed above may not apply in all cases. The District Council expects applicants to consider these when making their application which steps it is appropriate to take to promote the public safety objective and demonstrate how they will achieve that.

5.0 PREVENTION OF PUBLIC NUISANCE

- 5.1 Licensed premises have a significant potential to impact adversely upon communities through public nuisances that arise from their operation. Fenland District Council wishes to maintain and protect the amenity of residents and other businesses from the potential consequence of the operation of licensed premises, whilst recognising the valuable cultural, social and business importance that such premises provide.
- 5.2 The Licensing Authority intends to interpret “public nuisance” in its widest sense and takes it to include such issues as noise, light, odour, litter and anti-social behaviour, where these matters impact upon those living, working or otherwise engaged in normal activity in an area.
- 5.3 In the case of shops, stores and supermarkets selling alcohol, the Licensing Authority will normally permit the hours during which alcohol is sold to match the normal trading hours unless there are exceptional reasons relating to disturbance or disorder.
- 5.4 Applicants will be expected to demonstrate in their operating schedule that suitable and sufficient measures have been identified and will be implemented and maintained to prevent public nuisance, relevant to the individual style and characteristics of their premises and events.
- 5.5 When addressing the issue of prevention of public nuisance, the applicant must demonstrate that those factors that impact on the likelihood of public nuisance have been considered. These may include
- the location of premises and proximity to residential and other noise sensitive premises, such as hospitals, hospices and places of worship
 - the hours of opening, particularly between 23.00 and 07.00
 - the nature of activities to be provided, including whether those activities are of a temporary or permanent nature and whether they are to be held inside or outside premises
 - the design and layout of premises and, in particular, the presence of noise-limiting features
 - the availability of public transport
 - ‘wind down period’ between the end of the licensable activities and closure of the premises
 - last admission time.
- 5.6 The following examples of control measures are given to assist applicants who may need to take account of them in their operating schedule, having regard to their particular type of premises and/or activities:

- effective and responsible management of premises
- appropriate instruction, training and supervision of those employed or engaged to prevent incidents of public nuisance, e.g. to ensure customers leave quietly
- control of operating hours for all or parts (e.g. garden areas) of premises, including such matters as deliveries
- adoption of best practice guidance (e.g. licensing trade voluntary codes of practice, including those relating to drinks promotions)
- installation of soundproofing, air conditioning, acoustic lobbies and sound limitation devices
- management of people, including staff, and traffic (and resulting queues) arriving and leaving premises
- liaison with public transport providers
- siting of external lighting, including security lighting
- management arrangements for collection and disposal of litter
- effective ventilation systems to prevent nuisance from odour.

6.0 PROTECTION OF CHILDREN FROM HARM

- 6.1 It is an offence under the 2003 Act to permit children under the age of 16 who are not accompanied by an adult to be present on premises being used exclusively or primarily for supply of alcohol for consumption on those premises under the authorisation of a premises licence, club premises certificate or where that activity is carried on under the authority of a temporary event notice.
- 6.2 In addition it is an offence to permit the presence of children under 16 who are not accompanied by an adult between midnight and 5am at other premises supplying alcohol for consumption on the premises under the authority of any premises licence, club premises certificate, or temporary event notice. Outside of these hours, the offence does not prevent the admission of unaccompanied children under 16 to the wide variety of premise where the consumption of alcohol is not the exclusive or primary activity. Between 5am and midnight the offence would not necessarily apply to many restaurants, hotels, cinemas and even many pubs where the main business activity is the consumption of both food and drink. This does not mean that children should automatically be admitted to such premises.
- 6.3 It is not intended that the definition ‘exclusively or primarily’ in relation to the consumption of alcohol should be applied in a particular way by reference to turnover, floor space or any similar measure. The expression should be given its ordinary and natural meaning in the context of the particular circumstances. It will normally be quite clear that the business being operated at the premises is predominantly the sale and consumption of alcohol. Mixed businesses may be harder to pigeonhole and we would advise operators to consult with enforcement agencies where necessary about their respective interpretations of the activities taking place on the premises before any moves are taken which may lead to prosecution
- 6.4 The protection of children from harm is a most important issue. It is hoped that family-friendly premises will thrive but the risk of harm to children remains a paramount consideration when determining applications.

6.5 The general relaxation in the Licensing Act giving accompanied children greater access to licensed premises is a positive step, aimed at bringing about a social change in family-friendly leisure. Clearly, this relaxation places additional responsibilities upon licence holders. However, it is also recognised that parents and others accompanying children also have responsibilities.

6.6 The protection of children from harm includes the protection of children from moral, psychological and physical harm and in relation to the exhibition of films, or transmission of programmes or videos. This includes the protection of children from exposure to strong language and sexual expletives. In certain circumstances, children are more vulnerable and their needs will require special consideration.

Conditions requiring the admission of children to any premises cannot be justified and will not be attached to licences or certificates.

6.8 The Licensing Authority considers that, on the one hand, there should be no presumption of giving children access or, on the other hand, no presumption of preventing their access to licensed premises. The Licensing Authority has no intention of imposing conditions requiring the admission of children and where no licensing restriction is necessary, admission of children will remain entirely a matter for the discretion of the individual licensee or club, or person who has given a temporary event notice.

6.9 Applicants will be expected to demonstrate in their operating schedule that suitable and sufficient measures have been identified and will be implemented and maintained to protect children from harm, relevant to the individual style and characteristics of their premises and events.

6.10 Whilst children may be protected adequately from harm by the action taken to protect adults, they may also need special consideration and no policy can anticipate every situation. When addressing the issue of protecting children from harm, the applicant must demonstrate that those factors that impact upon harm to children have been considered. Areas that will give particular concern in respect of children include

- where there have been convictions of members of the current staff at the premises for serving alcohol to minors or with evidence of under-age drinking
- with a known association with drug taking or dealing
- where there is a strong element of gambling on the premises, and
- where the supply of alcohol for consumption on the premises is the exclusive or primary purpose of the services provided at the premises.

6.11 Venue operators seeking premises licences and club premises certificates may also volunteer such prohibitions and restrictions in their operating schedules because their own risk assessments have determined that the presence of children is undesirable or inappropriate. Where no relevant representations are made, these volunteered prohibitions and restrictions will become conditions attaching to the licence or certificate and will be enforceable as such. No other conditions concerning the presence of children on premises will be imposed by the District Council in these circumstances.

6.12 The District Council recognises the Cambridgeshire Safeguarding and Standards Unit as the lead responsible authority in relation to the protection of children from harm.

6.13 The following examples of control measures are given to assist applicants and are considered to be amongst the most essential that applicants should take account of in their operating schedule, having regard to their particular type of premises and/or activities:

- effective and responsible management of premises
- provision of a sufficient number of people employed or engaged to secure the protection of children from harm
- appropriate instruction, training and supervision of those employed or engaged to secure the protection of children from harm
- adoption of best practice guidance (e.g. licensing trade voluntary codes of practice, including those relating to drinks promotions)
- limitations on the hours when children may be present, in all or parts of the premises
- limitations or exclusions by age when certain activities are taking place
- imposition of requirements for children to be accompanied by an adult
- acceptance of PASS accredited 'proof of age' cards and/or 'new-type' UK driving licences with photographic ID
- measures to ensure that children do not purchase, acquire or consume alcohol
- measures to ensure that children are not exposed to incidences of violence or disorder.

These examples can be adopted in any combination.

6.14 In the case of film exhibitions, the Licensing Authority will expect licence and certificate holders and those who have given notice of a temporary event within the terms of the 2003 Act to implement measures that restrict children from viewing age-restricted films classified according to the recommendations of the British Board of Film Classification or Fenland District Council. In the case of a film exhibition that has not been classified, the Licensing Authority will expect the licensee to conduct an assessment of the suitability of the film for exhibition to children and to implement measures that restrict viewing by children if necessary.

7.0 Cultural Activities

7.1 The Licensing Authority recognises the need to encourage and promote a broad range of entertainment for the wider cultural benefit of the communities. A natural concern to prevent disturbance in neighbourhoods will always be carefully balanced with these wider cultural benefits, particularly the cultural benefits for young people. In determining what conditions should be attached to licence and certificates as a matter of necessity for the promotion of the licensing objectives, the Licensing Authority is aware of the need to avoid measures which deter regulated entertainment by imposing indirect costs of a disproportionate nature.

8.0 Duplication

- 8.1** The District Council has a firm commitment to avoid duplication with other regulatory regimes so far as possible. For example legislation governing health and safety at work and fire safety will place a range of general duties on the self-employed, employers and operators of venues both in respect of employees and of the general public when on the premises in question. Similarly, many aspects of fire safety will be covered by existing and future legislation. Conditions in respect of public safety will only be attached to premises licences and club premises certificates that are 'necessary' for the promotion of that licensing objective and if already provided for in other legislation, they cannot be considered as necessary in the context of licensing law. Such regulations will not however always cover the unique circumstances that arise in connection with licensable activities particularly regulated entertainment, at specific premises and tailored conditions may be necessary.

9.0 Conditions

- 9.1** The District Council will not impose conditions unless it has received a representation from a responsible authority, such as the police or an environmental health officer, or Other Persons, such as a local resident or local business, which is a relevant representation, or is offered in the applicant's Operating Schedule. Any conditions will be proportional and appropriate to achieve the Licensing Objectives.

10.0 Temporary Event Notices

- 10.1** The Act requires that a minimum of 10 working days' notice must be given for a standard temporary event notice and a minimum of 5 working days' notice for a late temporary event notice. Section 193 of the Act defines a 'working day' as any day other than a Saturday, a Sunday, Christmas Day, Good Friday, or a day which is a bank holiday under the Banking and Financial Dealings Act 1971 in England and Wales. 'Working days' notice means working days exclusive of the day on which the event is to start, and exclusive of the day on which the notice is given.

There is no discretion to relax either the 10 working days' notice or the five working days' notice so the District Council encourage notice givers to provide the earliest possible notice within 12 months of events likely to take place.

11.0 Personal Licences

- 11.1** An application for a personal licence and 'disclosure of convictions and declaration' form should be dated by the applicant within one calendar month of the application being received by the District Council. This is to ensure that the information on the application is as current as the basic disclosure.
- 11.2** Basic disclosures with a 'Care of' address will not be accepted by the District Council. The disclosure must have been obtained against an applicant's

residential address. For third party applications, confirmation in writing will be acceptable stating the residential address used during the process of obtaining the disclosure.

12.0 Premises Licence/Club Premises Certificate Applications

- 12.1** Applications for the grant or variation of a premises licence or club premises certificate should be accompanied by two sets of plans, one of which will be endorsed and issued with the premises licence/club premises certificate.
- 12.2** Applications for the grant or variation of a premises licence or club premises certificate should be accompanied by a 'certificate of display'. This acknowledges the applicants understanding for the requirement of displaying notices and should avoid any undue delay in the application process.
- 12.3** Applications for the grant or variation of a premises licence or club premises certificate should be accompanied by a 'certificate of service'. This acknowledges the applicants understanding for giving a copy of the application to the responsible authorities and should avoid any undue delay in the application process.
- 12.4** Where applications have to be advertised, licensing officers will routinely check that public notices are displayed at the premises and in a local newspaper as part of the application validation process.
- 12.5** The District Council is required under the Act to suspend premises licenses and club premises certificates where the annual fee has not been paid. The District Council will invoice each licence/certificate holder when the annual fee is due. Where the fee has not been paid or there has been no claim of administrative error, the District Council will serve a notice to suspend the licence until such time as the fee has been paid.

13.0 Administration

- 13.1** The District Council appreciates the need to provide a speedy, efficient and cost-effective service to all parties involved in the licensing process. The District Council delegates decisions and functions and has appointed officers and established sub-committees to deal with them.
- 13.2** Where under the provisions of the Act, there are no relevant representations on an application for the grant of a premises licence or club premises certificate or police objection to an application for a personal licence or to an activity taking place under the authority of a temporary event notice, these matters will be dealt with by officers to speed matters through the system.
- 13.3** Regulation 24 of the Licensing Act 2003 (Hearings) Regulations requires the District Council to give all parties at licensing hearings an equal maximum period of time to present their case. For the purpose of this regulation it is the District Council's policy that a maximum of 15 minutes will be allowed.
- 13.4** Copies of applications and letters of representation will be included within the report and distributed prior to hearings before a Licensing Sub Committee. Applicants, Responsible Authorities, and Other Persons wishing to present additional evidence in support of their application/representations should do

so at least 3 working days before the hearing starts. Failure to do so may result in the Licensing Sub-Committee disregarding this additional evidence.

14.0 Relevant Legislation

- 14.1 Adult Entertainment – The District Council has adopted Schedule 4 of the Local Government (Miscellaneous Provisions) Act 1982 and premises offering regular entertainment of a sexual nature must be licensed as a sex establishment under those provisions. The District Council acknowledges that there is an exemption which allows sexual entertainment to be provided at premises licensed under the Licensing Act 2003, as long as it is provided on no more than 11 occasions within 12 months and with at least 1 month between each occasion. Premises using this exemption should ensure that procedures are in place to exclude children when entertainment of this nature is offered.
- 14.2 Gaming Machines – Automatic entitlement in licensed premises. There is provision in the Gambling Act 2005 (GA2005) for premises licensed to sell alcohol for consumption on the premises to automatically have two gaming machines of category C and/or D.
- 14.3 Gaming Machine Permit – if a premises wishes to have more than 2 machines of categories C and/or D, then it needs to apply for a permit and the District Council will consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission under section 25 of the Act, and such matters as licensing officers consider relevant.
- 14.4 Exempt Gaming – Premises licensed under the Licensing Act 2003 may offer gaming such as poker and bingo provided the stakes and prizes do not exceed permitted levels. Details of these limits are available from the District Council or the Gambling Commission.

Responsible Authorities

Cambridgeshire Constabulary

Police Licensing Officer (Fenland)
March Police Station
Burrowmoor Road
March
Cambridgeshire PE15 9RB
Telephone: 101 Ext 6440

Cambridgeshire Fire and Rescue Service

Chief Fire Officer
Hinchingsbrooke Cottage
Brampton Road
Huntingdon PE29 2NA
Telephone: 01480 444500
Email: bsgservicedesk@cambsfire.gov.uk

The Body Responsible for the Protection of Children from Harm

Safeguarding & Standards Unit
Licence applications
PO Box 144
St Ives
Cambridgeshire
PE27 9AU
Telephone: 01223 706380
Email:
ReferralCentre.Children@cambridgeshire.gov.uk
Web: www.cambridgeshire.gov.uk

Local Authority Planning Authority

Fenland District Council
Development Services
Fenland Hall
County Road
March
Cambridgeshire PE15 8NQ
Telephone: 01354 654321
Email: planning@fenland.gov.uk

Public Health

Cambridgeshire County Council
Public Health Programmes
Scott House
Box No SCO 2213
5 George Street
Huntingdon
Cambridgeshire
PE29 3AD
Email: Kate.Parker@cambridgeshire.gov.uk

Local Authority**Environment and Health
Services**

Fenland District Council
Environmental & Leisure Support Team
Fenland Hall
County Road
Cambridgeshire PE15 8NQ
Telephone: 01354 654321
Email:
environmentalservicerequests@fenland.gov.uk

**The Body Responsible for
Health and Safety**

Fenland District Council
Environmental & Leisure Support Team
Fenland Hall
County Road
March
Cambridgeshire PE15 8NQ
Telephone: 01354 654321
Email:
environmentalservicerequests@fenland.gov.uk

**Local Authority Compliance
Officer**

Licensing Compliance Officer
Fenland Hall
County Road
March
Cambridgeshire PE15 8NQ
Telephone: 01354 654321
Fax: 01354 606917
Email: environmentalservicerequests@fenland.gov.uk
Web: www.fenland.gov.uk

**Weights and Measures
(Trading Standards)
Supporting Businesses and Communities**
Cambridgeshire County Council
PO Box 450
Great Cambourne
Cambridge
CB23 6ZR
Helpline: 0345 0455206
Email: ts.administration@cambridgeshire.gov.uk

**Local Authority
Environment and Health
Services**
Fenland District Council
Environmental & Leisure Support Team
Fenland Hall
County Road
Cambridgeshire PE15 8NQ
Telephone: 01354 654321
environmentalservicerequests@fenland.gov.uk
Web: www.fenland.gov.uk

**The Body Responsible for
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Fenland District Council
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March
Cambridgeshire PE15 8NQ
Telephone: 01354 654321
environmentalservicerequests@fenland.gov.uk
Web: www.fenland.gov.uk

Customer Impact Assessment

Name and brief description of policy being analysed

Briefly summarise the policy including any key information such as aims, context etc; note timescales and milestones for new policies; use plain language – NO JARGON; refer to other documents if required

Policy being reviewed - Cumulative Impact Policy (CIA) October 2019

The Council as the Licensing Authority has a statutory duty to review its Cumulative Impact Assessment Policy (CIA) which currently sits under the Statement of Licensing Policy 2016 - 2021. This review is due to a change in the legislation, whereby the CIA Policy has been given legal standing within the Licensing Act 2003. This came into effect in April 2018.

The current policy was adopted at Full Council and came into effect on 12 May 2016.

The Licensing Act 2003 states that if the CIA policy is adopted by Local authorities then it must be reviewed every 3 years. This policy must only be adopted if there is sufficient evidence indicating a need for such a policy.

The CIA Policy if adopted will be renewed every three years and the draft policy will cover the period of 2019 - 2022

Information used for customer analysis

Note relevant consultation; who took part and key findings; refer to, or attach other documents if needed; include dates where possible

The Responsible Authority Officers act as a main consultee:

Fenland District Council – Environmental Health
 Fenland district Council – Health & Safety
 Cambridgeshire Constabulary
 Cambridgeshire Fire & Rescue
 Safeguarding & Standards – Protection of Children from harm
 Fenland District Council -Planning Authority
 Trading Standards
 Public Health
 Wisbech Town Council

Fenland Community Safety
 Fenland Street Scene
 Fenland Refuse & Cleansing

Public Consultation

Comments were requested from the Public Consultation that took place from 05 August 2019 until 13 September 2019. The draft policy was advertised in the local newspaper and by social media feeds for example Facebook. It was also available on our Council website and in our Customer service centres.

To make it easier for the public we created a survey link with 4 questions attached.

The questions asked were:

Q1 - Would you like us to keep the current Cumulative Impact Assessment Policy in place?

Q2 - Would you like us to keep the Cumulative Impact Policy in place, but change the area where the policy takes effect?

Q3 - Would you like us to remove the current Cumulative Impact Assessment policy?

Q4 - If you have any further comments, please leave them here:

This CIA has taken into account any comments made during the consultation process and will also reflect any changes that are made with the draft policy following the Licensing Committee approval on 02 October 2019

	Could particularly benefit	Neutral	May adversely impact	Explanations	Is action possible or required?	Details of actions or explanations if actions are not possible Please note details of any actions to be placed in your Service Plan
Race	<input type="checkbox"/>		√		N	
Sex	<input type="checkbox"/>	√	<input type="checkbox"/>		N	
Gender reassignment	<input type="checkbox"/>	√	<input type="checkbox"/>		N	
Disability	<input type="checkbox"/>	√	<input type="checkbox"/>		N	

Assessing Equality – The Equality Act 2010

Appendix B

Age		√	<input type="checkbox"/>		N	
Sexual orientation	<input type="checkbox"/>	√	<input type="checkbox"/>		N	
Religion or belief	<input type="checkbox"/>		√		N	
Pregnancy & maternity	<input type="checkbox"/>	√	<input type="checkbox"/>		N	
Marriage & civil partnership	<input type="checkbox"/>	√	<input type="checkbox"/>		N	
Human Rights	<input type="checkbox"/>	√	<input type="checkbox"/>		N	
Socio Economic		√	<input type="checkbox"/>		Y / N	
Multiple/ Cross Cutting	<input type="checkbox"/>	√	<input type="checkbox"/>		Y / N	

Outcome(s) of customer analysis

a) Will the policy/ procedure impact on the whole population of Fenland and/ or identified groups within the population; negative neutral positive

No major change needed Adjust the policy Adverse impact but continue Stop and remove / reconsider policy

Arrangements for future monitoring:

Note when analysis will be reviewed; include any equality indicators and performance against those indicators

If approved the next CIA analysis will take place when the Cumulative Impact Assessment Policy is reviewed in 2022, although an annual desk top review will take place for any new impacts with policy implementation.

Details of any data/ Research used (both FDC & Partners):

Results of the public Consultation carried out from 05 August 2019 until 13 September 2019

Completed by:

Name: Michelle Bishop

Position: Licensing Manager

Approved by (manager signature):


Date published: This should be the date the analysis was published on the website

Assessing Equality – The Equality Act 2010

Appendix B

Details of any Committee approved by (if applicable):	Date endorsed by Members if applicable:

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Agenda Item No:	13	
Committee:	Council	
Date:	20 February 2020	
Report Title:	Constitutional Amendments – Cabinet Meetings	

1. PURPOSE/SUMMARY

- 1.1. To advise Members of a change to the number of Cabinet meetings to be held within the municipal year and of other meeting arrangements.

2. KEY ISSUES

- 2.1. There is no legal requirement dictating the number of meetings the Council has to hold in relation to Full Council, Cabinet or other Committees and Panels.
- 2.2. The Council must however be in a position to transact any business it has in an efficient and timely manner.
- 2.3. In the Constitution, Cabinet is currently required to meet 12 times per year. This number of meetings is not usually required and business can often be more efficiently transacted by bringing items together in a single meeting, rather than spread over several different meetings.
- 2.4. Therefore, it is proposed to update the Constitution to reflect that Cabinet will hold a minimum of 8 meetings per year, with 3 reserve dates identified should additional business need to be transacted.
- 2.5. Full Council, historically at its November Council meeting, held the State of the District debate. Members removed this as a requirement within the Constitution many years ago however, the meeting date still remains. With the provision of a September and December Council meeting, it is proposed that the November meeting is removed from the meetings calendar. This will be subject to a separate decision at the Annual Meeting when dates of future Council meetings are decided.
- 2.6. Planning Committee currently meets every 4 weeks with site inspections undertaken a week prior to Committee culminating in 12 meetings per year. It is proposed that Planning Committee meetings are held every 5 weeks in future resulting in 10 meetings per year, with a review undertaken after 6 months to understand if it is operating successfully.
- 2.7. It should be noted that meetings of Council, Cabinet and Committees can be called should urgent business need to be transacted.

3. RECOMMENDATIONS

- 3.1. To agree the constitutional amendment at Appendix 1 in regards to the number of Cabinet meetings.
- 3.2. To agree to the removal of the November Council meeting date.
- 3.3. To note the change to the number of meetings of the Planning Committee.

Wards Affected	All
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Forward Plan Reference	N/A
Portfolio Holder(s)	Councillor Chris Boden, Leader of the Council
Report Originator(s)	Carol Pilson - Corporate Director and Monitoring Officer cpilson@fenland.gov.uk 01354 622360
Contact Officer(s)	Carol Pilson - Corporate Director and Monitoring Officer Amy Brown – Deputy Monitoring Officer Anna Goodall – Head of Legal and Governance
Background Paper(s)	None

Appendix 1 – Constitution

Part 4, Rule 4 Cabinet Procedure Rules

1.6 Cabinet Meetings – Frequency and Venue

The Cabinet will meet at least 8 times per year at times to be agreed by the Leader.

Agenda Item No:	14	
Committee:	Council	
Date:	20 February 2020	
Report Title:	NOTIFICATION OF APPOINTMENT OF DEPUTY MONITORING OFFICER	

1. PURPOSE/SUMMARY

- 1.1. To advise Members of the appointment of Amy Brown, Chief Solicitor as the Council's Deputy Monitoring Officer (DMO).

2. KEY ISSUES


- 2.1. Staff Committee recently agreed to create a post of Chief Solicitor within the organisation to support the Council in delivering its corporate priorities, funded from the existing legal service budget.
- 2.2. The Council has made an appointment to this new role which also includes the designation of DMO.
- 2.3. Section 2.3 of Article 12 of the Constitution enables the Monitoring Officer to designate another officer to deputise for them.
- 2.4. Amy Brown is currently the Council's DMO through its contract for Legal Services with Peterborough City Council, and between August 2018 and April 2019 fulfilled the role of Interim Corporate Director and Monitoring Officer for Fenland District Council. Amy is therefore an experienced DMO and has during her time at Fenland District Council gained a detailed insight into the culture and governance arrangements of the organisation. Amy also brings experience and insight from her role as DMO for Cambridgeshire County Council and Peterborough City Council.
- 2.5. There is scope for FDC to consider selling some of Amy's time back to Peterborough through a mutually acceptable s113 agreement which could generate an income to set against the costs of the post. However, this will be carefully assessed to ensure that FDC priorities come first and can be fulfilled without compromise. Members are requested to agree to the drafting of a s113 agreement to enable us to have this facility if required.

3. RECOMMENDATIONS

- 3.1. To note the appointment of Amy Brown, Chief Solicitor, as the Council's Deputy Monitoring Officer.
- 3.2. To enter in to a Section 113 agreement with Peterborough City Council and Cambridgeshire County Council to be in a position to provide a service to those organisations and generate an income to the Council if required.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Councillor Chris Boden, Leader of the Council

Report Originator(s)	Carol Pilson - Corporate Director and Monitoring Officer cpilson@fenland.gov.uk 01354 622360
Contact Officer(s)	Paul Medd – Chief Executive Carol Pilson - Corporate Director and Monitoring Officer
Background Paper(s)	None

Agenda Item No:	15	
Committee:	Council	
Date:	20 February 2020	
Report Title:	Senior Manager Pay Policy Statement	

Cover sheet:

1 Purpose / Summary

The purpose of this report is for Council to adopt the Senior Manager Pay Policy Statement for 2020/21 attached to the report.

2 Key issues

- Last year, Members approved the Council’s Senior Manager Pay Policy Statement as part of the Localism Act 2011 (s38) on the 21st February 2019. The act also states that this must be reapproved every year by the 31st March.
- The statement has been updated for 2020/21 to reflect national pay awards.
- The policy must include pay and remuneration for chief officers and other employees, including the lowest paid.
- This statement does not change any policies regarding remuneration and is a set of principles and does not concern data relating to a particular individual.
- Since 2010, the Senior Managers of the Council have been reduced with Corporate Management Team reducing from 11 to 4 members. In addition, further restructuring has reduced the number of Heads of Service and Managers.
- Overall staff numbers (excluding casuals) have reduced by 38% since 2010, delivering over £5.5m of annual savings for the Council and taxpayers (over £2m in management), whilst ensuring the Council continues to deliver excellent services.

3 Recommendation

It is recommended that Council adopts the Senior Managers Pay Policy Statement for 2020/21 at Appendix 1 as required by the Localism Act 2011.


Wards Affected	N/A
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder, Finance Councillor David Mason, Chairman of Staff Committee
Report Originator(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR & OD
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR & OD
Background Paper(s)	MHCLG Guidance ‘Openness and Accountability in Local Pay’: Draft Guidance under section 40

1. INTRODUCTION

- 1.1 The Localism Act 2011 (s38) requires English local authorities to produce a pay policy statement for 2013/2014, and for each financial year thereafter. Council approved the 2019/20 statement last year as set out in the act and the 2020/21 statement has been updated to reflect national pay awards and the employee contribution rate changes for pensions.
- 1.2 The Act states that the policy must include pay and other remuneration for chief officers and other employees, including the lowest paid. The Act defines remuneration widely, to include pay, charges, fees, allowances, benefits in kind, pension and termination payments.
- 1.3 This policy has been developed in response to this, and sets out Fenland District Council's approach to the pay and remuneration of the Council's Senior Managers.
- 1.4 This statement does not change any policies regarding remuneration and is a set of principles and does not concern data relating to a particular individual.

2. CONSIDERATIONS

- 2.1. As stated, the Localism Act 2011 requires local authorities to produce a pay policy statement. This follows Will Hutton's 2011 Review of Fair Pay in the Public Sector which has been a key driver for the Government's aim for greater transparency and value for money in terms of senior public sector pay.
- 2.2. Fenland District Council, under the direction of the Leader and Cabinet, has been at the forefront of ensuring value for money in the Council's senior management arrangements by looking at business need, capacity and management savings.
- 2.3. A number of reviews have taken place since 2010 which has seen the Corporate Management Team reduce from 11 to 4 members and further restructuring which has reduced the number of Heads of Services and Managers.
- 2.4. Overall staff numbers (excluding casuals and staff transfers associated with the Leisure Management Contract) have reduced by 38% since 2010, delivering over £5.5m of annual savings for the Council and taxpayers (over £2m in management), whilst ensuring the Council continues to deliver excellent services
- 2.5. Therefore it is important that the Council's approach to Senior Manager's pay is a balance between securing and retaining employees to continue delivering member priorities and quality services whilst providing value for money.
- 2.6. Appendix 1 sets out the Council's Senior Manager's Pay Policy Statement for 2020/21, in line with the Localism Act 2011 for adoption by the Council.

 <p>Broad Horizons · Clear Vision PEOPLE POLICIES</p>	<p style="text-align: right;">APPENDIX 1</p> <p>PEOPLE POLICY: SENIOR MANAGER'S PAY POLICY STATEMENT</p>

1.0 Introduction

The Localism Act 2011 (s38) requires English local authorities to produce a pay policy statement for 2012/2013, and for each financial year thereafter. The Act states that the policy must include pay and other remuneration for chief officers and other employees, including the lowest paid. The Act defines remuneration widely, to include pay, charges, fees, allowances, benefits in kind, pension and termination payments.

This policy has been developed in response to this, and sets out Fenland District Council's approach to the pay and remuneration of the Council's Senior Managers.

The Council is committed to equality and fairness for all staff. This policy has been developed for Fenland District Council and with specific reference to national terms and conditions and legislative requirements.

2.0 Scope

The Council's senior managers are classified in the following groups:

- Chief Officers
- Corporate Management Team
- Heads of Service

2.1 Chief Officers

At Fenland District Council, the Chief Officers are:

- The Chief Executive (Head of Paid Service)
- The Chief Finance Officer / Section 151 Officer (a statutory Chief Officer role with responsibility for financial governance)
- The Monitoring Officer (a statutory Chief Officer role with responsibility for legal governance)

These posts are currently also part of the Corporate Management Team.

2.2 Corporate Management Team


At Fenland District Council, there are four posts that fall within this category which include the Chief Officer posts set out in 2.1.

2.3 Heads of Service

At Fenland District Council, there are eight posts that fall within this category.

3.0 Remuneration

Major decisions on pay, such as annual pay awards, are determined for most local authorities in England and Wales by the National Agreement on Pay, arrived at through a system of central collective bargaining between representatives of the Local Government Employers and representatives of the relevant trades unions on the National Joint Council.

 <p>Broad Horizons · Clear Vision PEOPLE POLICIES</p>	<p style="text-align: right;">APPENDIX 1</p> <p>PEOPLE POLICY: SENIOR MANAGER'S PAY POLICY STATEMENT</p>

3.1 Heads of Service

a) For Heads of Service subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services' (commonly known as the 'Green Book'), the Council uses a Hay Management pay spine that commences at Hay 1, SCP - 1 and ends at Hay 4, local SCP - 4. This pay spine is divided into 4 pay bands, which each contain a number of incremental points. Hay 1 is the lowest and Hay 4 is the highest of these management pay grades. Posts are allocated to a pay band through a process of job evaluation.

b) The values of the SCPs in these pay grades are updated by the pay awards notified from time to time by the National Joint Council for Local Government Services. In addition to this, these pay grades will receive an annual increment, subject to the top of their grade not being exceeded.

c) The salary range for these posts is shown below at 4.0.

3.2 Corporate Management Team

a) For Corporate Directors subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services', the Council uses a Senior Management pay spine that commences at £60,000 and ends at £87,743.

b) Salaries within these pay grades are updated by the pay awards notified from time to time by the National Joint Council for Local Government Services. In addition to this, progression through the pay grade is also determined by assessment of the employee's performance in line with the Council's Performance and Development Review process, assessed by the Chief Executive in consultation with the Leader of the Council.

c) The salary range for these posts is shown below at 4.0.

d) Chief Officers within the Corporate Management Team may also be subject to the Conditions of Service determined by the Joint Negotiating Committee for Chief Officers of Local Authorities.

3.3 Chief Executive

a) The terms and conditions of employment for the Chief Executive are determined in accordance with collective agreements, negotiated by the Joint Negotiating Committee for Chief Executives.

b) The Chief Executive's salary grade will be updated by the pay awards notified from time to time by the Joint Negotiating Committee for Chief Executives of Local Authorities in consultation with the Leader of the Council.

PEOPLE POLICY:

SENIOR MANAGER'S PAY POLICY STATEMENT

c) The Chief Executive also receives a Returning Officer fee in respect of County, District and Parish Council Elections. The fee for undertaking this role is calculated in accordance with a formula approved annually by the Chief Executives' Group, based on a recommendation by the County Electoral Officers' Group. These fees currently are £373 for each contested District ward and £55 for each uncontested District ward, and £104 for each contested Town/Parish ward and £28 for each uncontested Town/Parish ward. If a Town/Parish ward is contested along with a District ward the fee is £34 for the Town/Parish element. Fees for conducting Parliamentary Elections, European and Police and Crime Commissioners are determined by way of a Statutory Instrument.

d) Annual increments for progression to the next scale point are subject to successful performance assessed by a Members' Appraisal. This will include the Leader of the Council and two other members nominated by the Leader.

e) The Chief Executive also receives healthcare provision of £2,000 per year.

f) The salary range for the Chief Executive is shown at 4.0 below.

4.0 Salary Ranges


The current salary ranges for Heads of Service, CMT and the Chief Executive are presented in the table below.

Post	Range	
	From	To
Head of Service	£43,664	£60,496
Corporate Management Team	£60,000	£87,743
Chief Executive	£125,000	£146,037

These salary ranges may change if either local or national pay awards are awarded within the financial year and before the next pay policy statement is produced.

5.0 Pensions

The employees within the scope of this Statement are entitled to join the Local Government Pension Scheme (LGPS). Employees contribute between 5.5% and 12.5% of their salary. For the purpose of this statement, employees included with the table in section 4.0 contribute between 6.8% and 12.5%, depending on where they are within the salary range. The employer pension contribution rate is 17.4% for all employees and managers (regardless of their grade or salary rate).

 <p>Broad Horizons · Clear Vision PEOPLE POLICIES</p>	<p style="text-align: right;">APPENDIX 1</p> <p>PEOPLE POLICY: SENIOR MANAGER'S PAY POLICY STATEMENT</p>

6.0 Remuneration on Recruitment

On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. Access to appropriate elements of the Council's Relocation Scheme may also be granted in certain cases, when new starters need to move to the area.

All permanent or fixed term posts are advertised in accordance with the Council's recruitment Policy and Process, and appointment of Chief Officers is made on merit, in accordance with the rules governing the recruitment of Chief Executive and Chief Officers set out in the Council's Constitution.


Appointment of Heads of Service is the responsibility of the Chief Executive or his/her nominee. The salary on recruitment will be within the current salary range of these posts at that time.

6.0 Other Benefits

The expenses which may be payable to the Chief Executive, the Corporate Management Team or Head of Service are as follows:

- Re-imbusement of travel and subsistence – Any excess travelling allowance that is paid will be in accordance with the Council's established policies, and any subsistence allowance that is paid will normally be no higher than the current rates set by Her Majesty's Revenues and Customs (HMRC) . All rail travel for officers will be second class unless there are exceptional circumstances.
- Vouchers are issued in accordance with the Councils' Eye Test Policy.
- The employees within the scope of this policy are entitled to participate in the Council's Salary Sacrifice Scheme, which includes a Childcare Voucher scheme Such schemes are exempt from income tax or National Insurance contributions and therefore represent a saving for employees who then use them to purchase childcare, bicycles or technological products.
- Professional fees for employees, including Chief Officers, Corporate Managers and Heads of Service are paid in accordance with the Council's established process for the payment of professional fees for those employees whose role requires professional qualification and continued professional development.

There are no bonus arrangements payable to the Chief Executive, the Corporate Management Team or Heads of Service.

 <p>Broad Horizons · Clear Vision PEOPLE POLICIES</p>	<p style="text-align: right;">APPENDIX 1</p> <p>PEOPLE POLICY: SENIOR MANAGER'S PAY POLICY STATEMENT</p>

7.0 Car Allowances

An annual car allowance is also currently payable to the Corporate Management Team and Heads of Service, but whilst this is subject to the normal deductions for tax and National Insurance, this does not count towards pensionable pay and no pension contributions are paid for it, either by the Council or by the employee. The car allowance is linked to grading and salary.

8.0 Relationship to the lowest paid employee

The lowest paid staff within the Council are on Band 2 of the Council's pay structure. This band is therefore defined as the lowest paid for the purposes of this policy.

Band 2 is currently £17,364, and therefore lowest pay point on the council's pay scale is currently £17,364 per annum.

The Chief Executive's salary scale is set out in section 4.

The current ratio between the lowest and highest pay points is - 1:8.4

The current ratio between the actual lowest pay grade and actual Chief Executive's salary is - 1:8.4


The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

9.0 Termination of Employment

On ceasing to be employed by the Council, individuals will only receive compensation:

- (a) in circumstances that are relevant (e.g. redundancy), and
- (b) that is in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or
- (c) that complies with the specific term(s) of a settlement agreement.

Any decision to re-employ an individual, who was previously employed by the Council and, on ceasing to be employed, was in receipt of a severance or redundancy payment, will be made on merit. The Council will not, however, normally engage such an individual under a contract for services.

 <p>Broad Horizons · Clear Vision PEOPLE POLICIES</p>	<p style="text-align: right;">APPENDIX 1</p> <p>PEOPLE POLICY: SENIOR MANAGER'S PAY POLICY STATEMENT</p>

10.0 Publication of this policy and salary data

Salary data for the Chief Officers is published on the Council's website within the Council's statement of accounts. This policy is also published on the website.

11.0 Equality

This policy has been Equality Impact Assessed. The policy aims to meet the diverse needs of the workforce, ensuring that none are placed at a disadvantage over others. The Equality Impact Assessment confirms that this policy meets the standards.

12.0 Review

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. This policy will therefore be reviewed at annual intervals to ensure that it remains fit for purpose, and it will be submitted to Full Council for approval by the end of March each year.

Please contact Human Resources for further information.

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