

## AGENDA

### **CABINET**

**THURSDAY, 6 AUGUST 2020**

**2.00 PM**

**A VIRTUAL MEETING VIA ZOOM VIDEO  
CONFERRING SYSTEM**

Committee Officer: Linda Albon  
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Due to the COVID-19 outbreak and the restrictions by the Government on gatherings of people, this meeting will be conducted remotely using the Zoom video conferencing system. There will be no access to this meeting at the Council offices but you can view the meeting on YouTube, apart from any items marked confidential.

This meeting can be viewed via You Tube URL: <https://youtu.be/PCOGtMwylCg>

- 1 To receive apologies for absence
- 2 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
- 3 To report additional items for consideration which the Chairman deems urgent by virtue of the special circumstances to be now specified
- 4 Annual Report of the Council 2019/20 (Pages 3 - 26)

To present the Annual Report of the Council for Cabinet to note the achievements made in delivering the Council's corporate priorities in 2019/20.

5 Treasury Management Annual Report 2019/20 (Pages 27 - 36)

The purpose of this report is to consider the overall financial and operational performance of the Council's treasury management activity for 2019/20.

6 Financial Outturn Report 2019/20 (Pages 37 - 46)

To inform Cabinet of the income and expenditure (known as "Outturn") for the Council for 2019/20 and reasons for variations.

7 Capital Programme Update (Pages 47 - 52)

To consider the updated capital programme and variations in resources since February 2020.

8 Council Tax Support Scheme (Pages 53 - 64)

Each year the Council is required to review its Council Tax Support (CTS) Scheme. This report is to receive the recommendations of the Overview and Scrutiny Panel's consideration of the progress of the 2020 annual review and any resultant proposals for consultation for changes to the CTS scheme to take effect from April 2021.

9 Outside Bodies Report (Pages 65 - 76)

The purpose of this report is to enable Cabinet to review and agree the list of outside bodies and nominations for representatives on those organisations for 2020/21.


10 Draft 6 Month Cabinet Forward Plan (Pages 77 - 78)

For information purposes.

11 Items which the Chairman has under item 3 deemed urgent

Wednesday, 29 July 2020

Members: Councillor C Boden (Chairman), Councillor Mrs J French (Vice-Chairman), Councillor I Benney, Councillor S Clark, Councillor Miss S Hoy, Councillor Mrs D Laws, Councillor P Murphy, Councillor C Seaton, Councillor S Tierney and Councillor S Wallwork

Agenda Item No:	4	
Committee:	Cabinet	
Date:	6 August 2020	
Report Title:	Annual Report of the Council 2019/20	

## 1 Purpose / Summary

To present the Annual Report of the Council for Cabinet to note the achievements made in delivering the Council's corporate priorities in 2019/20.

## 2 Key issues

- The Annual Report of the Council 2019/20 describes the performance of the Council over the last year, linking to the priorities detailed in our Business Plan. These are designed to deliver outcomes that improve the quality of life for Fenland residents and are listed under the key headings of Communities, Environment and Economy.
- The achievements listed in the Annual Report are not exhaustive but reflect some of our successful projects over the last year. Notable examples are given of how we have worked closely with the community and partners to tackle important local issues in a collaborative and efficient way.
- As like other local authorities, Fenland District Council faces significant financial challenges due to continued reductions in Government Grant and increased demand upon services. Nevertheless, we continue to provide high quality services whilst keeping our budget balanced. Our recently approved Commercial and Investment Strategy will pave the way for new and exciting development opportunities.
- We continue to be ambitious and lobby for investment to tackle important issues. Ongoing funding from the Cambridgeshire and Peterborough Combined Authority has already committed £61million towards projects that will benefit Fenland, enabling us to address important issues relating to housing, skills, transport, infrastructure and employment. As a direct result of this, each of our market towns now have their own masterplan through the 'Growing Fenland' project.

## 3 Recommendations

It is recommended that Cabinet approves the Annual Report of the Council 2019/20.

<b>Wards Affected</b>	All
<b>Forward Plan Reference</b>	N/A
<b>Portfolio Holder(s)</b>	Councillor Boden, Leader of the Council Cabinet Members
<b>Report Originator(s)</b>	Paul Medd, Chief Executive Carol Pilson, Corporate Director Peter Catchpole, Corporate Director

<b>Contact Officer(s)</b>	Paul Medd, Chief Executive Peter Catchpole, Corporate Director
<b>Background Paper(s)</b>	Business Plan 2019/20

## **1 Background / introduction**

- 1.1 The Annual Report of the Council 2019/20 summarises key examples of the Council's performance against each of our corporate objectives over the past year. This document is published and circulated on an annual basis to provide a summary of performance for Councillors, customers and partners.
- 1.2 The Council continues to deliver high quality services and effective projects within each of its corporate priorities. Key examples include:

## **2 Communities - highlights**

- 2.1 Over the last year we investigated 187 complaints from tenants in private rented accommodation resulting in serious health and safety failings being put right. Supported by £196,000 of Government Funding, officers have built upon existing enforcement work to visit 2,713 properties and make 920 interventions.
- 2.2 Supported by new housing legislation, we prevented 390 households from becoming homeless, an increase of 24% since 2018/19. Our Housing Options team also gave valuable advice to 2,065 households about a variety of issues including homelessness, tenancies, eviction, debt and living independently.
- 2.3 367 people attended our Golden Age events. The Fairs, held in our villages and towns, enable older residents to access information, advice and guidance from many local and national partner organisations. Financed by the 'Better Care Fund', we adapted 157 homes to help elderly and disabled people remain safe, secure and protected at home.

## **3 Environment - highlights**

- 3.1 More than 2.9 million bin collections were made across the district in all weathers, with residents have recycled more than 50% of their waste through waste collections and by using the household waste recycling centres in Fenland. Our Cleansing and Rapid response team continue to provide an excellent seven day street sweeping and litter picking service. Last year they responded to over 1,400 service requests and undertook over 1,000 inspections.
- 3.2 Our Street Scene team spent over 4,800 hours on patrol in Fenland; working closely with the community to tackle environmental and anti-social behaviour problems. 350 Fixed Penalty Notices were served on people who committed environmental offences, with many individuals taken to court and fined.
- 3.3 We worked with over 300 volunteers across 24 dedicated local volunteer groups including Street Pride, In Bloom and Friends organisations, who delivered a record 254 environmental events across the district.

## **4 Economy - highlights**

- 4.1 Our Planning service processed over 700 applications and investigated nearly 300 cases of unauthorised development. In terms of meeting Government targets, our performance remains excellent (between 96% and 100% depending on application type).
- 4.2 Supported by funding from the Cambridgeshire and Peterborough Combined Authority (CPCA), a variety of projects continue to address transport connectivity in Fenland and beyond. These include: up to £25million towards improvements to the A47 Guyhirn roundabout, £32 million to deliver the A605 Kings Dyke crossing, £10.5 million for Phase 1 of the Wisbech Access Strategy, £9 million to improve March, Manea and Whittlesey railway stations, £1.5 million for feasibility work for a March-Wisbech railway line and £1 million for a March area transport study.

- 4.3 Work continues on developing our four Market Town Masterplans ('Growing Fenland') funded by the CPCA. The aim is to bring jobs, infrastructure and growth to Fenland whilst enabling each town to become and remain 'vibrant and thriving places' in their own right. Now approved, the Town Teams look forward to delivering the priorities of the masterplan once the funding is secured.

## **5. Quality Organisation - highlights**

- 5.1 We collected over £56 million in Council Tax and £24 million in Business Rates. This plays a major part in funding the key services we provide to the community.
- 5.2 A record number of people are choosing to engage with us online. We received over 685,000 visits to [www.fenland.gov.uk](http://www.fenland.gov.uk) and over 10,000 online form submissions. Our Twitter followers have increased to 8,570 and Facebook 'likes' to 3,368.
- 5.3 Due to a decreasing footfall (-81% in 15 years) and increased online service update, we relocated our Wisbech and March One Stop Shops to existing Council sites. This has reduced the cost to the tax payer whilst still offering face to face to customers who need it.

## **6 Consideration**

- 6.1 The Annual Report of the Council 2019/20 shows clear performance towards the achievement of our corporate priorities. It is only a summary document; many more projects are ongoing that aim to improve quality of life for Fenland residents.

## **7 Effect on Corporate Objectives**

- 7.1 The Annual Report 2019/20 sets out the progress made in achieving the Council's corporate objectives.

## **8 Community impact**

- 8.1 The projects detailed in the Annual Report 2019/20 illustrate how the Council is contributing to improving quality of life in Fenland.

## **9 Conclusions**

- 9.1 The projects detailed in the Annual Report 2019/20 are some examples of how the Council has delivered successful projects - meeting corporate objectives and securing the best possible life chances for local people.

# Fenland District Council Annual Report

# 2019/20

## Introduction by the Leader of the Council and Chief Executive

Welcome to Fenland District Council's Annual Report for 2019/20. Our report explains how we've worked with residents, partners, businesses and community groups over the past year to deliver the priorities in our Business Plan. These focus on our communities, our environment and our economy.

We continue to work closely with partners to effectively tackle many complex issues, whilst delivering projects that improve the quality of life for local people. We remain ambitious and continue to lobby for investment to deliver regeneration and economic growth. Our recently approved Commercial and Investment Strategy will pave the way for new and exciting development opportunities. Ongoing funding from the Cambridgeshire and Peterborough Combined Authority (exceeding £61million) is enabling us to address important issues relating to housing, skills, transport, infrastructure and employment. As a direct result of this, each of our market towns now have their own masterplan through the 'Growing Fenland' project, which will support future regeneration and maximise their potential.

However, we now find ourselves in unprecedented times as Coronavirus (COVID-19) is significantly impacting the UK and the world. We are doing everything in our power to minimise its impact on residents and businesses. By working closely with partners, volunteers and communities, who are generously providing help where they can, we are able to signpost residents to a wide range of support services and reduce duplication between organisations. In addition, we are quickly acting upon ever-changing Government advice to offer businesses valuable guidance and help.

We are working hard to continue delivering our core services, with appropriate modifications to meet Government guidelines. Our Refuse team are working at capacity, but by volunteering to cancel holidays and rest days, are still providing a normal service - despite a significant increase in household bin usage. Our Housing team have offered temporary accommodation to over 50 rough sleepers who are particularly vulnerable within the pandemic. We would like to thank residents for their gratitude and continued support which is helping to keep our workforce motivated during these challenging times.

Our COVID-19 telephone co-ordination Hub, launched at the end of March, is providing valuable support to residents aged over 70 and other vulnerable groups. Staffed by our Customer Services team and officers repurposed from non-critical services, the Hub received over 300 phone calls in its first three days of operation and has helped residents to access food, medicines, essential supplies and over 50 different support services.

Our Environmental Health team has been actively supporting the Government's closure of certain businesses and offering guidance for those who can open under revised operating measures. As well as implementing business rates relief measures, we are quickly responding to the Government's business support measures. To date we have been responsible for administering three business grants in Fenland, and have paid over £19million to businesses who were eligible for support.

We hope that this report gives a flavour of the things we do to make Fenland a happy, safe and prosperous place to live. Whatever happens over the next year, we remain committed to working with all of our towns, villages and rural communities to access the support they need and to improve the quality of life for local people.



Councillor Chris Boden –  
Leader of the Council



Paul Medd –  
Chief Executive

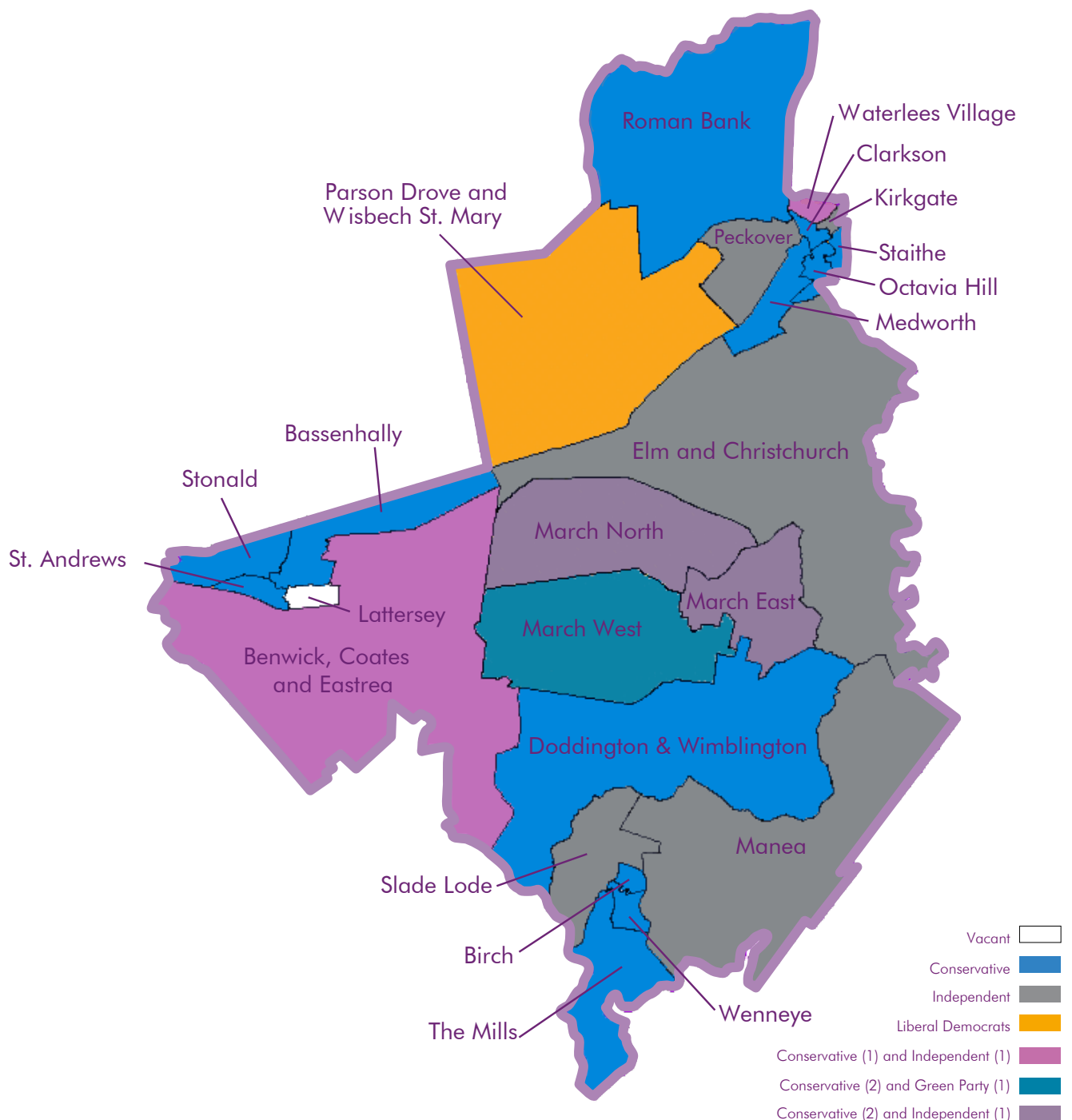


# Our Councillors

Councillors are elected by local residents every four years. They represent their area, make decisions and set priorities for the district. Fenland District Council has 39 Councillors representing 24 wards.

We have a Leader and Cabinet style of governance. Our Cabinet is made up of 10 Councillors, each holding different responsibilities.

The Conservative group holds the majority with 25 seats. The remaining seats are made up of 10 Independent Councillors, 2 Liberal Democrat Councillors and 1 Green Party Councillor. 1 seat is vacant and its by-election is currently expected to take place in early May next year.



# Our Councillors by Ward

## Cabinet



**Chris Boden**  
Leader of the Council  
Bassenhally  
(Whittlesey)



**Jan French**  
Deputy Leader of the Council  
March West



**Ian Benney**  
Birch (Chatteris)



**Sam Clark**  
Roman Bank  
(Wisbech)



**Susan Wallwork**  
Octavia Hill (Wisbech)



**Sam Hoy**  
Octavia Hill (Wisbech)



**Dee Laws**  
Stonald (Whittlesey)



**Peter Murphy**  
Wenneye (Chatteris)



**Chris Seaton**  
Roman Bank  
(Wisbech)



**Steve Tierney**  
Medworth (Wisbech)

## Other Councillors



**Alex Miscandlon**  
Benwick, Coates  
and Eastrea



**Bob Wicks**  
Benwick, Coates  
and Eastrea



**Anne Hay**  
The Mills  
(Chatteris)



**Daniel Divine**  
Slade Lode  
(Chatteris)



**David Connor**  
Doddington and  
Wimblington



**Maureen Davis**  
Doddington and  
Wimblington



**Michelle Tanfield**  
Elm and Christchurch



**Will Sutton**  
Elm and Christchurch



**Charlie Marks**  
Manea



**Steve Count**  
March North



**Mike Cornwell**  
March North



**Kim French**  
March North



**John Clark**  
March East



**Mark Purser**  
March East



**Fred Yeulett**  
March East



**Rob Skoulding**  
March West



**Simon Wilkes**  
March West



**Sarah Bligh**  
Parson Drove and  
Wisbech St Mary



**Gavin Booth**  
Parson Drove and  
Wisbech St Mary



**Kay Mayor**  
Bassenhally  
(Whittlesey)



**Vacant**  
Lattersey  
(Whittlesey)



**David Mason**  
St Andrews  
(Whittlesey)



**Andrew Lynn**  
Clarkson  
(Wisbech)



**David Patrick**  
Kirkgate  
(Wisbech)



**Nick Meekins**  
Peckover  
(Wisbech)



**Michael Humphrey**  
Roman Bank  
(Wisbech)







**David Topgood**  
Staithe  
(Wisbech)



**Andy Maul**  
Waterlees Village  
(Wisbech)



**Billy Rackley**  
Waterlees Village  
(Wisbech)

Conservative   
Independent   
Green   
Liberal Democrat 

## Where your Council Tax goes

In 2019/20, the Band D Council Tax bill was set at £1,865.97 (plus individual Parish amounts). In 2020/21 this increased to £1,924.38 (plus Parish amounts).

Fenland District Council collects money through Council Tax on behalf of other authorities. A breakdown of this is shown in the table below:

Council Tax collection	2019/20	2020/21	% of total bill
Fenland District Council	£260.46	£260.46	13%
Cambridgeshire County Council	£1,312.11	£1,359.18	69%
Cambridgeshire Police and Crime Commissioner	£222.66	£232.65	12%
Cambridgeshire and Peterborough Fire Authority	£70.74	£72.09	4%
	£1,865.97	£1,924.38	
Parishes (average)	£46.41	£48.46	2%
Total (including Parishes)	£1,912.38	£1,972.84	

The numbers above relate to a Band D property. However, 83% of properties in Fenland are in Bands A-C. The average Council Tax per property in Fenland was £1,262.74 in 2019/20 and will be £1,312.01 in 2020/21.


## Our finances

The Council's revised estimate for spending on services in 2019/20 was £12.966m. This sum is principally financed by the Council's share of Business Rates (£4.632m) and Council Tax (£7.652m). At the budget meeting in February 2020, a net surplus of £93,837 was forecast at the year end. The actual surplus was £115,308 (subject to external audit) and this has been transferred to the Council's Budget Equalisation Reserve.

Full details of the Council's financial position and performance are contained in the Statement of Accounts 2019-20.

Like most other local authorities, we face an ongoing deficit position in the medium term. This position has been further exacerbated by the impact of the Covid 19 emergency which has impacted the Council's financial position in numerous ways ranging from an expected decline in the amount of Council Tax and Business Rates we are able to collect, reduced income from fees and charges and additional expenditure to keep our communities safe and respond to the pandemic in line with government guidance.

The Medium Term Financial Strategy (MTFS) approved by Council in February 2020 shows that we face a continuing budget gap over the five years from April 2020. The published MTFS shows that by 2024/25 our forecast budget gap is £1.105m. However, our forecasts are being revisited and will continue to be revised as details of the financial impact of Covid 19 become clearer.



The Council will continue to face ongoing pressures associated with managing the cost of providing statutory services alongside maintaining and developing sources of income through fees and charges, whilst managing the impact on the revenue and capital budget of delivering against our strategic priorities. The most significant factor that will impact on the budget will continue to be the level of Government funding. This includes the ongoing uncertainty in respect of changes to financing arrangements, such as the proposal for 75% localisation of business rates and changes to New Homes Bonus. The government has recently confirmed that the fair funding review, which took account of these developments and was due to be reflected as part of the 2021-22 local government finance settlement, will now be implemented as part of the 2022-23 settlement.

Full details of the Council's Budget for 2020/21 and Medium Term Financial Strategy can be found at: [www.fenland.gov.uk/finance](http://www.fenland.gov.uk/finance). You may also wish to read our Business Plan. This explains our organisational priorities for the next financial year: [www.fenland.gov.uk/businessplan](http://www.fenland.gov.uk/businessplan)

## A snapshot of achievements



Participants at an Active Fenland Badminton tournament at the Hudson Leisure Centre, Wisbech

Just a few of our residents and partner organisations who attend our Golden Age Fairs



Bricklaying students from the College of West Anglia – one part of the Wisbech 2020 Vision project

## Support vulnerable members of our community

- Over the last year, we investigated 187 complaints from tenants in private rented accommodation, resulting in serious health and safety failings being put right. Supported by £196,000 from the Government's 'Controlling Migration' fund, we have built upon our existing enforcement work. By undertaking street-by-street inspections in Wisbech, we have gathered valuable property intelligence and uncovered hidden issues. Last year we made a total of 2,713 visits and 920 interventions.
- Supported by new housing legislation, we prevented 390 households from becoming homeless; an increase of 24% since 2018/19. Our Migrant Outreach Worker (also financed by the Government's 'Controlling Migration' fund) is working with over 23 clients in Wisbech to find a route away from sleeping rough. Our Housing Options team also gave valuable advice to 2065 households about a variety of issues including homelessness, tenancies, eviction, debt and living independently.
- The Cambridgeshire and Peterborough 'Trailblazer' project has successfully piloted early approaches to homeless prevention. Supported by £736,000 of Government funding, it has prevented nearly 600 people from becoming homeless (254 in Fenland) since inception (August 2019). The project received over 1,600 referrals; 600 were from the Fenland area (the highest in the region).
- Financed by the 'Better Care Fund', we adapted 157 homes to help elderly and disabled people remain safe, secure and protected at home. 90% of people asked were satisfied with the works and said it has made their life easier 1 year on.
- 367 people attended our Golden Age Fairs. The Fairs, held in our villages and towns, enable older residents to access information, advice and guidance from many local and national partner organisations. Over 20 partner organisations regularly attend the fairs and this year have offered free electric blanket exchanges, scam awareness advice along with health and fitness information. When asked, 100% of visitors were satisfied with the Fairs and would recommend them to their family and friends.

## Promote Health and Wellbeing for all

- Freedom Leisure continued to deliver leisure centre services on our behalf. Over the past year, we saw an increased number of learn to swim users, more gym attendees and a high degree of customer satisfaction. With our support, Freedom redeveloped the Hudson Leisure Centre, with new improved facilities opening in January 2020. All gym equipment across our four leisure centres was replaced, offering the community top class equipment to encourage them to stay active. Unfortunately, in March 2020, all four of our leisure centres ceased operating on Government instruction because of the COVID-19 emergency. At the time of writing we are awaiting confirmation of the date that the facilities may be safely re-opened.
- A variety of 'Active Fenland' projects have encouraged local people, of all ages, to get moving and try new sports where they live. This has been cost-neutral to the Council thanks to over £195,000 of funding from a variety of organisations. 'Active Families' funding has supported families with children from our most deprived areas to enjoy a variety of activities including multi-sport clubs, running, cricket, fitness classes and swimming. 'Let's Get Moving' has supported a variety of people to enjoy sessions including walking sport, chair-based exercise, yoga, running, cycling and mum's fitness. Positively, Cambridgeshire County Council Public Health have now extended this funding for a further five years.

- We work closely with partners to help households increase their energy efficiency and reduce fuel poverty. Following referrals from councils, housing associations and the Department for Work and Pensions, the Peterborough City Environment Trust (PECT) charity made 53 home visits to households to advise them how to save energy and access support. Through the 'Stay Well' project, £15,467 in grants was awarded across 83 households with vulnerable residents needing help to pay oil or top up a pre-payment energy meter. 121 households switched their energy supplier through the 'iChoosr' collective switching scheme, saving an average of £250 on their annual energy bill.
- The Wisbech 2020 Vision programme has achieved significant outcomes since its inception and has created a helpful foundation for recent projects in the area, such as Think Communities and I ♥ Wisbech. A mixture of long-term infrastructure related projects are being driven forward, with more immediate socioeconomic interventions making a difference. Partners remain committed to working both differently and together, with work currently being undertaken to review the Vision's approach, drive forward project delivery and embed actions into partner's business plans. Examples of achievements include:
  - Sponsorship of bespoke training courses at the College of West Anglia to improve local employment opportunities (delivered by Anglian Water)
  - Improvements to the Queen Mary Centre (championed by Anglian Water)
  - Progress on the Wisbech High Street project (see 'Economy' section)
  - Support provided to the Wisbech Society General Cemetery Restoration Project, the opening of Wisbech Community Farm and the Wisbech Museum
  - Over 200 properties visited to address poor quality private rented housing, with remedial action enforced when needed.

## Work with partners to promote Fenland through Culture and Heritage

- We successfully secured a grant from the Arts Council to develop a creativity and culture strategy for Fenland. This work is ongoing and is expected to produce a document that will support local creative people and agencies in applying for grant funding, as well as linking groups together to be more effective across the district.

### Performance

	Target 2019/20	Performance	Variance on target
Days taken to process new claims and changes for Council Tax support	8 days	6.06 days	24%
Days taken to process new claims and changes for Council Tax benefit	8 days	4.65 days	42%
% of attendees satisfied with Golden Age events	96%	100%	4%
% of those asked satisfied with our leisure centres (Net Promoter Score)*	39	44	13%

Key	 On or above target (<-4%)	 Nearly on target (-5% to -9%)	 Below target (>-10%)
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\* This performance is for the first 9 months of 2019/20. Freedom's Fenland contract is running above the Freedom average, as well as performing 'great' when assessed against NPS (Net Promoter Score) expectations.

## A snapshot of achievements



Our new CCTV control room in Peterborough was officially opened in February

Our Refuse team pictured looking smart in their new uniforms



Following a £120,000 renovation, the West End Skate Park (March) re-opened to the public in December

24 people registered their dogs on the launch day of the community-led Green Dog Walker scheme in Chatteris. The launch took place on Furrowfields Recreation Ground





## Deliver a high performing refuse, recycling and street cleansing service

- More than 2.9 million bin collections were made across the district, in all weathers. Residents recycled over 50% of their waste through waste collections or using the household waste recycling centres. Customer satisfaction with our Garden Waste (Brown Bin) service remains high at 94%. Subscriptions continue to rise, totalling 21,300 in 2019/20. Almost 19,000 households signed up early for the current year.
- Our 40 trained 'Getting It Sorted' volunteers delivered 113 recycling events, generously volunteering for over 1,500 hours to promote recycling. Projects included launching a new multi-lingual recycling website, [www.gettingitsorted.org](http://www.gettingitsorted.org), which has seen over 23,000 hits in its first three months and running a primary schools recycling project, raising over £5,600 for local schools.
- Our Cleansing and Rapid Response team continue to provide an excellent seven day street sweeping and litter picking service. Last year they responded to over 1,400 service requests; 95% on the same or next day. Over 1,000 quality inspections were made and 99% of areas met cleansing standards first time.

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



- Tivoli, our grounds maintenance contractor, continues to keep our parks and open spaces well maintained so they can be enjoyed by all. In addition to their usual maintenance programme, they undertook extra works related to our tree stocks.
- With significant community involvement and considerable support from the AmeyCespa community fund, the brand new West End Skate Park officially opened in December. It is larger than the old park, suitable for all users (from beginner to expert) and is made of concrete so should last for many years.
- Our Street Scene team spent over 4,800 hours on patrol. They work closely with the community to tackle environmental and anti-social behaviour concerns, with a focus on preventing fly-tipping, littering and dog fouling. 350 Fixed Penalty Notices (FPN) were served on people who committed dog and littering related offences. The 50 people who didn't pay were found guilty at Peterborough Magistrates court and ordered to pay an average of £220 fine and £226.50 costs. 3 people were issued with a £400 FPN for fly-tipping, with 3 others prosecuted at Peterborough Magistrates Court which resulted in a total combined fine of over £26,000.
- We worked with over 300 volunteers across 24 dedicated local volunteering groups including Street Pride, In Bloom and Friends organisations, who delivered a record 254 environmental events across the district. In addition, we launched community-led Green Dog Walker schemes in March, Chatteris, Whittlesey, Wisbech and Wisbech St Mary which aim to encourage responsible dog ownership and reduce dog fouling.
- Over £102,000 was awarded to community groups living within the vicinity of wind turbines to improve their local environment. Projects included energy advice sessions, solar panels for community buildings, environmental education in schools, switching to LED lighting, enhancements to green spaces and the fourth year continuation of the 'Fenland Explorers' programme.
- Working with community groups, we continue to support popular 'Four Seasons' events. Backing from town councils, volunteers and businesses has kept the programme fresh and engaging for the 18,000 visitors who attended last year. The 11th annual St George's Fayre, with a 'Vikings and Dragons' theme, saw stilt walking warriors and juggling jesters perform on the streets. The Whittlesey Festival offered an acrobatic display from the UK's leading Cossack group along with free climbing walls, miniature golf, inflatables and bumper cars.

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

- Our CCTV service recorded over 1,250 incidents of crime and disorder and supported our enforcement partners to make 105 arrests, helping to make our towns and public spaces safer. To reduce costs (saving circa £55,000 per annum from 2020/21) whilst improving operator presence, we now operate a shared service with Peterborough City Council in a new 'state of the art' control room within Peterborough. The shared service went live from January 1st 2020 and now monitors our newly upgraded digital camera network.
- With support from partners, our Community Safety team responded to 150 reports of anti-social behaviour. A high-profile example of their work is Ely House (Wisbech), where they successfully applied for a Closure Order due to the community impact of criminal and anti-social behaviour there. As part of the Fenland Community Safety Partnership, public engagement and workforce development activities took place surrounding Domestic Abuse, Hate Crime, Scams and Cybercrime.
- The Diverse Communities Forum (DCF), formed of over 30 partners across statutory, housing associations, health sector, community, voluntary and faith groups, continues to improve integration and cohesion between communities. With Government funding, they have delivered a project to recruit and manage bi-lingual advisors in the community. This has improved access to over-subscribed local translation services at a reduced cost, whilst helping non-English speakers to access services, improve their language skills and become more self-sufficient.

### Performance

	Target 2019/20	Performance	Variance on target
Rapid or Village response requests actioned the same or next day	90%	95%	6%
% of inspected streets meeting our cleansing standards	93%	99%	6%
% of collected household waste – Blue Bin recycling	28%	28%	0%
Customer satisfaction with Refuse and Recycling services	90%	99%	10%
Customer satisfaction with Garden Waste service	80%	94%	18%
Number of Street Pride and Friends Of community environmental events supported	204	254	25%
% of local businesses who thought they were supported and treated fairly	90%	100%	11%
% of those asked who are satisfied with events	90%	98%	9%

Key	 On or above target (<-4%)	 Nearly on target (-5% to -9%)	 Below target (>-10%)
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## A snapshot of achievements



Members of the Hereward CRP (Community Rail Partnership) visited local stations on the line to raise awareness about the project and engage with the public

'Block and Roll,' a free talk about the development of 18th and 19th century wallpaper, was held in the Wisbech and Fenland museum as part of the Wisbech High Street Project



Delegates examining local buildings on an Archaeology Building Workshop

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

- Our 'Fenland For Business' team helped to shape the Local Industrial Strategy (LIS) for Cambridgeshire & Peterborough by representing the views of the Council and its local business community. The LIS is a framework for economic growth which is used to develop projects and programmes of support for businesses in key sectors.
- To support businesses in moving to Fenland, we adopted a new Discretionary Business Rate Relief Policy. This aims to attract and support businesses who offer staff training, opportunities for school leavers along with higher skilled and higher paid jobs. We continue to support training and education by hosting events for the Adult Learning and Skills team. This aims to engage harder to reach groups and provide training and support to improve their skills. We are also involved in the National Retraining Scheme initiative. This seeks to support the retaining of employees as automation changes their roles and new roles emerge, whilst others disappear.
- Our Business Premises continue to provide popular 'start up' and conference sites, with 88% occupancy. 98% of customers surveyed were happy with our facilities. In August, the Boathouse became the new location for our Wisbech One Stop Shop (now known as Wisbech Customer Services centre).
- Wisbech Yacht Harbour remains busy. Full-time berths are fully occupied and we have exceeded targets for boatlift operations. With Lincolnshire County Council and Kings Lynn Borough Council we are delivering new infrastructure, a detailed hydrographic survey programme and a new Sail The Wash website. This has been enabled through our £750,000 funding bid from the Coastal Community Fund.

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

- Our Planning team processed over 700 planning applications from across the district. In terms of meeting Government targets, our performance remains excellent (between 96% and 100% depending on application type) making us one of the top performing Councils in the country. Our success rate at appeal remains excellent and is well within Government performance requirements, with only between 1.2-1.6% of appeals (depending on development type) allowed (as percentage of applications determined). We have also investigated and dealt with nearly 300 cases of unauthorised development that was reported to us.
- Work is progressing on the production of the new Local Plan. A first stage consultation took place at the end of 2019 which included a call for development sites. These are in the process of being assessed prior to the publication of a Draft Local Plan consultation.
- Our Economic Growth Team assisted with the assessment applications and payment of grant funding via the Cambridgeshire Fens Leader Programme. This was awarded £1.45m from DEFRA to fund rural diversification and expansion projects. Of the funding available, 49% (£710,500) was allocated to Fenland-based businesses. Projects were funded that improved agricultural productivity, provided enhanced rural workspace, encouraged tourism and supported local heritage.
- The Cambridgeshire and Peterborough Combined Authority (CPCA) funded the development of a 'Growing Fenland' masterplan for each Fenland market town. This aims to bring jobs, infrastructure and growth to Fenland whilst enabling each town to become and remain 'vibrant and thriving places' in their own right. Now approved, the Town Teams look forward to delivering masterplan priorities once funding is secured. A strategic report was produced, containing proposals to address district-wide issues.

- With funding from the National Lottery Heritage Fund, we continue to work with property owners and tenants to improve the buildings on Wisbech High Street. Highlights from 2019/20 include:
  - Helping applicants to develop improvement programmes on 8 properties, offering guidance on planning consents, quotations and funding applications
  - Working closely with a developer who plans to regenerate the derelict site at 11-12 High Street into an exciting new residential and retail complex
  - Carefully removing a derelict structure at the rear of 24 High Street to allow for redevelopment in 2020
  - Finalising a programme of training for students in traditional building repairs with the College of West Anglia, using a redundant chapel owned by the Council in Wisbech
  - Delivering workshops, talks and exhibitions to engage residents about local heritage. Topics have included Museums at Night and a History of Wallpaper

## Promote and lobby for infrastructure improvements across Fenland

- Following on from last year's relaunch, supported by Cross Country, the Hereward CRP (Community Rail Partnership) have been raising their profile and improving community engagement by holding 'pop up' stands in 5 local stations, engaging with over 2,000 people. The Wisbech Tesco Bus, supported by Section 106 developer funding, has been successfully extended until July 2021.
- Supported by CPCA funding, work continues to improve transport connectivity in Fenland and beyond. This has included:
  - Up to £25 million to improve the A47 Guyhirn roundabout by increasing its size and widening the carriageway. Works are expected to finish in 2022
  - £32 million to deliver the A605 Kings Dyke crossing, with construction due to start in 2020 and complete in 2022
  - £10.5 million for Phase 1 of the Wisbech Access Strategy which will deliver improvements around Weasenham Lane/Ramnoth Road, Broad End Road, Elm High Road, Newbridge Lane/Cromwell Road
  - £9 million to improve March, Manea and Whittlesea stations
  - £1.5 million for recent feasibility work and a business case for a March-Wisbech Railway line. Options are being explored for the project's next stage
  - £1 million for a March area transport study to improve local transport issues, with proposals due for public consultation in 2020/21

## Performance

	Target 2019/20	Performance	Variance on target
% of major planning applications determined in 13 weeks	75%	100%	33%
% of minor applications determined in 8 weeks	80%	96%	20%
% of other applications determined in 8 weeks	90%	97%	8%
% occupancy of our Business Estates	87%	88%	1%
% of customers satisfied with our Business Estates	92%	98%	7%
% occupancy of Wisbech Yacht Harbour	85%	95%	12%

Key	<span style="background-color: #2e8b57; color: white; padding: 2px;"> </span> On or above target (<-4%)	<span style="background-color: #ffff00; padding: 2px;"> </span> Nearly on target (-5% to -9%)	<span style="background-color: #ff0000; color: white; padding: 2px;"> </span> Below target (>-10%)
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## A snapshot of achievements



Staff at our Melbourne Avenue Depot helped to provide over 300 meals to those in need at Christmas after holding an alternative 'reverse advent calendar' festive food appeal

Our Wisbech Customer Services Centre, replacing our previous Wisbech One Stop Shop opened in the Boathouse Business Centre in July



The verification and count of the votes cast in the UK Parliamentary General Election took place during the early hours of the morning at the Hudson Leisure Centre, Wisbech

Our Chairman, Cllr Mrs Kay Mayor, in our Council Chamber with Macmillan Cancer Support Volunteers at our Macmillan Coffee Morning in September



## Achievements in detail

- We collected just over £56million of Council Tax and £24million in Business Rates. This plays a major part in funding the key services we provide to the community. We also pass a large share of this money onto the Police, Fire Service, County and Parish Councils – see the ‘Money Matters’ section for more information.
- More people are using our website than ever before. We received nearly 685,000 visits in 2019/20 and nearly 10,000 online form submissions (excluding Garden Waste subscriptions) across 50 different topics. Dedicated Coronavirus webpages were set up to signpost to government support and business grant information; these received over 16,000 hits within 4 weeks. Work is currently underway to develop a brand new website that will be launched during 2020. This will deliver valuable improvements to its design, quality of content, search facility and its ‘Find My Nearest’ postcode look-up system.
- Our Social Media following continues to grow, with 8,570 Twitter followers and 3,368 Facebook followers. We use these channels to advertise council services, local events and partner organisations. Some of our Tweets have been ranked in the top 50 ‘Great UK Gov Tweets’ which ranks the most 50 engaging tweets everyday based on retweets, likes and potential reach. One such example is a tweet in January about boxing professional Jordan Gill’s visit to Fenland, which ranked 32nd and was estimated to reach 115,250 people. Our Social Media channels have proved particularly effective in engaging with residents and businesses about Coronavirus, offering us the ability to quickly publicise and signpost emerging information.
- Our Elections team continue to work hard to allow everyone to exercise their right to vote. 2019 was a busy year for the team who successfully delivered three major elections – two of which were unexpected. On May 2nd, the all-out elections were held involving 24 District Councillor wards and 39 Parish/Town Council wards. Both the European Parliamentary Election (May 23rd) and General Election for the North East Cambridgeshire Parliamentary Constituency (December 12th) were successfully held at short notice, and for the General Election, at an extremely unusual time of year. There was significant interest in the General Election, with unprecedented numbers of local residents coming forward to register on the electoral roll in order to participate in the voting process.
- Due to decreasing footfall (-81% in 15 years) and increased online service uptake, we relocated our Wisbech and March One Stop Shops to existing Council sites (The Boathouse Business Centre, Wisbech and Fenland Hall, March). This has reduced the cost to the tax payer whilst still offering face-to-face help to those who need it. The most common queries received by our Customer Services team related to Council Tax, Refuse and Benefits. Over 96% of customers surveyed said they were satisfied with the service they received.
- Well managed businesses make Fenland a safer place to live, work and socialise. Last year we issued 562 licenses. These relate to a variety of services with examples including Taxi, Premises, Alcohol, Scrap Metal and Animal Licensing. In response to customer feedback, and to streamline the applications and renewals process, we revised our taxi licensing procedure. This has received positive feedback and ensured applications are managed in the most effective way.
- We continue to consult with residents, stakeholders and partners about Council proposals. The feedback we receive helps us to understand residents’ priorities and shape our services. Last year we consulted on a variety of topics which included our Business Plan, the Local List (related to our emerging Local Plan), our Council Tax Reduction scheme and proposals relating to the Gambling Act.

- Our Chairman hosted another very successful Macmillan Coffee Morning in September, raising £753 in proceeds from cake sales and a raffle. During December, she held her Community Carol Service in St John's Church (March) which was well supported by Dignitaries, Civic Heads and the community.
- We were reaccredited with the Customer Service Excellence (CSE) award last year. This is a Government standard that recognises the high quality, customer focused services we provide. In particular, our assessor praised the 'can-do' attitude of our staff and the effectiveness of the partnership working surrounding health, crime reduction and social deprivation.
- In December, we were shortlisted for a national LGC (Local Government Chronicle) award within the 'Community Involvement' category. This recognised our work within the Diverse Communities Forum, a cross-sector partnership aimed at supporting local areas facing challenges linked with migration such as poor housing conditions, exploitation, language barriers and discrimination. The LGC received over 700 entries for the 2020 awards, so to be shortlisted was a very positive achievement.
- Our Environmental Health team continues to provide a wide range of regulatory services to support businesses and protect the public. Last year they inspected 364 food businesses, licenced 84 Animal Welfare Establishments, permitted 29 Industrial Processes, consulted on 716 planning applications and licensed 14 skin piercing establishments. They undertook a variety of nuisance investigations which involved monitoring noise, assessing odours and resolving drainage issues. As part of their Air Quality Action Plan, which strives for better air quality in the district, they successfully bid for £7844 to purchase real-time monitoring equipment. In addition, they worked with external agencies (such as Public Health England) to take court action for infectious disease control and prosecute prolific food safety issues.

## Performance

	Target 2019/20	Performance	Variance on target
% of customer queries resolved at the first point of contact	85%	95%	12%
% of customers satisfied by our service	90%	96%	7%
% of contact centre calls answered within 20 seconds	46.5%	64.8%	39%
% of contact centre calls handled	80%	92.48%	16%
In year % of Council Tax collected	96.92%	96.76%	0%
Council Tax net collection fund receipts	£56,185,753.00	£56,585,398.70	1%
In year % of NNDR collected	97.98%	96.84%	-1%
NNDR net collection fund receipts	£24,663,273	£24,137,938	-2%
Number of visits to the FDC website	620,000	684,190	10%
% of staff that feel proud to work for FDC	82%	84%	2%

Key	On or above target (<-4%)	Nearly on target (-5% to -9%)	Below target (>-10%)






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Agenda Item No:	5	
Committee:	Cabinet	
Date:	6 August 2020	
Report Title:	Treasury Management Annual Review 2019/20	

## Cover sheet:

### 1 Purpose / Summary

The purpose of this report is to consider the overall financial and operational performance of the Council's treasury management activity for 2019/20.

### 2 Key issues

- Outstanding loans and finance lease liabilities of £8,205,727 and temporary investments of £18,300,000 as at 31 March 2020.
- Due to the Council's long term PWLB debt portfolio (£4.5m at 31/03/20) currently attracting excessive premiums it was not financially advantageous for the Council to comply with the Gross borrowing and Capital Financing Prudential Indicator in 2019/20. This is consistent with the strategy approved by Council in February 2019.
- No new borrowing was undertaken and the authorised limit was not breached during 2019/20.
- The investment activity during the year conformed to the approved strategy and the Council had no liquidity difficulties.
- Amount received from external investments £202,331 (compared with an estimate of £200,000).
- Overall interest rate achieved from investments 0.85% (7 day LIBID un compounded rate for 2019/20 0.53%).
- Although this report is primarily focused on reviewing activity and performance in 2019/20, the impact of COVID-19 has had a significant impact on treasury management activity so far in this current year and will continue to have for the remainder of this year. As a result of lower interest rates and lower investment activity a significant reduction in investment income in 2020/21 of around £115,000 from normal treasury activity is forecast and around £75,000 reduction in proposed Property Funds investment income as access to these funds is delayed. Further details are contained in the Budget Update report being presented to Council at their meeting today.

### 3 Recommendations

- It is recommended that members note the report.
- It is recommended that Council receive the Treasury Management Annual Report.

<b>Wards Affected</b>	All
<b>Portfolio Holder(s)</b>	Cllr Chris Boden, Leader & Portfolio Holder, Finance
<b>Report Originator(s)</b>	Peter Catchpole, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant
<b>Contact Officer(s)</b>	Peter Catchpole, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant
<b>Background Paper(s)</b>	Treasury Management and Annual Investment Strategy 2019/20

## Report:

### 1 Introduction

- 1.1 The Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2019/20. This report meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 During 2019/20 the minimum reporting requirements were that Council should receive the following reports:
- an annual Treasury Strategy in advance of the year (Council 21/02/2019);
  - a mid-year treasury update report (Corporate Governance 5/11/2019);
  - an Annual Review following the end of the year, describing the activity compared to the strategy (this report).
- 1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.
- 1.4 The Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Corporate Governance Committee before they were reported to Council.

### 2 The Council's Capital Expenditure and Financing

- 2.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
  - If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2018/19 Actual £000	2019/20 Revised Estimate £000	2019/20 Actual £000
<b>Capital expenditure</b>	<b>2,968</b>	<b>5,507</b>	<b>4,926</b>
Financed In Year	2,371	2,658	3,621
<b>Unfinanced capital expenditure</b>	<b>597</b>	<b>2,849</b>	<b>1,305</b>

### 3 The Council's Overall Borrowing Need

3.1 The Council's underlying need to borrow to finance capital expenditure is termed the capital financing requirement (CFR).

3.2 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current (2020/21) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2019/20. The table below highlights the Council's gross borrowing position against the CFR (See Appendix A).

3.3

	31 March 2019 Actual £000	31 March 2020 Revised Estimate £000	31 March 2020 Actual £000
CFR opening balance	766	1,212	1,212
Capital expenditure (internal borrowing)	597	2,849	1,305
Less Minimum Revenue Provision	(151)	(243)	(243)
<b>CFR Closing balance</b>	<b>1,212</b>	<b>3,818</b>	<b>2,274</b>
<b>Gross Debt</b>	<b>8,363</b>	<b>8,206</b>	<b>8,206</b>

3.4 The CFR includes 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.

3.5 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.

3.6 As a result of the Council's long term Public Works Loan Board (PWLB) debt portfolio of £4.5m (31/03/20) currently attracting excessive premiums (£3.347m at the time of writing this report), if it were prematurely repaid and the fixed rate market loan of £3.3m (31/03/2020), 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.

3.7 The authorised limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level.

3.8 The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

3.9 Neither the authorised limit or operational boundary were breached during 2019/20

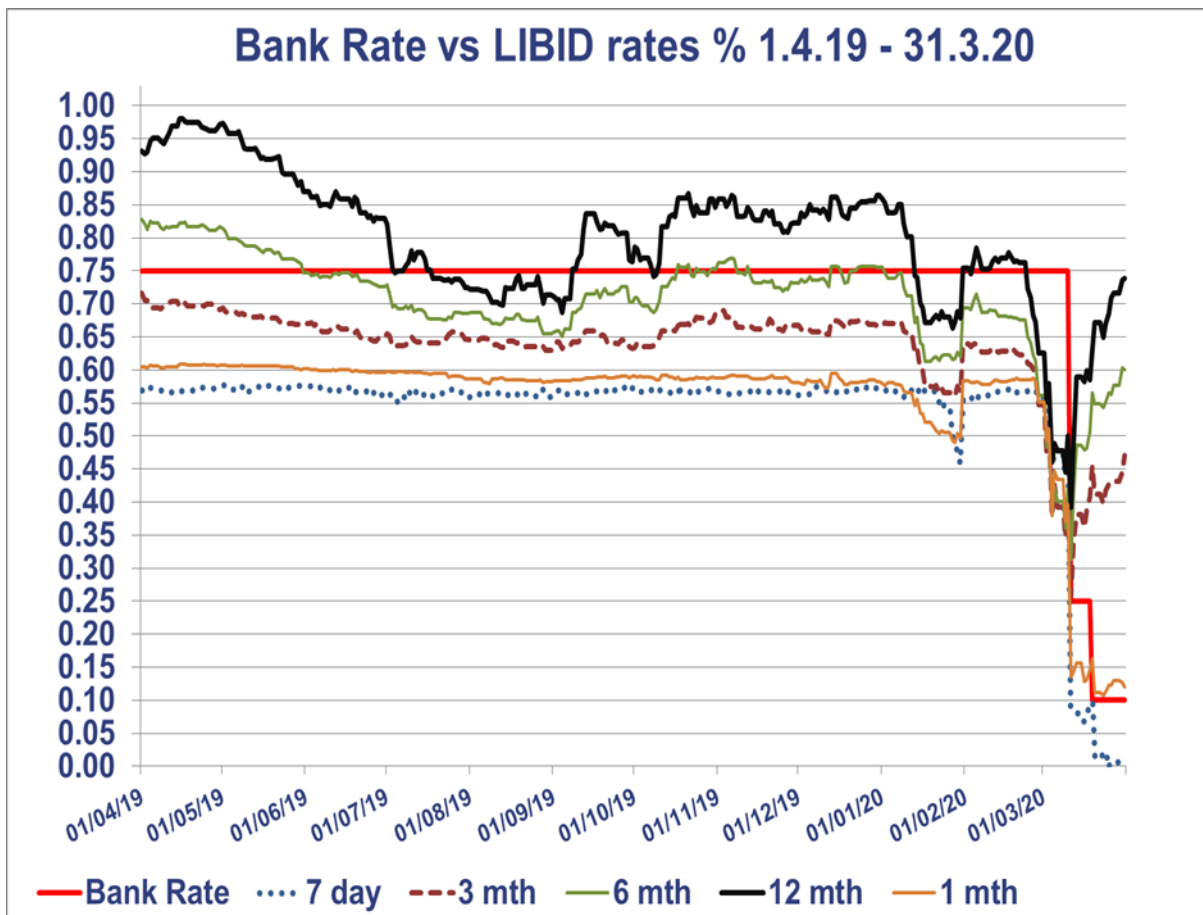
#### 4 Overall Treasury Position as at 31 March 2020

4.1 At the beginning and end of 2019/20 the Council's treasury position was as follows.

	31 March 2020 Principal £000	Rate / Return	Average Life years	31 March 2019 Principal £000	Rate / Return	Average Life years
Fixed rate funding						
• PWLB	4,500	7.29%	10.40 yrs	4,500	7.29%	11.40 yrs
• LOBO	3,300	4.70%	33.96 yrs	3,300	4.70%	34.96 yrs
• Finance Leases	406	3.64%	2.56 yrs	563	3.61%	3.56 yrs
Total debt	8,206			8,363		
Investments	(18,300)	0.85%		(20,200)	0.73%	
Net debt /(Investments)	(10,094)			(11,837)		

4.2 All investments held at 31 March 2020 are fixed term or callable deposits due for repayment within the next twelve months.

#### 5 The Strategy for 2019/20



## **Investment Strategy**

- 5.1 Investment returns remained low during 2019/20. The expectation for interest rates within the treasury management strategy for 2019/20 was that Bank Rate would increase, slowly, incrementally to 1.25% by February 2020 but only based on the major assumption that Parliament and the EU could agree a Brexit deal in the first quarter of 2019.
- 5.2 Rising concerns over the possibility that the UK could leave the EU at the end of October 2019 caused longer term investment rates to be on a falling trend for most of April to September. They then rose after the end of October deadline was rejected by the Commons but fell back again in January before recovering again after the 31 January departure of the UK from the EU. When the coronavirus outbreak hit the UK in February/March, rates initially plunged but then rose sharply back up again due to a shortage of liquidity in financial markets.
- 5.3 While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.
- 5.4 Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates as illustrated in the charts shown above and below. Such an approach has also provided benefits in terms of reducing the counterparty risk exposure, by having fewer investments placed in the financial markets.

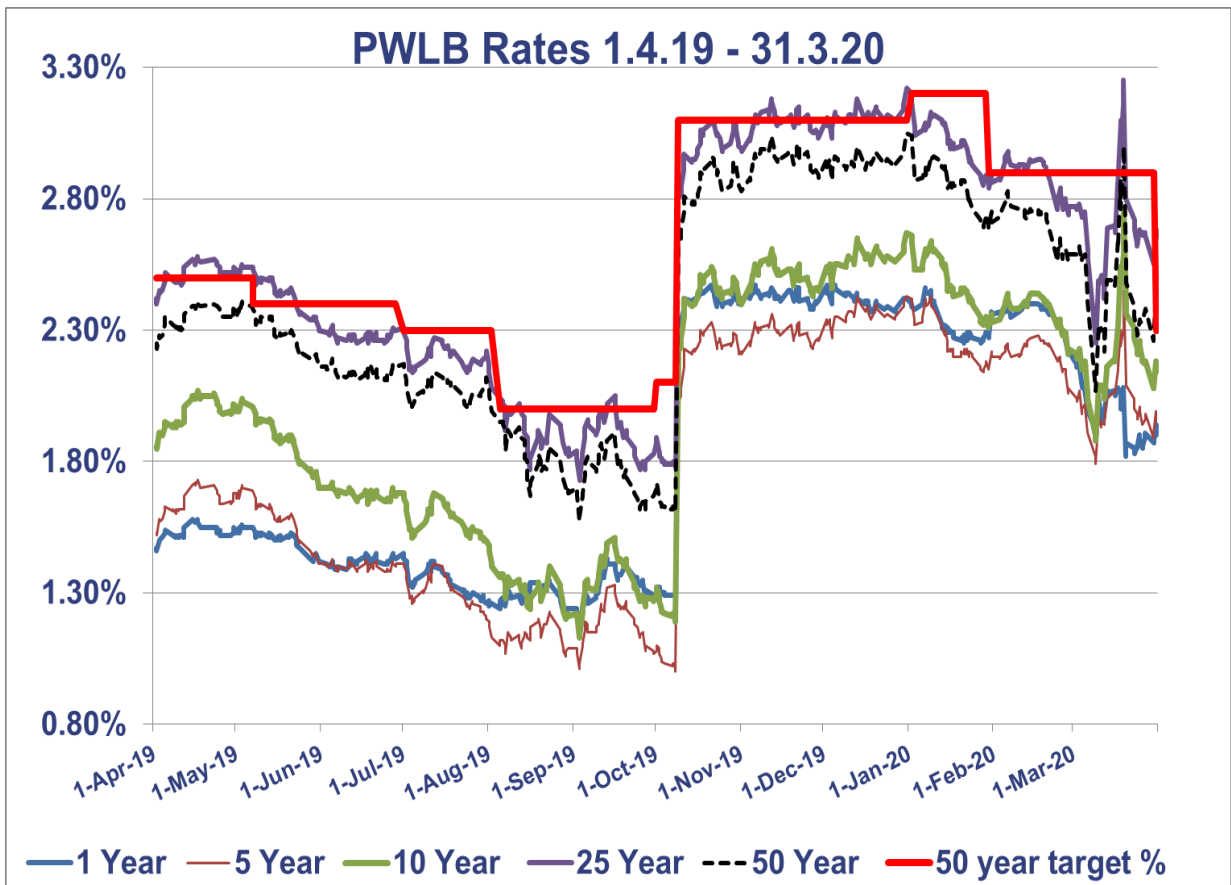
## **Borrowing Strategy**

- 5.5 The Council was 'over borrowed' during 2019/20 as the Council's gross debt exceeded its CFR. This has been the case since 2007 when the Council decided not to repay £7.8m of PWLB debt, following the Council's stock transfer.
- 5.6 Therefore, as opposed to taking on additional loan debt to fund capital expenditure in 2019/20, the Council followed a strategy of using cash, supporting the Council's reserves, balances and cash flow as an interim measure. The strategy was prudent as investment returns were low and to reduce counterparty risk on placing investments
- 5.7 The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.
- 5.8 Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Director of Finance therefore monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risk, if it had been felt that there was a significant risk of a much sharper rise in long and short term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.



5.9 Interest rate forecasts expected only gradual rises in medium and longer term fixed borrowing rates during 2019/20 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period.

Link Asset Services Interest Rate View													
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
6 Month LIBID	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%
12 Month LIBID	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
5yr PWLB Rate	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
10yr PWLB Rate	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25yr PWLB Rate	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%



5.10 PWLB rates are based on, and are determined by, gilt (UK Government bonds) yields through H.M.Treasury determining a specified margin to add to gilt yields. There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was heightened expectations that the US could have been heading for a recession in 2020, and a general background of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued; these conditions were conducive to very low bond yields.

- 5.11 Gilt yields were on a generally falling trend during the last year up until the coronavirus crisis hit western economies. Since then, gilt yields have fallen sharply to unprecedented lows as investors have panicked in selling shares in anticipation of impending recessions in western economies, and moved cash into safe haven assets i.e. government bonds. However, major western central banks also started quantitative easing purchases of government bonds which will act to maintain downward pressure on government bond yields at a time when there is going to be a huge and quick expansion of government expenditure financed by issuing government bonds; (this would normally cause bond yields to rise). At the close of the day on 31 March, all gilt yields from 1 to 5 years were between 0.12 – 0.20% while even 25-year yields were at only 0.83%.
- 5.12 However, HM Treasury has imposed two changes in the margins over gilt yields for PWLB rates in 2019-20 without any prior warning; the first on 9 October 2019, added an additional 1% margin over gilts to all PWLB rates. That increase was then partially reversed for some forms of borrowing on 11 March 2020, at the same time as the Government announced in the Budget a programme of increased spending on infrastructure expenditure. It also announced that there would be a consultation with local authorities on possibly further amending these margins; this ends on 31 July. It is clear that the Treasury intends to put a stop to local authorities borrowing money from the PWLB to purchase commercial property if the aim is solely to generate an income stream.
- 5.13 There is likely to be little upward movement in PWLB rates over the next two years as it will take national economies a prolonged period to recover all the momentum they will lose in the sharp recession that will be caused during the coronavirus shut down period. Inflation is also likely to be very low during this period and could even turn negative in some major western economies during 2020-21.

## **6 Borrowing Outturn**

- 6.1 No long term or temporary borrowing was taken during 2019/20. The approach during the year was to use cash balances to finance new capital expenditure, so as to run down cash balances that were earning low investment returns and to minimise counterparty risk incurred on investments.
- 6.2 The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.
- 6.3 No rescheduling was completed during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates and the penalty position which can arise from early repayment of debt, made rescheduling unviable.

## **7 Investment Outturn**


- 7.1 The Council's investment policy is governed by the Ministry of Housing, Communities and Local Government investment guidance, which has been implemented in the annual investment strategy approved by Council on 21 February 2019. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps and bank share price).
- 7.2 The investment activity during the year conformed to the approved strategy and the Council had no liquidity difficulties.
- 7.3 The Council maintained an average balance of £22.125m of internally managed funds. The internally managed funds earned an average rate of return of 0.85% (£202,331). The comparable performance indicator is the average 7-day LIBID rate, which was 0.53%.

## **8 Prudential and Treasury Indicators**

- 8.1 During 2019/20 the Council complied with its legislative and regulatory requirements with the exception of gross borrowing (see paragraph 3.6 above).

## Appendix A - Prudential Indicators

<b>Prudential Indicators</b>	<b>2018/19 Actual £000</b>	<b>2019/20 Revised Estimate £000</b>	<b>2019/20 Actual £000</b>
<b>1 Capital Expenditure</b>	2,968	5,507	<b>4,926</b>
<b>2 Ratio of Financing Costs to Net Revenue Stream (external interest – investment income)</b>	3.66%	4.99%	<b>4.97%</b>
<b>3 Gross Borrowing and the Capital Financing Requirement</b>			
Gross Debt	8,363	8,206	<b>8,206</b>
CFR	1,212	3,818	<b>2,274</b>
<b>Treasury Management Indicators</b>	<b>2018/19 Actual £000</b>	<b>2019/20 Revised Estimate £000</b>	<b>2019/20 Actual £000</b>
<b>4 Authorised Limit for External Debt</b>			
Borrowing	15,000	17,000	<b>15,000</b>
Other Long Term Liabilities	2,000	1,000	<b>1,000</b>
Commercial Activities	0	25,000	<b>0</b>
Total	17,000	43,000	<b>16,000</b>
<b>5 Operational Boundary for External debt</b>			
Borrowing	10,000	12,000	<b>10,000</b>
Other Long Term Liabilities	2,000	1,000	<b>1,000</b>
Commercial Activities	0	25,000	<b>0</b>
Total	12,000	38,000	<b>11,000</b>
<b>6 Actual External debt (as at 31 March)</b>			
Borrowing	7,800	7,800	<b>7,800</b>
Other Long Term Liabilities	563	406	<b>406</b>
Total	8,363	8,206	<b>8,206</b>

Agenda Item No:	6	
Committee:	Cabinet	
Date:	06 August 2020	
Report Title:	Council Revenue and Capital Outturn 2019/20	

## 1 Purpose / Summary

To inform Cabinet of the income and expenditure (known as “Outturn”) for the Council for 2019/20 and reasons for variations.

## 2 Key issues

### Revenue

- The Council’s provisional General Fund services net underspend is £115,307 for the financial year 2019/20. This is £21,470 higher than the projected underspend of £93,837 as reported to Council in February 2020.
- The under-spend of £115,307 has been transferred to the Budget Equalisation Reserve in accordance with the decision made by Council at their meeting on 9<sup>th</sup> January 2020 which established this reserve and approved that any underspend in 2019/20 be transferred to this reserve. As at 31 March 2020, this reserve has a balance of £315,307.
- The General Fund balance at 31 March 2020 remains at the approved minimum level of £2m.
- Given the scale of the challenges faced by the Council in 2019/20, the financial position at the year-end represents a considerable achievement and demonstrates the focus from Members and officers throughout the Council in delivering the required savings.
- As a result of continuing prudent financial management, the Council is in an improved position to deal with the significant ongoing financial challenges in 2020/21 and the medium term resulting from COVID-19. A budget update report incorporating the latest information relating to the impact of COVID-19 is being presented to Council later today.
- The Council’s Statement of Accounts 2019/20 (subject to external audit) was signed off by the Corporate Director and Chief Finance Officer on 10 July 2020 as required by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 and the Council’s external auditors, Ernst & Young (EY) began their audit work on 13 July 2020. In accordance with the above regulations, the final audited accounts should be published by 30 November 2020. EY’s Audit Results Report is scheduled to be presented to Corporate Governance Committee on 2 November 2020 with the final audited accounts being published soon after, following receipt of the auditor’s opinion.
- The Statement of Accounts 2019/20 incorporate all the outturn figures, revenue and capital presented in this report.

## Capital

- The Capital Programme has been underspent by £591,000. This compares with an under-spend of £775,000 in 2018/19. The variations relate to a number of re-phrasings across the Programme. There is no loss of resources arising from this re-phrasing as shown in Appendix B(i), which has been input to the 2020/21 Programme as appropriate.

### 3 Recommendations

- It is recommended that :-
  - (i) The Outturn for the Council's General Fund services in 2019/20, as detailed at Appendix A and Section 2 of this report be noted and that Members note the transfer of the underspend to the Budget Equalisation Reserve;
  - (ii) The reasons for the variations from revised estimate be noted;
  - (iii) The proposed Capital Funding schedule for 2019/20 at Appendix B(i) be approved.

<b>Wards Affected</b>	All
<b>Forward Plan Reference</b>	
<b>Portfolio Holder(s)</b>	Cllr Chris Boden, Leader & Portfolio Holder, Finance
<b>Report Originator(s)</b>	Peter Catchpole, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant
<b>Contact Officer(s)</b>	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant
<b>Background Paper(s)</b>	Budget Setting Reports Monthly Budgetary Control Reports 2019/20 Final Accounts Working Papers 2019/20

## **1 Introduction**

- 1.1 The Council's income and expenditure figures for General Fund services and the Capital Programme for the financial year 2019/20 (known as 'Outturn') are presented in this report.
- 1.2 The Accounts and Audit Regulations 2015 require that the Council's Statement of Accounts be signed off by the Corporate Director and Chief Finance Officer by the end of May following the financial year ended 2019/20 and for the final audited Statement of Accounts to be published by the end of July.
- 1.3 In anticipation of the potential disruption to local authorities caused by COVID-19, the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 were introduced to extend the deadlines. For the 2019/20 Statement of Accounts, the draft accounts must be signed off by 31 August 2020 by the Corporate Director and Chief Finance Officer and the publication of the final audited accounts has moved to 30 November 2020.
- 1.4 To meet the agreed timetable of the external auditors (EY), the draft Statement of Accounts was signed off by the Corporate Director and Chief Finance Officer on 10 July 2020, well within the amended deadline. These draft accounts, which are subject to external audit, have been published on the Council's website along with the required notice of the Exercise of Public Rights to inspect the accounts.
- 1.5 The figures presented are all provisional pending audit by the Council's external auditors EY (Ernst & Young), who began their work on 13 July 2020. EY's Audit Results Report will be presented to Corporate Governance Committee on 2 November 2020, where the Committee will also be presented with the final Statement of Accounts. Following receipt of the external auditor's opinion, the final audited Statement of Accounts 2019/20 will be published on the Council's website. This is expected to be well within the deadline of 30 November 2020. The information in this report is therefore provisional with any significant or material changes reported back to Members at a later stage.

## **2 The Revenue Budget**

- 2.1 In February 2020 the Council's year end position was estimated as an under-spend of £93,837. Following the closure process, the full position shows a net underspend of £115,307, £21,470 higher than previously forecast. The net under-spend of £115,307 represents just 0.45% of the gross budget of £25.3m and compares with an under-spend of £200,418 in 2018/19.
- 2.2 An analysis of the overall position is shown at Appendix A(i) and explanations of variances are detailed in Appendix A(ii).
- 2.3 Of the additional under-spend for the year, one off variations total £306,000. Of this amount, £266,000 relates to additional fees and charges received and £40,000 to additional government grants. Service underspends amount to £347,000. These have been off-set by a contribution to the Capital Contribution Reserve of £632,000 to fund the purchase of leisure equipment rather than using borrowing. This will save the revenue account £126,000 per annum from 2020/21 in lower Minimum Revenue Provision charges which would have been incurred if funding the purchase by borrowing.
- 2.4 Together with the projected underspend of £93,837 (as detailed in the budget report to Cabinet and Council on 20 February 2020), the additional underspend of £21,470 (detailed in 2.3 above) brings the total underspend in 2019/20 to £115,307. This has been transferred to the Budget Equalisation Reserve in accordance with the decision made by Council at their meeting on 9th January 2020 which established this reserve and approved that any underspend in 2019/20 be transferred to this reserve. As at 31 March 2020, this reserve has a balance of £315,307.

- 2.5 As a result of continuing prudent financial management, the Council is in an improved position to deal with the significant ongoing financial challenges in 2020/21 and the medium term resulting from COVID-19. A budget update report incorporating the latest information relating to the impact of COVID-19 is being presented to Council later today.
- 2.6 The Council's reserves will be reviewed again as part of the 2021/22 budget process during the Autumn of 2020.

### **3 Capital Programme**

- 3.1 The Capital Programme has been underspent by £591,000. This compares with an under-spend of £775,000 in 2018/19. The variations relate to a number of re-phrasings across the Programme. There is no loss of resources arising from this re-phasing as shown in Appendix B(i), which has been input to the 2020/21 Programme as appropriate.
- 3.2 The updated Capital Programme for 2020-23 is included as a separate agenda item



## FENLAND DISTRICT COUNCIL

## Summary of Revenue Estimates

	Revised Estimate 2019/20 £	Outturn 2019/20 £	Variation compared with Revised £
<b>Service Summary</b>			
Growth & Infrastructure	1,439,880	1,210,345	-229,535
Communities, Environment, Leisure & Planning	5,091,529	4,369,383	-722,146
Resources & Customer Services	6,401,010	6,238,922	-162,088
<b>NET COST OF GENERAL FUND SERVICES</b>	<b>12,932,419</b>	<b>11,818,650</b>	<b>-1,113,769</b>
<b>Corporate Items</b>			
Contributions to/ (from) Earmarked Reserves	-1,277,593	-116,265	1,161,328
RTB/VAT Sharing Income	-120,000	-110,196	9,804
Drainage Board Levies	1,464,110	1,464,106	-4
Financing Charges - <i>Interest/Minimum Revenue Provision</i>	745,231	745,990	759
Investment Income	-200,000	-202,331	-2,331
New Homes Bonus	-1,294,000	-1,293,863	137
Business Rates - net additional income above baseline <i>(government grants for reimbursement of reliefs, growth less levy payments)</i>	-1,432,834	-1,510,228	-77,394
Corporate Adjustments	<b>-2,115,086</b>	<b>-1,022,787</b>	<b>1,092,299</b>
<b>Net Expenditure</b>	<b>10,817,333</b>	<b>10,795,863</b>	<b>-21,470</b>
<b>Core Funding</b>			
Business Rates Baseline Funding	<b>-3,642,529</b>	<b>-3,642,529</b>	0
<b>Council Tax Collection Fund Surplus(-)</b>	<b>-59,319</b>	<b>-59,319</b>	0
<b>Business Rates Collection Fund Deficit (+)</b>	<b>442,988</b>	<b>442,988</b>	0
<b>Council Tax</b>	<b>-7,652,310</b>	<b>-7,652,310</b>	0
<b>Net Surplus(-) transferred to Budget Equalisation Reserve</b>	<b>-93,837</b>	<b>-115,307</b>	<b>-21,470</b>

## Summary of Revenue Provisional Out-turn 2019/20 - Main Variances

Service Area	Description	Over(+) / Under spend (-) £000
<b><u>One-Off Variations</u></b>		
Fees and Charges	Income variations across a variety of services	
	Enforcement Fees (Housing Standards -£51k)	-52
	Marine Services	-49
	Planning & Pre-App Fees	-55
	Court Costs raised	-18
	Trade Waste	-20
	Cemeteries	-27
	Assets & Projects	-16
	Other services	-29
		<u>-266</u>
Other Income/Costs	Additional Government Grants	-40
	<b>Sub-Total One-Off Variations</b>	<u><b>-306</b></u>
<b><u>Service Base Variations</u></b>		
Employee Costs	Variance across a variety of services mainly resulting from vacancies	-158
Transport Costs	Lower costs across a variety of services mainly from lower officer car mileage and lower vehicles/vessel maintenance costs	-45
Supplies and Services	ICT - Lower Telephones/Software/Maintenance costs	-57
	Homelessness - additional Bed & Breakfast costs	15
	Other Grants - lower payments eg. Community Events, Small Grants etc	-20
	Lower costs across all services	-77
Third Party Payments	Lower Gate Fees and Higher Dry Recycling Credits	-37
	Net impact of Housing Benefit subsidy claim, overpayments and	32
	<b>Sub-Total Service Base Variations</b>	<u><b>-347</b></u>
	Funding of Leisure Equipment via Capital Contribution Reserve (instead of borrowing) to reduce MRP in future years. MRP reductions of £126k p.a. for 5 years from 2020/21.	<b>632</b>
	<b>Additional Surplus</b>	<u><b>-21</b></u>
	Projected Surplus 2019-20 at Revised Estimate (Cabinet/Council February 2020)	<b>-94</b>
<b>Net Surplus 2019-20</b>	<b>Transferred to Budget Equalisation Reserve</b>	<u><b>-115</b></u>
<b>Net savings as a % of Gross Budget (£25.294m for 2019/20)</b>		<b>0.45%</b>
	Balance on Budget Equalisation Reserve as at 09.01.20	200
	Transfer of Surplus in 2019-20	115
	<b>Balance on Budget Equalisation Reserve as at 31.03.20</b>	<u><b>315</b></u>

2019-20 Variance Analysis - Revised Estimate to Actual

		£000	£000
<b>Expenditure variances</b>			
Employee Costs	Lower costs across variety of services	-158	
Car Allowances/Mileage	Lower costs across variety of services	-19	
ICT	Lower Telephones/Software/Maintenance costs	-57	
Dry Recycling	Lower Gate Fees and Higher Recycling Credits	-37	
Council Transport - Vehicles/Vessels	Lower running costs	-26	
Supplies and Services	Lower costs across variety of services	-77	
Other Grants	Lower payments eg. Community Events, Small Grants etc	-20	
Homelessness	Additional Bed & Breakfast costs	15	
HB Subsidy/Overpayments/Bad Debts Provision	Net impact	32	
		<u>          </u>	<b>-347</b>
<b>Income variances</b>			
Government Grants	New Burdens - Transparency Code (-£8k); Levy Surplus (-£12k); Parson Drove Plan Referendum (-£20k)	-40	
Sales - General	Higher income across variety of services	-19	
Enforcement Fees	Housing Standards (-£51k)	-52	
Recharge to clients	Marine Services (-£36k); Assets & Projects (-£16k); Other (-£3k)	-55	
Planning & Pre-App Fees	Higher fees	-55	
Court Costs	Higher Council Tax costs raised	-18	
Receipts	Higher income across variety of services	-19	
Trade Waste	Higher fees - bin hire	-20	
Cemeteries	Higher income	-27	
Marine Services	Higher income	-13	
Search Fees	Lower income	12	
		<u>          </u>	<b>-306</b>
			<u>          </u>
			<b>-653</b>
			<b>632</b>
			<u>          </u>
			<b>-21</b>
			<u>          </u>
			<b>-94</b>
			<u>          </u>
			<b>-115</b>
			<u>          </u>
			<b>200</b>
			<u>          </u>
			<b>115</b>
			<u>          </u>
			<b>315</b>

## CAPITAL PROGRAMME AND FUNDING OUTTURN 2018/19

	Budget £000	Actual £000	Variance £000
<b>TOTAL EXPENDITURE</b>	<b>5,507</b>	<b>4,916</b>	<b>(591)</b>
<b>RESOURCES AVAILABLE</b>			
Capital Grants	1,454	1,433	(21)
Usable Capital Receipts - In Year	467	445	(22)
Reserves used in year to fund Capital	672	1,539	867
Section 106's and Other Contributions	65	193	128
Borrowing (Internal and Prudential)	2,849	1,306	(1,543)
<b>Total Available Resources to fund Expenditure</b>	<b>5,507</b>	<b>4,916</b>	<b>(591)</b>

## GENERAL FUND CAPITAL EXPENDITURE VARIATIONS 2019/20


SCHEME	VARIATION £000	REASON
<b>Leisure Centres</b>		
Hudson Leisure Centre Improvements	-32	Works completed within budget without needing to use all contingencies
Building Improvements	-71	Expenditure re-profiled to 20/21 financial year
<b>Regeneration Programme</b>		
Fenland Renaissance and Place Shaping	-16	Funding allocated not yet awarded. Allocation carried forward to 2020-21
Heritage Lottery Fund - Match Funding bid	-81	Expenditure re-profiled and due to be incurred over the life of the project
Heritage Lottery Fund - 24 High Street, Wisbech	-11	Expenditure re-profiled and due to be incurred over the life of the project
Railway Station Improvements	189	Expenditure brought forward as installation of shelters completed earlier than anticipated
<b>Highways</b>		
Street Lighting	-178	Delays in delivery of replacement programme due to Covid 19 restrictions
Street Light Improvements - Contribution to Parish		
Category 2 Replacements	-90	Funding allocated to Parishes not yet drawn down
<b>CCTV</b>		
Camera Replacements	-38	Planned replacements completed prior to Covid 19 restrictions. Have been completed in early part of 2020-21 financial year
<b>Office Accommodation</b>		
Fenland Hall	-57	Work re-profiled and will be completed in 2020/21 financial year
<b>ICT System Replacement Programme &amp; Infrastructure Upgrades</b>		
Information Technology	-46	Budget commitments carried forward to 2020/21
<b>Private Sector Housing Support</b>		
Disabled Facilities Grants	-150	Expenditure dependant on throughput of grant applications. Remaining budget committed but not spent and carried forward to 2020/21
<b>Other Minor Variations</b>		
Various	-10	Minor budget variations.
<b>Total</b>	<b>-591</b>	

**Key**

- indicates the scheme is underspent by the amount shown
- + indicates schem is overspent by the amount shown

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# Agenda Item 7

Agenda Item No:	7	
Committee:	Cabinet	
Date:	06 August 2020	
Report Title:	Capital Programme Update	

## 1 Purpose

- To consider the updated capital programme and variations in resources since February 2020.

## 2 Key issues

- Updated capital programme and resources statement for 2020-23 is presented.
- The programme agreed in February 2020 has been updated and re-profiled to ensure expenditure is consistent with current resource forecasts.
- The Council's capital programme will continue to be part-funded through the use of capital receipts. Some use of internal and external borrowing is still anticipated. This is reflected in the Council's current medium-term financial strategy (MTFS).
- A broader update of the capital programme and available resources will be undertaken during the autumn of 2020 as part of the budget setting process for 2020/21.

## 3 Recommendations

- It is recommended that the updated capital programme and funding schedule at Appendix A is approved.

<b>Wards Affected</b>	All
<b>Portfolio Holder(s)</b>	Cllr Chris Boden, Leader and Portfolio Holder, Finance
<b>Report Originator(s)</b>	Peter Catchpole, Chief Finance Officer and Corporate Director Mark Saunders, Chief Accountant
<b>Contact Officer(s)</b>	Peter Catchpole, Chief Finance Officer and Corporate Director Mark Saunders, Chief Accountant
<b>Background Paper(s)</b>	2020/23 Capital Programme working papers

## **4 Introduction**

- 4.1 The Council's 2019-23 capital programme was approved by Cabinet and Council in February 2020. The capital outturn for 2019/20 forms part of a separate item on the agenda for today's meeting.
- 4.2 This report addresses amendments to the programme since February, including re-profiling schemes from 2019/20 and a re-assessment of resources available in the period 2020-23.
- 4.3 A broader update of the capital programme and available resources will be undertaken during the autumn of 2020 as part of the budget setting process for 2021/22.

## **5 Updated Capital Programme**

- 5.1 The updated programme detailed at Appendix A is fully funded subject to the realisation of £225,000 of capital receipts by 31 March 2023.
- 5.2 The following developments have impacted significantly on the Council's capital programme.

### Parish and District Council Street Lighting

- 5.3 At its meeting in February 2020 Cabinet approved an offer of financial support to assist parish councils with costs associated with the replacement of street lighting. This offer was subsequently communicated to all parish councils in March 2020.
- 5.4 The capital programme approved in February 2020 included amounts allocated to fund the replacement of street lighting by parish councils on the basis of a decision taken by Cabinet in September 2015. Under the terms of the package of support agreed in February 2020, where funds had not already been drawn down, the allocation previously agreed have been removed from the updated capital programme for those parishes which have accepted the District Council's offer. This is because the funding package agreed in February 2020 is funded through the revenue budget. Parishes who opt not to accept the Council's offer retain access to the capital funds allocated in September 2015 until 31 January 2023.
- 5.5 A contract was let to undertake replacement works on the street lighting which the District Council is responsible for. Whilst this work commenced in the 2019/20 financial year the Covid 19 emergency has substantially impacted on the progress the Council's contractor was able to make before 31 March 2020. This reflects both workforce issues and increasing lead times in the supply chain. The programme of replacements is still scheduled to be completed before 31 March 2021 but a higher proportion of works will be undertaken in this financial year than was previously expected to be the case.

### Railway Station Master Planning

- 5.6 The Council continues to work closely with the Cambridgeshire and Peterborough Combined Authority (CPCA) to bring forward improvements to the railway infrastructure in the District. In March 2020 new shelters were installed in Whittlesey and Manea which were funded from a combination of combined authority grant and S106 money held by the District Council. The Council is currently finalising details of the next phase of works with the CPCA. Details will be included in a future update to the programme.

### Wisbech High Street Project

- 5.7 Cabinet approved a revised proposal for No. 24 High Street, Wisbech at its meeting held in February 2020. It was confirmed in June 2020 that a legal barrier which prevented the construction of a permanent building on the site had been removed. Work has continued



to develop a scheme acceptable to the Heritage Lottery Fund. The capital programme will be updated once the necessary approval has been obtained from the Heritage Lottery Fund.

#### Expansion of South Fens Enterprise Park

- 5.8 In February 2020 Cabinet approved the allocation of Council funds to undertake a proposed expansion of the South Fens enterprise park. It had been hoped prior to the Covid 19 emergency that this work could be completed before 31 March 2021 and this was reflected in the capital programme approved as part of the 2020/21 budget-setting process. Officers are confident that the requirements determined by the CPCA as regards utilising the Growth Deal funding can be met. However, challenges presented by Covid 19 make it unlikely that the scheme will be completed in this financial year. The revised profile for delivering the scheme is reflected in the updated capital programme.

#### Disabled Facilities Grants

- 5.8 The updated programme reflects the Council's 2020/21 allocation from the local Better Care Fund (£1.071m) for the provision of Disabled Facilities Grants together with grant received but not spent in previous years. In this area grants are typically committed before works can be undertaken on site and this means there is often an overlap between financial years. The Covid 19 emergency has further exacerbated this issue.

#### Commercial and Investment Strategy Schemes

- 5.9 The capital programme reflects Council's decision to allocate a maximum of £25m to take forward schemes in accordance with the Council's Commercial and Investment Strategy. Specific schemes will be added and profiled across the life of the capital programme once these have been approved by the Investment Board.

#### Other Capital Schemes

- 5.10 Officers have identified other essential works of a capital nature. These schemes are currently being evaluated to determine the most cost-effective solution and further details will be brought back to a future meeting of Cabinet.

### **6. Financing the Capital Programme**

- 6.1 Cabinet and Council approved the use of borrowing (both internal and prudential) to fund the capital programme totalling £6.833m over a four-year period ending on 31 March 2023. Additionally, as noted above, Cabinet and Council approved a facility of £25M to take forward projects in accordance with the Council's Commercial and Investment Strategy. The capital outturn included on the agenda for today's meeting indicates that £1.305m of the capital programme delivered in 2019/20 was funded from internal borrowing. The updated programme shows that the Council is likely to continue to need to fund a substantial proportion of its capital programme from internal or external borrowing.
- 6.2 Members are also reminded of the impact on the revenue account of using uncommitted capital resources. Whilst they remain uncommitted, the resources are invested and generate revenue income to the general fund. Whilst rates of return on short-term investments are currently low, there is an opportunity cost associated with the use of reserves to fund the programme which is particularly significant given the financial uncertainties arising from the Covid 19 pandemic and the Council's ambitions to take forward its commercial and investment strategy.

**CAPITAL PROGRAMME AND FUNDING 2020 - 2023**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital Programme (excluding Commercial and Investment Strategy Schemes)	5,355	3,094	1,557
Commercial and Investment Strategy Schemes	25,000	0	0
<b>CURRENT FORECAST EXPENDITURE</b>	<b>30,355</b>	<b>3,094</b>	<b>1,557</b>


**FORECAST RESOURCES AVAILABLE**

Capital Grants	2,283	950	950
Usable Capital Receipts - In Year	225	0	0
Reserves used in year to fund Capital Section 106s and Other Contributions	575	400	0
Borrowing (Internal and Prudential)	27,155	1,699	595
<b>Total Forecast Resources</b>	<b>30,355</b>	<b>3,094</b>	<b>1,557</b>

**CAPITAL PROGRAMME SUMMARY 2020/21 - 2022/23**

	2020/21 £000	2021/22 £000	2022/23 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
<b>Leisure Centres</b>							
1 Condition Survey Improvements	308	212	75	595	595		£172k R&M Reserve
<b>Regeneration Programmes</b>							
2 Fenland Renaissance and Place Shaping	16			16	16		
3 Heritage Lottery Fund - Match Funding bid	81			81	81		
4 Heritage Lottery Fund - 24 High Street, Wisbech	11			11	11		
<b>Cemeteries</b>							
5 Manea Chuchyard	15			15	15		
6 Remedial Works in Closed Cemeteries	28	25	25	78	78		
7 Mt Pleasant Cemetery, Wisbech	60			60	60		
8 Walsoken Cemetery	20			20	20		
<b>Highways</b>							
9 Category 2 Street Lights - FDC Lights	320			320	320		£13k Invest to Save Reserve
10 Street Name Plates/District Facilities Signage	30			30	30		
11 2 Replacements) Street Light Improvements - Parishes (Contribution to Cat	52			52	52		£52k Capital Contribution Reserve
<b>Car Parks</b>							
12 Church Lane, Chatteris	25			25	25		
<b>Office Accommodation</b>							
13 Fenland Hall - Repairs and Renewals	84			84	84		
<b>Environment</b>							
14 Replacement Littter Bins	88	83		171	171		
<b>Port</b>							
15 Boat/Vessels - Replacement Deck, Hull and Engines	54	30		84	84		
16 Yacht Harbour Improvements	15			15	15		
17 Wisbech Port Structural Works	265			265	265		
18 Wisbech Port Fender Piles	88			88	88		
<b>Sub Total</b>	<b>1,560</b>	<b>350</b>	<b>100</b>	<b>2,010</b>	<b>2,010</b>	<b>0</b>	

	2020/21 £000	2021/22 £000	2022/23 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
<b>Brought Forward</b>	<b>1,560</b>	<b>350</b>	<b>100</b>	<b>2,010</b>	<b>2,010</b>	<b>0</b>	
<b>Parks and Open Spaces</b>							
19 West End Park, March - Replace Skate Ramps	19			<b>19</b>	19		
20 Parks, Play Areas and Open Space - Chatteris	30	30	40	<b>100</b>	100		£6k S106 money
21 Parks, Play Areas and Open Space - Doddington	45			<b>45</b>	45		£21k S106 money
22 Parks, Play Areas and Open Space - Parson Drove	30			<b>30</b>	30		£30k S106 money
23 Parks, Play Areas and Open Space - Whittlesey	40	45		<b>85</b>	85		£85k S106 money
24 Parks, Play Areas and Open Space - Wisbech	20		20	<b>40</b>	40		£32k S106 money
<b>Vehicles and Plant</b>							
25 Vehicles	310	104	210	<b>624</b>	624		
<b>ICT System Replacement Programme &amp; Upgrades</b>							
26 Replacement & Upgrade Programme	550	400	75	<b>1,025</b>	1,025		£700k Management of Change Reserve
<b>Improvement of Assets</b>							
27 Sewage Treatment Works Refurbishment	340	150	150	<b>640</b>	640		
28 Birch Fen Silt Removal and Outfall Maintenance		25		<b>25</b>	25		
29 March Moorings Renewals	12		12	<b>24</b>	24		
30 Hostel Roof Renewal	28			<b>28</b>	28		
31 Lattersley Nature Reserve - Capping Layer		40		<b>40</b>	40		
<b>Economic Estates</b>							
32 Replacement of AV Equipment at Business Centres	50			<b>50</b>	50		
33 South Fens Business Park Expansion	997	1,000		<b>1,997</b>	1,000	997	£997k CPCA 'Business Space' Funding
<b>Community Safety</b>							
34 Camera Replacements	38			<b>38</b>	38		£38k CCTV Reserve
<b>Private Sector Housing Support</b>							
35 Private Sector Renewal Grants	40	40	40	<b>120</b>		120	
36 Disabled Facilities Grants	1246	910	910	<b>3,066</b>		3,066	
<b>Total - Approved Programme</b>	<b>5,355</b>	<b>3,094</b>	<b>1,557</b>	<b>10,006</b>	<b>5,823</b>	<b>4,183</b>	

Agenda Item No:	8	
Committee:	Cabinet	
Date:	06 August 2020	
Report Title:	Council Tax Support – 2021/22 Scheme	

## 1 Purpose / Summary

Each year the Council is required to review its Council Tax Support (CTS) Scheme. This report is to receive the recommendations of the Overview and Scrutiny Panel's consideration of the progress of the 2020 annual review and any resultant proposals for consultation for changes to the CTS scheme to take effect from April 2021.

## 2 Key issues

- The Overview and Scrutiny Panel met on 13 July 2020 to consider proposals for the CTS scheme to take effect from April 2021.
- The report as presented to Overview and Scrutiny Panel on 13 July 2020 is attached.
- The recommendations from the Overview and Scrutiny Panel are as follows:
  - (i) no change to the Council Tax Support Scheme at the present time and
  - (ii) that Cabinet be given maximum flexibility for decision making in future years;
- As detailed in the attached report, the number of working age CTS claimants are rising and it is almost impossible to estimate what these numbers will be next year and their impact on the Council Tax-base and subsequently on the amount of Council Tax income in 2021/22 and future years.
- To off-set the potential impact on Council Tax income, Members could propose to increase the current contribution rate of 14% and carry out a consultation exercise on proposed rates of 20%, 25% and 30% to ascertain the impact on CTS claimants and on the Council's future Council Tax income.
- Any consultation exercise would be for a minimum of 12 weeks and would have to meet the statutory deadline, as detailed in the attached report, for Council to approve any changes to the existing scheme.

- Any increase in contribution rates will almost certainly have an impact on the Council Tax collection rate which would require additional resources to ensure collection rates were maintained to at least current levels. In these circumstances, we would seek a financial contribution from Cambridgeshire County Council to fund any additional resources required to maintain collection rates.

### 3 Recommendations

- It is recommended that members consider the attached report and:
  - (i) Note the comments from Overview & Scrutiny Panel;
  - (ii) Carry out a consultation exercise on increasing the current contribution rate to 20%, 25% or 30%;
  - (iii) In the event of any possible increase in contribution rates, seek in advance a commitment from Cambridgeshire County Council to fund additional resources required to maintain Council Tax collection rates.

<b>Wards Affected</b>	All
<b>Portfolio Holder(s)</b>	Cllr Chris Boden, Leader & Portfolio Holder, Finance Cllr Mrs Jan French, Deputy Leader
<b>Report Originator(s)</b>	Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
<b>Contact Officer(s)</b>	Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
<b>Background Paper(s)</b>	None

Agenda Item No:	8	
Committee:	Overview and Scrutiny Panel	
Date:	13 July 2020	
Report Title:	Council Tax Support – 2021/22 scheme	

## 1 Purpose / Summary

Each year the Council is required to review its Council Tax Support (CTS) Scheme. This report advises Overview and Scrutiny of the progress of the 2020 annual review and the proposals to maintain the current scheme for 2021-22.

## 2 Key issues

- We are now in the eighth year of CTS; a locally set scheme that replaced the nationally set Council Tax Benefits (CTB) scheme from April 2013.
- In 2013-14 we were able to take advantage of a one-off Government grant that compensated in part for the reduction in Government funding that year. This meant that the maximum CTS awarded was the amount calculated, less 8.5% (Pensioners are protected by legislation and receive up to 100% CTS).
- In 2014-15, we initially proposed this reduction be increased to 20%. However a reduction in demand meant that we were able to revise this reduction to 14%.
- For 2015-16 and 2016-17 we kept the same scheme as 2014-15, except that allowances and premiums (the amounts of income from state-administered benefits such as Jobseekers' Allowance) were increased in line with other benefits such as Housing Benefit. This means that customers have a higher income before losing CTS.
- For the 2017-18 scheme, as part of the Council's Comprehensive Spending Review (CSR1), we consulted customers on a proposal to increase the CTS reduction for working age customers from 14% to 20% starting from 1 April 2017. Based upon feedback from customers and the potential impact on collection rates, Overview and Scrutiny members at their meeting on 28 November 2016, recommended to Cabinet and Council that the 14% reduction level be maintained. This recommendation was subsequently approved and the scheme contribution rate remained unchanged.
- For the 2018-19 scheme we consulted on a proposal to harmonise the scheme to DWP welfare reforms introduced for Housing Benefit and CTS

for Pensioners, and introducing closer links to Universal Credit data share for claims, thereby removing the stipulation to make a separate claim. This was subsequently approved and introduced.

- For 2019-20 we kept the same scheme as for 2018-19.
- For 2020-21 the only change was to introduce a fluctuating earnings rule to the treatment of Universal Credit. A weekly tolerance level of £15 (£65 monthly) was introduced to reduce the administrative burden of reassessing customers CTS every time a revised Universal Credit notification is received.
  - Councils are required to consider whether to review their LCTRS schemes annually. Where it is determined to retain the existing scheme this must be decided by 11 March of the preceding year.
- Where Councils seek to amend their scheme it will be necessary to consult preceptors and stakeholders prior to a wider consultation to inform a final scheme design by 28 February of the preceding year.
- The current Fenland CTS scheme provides a maximum benefit of 86% for working age claimants and our scheme also fully protects War Pensioners. The aim in designing the scheme was to achieve a balance in charging an amount of Council Tax to encourage customers back into work whilst setting the amount charged at an affordable and recoverable level.
- The impact of COVID-19 on working age claims has been significant and is expected to continue to increase throughout 2020. To assist working age CTS claimants, the government announced the £500m COVID-19 Hardship Fund at the Budget on 11 March 2020. This Council's allocation is £907,222. This funding is to provide all recipients of working age local council tax support during the financial year 2020-21 with a further reduction in their annual council tax bill of up to £150, using their discretionary powers to reduce the liability of council tax payers outside of their formal CTS scheme design.
- It is currently estimated that all of this Council's allocation will be used to reduce working age CTS recipient's council tax bill during this year, both current recipients and expected future claimants.
- Given the extent of the impact of COVID-19 and the uncertainty regarding the numbers and cost of the current and future CTS, or whether there will be any additional government support in 2021-22, it is proposed that the option to increase the CTS reduction in 2021-22 from its current level of 14% be re-assessed once further information is known.
- The further modelling of the Council Tax Support scheme originally scheduled for 2020 be deferred until 2021 and be considered for implementation in the 2022-23 scheme.



### 3 Recommendations

The Panel is requested to:

- Review the CTS scheme for 2021-22 as outlined in this report and make recommendations to Cabinet of their preferred options.

<b>Wards Affected</b>	All
<b>Forward Plan Reference</b>	This item is included in the Forward Plan
<b>Portfolio Holder(s)</b>	Cllr Chris Boden, Leader & Portfolio Holder, Finance Cllr Mrs Jan French, Deputy Leader
<b>Report Originator(s)</b>	Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
<b>Contact Officer(s)</b>	Peter Catchpole, Corporate Director and Chief Finance Officer; Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
<b>Background Paper(s)</b>	None

## Report:

### **1 Introduction**

- 1.1 Before April 2013, Council Tax Benefit (CTB) was a nationally controlled scheme administered by District and Unitary Councils that give reductions from Council Tax to people on low incomes according to set criteria specified by regulations. The maximum reduction was 100% of a person's Council Tax bill.
- 1.2 The costs of CTB were fully reimbursed to the Council by the DWP, so that if demand rose or fell, the Council did not bear the costs of these changes.
- 1.3 CTB was localised and replaced by CTS in April 2013. At the same time, Government funding was reduced and CTS was localised, coming under the control of District and Unitary Councils. Whilst pensioners were protected and regulations specified that they must still receive up to 100% CTS, this protection did not apply to working age people.
- 1.4 Unlike CTB, the costs of CTS are borne by Councils. Funding is given by the Government within the overall finance settlement, but this has reduced significantly over the years so that Councils bear the costs of an increase in demand but gain from reduced demand.
- 1.5 The implementation of CTS left Fenland with a funding gap, that potentially saw working age customers only being entitled to 80% CTS. However, Members considered the options available to help increase CTS and were able to implement a scheme in 2013-14 that saw working age customers be entitled to up to 91.5% of CTS; in two ways.
- 1.6 Members primarily met the funding shortfall by revising Council Tax exemptions on empty properties, permitted by regulations that changed in 2013. This meant that the Council would no longer give a Council Tax reduction for most empty domestic properties.
- 1.7 The funding shortfall was further closed by a one-off transitional Government grant that applied in 2013-14 only.
- 1.8 In 2014-15 this grant was not available. With demand for CTS not growing as much as was predicted for 2013-14, Members were able to revise the CTS scheme to feature a reduction of 14% CTS for working age customers.
- 1.9 Councils are required to review the operation of their CTS schemes annually. They are required to make any revisions no later than 28 February in the financial year preceding that for which the scheme will be revised (i.e. 28 February 2020 for the scheme relating to the 2020-21 financial year).
- 1.10 Further annual reviews determined that the CTS reduction remained at 14% since 2015-16, with further links to Welfare Reform and Universal Credit introduced for 2018-19. That scheme was retained for 2019-20.
- 1.11 For 2020-21 the only change was to introduce a fluctuating earnings rule to the treatment of Universal Credit (UC). A weekly tolerance level of £15 (£65 monthly) was introduced to minimise the number of reassessments imposed by monthly changes in a customer's UC payment. This was intended to reduce customer reassessments by a third.

1.12 Currently, this is working well as we are seeing reassessments reducing by approximately a third, in line with our modelling predictions. Consequently, we are proposing to continue operating the fluctuating earnings rule within the scheme for 2021-22.

1.13 We are now reviewing our CTS scheme for the 2021-22 financial year.

## **2 The 2020 review**

2.1 Councils are required to review operation of their CTS schemes each year. Where a change is proposed, we are required to undertake customer consultation; the results of which assist in the final decision made by the Council regarding the CTS scheme next year.

2.2 Members will be aware that this Council is one of five partners forming the Anglia Revenues Partnership (ARP). The other four Councils are Breckland, East Cambridgeshire, West Suffolk (formerly Forest Heath and St. Edmundsbury) and East Suffolk (formerly Waveney and Suffolk Coastal). These Councils have maintained the contribution rate in their schemes at 8.5% since 2013. They are not proposing any changes to this rate or any other aspect of the current scheme for 2021-22.

2.3 Currently, apart from a different contribution rate, all other aspects of the CTS scheme are consistent across all of the ARP partners. This aids the efficient administration of the schemes across the partnership. This does not however preclude any of the partners amending their scheme independently of the others.

2.4 Since 2018 the scheme has been harmonised to DWP welfare reforms introduced for Housing Benefit and CTS for Pensioners, and introduced closer links to Universal Credit data share to claims, most notably removing the default stipulation for customers to make a separate claim to the Council. This has been of particular help to all the new customers impacted by Covid-19 needing to make a Universal Credit claim but not needing to make a further claim to the Council for Council Tax Support.

2.5 Since April 2020 we have strengthened our use of DWP Universal Credit data share links to further assist customers.

2.6 Both these initiatives continue to work well for customers, with other Councils either now introducing these changes or looking to do so.

## **3 The impact of CTS to date**

3.1 CTS with its associated gap between Council Tax payable and the maximum help working age people can receive has been in operation now for seven full years and we are in the eighth year of operation.

- 3.2 The table below shows how the amount of CTS awarded and numbers of customers claiming it have changed since CTS was introduced in 2013:-

CTS cases and amount awarded			
Date	CTS awarded	Working age claims	Pensioner claims
31/3/13 (CTB)	£8.16m	4,682	4,727
31/3/14	£7.89m	4,755	4,667
31/3/15	£7.45m	4,620	4,431
31/3/16	£7.21m	4,450	4,202
31/3/17	£7.02m	4,228	3,998
31/3/18	£6.91m	4,189	3,827
31/3/19	£6.98m	4,227	3,629
31/3/20	£7.39m	4,244	3,472
Change 2013 to 2020	- £0.77m -9.44%	- 438 -9.35%	- 1,255 -26.55%

- 3.3 The amount of CTS awarded since 2013 to the end of March 2020 has reduced as a result of both the increase in contribution rate to 14% and a significant reduction in claims.

#### **The impact of COVID-19**

- 3.4 Compared with last year, since March 2020, we have seen new working age CTS claims increase by up to 500%, which is now settling at up to a 200% increase.
- 3.5 Figures for the amount of CTS awarded and numbers of customers claiming it at the end of June 2020 compared with March 2020 are detailed in the table below:

CTS cases and amount awarded : March – June 2020			
Date	CTS awarded	Working age claims	Pensioner claims
31/3/20	£7.39m	4,244	3,472
30/6/20	£7.77m	4,702	3,431
Change March to June 2020	+£0.38m +5.14%	+458 +10.79%	- 41 -1.18%

- 3.6 With the Government's Coronavirus Job Retention Scheme ceasing in October 2020 and with employer contributions required from August 2020, there is potential for unquantifiable increases in Universal Credit claims, thereby increasing CTS claims.

- 3.7 Whilst we anticipate caseload will increase, it is too early to predict with any accuracy what the full impact will be for this year and the knock-on effect on next year.

**Council Tax COVID-19 Hardship Fund 2020-21**

- 3.8 To assist working age CTS claimants, the government announced the £500m COVID-19 Hardship Fund at the Budget on 11 March 2020. This Council’s allocation is £907,222 and was paid on 3<sup>rd</sup> April 2020. This funding is to provide all recipients of working age local council tax support during the financial year 2020-21 with a further reduction in their annual council tax bill of up to £150, using their discretionary powers to reduce the liability of council tax payers outside of their formal CTS scheme design.
- 3.9 There is sufficient funding to apply this reduction to existing working age customers but as detailed above, we do not know what the full impact on caseload numbers will be during the remainder of this year. Consequently, there is a risk that applying this reduction to all new working age claims will exhaust the funding available before the end of this year. We are monitoring applications and awards closely to ensure our allocated funding is not exceeded.
- 3.10 Our software supplier is currently completing the necessary changes to the Council Tax system to enable this reduction to be credited to customer’s accounts. This is expected to take place this month. Meanwhile, to assist customers, since April we have suppressed the collection of Council Tax direct debits for customers entitled to the full reduction and in lieu of statutory reminders, we have issued soft reminders to all non-payers promoting payment holidays, offering re-profiled payment arrangements along with general advice signposting to wider help. All customers likely to receive the reduction have been written to, keeping them informed of developments and the help on offer.

**Impact of changes affecting amounts paid by recipients**

- 3.11 Members are reminded of the potential impact resulting from any changes to the scheme which affects the amounts paid by recipients (eg. contribution rate). Any savings/additional cost would be shared between the major preceptors in proportion to their Council Tax requirements in the Collection Fund. The proportions based on 2020/21 Council Tax, is detailed in the table below. This shows that any changes (to the contribution rate for example) would generate significantly more savings/more cost to the County Council, as they receives a much higher proportion of Council Tax receipts overall.

How Council Tax allocated is split	
Authority	%
Cambridgeshire County Council	68.90
Cambridgeshire Fire Authority	3.65
Cambridgeshire Police & Crime Commissioner	11.79
Fenland District Council	15.66

- 3.12 This contrast's to the financial impact of any changes to Peterborough City Council's CTS scheme (whose current contribution rate is 32%) which is significantly different to this Council. Peterborough as a Unitary Council receives the majority of any savings realised from any changes, around 82%, whereas this Council only benefits from around 16% of any changes.
- 3.13 Increasing the rate of contribution for working age customers also increases the potential for additional arrears and subsequent recovery action. Additional bad debts provision would be required for non-payment and to help maintain expected collection levels, extra resources would be required to undertake recovery work in respect of additional arrears that would accrue from working age customers having payment difficulties as a result of the proposed changes. This would significantly reduce the benefits to this Council of increasing the contribution rate, as we are responsible for collecting Council Tax and administering CTS. The net benefit could be reduced by up to 50%.

#### **4 Consultation about our proposals**

- 4.1 If there are no changes proposed to the CTS scheme for 2021-22, there will be no requirement for any customer consultation.
- 4.2 If there are any subsequent proposals to change the scheme for 2021-22 (eg. increasing the contribution rate) then a consultation exercise will be required of up to twelve weeks with preceptors and stakeholders.
- 4.3 Consequently, any consultation exercise would need to meet the statutory timescales for Council to approve its' CTS scheme for 2021-22 as detailed in 1.9 above.

#### **5 Future Years CTS Review – 2021 for 2022/23 Scheme**

- 5.1 The Council Tax Support scheme is complex and includes many areas where potential changes could be made, all of which would have associated savings/cost to this Council and to CTS customers. Last year, it was proposed that several potential options for changes to the CTS scheme be modelled and considered for implementation in the 2021/22 scheme. These include but are not limited to, the following:
- (i) Options for increasing the current contribution rate of 14%;
  - (iii) Introducing a minimum award level of either £1 or £2 per week;
  - (iv) A restriction to support being provided at up to Band C/D equivalent only (higher bands will be limited to the Band C/D level with their parish);
  - (v) An increase to the non-dependent deduction levels;
  - (vi) An assumed minimum earnings level for self-employed claimants;
  - (vii) Removal of second adult rebate;
  - (viii) Removal of extended payments;
  - (ix) Removing the current disregard of Child Benefit and treating it as income;
  - (x) Reducing the capital limit from £16,000 to £6,000.
- 5.2 Due to the impact of COVID-19 resulting in a significant increase in working age customers during 2020/21 and the continued uncertainty around the impact on 2020/21 and into 2021/22, it is proposed that the modelling on the

above options be deferred until next year for consideration of the 2022/23 scheme.


- 5.3 In addition, ARP are intending to embark on a project early next year to initiate a review for the 2022/23 scheme, planning to consider more widely the full year impact of COVID-19 and relevant enhancements to a future CTS scheme.

## **6 Next steps**

- 6.1 This report has given the Panel an update on progress of the annual review of the Council's CTS scheme, with a proposal that no changes to the current scheme be made but with an option to review this once further information is known later this year.
- 6.2 The recommendations from this Panel will be reported to Cabinet at their meeting on 6 August 2020. The final proposals, depending on whether or not a consultation exercise is required would then be recommended to Council at their meeting on 14 December 2020 or potentially 23 February 2021.

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Agenda Item No:	9	
Committee:	Cabinet	
Date:	06 August 2020	
Report Title:	Appointments to Outside Bodies 2020/21	

## 1 Purpose / Summary

The purpose of this report is to enable Cabinet to review and agree the list of outside bodies and nominations for representatives on those organisations for 2020/21.

## 2 Key issues

- The nomination and review of representatives on outside body organisations is the responsibility of Cabinet.
- In addition to attending Council meetings and other constituency work, Councillors are required to sit as representatives of the Council on other organisations and agencies known as Outside Bodies
- An "Outside Body" is an organisation that has a separate governance structure to that of the Council
- The Council appoints elected members to represent it on a range of Outside Bodies at a national and local level. Such appointments ensure that the Council's and residents interests are represented within key agencies
- The Council recognises the value outside organisations make to the wider community and in the achievement of the Council's corporate priorities.
- The rules relating to political proportionality in relation to the membership of committees are set out in The Local Government and Housing Act 1989 and the supporting regulations. It is best practice to reflect these rules when allocating places on outside body organisations.

## 3 Recommendations

- For Cabinet to agree the proposed nominations in respect of Outside Bodies which require Fenland District Council representation
- For Cabinet to note where requirements to provide representatives on outside organisations cannot currently be fulfilled.
- For Cabinet to delegate to the Corporate Director and Monitoring Officer in consultation with the Leader of the Council and Group Leaders the addition or deletion of outside bodies as the need arises during the municipal year and appointment of Members to vacancies on outside bodies during the municipal year.

Wards Affected	All
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<b>Forward Plan Reference</b>	
<b>Portfolio Holder(s)</b>	Councillor Susan Wallwork
<b>Report Originator(s)</b>	Anna Goodall Head of Governance and Legal Services
<b>Contact Officer(s)</b>	<p>Peter Catchpole, Corporate Director  <a href="mailto:petercatchpole@fenland.gov.uk">petercatchpole@fenland.gov.uk</a>  01354 622201</p> <p>Carol Pilson, Corporate Director  <a href="mailto:cpilson@fenland.gov.uk">cpilson@fenland.gov.uk</a>  01354 622360</p> <p>Anna Goodall, Head of Governance and Legal Services  <a href="mailto:agoodall@fenland.gov.uk">agoodall@fenland.gov.uk</a>  01354 622357</p>
<b>Background Paper(s)</b>	<p>Outside Bodies Review Scoping Report</p> <p>Overview and Scrutiny Outside Bodies Review Report</p> <p>Outside Bodies Cabinet Report (2)</p>

## OUTSIDE BODY NOMINATIONS

### **4 Background / introduction**

4.1 Cabinet have endorsed that Outside Bodies should fall into one of the following criteria in order to receive representation from the District Council.

- Statutory Outside Bodies
- Organisation to which the District Council contributes funding - To ensure public money is used properly and achieves value for money
- Organisation which have a clear link to key objectives outlined in the Business Plan

4.2 Political proportionality rules are applied to outside bodies as best practice by the Council. It should be noted that political groups can appoint members who are not aligned to a political group, or indeed aligned to another group, to seats allocated to them, under the political proportionality rules.

4.3 It is envisaged that the process of nominating and reviewing representatives on Outside Bodies will occur at the start of the municipal year unless in exceptional circumstances.

4.4 The table contained within Appendix A outlines the Outside Bodies currently requiring representation, the level of required representation and any proposed new appointments, which Cabinet are asked to endorse, in addition to highlighting where vacancies exist.

4.5 Whilst expressions of interest have been proactively sought from all members of the district council resulting in a considerable reduction in the number of unfilled vacancies, there continues to be a number of opportunities for representation which will remain vacant. Cabinet are asked to note these at this time and consider nominations for these vacancies as and when they come forward in the future. Vacancies will continue to exist in the following Outside Organisations; Feldale Internal Drainage Board; Hundred of Wisbech Internal Drainage Board, Manea and Welney Drainage Commissioners, March West and White Fen Internal Drainage Board; March East Internal Drainage Board; March Fifth Drainage Board, March Sixth Drainage Board; March Third Internal Drainage Board; Nightlayers Internal Drainage Board; Rural Cambs CAB, Warboys, Somersham and Pidley Internal Drainage Board.

4.6 There are two Outside Organisations which no longer require representation at this time, namely

Wisbech and Fenland Museum Management Committee  
East Cambs and Fenland Children's and Young Peoples Partnership (as the partnership has been disbanded)

The number of outside organisations requiring representation for 2020/21 will be to 49.

4.8 During the review of Outside Bodies, the Overview and Scrutiny Panel recommended the use of a feedback form (which is contained at appendix B) as the form was intended to provide greater transparency regarding the work elected members are involved in whilst representing the District Council on Outside Body organisations.

## APPENDIX A

Ref No	Outside Body	Number of representatives required 2020/21	Current nominated representatives 2019/20	To Be Nominated Representatives 2020/21	Proportionality
1	Anglia Revenue Partnership	1 + 2 substitutes	Cllr Jan French Substitute members Cllr Connor Cllr Kim French	Cllr Jan French Substitute members Cllr Connor Cllr Kim French	Conservative Party representation
2	Benwick Internal Drainage Board (IDB)	4	Cllr Laws Cllr Miscandlon Cllr Mrs Mayor Cllr Wicks	Cllr Laws Cllr Miscandlon Cllr Mrs Mayor Cllr Wicks	3 Conservatives 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
3	Cambridgeshire Horizons Board	1	Cllr Boden	Cllr Boden	Conservative Party representation
4	Cambridgeshire Military Community Covenant Board	1	Cllr Tierney	Cllr Tierney	Conservative Party Representation
5	Cambridgeshire Police and Crime Panel	1 + 1 substitute	Cllr Wallwork Substitute member Cllr Lynn	Cllr Wallwork Substitute member Cllr Lynn	Conservative Party Representation
6	Cambridgeshire Health and Wellbeing Board + District Lead Members Group	1	Cllr Wallwork	Cllr Wallwork	Conservative Party Representation
7	Chatteris Community Centre Association	2	Cllr Murphy Cllr Benney	Cllr Murphy Cllr Divine	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of

Ref No	Outside Body	Number of representatives required 2020/21	Current nominated representatives 2019/20	To Be Nominated Representatives 2020/21	Proportionality
					The Green Party)
8	College of West Anglia Governing Body	1	Cllr Topgood	Cllr Topgood	Conservative Party Representation
9	Community Learning and Skills Partnership	1	Cllr Benney	Cllr Benney	Conservative Party Representation
10	Curf and Wimblington Combined IDB	1	Cllr Davis	Cllr Davis	Conservative Party Representation
11	Feldale IDB	7	Cllr Laws Cllr Boden Cllr Miscandlon Cllr Mrs Mayor	Cllr Laws Cllr Boden Cllr Miscandlon Cllr Mrs Mayor Cllr Wicks	5 Conservatives 2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
12	Fenland Association of Community Transport	1	Cllr Seaton	Cllr Seaton	Conservative Party Representation
13	Fenland Diverse Communities Forum	1	Cllr Tierney	Cllr Tierney	Conservative Party Representation
14	Fenland Tension Monitoring Group	1	Cllr Hoy	Cllr Hoy	Conservative Party Representation
15	Fenland Transport and Access Partnership	1	Cllr Topgood	Cllr Topgood	Conservative Party Representation
16	Fenland Transport Strategy	2	Cllr Seaton Cllr Connor	Cllr Seaton Cllr Wicks	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and

Ref No	Outside Body	Number of representatives required 2020/21	Current nominated representatives 2019/20	To Be Nominated Representatives 2020/21	Proportionality
					1 Member of The Green Party)
17	Fenland Twinning Association	4	Cllr Mrs Hay Cllr Mrs Mayor Cllr Topgood Cllr Meekins	Cllr Mrs Hay Cllr Mrs Mayor Cllr Topgood Cllr Meekins	3 Conservatives 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
18	Hanson, Fletton Brickworks Industry	1	Cllr Boden	Cllr Boden	Conservative Party Representation
19	Health Committee	1 + 1 substitute	Cllr Sam Clark Substitute Member Cllr Topgood	Cllr Sam Clark Substitute Member Cllr Topgood	Conservative Party Representation
20	Hundred of Wisbech IDB	15	Cllr Topgood Cllr Wallwork Cllr Lynn Cllr Hoy Cllr Rackley Cllr Sutton Cllr Meekins Cllr Booth Cllr Tanfield	Cllr Topgood Cllr Wallwork Cllr Lynn Cllr Hoy Cllr Rackley Cllr Sutton Cllr Meekins Cllr Booth Cllr Tanfield	10 Conservatives 5 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
21	Kings Lynn IDB	1	Cllr Topgood	Cllr Topgood	Conservative Party Representation
22	LGA/ LGA Rural Commission/ LGA Urban Commission	1 + 1 Substitute	Cllr Boden Substitute member Cllr Tierney	Cllr Boden Substitute member Cllr Tierney	Conservative Party Representation
23	Manea and Welney Drainage Commissioners	3	Cllr Marks Cllr Sutton	Cllr Sutton	2 Conservative 1 Fenland Independents

Ref No	Outside Body	Number of representatives required 2020/21	Current nominated representatives 2019/20	To Be Nominated Representatives 2020/21	Proportionality
					Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
24	March Area Transport Study	2	Cllr Count Cllr Skoulding	Cllr Count Cllr Cornwell	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
25	March West and White Fen Internal Drainage Board (Previously known as March and Whittlesey IDB)	6	Cllr Cornwell Cllr Wicks	Cllr Jan French Cllr Miscandlon Cllr Laws Cllr Cornwell Cllr Wicks	4 Conservatives 2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
26	March East IDB	11	Cllr Purser Cllr Clark Cllr Topgood Cllr Cornwell Cllr Marks Cllr Yeulett	Cllr Purser Cllr John Clark Cllr Topgood Cllr Davis Cllr Jan French Cllr Cornwell Cllr Marks Cllr Yeulett	7 Conservatives 4 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
27	March Education Foundation	1	Cllr Purser	Cllr Purser	Conservative Party Representation

Ref No	Outside Body	Number of representatives required 2020/21	Current nominated representatives 2019/20	To Be Nominated Representatives 2020/21	Proportionality
28	March Fifth District Drainage Commissioners	8	Cllr Cornwell Cllr Jan French	Cllr Jan French Cllr Cornwell	5 Conservatives 3 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
29	March Sixth District Drainage Commissioners	4	Cllr Cornwell Cllr Jan French	Cllr Jan French Cllr Cornwell	3 Conservatives 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
30	March Third IDB	5	Cllr Cornwell Cllr Marks Cllr Jan French Cllr Yeulett	Cllr Jan French Cllr Cornwell Cllr Yeulett	3 Conservatives 2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
31	Middle Level Commissioners	3	Cllr Laws Cllr Miscandlon Cllr Sutton	Cllr Laws Cllr Miscandlon Cllr Sutton	2 Conservatives 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)



Ref No	Outside Body	Number of representatives required 2020/21	Current nominated representatives 2019/20	To Be Nominated Representatives 2020/21	Proportionality
32	Needham and Laddus IDB	1	Cllr Sutton	Cllr Sutton	Conservative Party Representation
33	Nightlayer IDB	10	Cllr Benney Cllr Hay Cllr Murphy Cllr Divine	Cllr Benney Cllr Hay Cllr Murphy Cllr Divine	7 Conservatives 3 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
34	North Level District IDB	7	Cllr Humphrey Cllr Sam Clark Cllr Laws Cllr Mrs Mayor Cllr Miscandlon Cllr Booth Cllr Meekins	Cllr Humphrey Cllr Sam Clark Cllr Laws Cllr Mrs Mayor Cllr Miscandlon Cllr Booth Cllr Meekins	5 Conservatives 2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
35	Wisbech Community Development Trust (Oasis Village Centre)	1		Cllr Wallwork	Conservative Party Representation
36	Ransonmoor District Drainage Commissioners	2	Cllr Connor Cllr Wicks	Cllr Connor Cllr Wicks	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
37	RECAP	1	Cllr Murphy	Cllr Murphy	Conservative Party

Ref No	Outside Body	Number of representatives required 2020/21	Current nominated representatives 2019/20	To Be Nominated Representatives 2020/21	Proportionality
					Representation
38	Rural Cambs CAB	3	Cllr Miscandlon Cllr Booth	Cllr Miscandlon Cllr Seaton Cllr Booth	2 Conservatives 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
39	Safer Fenland Partnership	1	Cllr Wallwork	Cllr Wallwork	Conservative Party Representation
40	The Wash and North Norfolk Marine Partnership	1	Cllr Rackley	Cllr Rackley	Conservative Party Representation
41	The Combined Authority	1 + 1 Substitute	Cllr Boden Substitute member Cllr Jan French	Cllr Boden Substitute member Cllr Jan French	Conservative Party Representation
42	The Combined Authority Overview and Scrutiny Committee	2 + 2 Substitutes	Cllr Miscandlon Cllr Mrs Hay Substitute member Cllr Tierney	Cllr Miscandlon Cllr Mrs Hay Substitute member Cllr Tierney	Conservative Party Representation
43	The Combined Authority Audit Committee	1 + 1 Substitute	Cllr Benney Substitute member Cllr Hoy	Cllr Benney Substitute member Cllr Hoy	Conservative Party Representation
44	Upwell IDB	2	Cllr Rackley Cllr Sutton	Cllr Rackley Cllr Sutton	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)

Ref No	Outside Body	Number of representatives required 2020/21	Current nominated representatives 2019/20	To Be Nominated Representatives 2020/21	Proportionality
45	Waldersey IDB	2	Cllr Rackley Cllr Sutton	Cllr Rackley Cllr Sutton	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
46	Warboys, Somersham and Pidley IDB	1	No nominated representative for 2019/20	Cllr Benney	Conservative Party Representation
47	Whittlesey & District IDB	5	Cllr Mason Cllr Laws Cllr Mrs Mayor Cllr Wicks	Cllr Mason Cllr Laws Cllr Mayor Cllr Boden Cllr Wicks	3 Conservatives 2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
48	Wisbech Access Strategy Member Steering Group	2	Cllr Lynn Cllr Rackley	Cllr Lynn Cllr Rackley	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
49	Young People March	1	Cllr Purser	Cllr Purser	Conservative Party Representation

Councillor:

Meeting Commitment  
(e.g; 3 per annum)

Meetings Attended:  
(Dates (s))

Details of any topics relevant to Fenland District Council:

Matters to be taken forward by Councillor:  
(e.g to be raised at Scrutiny Committee, Cabinet or Council)

Once completed please return to [memberservices@fenland.gov.uk](mailto:memberservices@fenland.gov.uk)

**DRAFT 6 MONTH CABINET FORWARD PLAN –  
Updated 23 July 2020**



(For any queries, please refer to the published forward plan)

**CABINET**

<b>CABINET DATE</b>	<b>ITEMS</b>	<b>LEAD PORTFOLIO HOLDER</b>
8 Sept 2020	1. Coates Conservation Area Appraisal 2. Cabinet Draft Forward Plan	Cllr Seaton Cllr Boden
21 Oct 2020	1. Cabinet Draft Forward Plan	Cllr Boden
17 Nov 2020	- Reserve meeting date -	
14 Dec 2020	1. Treasury Management Strategy Statement & Annual Investment Strategy Mid Year Review 2020/21 2. Draft Business Plan 3. Draft Budget 2021/22 & Mid Term Financial Strategy 4. Local Council Tax Reduction Scheme Review 2020/21 5. Fees & Charges 6. Cabinet Draft Forward Plan	Cllr Boden  Cllr Boden Cllr Boden  Cllr Boden Cllr Boden
12 Jan 2021	1. Cabinet Draft Forward Plan	Cllr Boden
TBC Late Jan 2021	1. Draft Local Plan 2. Cabinet Draft Forward Plan	Cllr Laws Cllr Boden
23 Feb 2021	1. Business Plan 2021/22 2. Corporate Budget 2021/22 & Mid-Term Financial Strategy 3. Cabinet Draft Forward Plan	Cllr Boden Cllr Boden Cllr Boden

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