

Public Document Pack

COUNCIL

A meeting of Council will be held at Council Chamber, Fenland Hall, County Road, March on THURSDAY, 24 FEBRUARY 2022 at 4.00 PM and I request you to attend accordingly for transaction of the following business:

Whilst this meeting will be held in public, we encourage members of the public to view the meeting via our YouTube channel due to the Council still observing some Covid-19 restrictions.

The YouTube link for this meeting is

- 1 To receive apologies for absence.
- 2 Previous Minutes (Pages 5 - 12)
To confirm and sign the minutes of 8 December 2021.
- 3 Civic Engagements Update. (Pages 13 - 14)
For information only
- 4 To receive any announcements from the Chairman of the Council and/or the Head of Paid Service.
- 5 To receive members' declaration of any interests under the Local Code of Conduct or any interest under the Code of Conduct on Planning Matters in respect of any item to be discussed at the meeting.
- 6 To receive questions from, and provide answers to, councillors in relation to matters which, in the opinion of the Chairman, accord with the provisions of Procedure Rules 8.4 and 8.6.
- 7 To receive reports from and ask questions of Cabinet members with portfolio holder responsibilities, in accordance with Procedure Rules 8.1 and 8.2. (Pages 15 - 62)
- 8 Final Business Plan 2022-23 (Pages 63 - 80)
For Council to consider and approve the Final Business Plan for 2022 - 2023.
- 9 General Fund Budget Estimates 2022/23 and Medium Term Financial Strategy (MTFS) 2022/23 to 2026/27; Capital Programme 2022 - 2025 (Pages 81 - 150)

To consider the Cabinet recommendations in relation to:

- The General Fund Budget Estimates 2022/23 and the Medium Term Financial Strategy 2022/23 to 2026/27;
- The Council Tax levels for 2022/2023;
- The Capital Programme 2022/2025;
- The Treasury Management Strategy Statement, Capital Strategy and Annual Treasury Investment Strategy for 2022/23.

10 Council Tax Resolution (Pages 151 - 154)

For Council to consider the Council Tax Resolution for 2022/23.

11 Council Tax Support Scheme (Pages 155 - 180)

For Council to consider the Cabinet recommendations in relation to the Council Tax Support (CTS) Scheme to take effect from 1 April 2022.

12 Economic Growth Strategic Refresh 2022-25 (Pages 181 - 224)

For Council to consider and approve the Economic Growth Strategic Refresh 2022-25.

13 Future Arrangements for Appointing the Council's External Auditors (Pages 225 - 232)

To consider the options available to the Council regarding the future appointment of an External Auditor for 2023/24 to 2027/28 following the end of the current appointment period.

14 Change to Constitution and Committee Membership (Pages 233 - 236)

To provide members with an update on the changes that have been made to the Constitution and Outside Body appointments since its last meeting.

15 Senior Manager Pay Policy Statement (Pages 237 - 248)

The purpose of this report is for Council to adopt the Senior Manager Pay Policy Statement for 2021-2022.

Wednesday, 16 February 2022

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

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

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COUNCIL



WEDNESDAY, 8 DECEMBER 2021 - 4.00 PM

PRESENT: Councillor A Miscandlon (Chairman), Councillor I Benney, Councillor Mrs S Bligh, Councillor C Boden, Councillor G Booth, Councillor J Clark, Councillor S Clark, Councillor D Connor, Councillor M Cornwell, Councillor D Divine, Councillor Mrs J French, Councillor K French, Councillor A Hay, Councillor Miss S Hoy, Councillor A Lynn, Councillor C Marks, Councillor A Maul, Councillor N Meekins, Councillor J Mockett, Councillor P Murphy, Councillor D Patrick, Councillor M Purser, Councillor W Rackley, Councillor C Seaton, Councillor S Tierney, Councillor D Topgood, Councillor S Wallwork, Councillor R Wicks and Councillor S Wilkes.

APOLOGIES: Councillor R Skoulding (Vice-Chairman), Councillor S Count, Councillor Mrs M Davis, Councillor M Humphrey, Councillor Mrs D Laws, Councillor D Mason, Councillor Mrs K Mayor, Councillor W Sutton and Councillor M Tanfield.

C24/20 **APPOINTMENT OF VICE-CHAIRMAN FOR THIS MEETING**

Councillor Meekins was nominated as Vice-Chairman for the meeting.

C25/20 **PREVIOUS MINUTES**

The minutes of the meeting of 30 September 2021 were confirmed and signed subject to the following comments:

- Councillor Booth wished for it to be noted that he had left before the Electoral Review item (minute C22/21) due to a prior commitment at a school governance meeting which he had accepted before the date of the Full Council meeting was altered.

C26/20 **TO RECEIVE ANY ANNOUNCEMENTS FROM THE CHAIRMAN OF THE COUNCIL AND/OR THE HEAD OF PAID SERVICE.**

Councillor Miscandlon made the following announcement:

"I would like to take this opportunity to pay tribute to Eric Lewis who was the first Chief Executive of Fenland District Council who sadly passed away on the 29th of September at the age of 96. Qualifying as a solicitor shortly after the war, Mr Lewis took his first post in local government as assistant solicitor at Scarborough Borough Council. He then moved to Reading and Aldrich Councils before being appointed the Town Clerk for Wisbech Borough Council in 1961. Upon local government reorganisation he took up the role of Fenland District Council's first Executive Chairman in 1974. Mr Lewis therefore played an important part in contributing to the history of Fenland District Council and I would like to thank his son and daughter for notifying us of their loss. So, we pay tribute to Mr Lewis today and offer our sincere condolences and extend them to the Lewis family. I would like you to join me in a minute silence for that purpose."

Members joined Councillor Miscandlon in observing a minute silence.

Following the minute silence Councillor Miscandlon made a further announcement:

"I would like to take this opportunity to ask members to join me in observing a further minute

silence in honour and reflection of the life and achievements of Sir David Amess the MP for Southend who tragically lost his life on the 15th of October. Southend was the town I was born in, so I have a personal connection here. His death was rather tragic because he was carrying out his duty as we all do as Council Members so it is something we all should be very aware of. I would like you all to join me in an extra minute silence in respect to Sir David Amess thank you."

Members joined Councillors Miscandlon in observing a minute silence.

C27/20 **TO RECEIVE QUESTIONS FROM, AND PROVIDE ANSWERS TO, COUNCILLORS IN RELATION TO MATTERS WHICH, IN THE OPINION OF THE CHAIRMAN, ACCORD WITH THE PROVISIONS OF PROCEDURE RULES 8.4 AND 8.6.**

Councillor Miscandlon stated that no written questions had been submitted under Procedure Rule 8.6 and asked if there were any questions under Procedure Rule 8.4 from Councillor Cornwell, Leader of the Opposition.

- Councillor Cornwell began by acknowledging the work of Eric Lewis noting that, alongside Ernie Thompson, they handled the pressures of combining the different local authorities well when Fenland District Council was formed and proclaimed that this was a huge achievement in his work.
- Councillor Cornwell said that he was pleased to hear that the Council was due to receive £48,500 from the Forestry Commission but expressed his disappointment that this would only fund around 4000 whips and 80 standard trees. He noted that the environmental benefits of the award will, therefore, be very slow and that there was only a 2.3 percent tree coverage compared to 16 percent nationally. Councillor Cornwell asked how the Leader planned to address the environmental deficit and increase tree planting on top of the initial grant? Councillor Boden stated that he was reluctant to increase tree planting across Fenland despite the low coverage and this was due to the geography of the area. He noted that historically Fenland was overwhelming made up of peat bogs and has never been a heavily wooded area as the soils are mainly peat or peating so the area requires the right types of trees in the right places. Councillor Boden explained that planting trees in the wrong area, which are not specialised for the peaty soils, results in the withdrawal of water from the peat soils which can cause subsidence and allows the release of more carbon from the soil negating their usual environmental impact of carbon capture. He added that the trees provided must be planted carefully and selectively due to these factors and that Fenland will never be an area with a high coverage of trees. Councillor Cornwell noted that peat originated from forests that were flooded and compressed so there must have been trees in the past but accepted that as long as there was some action in instigating tree planting that they would have to be specialised.
- Councillor Cornwell said that at the Overview and Scrutiny meeting of 8 November 2021 he and other members were surprised to hear that the Planning Shared Service only related to the Head of Planning and the Technical Team Manager. He noted that the promised integrated service had never come to fruition as was originally promised and asked whether Councillor Boden would instigate a review of the current arrangements alongside Peterborough City Council's review to ensure that the original promised financial and service improvements can occur? Councillor Boden explained that he had already asked the Planning Portfolio Holder to consider how to proceed in future arrangements, which he hoped would still include Peterborough City Council but that it was actively under consideration. He explained that they were looking at the cost and efficiency of the service and reviewing the current arrangements to get the most cost-effective service whilst maintaining the high quality of service. Councillor Cornwell stated he was happy that there would be a review as there were current shortcomings in the planning service which required actions and outcomes.
- Councillor Cornwell noted the change of dates for Council in September and reminded the Leader that Councillor Maul had asked about vehicle charging points. He stated that

Councillor Boden appeared to have misunderstood the question, instead providing an answer regarding car park charging. Councillor Cornwell noted that there was an increase in green registration plates on vehicles in Fenland and that figures produced by the Government indicated that the numbers are growing at a considerable rate. He expressed the view that the Council must react appropriately if they wished to attract people to the area and that the relevant infrastructure must be provided. Councillor Cornwell asked that the issue be revisited with some urgency and report back on the plans to reduce this environmental deficit. Councillor Boden stated that there was an increasing amount of third party electric charging points in Fenland but that it was unreasonable to expect that garages would be replaced by the Council organising charging points in the future. He explained that there were three concerns that needed to be balanced with electric charging points. The first was funding and making sure that appropriate types of charging were provided, which is constantly developing and that there could be some interesting offers in the near future. Councillor Boden made the point that there did not seem to be the demand for electric charging points in Fenland, citing Whittlesey Town Council which had two charging points that were sparsely used, and finally, he explained that there needed to be coordination with the plans for car parks which had been slowed down by Cambridge County Council and that they would have to consider how electric charging points would fit with the overall plan.

- Councillor Cornwell congratulated the Leader on the investment and infrastructure developments awarded to Chatteris, March and Whittlesey over the past months. He proceeded to ask what was happening in Wisbech as previous plans such as Wisbech 2020 and Wisbech rail seemed to have gone quiet. Councillor Cornwell asked whether Wisbech had been overlooked and whether previous work had been wasted as they did not seem to have anything to show for it? Councillor Boden explained that not all towns and parishes receive money at the same time. Regarding Wisbech he noted that there were a number of plans in preparation which, if successful, would be transformative for the area, but he could not go into too much detail as the plans were currently being worked up and would be subject to a bid process but if they went ahead more would be invested into Wisbech than any other town in Fenland. Councillor Boden assured that the money for the High Street refurbishment was still available and hoped that the other plans would become more public in the next two to three months.
- Councillor Cornwell reiterated that the public have seen massive sums of money going into the other market towns but that it seemed as though nothing was going into Wisbech and that they needed some answers. Councillor Boden thanked Councillor Cornwell for his comments and reiterated that as far as Wisbech was concerned it had not been forgotten and it was simply a matter of time before they saw the investments.
- Councillor Cornwell noted that comments had been made by Councillors appointed to the Combined Authority committees concerning Fenland business and issues that had not been shared with other councillors previously. He asked the Leader whether he would consider incorporating Combined Authority updates in the portfolio holders reports so that councillors all receive the same information, noting that the Mayor was producing updates which were useful, but it would be helpful to receive updates in the portfolio holder reports as these were the regular communication methods. Councillor Boden agreed with Councillor Cornwell's point and stated that it would be helpful to the workings of the Council if councillors were more aware of the items discussed and decided upon at the Combined Authority. He explained that he had been giving consideration as to the best way to incorporate this but that he had not made a decision as of yet.
- Councillor Cornwell offered his seasonal greetings to the Conservative Group.

C28/20

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

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

- Councillor Patrick commended the Leader on his efforts to encourage the uptake of Covid vaccinations, which is important given that the Fenland was the only area in the Country with an enhanced response status. He noted that those who had opted against the vaccination were 10 times more likely to die which placed an even greater strain on the NHS and reminded the Council of the new Omicron variant which was showing signs of being more transmissible. Councillor Patrick explained that there was a low uptake in areas such as Wisbech North and asked what further actions the Council can take to encourage further people to come forward and have the vaccinations? Councillor Boden stated that the Council work in conjunction with the Combined Authority, Director of Public Health and other national agencies. He explained that it was important to continue to promote the messages around keeping safe in order to reduce transmission and that the communications needed to be hard hitting. Councillor Boden stated that the facts needed to be right and that they also needed to be careful and bear in mind that certain individuals cannot be vaccinated for medical reasons. He noted that the statistic provided by Councillor Patrick was not inaccurate and that this had been used widely, with the statistics being even worse when looking at those in intensive care. Councillor Boden reiterated that it was important for facts to be presented in an honest and accurate way in order to encourage more individuals to make rational decisions and the Council would continue to provide services whilst working in close proximity with partners and utilising additional funding to continue to promote the vaccines and boosters. He stated that it was too early to say much about the Omicron variant and that more time was needed to study it before predictions could be made.
- Councillor Patrick noted that from the social media activity of some members of the Council it appeared that there were a few individuals who were against vaccination and asked whether the Leader could assure him that all members of his Cabinet were fully supportive and on board with his efforts to encourage people to vaccinate. Councillor Boden explained that Fenland District Council did not have responsibility for this area of work and that it was through his other roles that he had the responsibility. He explained that it was not a requirement for everyone to have the same opinion, that individuals should not be discriminated against based on their opinion and that they needed to push positive messages and facts rather than discriminating against non-vaccinated individuals.
- Councillor Wilkes asked for an update on the March to Wisbech Railway line as progress had seemed to stall. He noted that the service would be of great use to those with disabilities and would make Wisbech much more accessible. Councillor Boden replied that the current position was disappointing for the Council, with the suggested line still at the provisional stage and the Mayor of the CPCA advocating a light rail solution, which would only provide a link to March and would not facilitate transport elsewhere. He stated that this was disappointing in terms of ambition and that he had made, and would continue to make, representations to the Mayor to say that the light rail option does not provide the same benefit as a fixed heavy rail one. Councillor Boden stated that he would continue to have discussions to keep the heavy rail option open rather than only considering a study on the light rail option.
- Councillor Wilkes asked whether the Council had thought about putting a case to East Midlands Railway to increase the frequency that they stop at March Railway Station. He questioned why the other services passing through March could not stop there as it would provide a more consistent service with more direct links. Councillor Boden explained that just because a rail service comes through the station it does not mean that it would be easy for it to stop as it was very difficult to alter rail timetables and that they were worked out well in advance. He explained that services from Whittlesey, Manea and March all needed to go through Ely North which causes capacity issues which would not be resolved until the improvement works take place there. Councillor Boden expressed his disappointment that the Council were currently being outbid for the utilisation of the potential extra slots by other established groups and that the rail line was increasingly being used for freight creating further capacity issues, explaining that far fewer trains stop in Whittlesey and Manea and that they wanted to ensure that trains which do stop in March also stop at these stations.

Councillor Boden made the point that there were constant attempts to lobby for improved services and the Member of Parliament for the area had been actively involved with the train companies to attempt to achieve this. Councillor Seaton supported Councillor Boden's point around the difficulty of getting trains to make extra stops as it affects other trains and services, with there being several different providers that must integrate with each other to run smoothly. He noted that there were current enhancements to the services such as new car parks and improvements to buildings and that he was aware of the need for rail services throughout Fenland. Councillor Seaton also explained that the change of administration at the CPCA had brought a different form of thinking with the possible solution of a light rail option now being promoted by the Mayor. He stated that the Council were interested in the heavy rail option between Wisbech and March as it brought the possibility of freight as well whereas light rail would not enable this. Councillor Seaton assured Councillor Wilkes that the Council was in dialogue with the various service providers and was pushing for better and more regular services within Fenland.

- Councillor Mrs Bligh noted that members of the Planning Committee had to conduct site inspections on their own during Covid and that some sites were difficult to find. She asked whether it could be considered using a more futuristic approach for site visits and use the What Three Words app as it gives precise areas. Councillor Boden stated that he would take this up with the Portfolio Holder for Planning stating that they would need to see what the costs would be for it. Councillor Mrs Bligh informed Councillor Boden that it was a free app.
- Councillor Booth thanked Councillor Hoy for the information she provided on the number of long-term empty properties and asked whether this information could be provided on a regular basis as it would be useful going forward with 400 houses currently empty and a waiting list of approximately 1300 according to Clarion. Councillor Hoy stated that she was happy to provide the figures more regularly but that just because the homes were being brought back into use it did not mean that they would be given to someone on the waiting list as some were privately owned. Councillor Booth accepted that they may not be used as social housing but noted that it would help reduce the pressure on the general housing market.

C29/20 **TREASURY MANAGEMENT STRATEGY STATEMENT & ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW 2021/22**

Members considered the Treasury Management Strategy Statement and Annual Investment Strategy Mid-Year Review 2021/22 presented by Councillor Boden.

Proposed by Councillor Boden, seconded by Councillor Lynn and AGREED to note the report.

C30/20 **REVIEW OF GAMBLING POLICY**

Members considered the review of Gambling Policy presented by Councillor Lynn.

Councillor Meekins paid his compliments to the Licensing Manager for her hard work on the policy.

Proposed by Councillor Boden, seconded by Councillor Meekins and AGREED to adopt the Statement of Gambling Principles for the period of 2021 - 2025.

C31/20 **FENLAND ELECTORAL REVIEW - FDC WARDING ARRANGEMENTS**

Members considered the Fenland Electoral Review - Warding Arrangements report presented by Councillor Boden.

Members made comments as follows:

- Councillor Booth explained that he would not be supporting the warding arrangements for 42 councillors as he felt that it split the rural areas and failed to represent shared communities. He feels the views and ideas of the opposition have simply been dismissed with exception to the rural working group which focused on a 41-member scheme and aligned more closely with the current rural wards. Councillor Booth reminded the Council that he was on the last working group in 2012 and they had attempted to gain a consensus at the last review but feels this has not been the case this time. He feels there should be a recorded vote as this is a recommendation from the Conservative Group which favoured them and did not respect Fenland communities.
- Councillor Tierney expressed his disappointment on hearing these remarks and feels that on the reviews he had attended everyone's views were listened to and officers had been very helpful. He noted that Councillor Booth had suggested that the boundaries were politically motivated and questioned whether his opposition to them was also politically motivated. Councillor Tierney explained that it would be impossible to know whether the changes would be advantageous to any member or party and stated that he would be supporting the proposal.
- Councillor Lynn stated that he would also be supporting the recommendation and made the point that as a Conservative councillor the changes would mean that he would lose his ward as it would no longer exist in its current state. He argued that the scheme was not a Conservative agenda, and he believes that despite possibly losing his ward he was doing the right thing in supporting the recommendation.
- Councillor French stated that she would also be supporting the recommendation and thanked the officers and Councillor Boden who had worked hard on all the changes.
- Councillor Wallwork made the point that communities are more complex than who your councillor is or your postcode. She stated that communities are made up of similar interests, shared ideas, beliefs, values and hobbies and that communities cannot be split or shattered by boundary lines in terms of political representation.
- Councillor Cornwell acknowledged that councillors work for their communities and that the last thing he wants to see is any splitting of natural or actual communities. He believes certain aspects of the proposal to be wrong and stated that the opposition would not be supporting the recommendation and would instead be submitting their own proposals to the Commission.
- Councillor Booth clarified his earlier comment and stated that he wished to thank the officers for their hard work but feels the issues described previously were due to the way that the meetings had been conducted along with a lack of engagement with the wider community, including Parish Councils. He thought the last recommendation to the Commission had variances of more than 5 percent as it was not appropriate to join certain areas and made the point that other districts had even higher variances of up to 30 percent, such as in Kent, stating that the 10 percent variance suggested by the Commission was more a guide than an absolute limit.
- Councillor Murphy made the point that the Boundary Commission does not consider political arrangements and only looks at the numbers. Councillor Miscandlon agreed with Councillor Murphy's comment.
- Councillor Hoy summarised her reasons for supporting the scheme making the point that there would never be a perfect solution and reminding the Council that at the last review an entire chunk of her ward was lost except for one house. She explained that although it was a strange scenario for streets to be split it was not uncommon. Councillor Hoy objected to the view that the recommendation was political and noted that a councillor had attempted to make a case on social media with the public based on the belief that the recommendation would prevent them from being re-elected. She expressed the view that the idea of the recommendation being political was hypocritical when the reasons for the opposition was also political. Councillor Hoy argued that the scheme for 41 councillors only focuses on the rural areas and neglects the towns stating that no other councillors had the chance to feed into the recommendation. She feels it is a shame that there were no members of the opposition at the Wisbech workshop making it difficult for them to argue that they had not

had the chance to air their views. Councillor Hoy stated that she would be supporting the recommendation.

- Councillor Booth stated that the view that he neglected the towns was incorrect as he had feedback on the recommendations put forward based on the town workshops and his recommendation was an attempt to respect the feelings of these workshops as well as the rural areas. He expressed the view that Councillor Hoy's statement was unfair and inaccurate.
- Councillor Boden stated that it was unfair to claim that they had not attempted to achieve consensus as at the first meeting Councillor Booth supported the idea for 42 councillors and that all but one member of the working group had supported the recommendation for 42 to be put to Full Council. He noted that Councillor Booth had changed his mind, which was his right to do so. Councillor Boden explained that Councillor Booth was correct in his point around the percentage variances not being set in stone, but that electoral equality was an important consideration for them and that the Commission only go over the 10 percent where there is no other alternative. He made the point that no recommendation would ever fulfil all the set criteria perfectly and that it was a matter of balance with the recommendation to Council being the best balance possible.

It was proposed by Councillor Booth that a recorded vote be taken, which was supported by Councillors Mrs Bligh, Cornwell, Maul, Patrick and Wicks.

Proposed by Councillor Boden, seconded by Councillor Hoy and AGREED that:

- **the proposed future district warding arrangements which achieve a future Council size comprising 42 elected representatives be approved**
- **authority be delegated to officers in conjunction with the Leader of the Council to add in the rationale and supporting evidence for the preferred proposed warding arrangements, prior to formally submitting the Council consultation submission to the LGBCE for consideration by the deadline of 10 January 2022.**

In Favour: Councillors Benney, Boden, J Clark, S Clark, Connor, Mrs J French, Miss K French, Hay, Hoy, Lynn, Mason, Meekins, Miscandlon, Mockett, Murphy, Purser, Rackley, Seaton, Tierney, Topgood, and Wallwork.

Against: Councillors Mrs Bligh, Booth, Cornwell, Divine, Marks, Maul, Patrick, Wicks and Wilkes.

C32/20 CONSTITUTIONAL AMENDMENTS

Members considered the constitutional amendments presented by Councillor Boden.

Members made comments as follows:

- Councillor Cornwell argued that the reason for the amendment was due to a lack of members in the majority group wanting to put themselves forward for Planning meetings. Councillor Hoy argued that some members of Councillor Cornwell's group had poor attendance as well, noting that a member of the group had to be placed on planning to avoid the six-month rule. Councillor Cornwell stated that appointing people to stand in for meetings was also used frequently by the Conservative Party across the years.
- Councillor Booth expressed his concern for the change and reminded the Council of the issues with the constitution of the committee a few years back when there were too many members of Cabinet on the committee. He argued that it was a step backwards and stated that he would not be supporting it due to the governance implications.
- Councillor Connor stated that as Chairman of the Planning Committee he welcomed the proposal and hoped that members would support it.
- Councillor Boden summed up that the amendments were there to allow flexibility. He stated that it was not due to an insufficient number of members of the Conservative Party not

wishing to be on the committee, making the point that there were plenty of members willing to join planning but that there were issues around proportionality as there cannot be too many members from one area and that there had to be a balance of members from town and rural areas.

Proposed by Councillor Boden, seconded by Councillor Connor and AGREED to the constitutional amendment as set out at Appendix 1 to increase the number of Cabinet members allowed on Planning Committee from 3 to 4.

C33/20 RESOLUTION UNDER S.85 OF THE LOCAL GOVERNMENT ACT 1972

Councillor Miscandlon informed the Council that this item had been withdrawn.

5.41 pm

Chairman



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Civic Engagements

From December 8,2021 to February 15, 2022

Thursday 9 December	The Winter Reception at RAF Alconbury Attended by the Chairman
Sunday 6 February	Accession Day Service at Ely Cathedral Attended by the Chairman
Saturday 12 February	Ceremonial Opening of Kings Lynn Mart Attended by the Chairman

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Cabinet and Corporate Management Team

Portfolio Holder Briefing Report

February 2022
**(For performance in October, November &
December 2021)**

Cabinet Members



**Councillor
Chris Boden**

Leader of the Council
& Portfolio Holder for
Finance



**Councillor
Ian Benney**

Portfolio Holder for
Economic Growth



**Councillor
Sam Clark**

Portfolio Holder for
Health



**Councillor
Mrs Jan French**

Deputy Leader of the
Council



**Councillor
Miss Sam Hoy**

Portfolio Holder for
Housing



**Councillor
Mrs Dee Laws**

Portfolio Holder for
Planning



**Councillor
Andrew Lynn**

Portfolio Holder for
Licensing &
Community Safety



**Councillor
Peter Murphy**

Portfolio Holder for
Open Spaces, Street
Scene & Waste
Management



**Councillor
Chris Seaton**

Portfolio Holder for
Social Mobility &
Heritage



**Councillor Steve
Tierney**

Portfolio Holder for
Transformation,
Communication &
Environment

Communities

Projects from Business Plan:

Work with landlords to improve housing conditions and management standards in the district's private sector, including using the Council's enforcement powers (Cllr Sam Hoy)

April 1st 2021 to November 30th 2021

The Council has undertaken 43 positive interventions in response to new requests for service for Houses in Multiple Occupation (HMOs) across the district.

The Council has also investigated 146 complaints from tenants occupying privately rented accommodation in the same period. Council officers intervened to remove Category 1 hazards (serious faults) and Category 2 hazards (less serious faults) from properties to make them safe for the residents.

The geographical spread is as follows:

Town	HMOs investigated	Privately Rented Homes investigated
Wisbech	40	86
March	2	14
Chatteris	0	12
Whittlesey	0	22
Villages	1 Leverington - 1	12 Benwick = 1 Doddington = 2 Eastrea = 1 Elm = 1 Leverington - 3 Manea = 1 Parson Drove – 1 Wimblington – 1 WSM - 1

Private Sector Housing enforcement 01 April 2021 - 30th Nov 2021*

	Numbers served	Raised charge total £	Income received £
Improvement Notice	4	960	3200
Prohibition	2	480	160
CPN (Intent)	14	87,083	N/A
CPN (Final)	15	49,832	11,448.50
Other	1	144	144
HMO applications	10	7,500	7,500

* latest performance available

Support property owners to bring long-term empty homes back into use, helping to address the district's housing needs (Cllr Sam Hoy)

Data up to and including 31 December 2021.

	Long Term Empty (LTE)6-23MTHS	LTE 24MTHS +
Total Officer involvement	30	27
Total for the period	1.4.21 – 31.3.22	57

The officer sent letters to Estate Agents and Solicitors who have offices within Fenland. The purpose of this is:

- To make them aware of the empty homes premiums in Fenland.
- To demonstrate how the Council can support new owners with the suspension of the premium charge if they are going to renovate and can complete this within 6 months.
- To encourage the sale of the less desirable properties.
- To initiate a dialogue with both professionals and owners regarding empty homes. By offering to confirm how long a property has been empty they can ensure customer service is accurate and transparent.
- New owners can be given the officers contact details which helps to avoid delays and the right support offered where needed with the empty property.

Prevent homelessness and reduce rough sleeping through working with individuals, families, landlords, housing associations and providers to meet the housing needs of residents in crisis (Cllr Sam Hoy)

The Housing Options team has successfully prevented 263 households from becoming homeless since April 2021. Housing advice has been given to 855 households with no duties being owed.

The number of approaches for assistance have increased by approximately 10% since Quarter 1. This has resulted in increased B&B use since the summer. The team actively tried to rehouse households as quickly as possible but this is increasingly difficult as a result of the current competitive rental market.

The team continues to work closely with households, landlords and other partners to resolve issues before notices are served. We currently have a short-term temporary officer undertaking a project that is specifically tackling rent arrears cases in the private sector. This is funded by grant received from central government.

	Q1	Q2	Q3	Total
Approaches	429	467	474	1370
Advice only	271	328	256	855
Preventions	109	83	71	263

The proportion of households presenting to the Council as homeless whose housing circumstances were resolved through Housing Options work was as follows:

Q1	Q2	Q3	YTD
63%	58%	53%	58%

Deliver four Golden Age Fairs across the district (Cllr Sam Clark)

In December 2021, Chatteris Town Council organised a Christmas lunch for the over 60s at the King Edward Centre. The Golden Age Team were invited to attend where we were able to provide leaflets from our partnership organisations signposting them for help where they may need it. Each attendee received a Golden Age branded re-usable shopping bag which included items such as hot water bottles, gloves, hats, scarfs, thermal socks and Golden Age branded flasks to keep them all warm this winter. Each bag also contained a bag of goodies from The Bobby Scheme and leaflets from the following organisations:

- Fire service
- RAF Benevolent Fund
- Age UK
- Alzheimer's society
- Mental health foundation
- NHS
- Care line and community service
- Library service
- Public health England (active at home)
- Care network
- East of England ambulance service
- Camsight
- Nationwide

Other Projects:

Leisure Update (Cllr Sam Clark)

Freedom recovery since the lifting of restrictions has been excellent. Far, far better than anticipated. Fenland's learn to swim programme has performed in the top 10% of all Freedom swimming pools, with the membership sales for fitness sitting in the top quartile. The teams in the leisure centre are working very well to attract and maintain members.

Cabinet has agreed further financial support for Freedom Leisure by way of a deferral of the management fees between January and March 2022. This arrangement ends on 31 March 2022, when the Council expects the leisure contract to be at, or very close to, the original base trading account that Freedom submitted in their original bid documentation.

The impact of omicron during December will have been relatively small as leisure centres trade slowly in December. However, the concern was that omicron and public confidence would have a significant impact on the boom months for leisure centres in January, February and March.

Current sales evidence suggests that the centres are trading strongly, attracting new members and as of 16 January were on track to attain membership sales targets for January. In terms of learn to swim, Freedom is evaluating the use of swimming pool time and waiting lists for children's lessons. Where demand is evident, the Freedom team is aiming to increase capacity. Freedom is already running many more lessons since 2020, with an increase in the number of qualified teachers and more imaginative use of water space.

Freedom's membership sales up to 16 January sat at 56% of the target. On this date that was marginally ahead of target. Since then the roll back of Plan B has taken place and news regarding the pandemic is relatively positive. This being the case, it would be reasonable to expect continued performance at this trajectory.

Love Wisbech Update (Cllr Andrew Lynn)

The group is identifying key funding opportunities from which a collaborative funding submission can be made of organisations that form the Love Wisbech partnership for example accessing funding for community initiatives that support residents with a mental health condition.

Pride In Fenland Awards (Cllr Sam Clark)

The Pride in Fenland Awards took place in November 2021 and volunteers were judged in the following categories:

- Young person in the community,
- Community group,
- Good friend
- Community COVID Award
- Special Judges Award.

The event aired via YouTube in November 2021 which is still available at <https://www.youtube.com/watch?v=sdyvL-jcfAQ> to hear all the nominations and see the winners and runners up.

Health & Wellbeing Update (including COVID-19 Outbreak Plan implementation) (Cllr Sam Clark)

Between October and December, the main focus of health and wellbeing support for Fenland residents has continued to be focussed on COVID-19 and the local outbreak management plan.

Key activity during this time has been:

- Support for workplaces with activity to ensure COVID secure practices. This has helped with business continuity for many of our larger food/product producers and packers. Businesses are offered support to access testing for staff, support with risk assessments and mitigations, access to financial self-isolation support for staff and an offer of health and wellbeing visits by public health staff to discuss vaccination concerns and broader issues such as long covid.
- Self-Isolation support through the Enduring Transmission project has been provided to more than 200 Fenland residents with a total allocation across these residents of more than £57,000.
- Vaccination support for those wishing to access local services. Officers continue to provide support for vaccination centres including agreeing locations, monitoring uptake and accessibility. Doddington hospital reopened as a vaccination centre. In November, Cambridgeshire and Peterborough were part of an area of enhanced restrictions which focussed mainly on vaccination support and some additional support for schools. This included fresh materials advising of where vaccinations could be accessed and introduced a new scheme of paid for transport to vaccination centres by taxi. These taxis can be booked directly and are funded by the council's outbreak management funding.

In October the Local Outbreak Engagement Board met and reviewed current

epidemiology, communication plan and economic impacts of covid. Documents can be viewed here:

[Document.ashx \(cmis.uk.com\)](#)

Key PIs:

Key PI	Description	Baseline	Target 21/22	Cumulative Performance	Variance (RAG)
CELP1	Total number of private rented homes where positive action has been taken to address safety issues	226	250	189	
CELP2	NEW INDICATOR The proportion (%) of households presenting to the Council as homeless whose housing circumstances were resolved through Housing options work (%)	N/A	Baseline	138	
CELP3	Number of empty properties brought back into use	87	70	57	
CELP4	Amount of New Homes Bonus achieved as a result of bringing empty homes back into use	£79,217	£50,000	N/A (December 21)	N/A
CELP5	Customer satisfaction with Golden Age events (as per event)	298	200	Annual	N/A
CELP6	Number of Active Health local sessions per year that improve community health	NEW	600	441	
CELP7	Customer feedback across Freedom Leisure facilities in Fenland	NEW	80%	N/A - due March 2022	N/A

Key:

	Within 5% of target
	5-10% below target
	10% or more below target

Comments

Environment

Projects from Business Plan:

Continue to deliver environmental enforcement using fixed penalty notices and the court process for serious offences (Cllr Peter Murphy)

During this time, we have recorded 254 incidents of fly tipping and officers have assessed the waste at 74 of these cases to try to determine who may be responsible.

As a result of these searches, we have sent out 11 'Contact Me' letters to addresses found which has resulted in a further 8 formal Interview Under Caution postal documents being sent out. Our investigations have resulted in:

- 2 Fixed Penalty Notices to householders for failing in their duty of care as waste was found in fly-tipping sites. Each paid the discounted fine of £250. The offences relate to fly tipping found in Whittlesey and March.
- 1 Fixed Penalty Notice for Littering has been issued to a male who was responsible in Wisbech. This is still within its payment deadline.
- 1 Fixed Penalty Notice of £400 issued to a male who a witness caught on camera fly tipping in March.
- 1 Fixed Penalty notice issued to a female dog owner who failed to pick up her dog's fouling in March. The fine of £100 was paid.

Additional enforcement work carried out saw a Parking Fixed Penalty Notice issued to a car for parking on the market in March on a market day.

57 vehicles have been reported as abandoned in October, November and December. All but 3 were removed by persons unknown following a notice being served. The 3 were removed by our contractor.

As part of our work supporting local businesses through our Tidy Fenland Voluntary Code of Practice, towards the end of 2021, we have been able to visit shops in key areas to give advice and support on disposing of commercial waste legally.

Deliver the Four Seasons events programme in partnership with our four market towns (Cllr Peter Murphy)

The last of Fenland's Four seasons' events took place in December which were very much welcomed by local businesses. Over 130 pitches were snapped up by traders for the first Market, which was held in March Town Centre. A huge range of quality gifts and produce was on offer and attendance levels remained consistently high. Traders and visitors alike travelled in from neighbouring areas. Additional safety measures were put in place to help prevent the spread of COVID infection.

Wisbech Christmas Fayre followed suit covering a wide outdoor event space including

the Horsefair, Market Place, Market Street, York Row and the High Street. Highlights this year included the introduction of an escape room which was very popular. Community organisations Twenty20 productions and Nine Lives Theatre were also instrumental in creating exceptional live entertainment programmes.

Plans are now well underway for 2022 Four Seasons Events and booking will open for stallholders by the end of January.

Deliver the Recycling Action Plan (Cllr Peter Murphy)

The team's efforts to maintain consistent refuse and recycling services throughout the pandemic have preserved the levels of recycling collected in Fenland.

Blue bin tonnages in 2021 are just below the peaks achieved in 2020, **with a total of 6,584 tonnes** of waste now confirmed as collected for recycling from April to November, against a total of 6,716 in 2020.

Customers are increasing what they choose to recycle, with increases in; glass; cardboard; office type paper; HDPE bottles (such as milk containers); PET clear bottles (water, cola bottles etc.); and plastic tubs, pots and trays.

From April to November, the contractor has confirmed that, of the materials collected, **5,972 tonnes were suitable for recycling**, against 5,999 for the peak of the pandemic in 2020.

Overall, the quality of materials has improved slightly from last year, with just over 9% of materials in blue bins being unsuitable for recycling both years.

The value of the materials collected remains positive and reduces the net costs to the authority of sorting and treating the blue bin materials because of the profit share in place in the Recap tendered Materials Recovery Contract.

Recent communications focus on the remaining single issue which is food waste (and liquids) within containers in the blue bin. We continue to promote emptying and rinsing containers with customers through regular communications such as collection calendars, adverts, social media and an insert in forthcoming Council Tax bills.

In addition, the well-used Fenland Bin App, now has a direct link to the Getting It Sorted website www.gettingitsorted.org where customers can check how to recycle different materials.

Deliver a competitive trade waste service (Cllr Peter Murphy & Cllr Tierney)

So far this year, the team have successfully recruited 35 new customers and expect to increase forecast income as a result by more than £20,000.

Monitor and respond to the DEFRA Waste & Resources Strategy consultation with RECAP partners (Cllrs Peter Murphy & Steve Tierney)

The Recap Partnership continues to await the response to consultations from Defra, now confirmed as being in the Spring, and will commence work on the Waste Strategy once there is clarity over the outcomes of the consultation and other guidance resulting from the Environment Bill.

Review the current arrangements for parking enforcement in Fenland (Cllr Jan French)

The County Councils Highways and Transport committee approved the implementation of Civil Parking Enforcement (CPE) on 7th September 2020, and subsequently FDC officers produced a CPE update paper for Cabinet on 21st October 2020.

In addition to FDC, both South Cambridgeshire and Huntingdonshire District Councils have resolved to implement CPE. A joint working group has been set up with all three Districts and Cambridgeshire County Council to collectively move the project forward and track progress. To date more progress has been made on CPE in the Fenland and South Cambridgeshire Districts as Huntingdonshire DC want to conclude their agency agreement prior to undertaking the Traffic Regulation Order (TRO) survey works.

FDC progress to date and current focus:

- 1) A specialist contractor has been appointed and has since undertaken a full Traffic Regulation Order survey for all On-Street parking and waiting restrictions within the Fenland DC administrative area. Approximately 210 existing TRO's have been surveyed and are currently being digitised with completion anticipated by the end of January. A list of all queries and anomalies will then be produced over the coming weeks for resolution by Cambridgeshire County Council and FDC over the next 6 months. This is an extremely important part of the CPE implementation process, and the works are likely to take 6-9 months to complete.
- 2) An initial site survey of all FDC managed Off-Street parking places has also been undertaken to inform the future enforcement boundaries. This information is currently being used to draft a new preliminary CPE Off-Street Parking Places Order (OSPPO) in preparation for the implementation of CPE.
- 3) FDC officers will be working with County Council officers over the coming weeks on drafting a preliminary FDC/CCC agency agreement for consideration by the CPE project team. The agreement will set out delegated authority to FDC and define responsibility for things such as sign and line maintenance, CPE surplus income and deficits along with resolution of contractual issues associated with CPE

enforcement and administration.

- 4) FDC officers are liaising with the CPCA to enable the funding agreement delivery timeline to be aligned with the CPE project implementation date.
- 5) Cambridgeshire County Council are compiling the information required for the preparation of the CPE application to the Department for Transport (DfT).
- 6) FDC officers are liaising with neighbouring local authorities to ascertain what enforcement and administrative services could be provided for the Fenland area.

Whilst the timeline required to implement CPE in Fenland is estimated to be approximately 2 years there are several factors which could inadvertently result in project slippage. However, currently the project is on track for the CPE designation order to be brought into effect in October 2023.

Deliver the CCTV shared service with Peterborough City Council (Cllr Andrew Lynn)

The CCTV shared service has maintained its 100% service function across a 24/7 period – the CCTV service is the only council service that is delivered across 24 hours a day, 365 days a year, including full cover on Christmas day!

From 1st April to 31st December 2021, the CCTV service has been able to respond to 1,067 incidents across our four market towns including incidents relating to anti-social behaviour, criminal damage, violent crime, illegal drug use, possession of weapons and theft.

CCTV intervention since April 2021 has led to 85 arrests being made by Cambridgeshire Police. This highlights the work CCTV services do to support the council and partners in responding to crime and disorder and helping to make our communities safer and reduce the fear of crime.

The CCTV service also continues to be pro-active in delivering services that helps reduce crime & disorder and anti-social behaviour by delivering regular camera patrols of our four market towns and other key locations. Since April 2021 the CCTV team have delivered 3,691 patrols. All patrols are conducted across the 24/7 period ensuring that no matter what time of day and night, our local communities are being protected and that any issues or concerns are being identified as early as possible.

The CCTV service also provides the councils 'out of hours' telephone contact services for example, homelessness, stray and lost dogs, cleansing incidents, dangerous buildings and structures, environmental complaints, to name but a few areas. From April to December 2021, the CCTV service has responded to over 352 service requests from our out of hours telephone contact service.

Other Projects:

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

2021 has been another good year for the Grounds Maintenance team (Tivoli) now in their 7th year of partnership with FDC.

- A full programme of grass cutting was completed with very few complaints and any inadvertent areas that were missed corrected with 24 hours
- All hedge cuts under the contract were completed during November and December
- Numerous tree works have been completed across the district with a programme of new tree planting continuing over the winter

Both the FDC officer team and the Tivoli team are working very well together, with community concerns or issues generally actioned within 24 hours. This prompt correction of an issues allows ongoing consistently good performance from the Tivoli team as they can maintain a programmed approach to works, reducing future error counts.

Play area renovations and extensions have been completed at;

- Snowley Park (Whittlesey)
- West End Park (March)
- Parsons Drove

Further play area improvement work at Huntingdon Road and Larham way (both Chatteris), Burdett Grove (Whittlesey) and Robingoodfellows (March) is imminent in the coming months.

Tennis courts in Wisbech Park were resurfaced for summer 2021 and now look pristine.

A wildflower meadow has been planted at Manor Field (Whittlesey) and should be blooming from late spring this year.

Repairs from vandalism and undergrowth clearances have been instigated and completed at multiple addresses following issues raised by members of the public. FDC is also working with the community payback team to assist with some undergrowth clearance works.

Team performance has been good with low sickness levels, despite the prevailing climate and no formal contract defaults were issued in the whole year.

Street Lighting (Cllr Jan French)

Street Light Repairs & Maintenance

Seventy-one streetlight faults were attended to throughout October, November, and December by FDC's streetlight maintenance contractor on behalf of FDC, Clarion Housing Association and seven of the Parish Councils. Only thirty-one of the fault reports were associated with Fenland DC streetlights despite FDC having twice the number of assets as the combined Parish lighting stock. The relatively low number of fault reports associated with FDC assets clearly demonstrates the benefit now being

realised by the Council from the recent Capital programme investment.

Elm Parish Council joined the FDC streetlight repairs and maintenance contract during the Summer, and the first repair works were undertaken to Elm Parish Councils lighting stock in September. New streetlight ID plates have since been procured and installed on Elm PC streetlights displaying updated contact information to aid future fault reporting.

Capital Street Light Replacement Works

The streetlight replacement works continues to make progress and to date approximately 600 FDC streetlights have now either been replaced or had the existing lanterns upgraded to LED. A further 25 units are currently on order and are scheduled to be installed over the coming months and it is estimated that these works will be concluded in March/April 2022. Following completion of the capital programmed works, LED streetlights will account for approximately 70% of the Councils own lighting stock.

In addition, the Council are currently co-ordinating streetlight replacement works on behalf of Gorefield, Christchurch, Tydd St Giles, Parson Drove and Newton Parish Councils and are likely to co-ordinate defective streetlight replacements for Elm Parish Council going forward.

Seven of the Parish Councils and Clarion Housing Association who had previously entered into a 3 year streetlight service level agreement (2018-2021) with FDC have been contacted in respect of extending the SLA for a further two years to coincide with the end of the current streetlight repairs and maintenance works contract in July 2023. Responses from five of the eight organisations have so far been received with three responses still awaited. All organisation responses received to date have elected to remain with FDC for this service provision.

FDC Car Park Maintenance (Cllr Jan French)

A number of routine repairs and maintenance works have been undertaken within several FDC managed Car Parks throughout the District. Works have included gully cleaning along with pothole and fence repairs.

Further programmed maintenance and minor improvement works will be scheduled for 2022 over the coming months for FDC managed Car Parks.

The complete relining and reconfiguration of the parking bays in Chapel Road car park, Wisbech was undertaken in October as much of the existing bay markings had worn away. The opportunity was also taken to implement a number of operational and safety improvements to the overall layout whilst incorporating a white lined pedestrian footpath along with some additional parking bays.

The works were undertaken in stages in order to minimise the impact on loss of available parking and the mobile COVID testing unit was also accommodated and

continued to operate throughout the works. The improvements have been well received by car park users.

The Council continues to support the COVID mobile testing units at four FDC car park sites throughout the district.

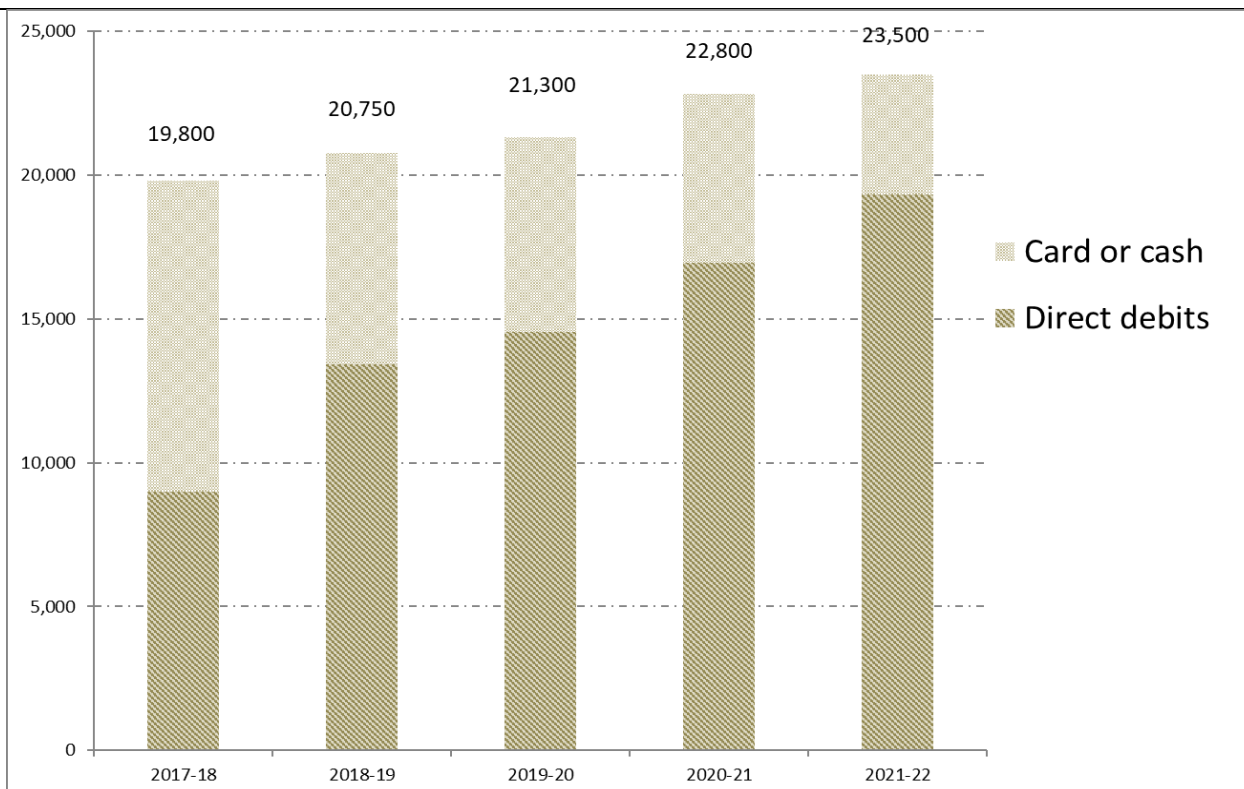
Getting it Sorted Volunteers Update (Cllr Peter Murphy)

Fenland's 35 trained recycling champions have worked around the restrictions placed upon them at different points in the year volunteering a total so far of:

- **550** hours,
- attended **24 groups**,
- creating a [landlord/HMO pack](#) for **100** landlords so far,
- **1,643** recycling enthusiasts who receive regular emails about recycling,
- **8,347** public visits to the www.gettingitsorted.org website about what to recycle,
- **571** hits to the Fenland education webpage www.fenland.gov.uk/education and online [teachers' resources](#)
- **77,829** views of social media posts shared
- Launched the online volunteer training package for Cambridgeshire with Cambridgeshire Skills

Garden Waste Service Update (Cllr Peter Murphy)

It has been another successful season for the garden waste service, with more than **23,500 subscriptions**, **83%** of whom chose to pay by direct debit.



As demonstrated in the graph above, both the number of subscriptions and the percentage of direct debits has increased year on year since the service commenced in April 2017.

The growth in subscriptions this season has allowed the Council to again provide a cost neutral garden waste service and allowed the subscription to be maintained at £38 for direct debit and £45 for card and cash.

With support from the Council's **My Fenland** transformational work, this season saw the first opportunity for customers to make use of the **PayPoint** option to pay for their subscription by cash or card at their local shop or Post Office. In 2021, more than **800 customers** chose to pay for their subscription this way.

This year's communications have been similar to previous years and have the aim of encouraging new and remaining customers to sign up early for a direct debit where they do not already, with bin tags, bespoke webpages, parish news adverts, along with letters and emails directly to existing subscribers and non-subscribers.

For all customers, the Christmas calendar, delivered on around **45,000** green bins from mid-November were supported with social media and adverts in local Discovery magazines.

Direct debit customers will start to receive their new subscription stickers for the coming season during February.



Customer Satisfaction 2022.

Initial results from the recent customer satisfaction survey hosted on the Council website shows that **97% of the 416** people who responded to the survey were satisfied with the service provided. The survey was sent by email to 3,000 of our garden waste customers.

Many of the responses thanked the frontline team for continuing again this year to reliably provide the service when other authorities were unable to maintain similar services.

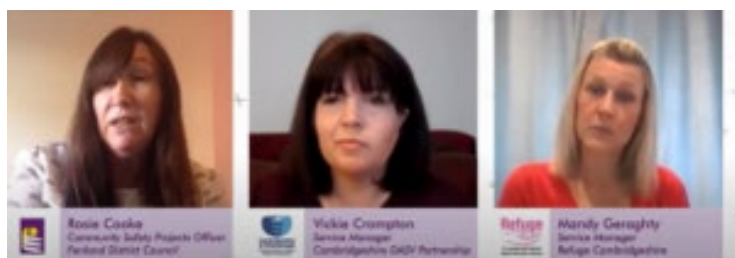
Cambridgeshire & Peterborough Waste Partnership (RECAP) (Cllrs Peter Murphy & Steve Tierney)

The partnership has a series of member workshops planned in preparation for the outcomes of the Environment Bill and Defra's responses to the 3 consultations of summer 2021. These will all result in changes to the waste strategy for the region and country. The partnership's ambition is to approach these changes in a collaborative manner that benefits all partners as we improve the services offered to customers.

Community Safety Partnership (CSP) Update (Cllr Andrew Lynn)

CSP Workforce Development – Domestic Abuse & Coercive Control

On 11/11/2021, the CSP held an online Domestic Abuse (DA) & Coercive control training session. This was delivered via teams in partnership with Refuge and Cambridgeshire & Peterborough Domestic Abuse and Sexual Violence (DASV) Partnership and highlighted the recommendations from a recent Domestic Homicide Review. The training was delivered to 59 front line professionals and third sector partners.



Further dates now available

Due to the interest this training and the high volume of requests for additional dates; the CSP has been working with the DASV Partnership and Refuge to provide another DA & Coercive Control awareness training session on 24/03/2022. Working with Cambridgeshire and Peterborough CCG, we are hoping to encourage attendance from those who work in primary health care.

Non-Fatal Strangulation Awareness Training

A recent Domestic Homicide Review highlighted the need for awareness raising in frontline professionals on Non-Fatal Strangulation (NFS). The CSP has now coordinated a new training session on 03/02/2022 in partnership with DASV to raise awareness of NFS within domestic abuse situations.

For further information on any of the above and for training places, contact the Community Safety Project Officer Rosie Cooke: rcooke@fenland.gov.uk

Fenland Domestic Abuse Campaign September 2021 – March 2022

The Fenland CSP has been working closely with Refuge, Change Grow Live (CGL) and The County Domestic Abuse Partnership (DASV), to develop a project to raise awareness of Domestic Abuse and Coercive Control with a focus on the Eastern European section of our community.

- Training and empowering professionals in domestic abuse and the referral process

This has been supported with three bespoke DA training sessions in 2021–22, delivered in partnership with DASV and Refuge as well as promoting access to training available through the Cambridgeshire & Peterborough Safeguarding Board.

- Increase community awareness of domestic abuse including confidence to report and options to report

A community awareness campaign across Fenland, with targeted work to reach out to the Eastern European community, including Polish Saturday schools, Lithuanian social media. Awareness resources have also been shared with leisure centres, libraires and community centres.

Below are examples of the type of information that has been shared including this A5 card aimed at friends and families, which were produced in Russian, Lithuanian, Polish and Czech. Translated posters also included Romanian





• Support from the Fenland Community

We gained support from major employers, community organisations, faith groups and pubs in order to display posters and stickers in a range of languages on the back on toilet doors.



FENLAND
Community Safety
Partnership

***Are you scared of your partner?**
***Does your partner do anything that hurts you or your children?**
***Does your partner prevent you from seeing your friends and family?**
***Does your partner control your finances or take money from you?**
***Does your partner force you to do things which make you feel uncomfortable?**

If you have answered YES to any of these questions and would like to speak to someone in confidentiality,
please call National Domestic Abuse Helpline Freephone 0808 2000 247,
Outreach Support 07787 255821 or in emergency call 999.



FENLAND
Community Safety
Partnership

*Czy boisz się swego partnera?
 *Czy Twój partner robi co , co rani Ciebie lub Twoje dzieci?
 *Czy Twój partner powstrzymuje Cię przed spotykaniem się z przyjaciółmi lub rodziną?
 *Czy Twój partner kontroluje Twoje finanse lub bierze od Ciebie pieniądze?
 *Czy Twój partner zmusza Cię do robienia rzeczy, z którymi czujesz się niezręcznie?

Jeżeli odpowiedział/aś twierdząco na którekolwiek z tych pytań i chcesz porozmawiać z kimś w zaufaniu, zadzwoń pod: 07736 727097 (pracownik mówiący po polsku),
 Opoka Helpline Freephone 0300 365 1700 lub nagłych wypadkach zadzwoń pod 999.



FENLAND
Community Safety
Partnership

*Ar jūs bijote savo partnerio?
 *Ar jūs partneris daro ką nors kas skaudina jus ar jūsų vaikus?
 *Ar jūs partneris neleidžia jums matytis su savo draugais ir šeimos nariais?
 *Ar jūs partneris kontroliuoja jūsų finansus arba atima pinigus iš jūsų?
 *Ar jūs partneris verčia jus daryti tai, ko nenorite daryti?

Jei atsakėte teigiamai į bet kurį iš šių klausimų imoruotumėte apie tai pasikalbėti su kuo nors konfidencialiai, prašome skambinkite Nacionalinei Smurto Pagalbos Linijai nemokamu numeriu 0808 2000 247, 07787 255821 (kalbėti Rusų) ar skubios pagalbos šikvietimo tel 999.

Over 40 Companies, including Nestle Purina, Fountain Frozen, Cube 6, Premier Choice, Princes and ALS have given their support, as have many from the hospitality sector, including The Griffin, The George, The Cross Keys Hotel, The Oliver Twist, and Weatherspoon's.

The awareness raising campaign has also been supported by social media posts in both English and EE languages. Through partners and FDC & CSP comms.

https://twitter.com/cambs_dasv/status/1468535860362629123?s=20

https://twitter.com/cambs_dasv/status/1468535339371450368?s=20

https://twitter.com/cambs_dasv/status/1468537039473807360?s=20

[Cambs DASV | Facebook](#)

Other subject areas included within the work were domestic abuse links to substance abuse, housing issues and support, and the wider health sector.

Community Safety Newsletter

The 10th edition CSP Newsletter is due to be published in February 2022, reporting back

on the activity of the CSP. This will be available on the CSP webpage of Fenland District Council's website as well as distributed to partners in the statutory and voluntary sectors. Hard copies are available in local libraires.

Loan Sharks Project Phase Two

Following the success of our Loan Shark project in 2021, the CSP is working on delivering a second project with the support of the Illegal Money Lending Team. This project will build upon the engagement with the same schools with a focus on encouraging saving and help to break the cycle of crisis money management and the dependency on payday loans and loan sharks in later life.

Street Drinking Update (Cllr Andrew Lynn)

Street drinking reports to authorities by the community continues to be low and there continues to be very little adverse comments on social media channels.

During November and December 2021, Cambridgeshire Constabulary received 2 reports linked to street drinking, both of which were reported in November for the Medworth area. On both occasions there were no observed problems following either attendance at the location or through CCTV monitoring.

The Police have had cause to arrest one person in November for being drunk & disorderly.

For the same two months, CCTV has recorded only 17 and 9 observations respectively of suspected street drinking across Wisbech. Of the 17, none were reported direct to police as there wasn't associated ASB. St Peters church gardens remains the primary location for CCTV observations.

One area that did result in some community concern was Carlisle Gardens. Up to three people had set up camp in Carlisle Gardens and they attracted daytime visitors. The occupation of the gardens and the daytime gatherings did begin to cause some reported community nuisance in addition to a wider environmental impact from litter, urination, and defecation. With the support of partners from housing and substance abuse teams, support was offered, and guidance given. Staff from streetscene and Environmental Services monitored the location and encouraged the proper disposal of litter, providing refuse sacks at the same time. Not all of those using the location to sleep were willing to work with support agencies and their continued occupation meant much needed maintenance work had to be postponed. Subsequently the location became unoccupied which allowed for the site to be secured in advance of the maintenance work. At the same time a court order was obtained preventing re-occupation of the land by specified person(s).

Key PIs:

Key PI	Description	Baseline	Target 21/22	Cumulative Performance	Variance (RAG)
CELP8	Rapid or Village Response requests actioned the same or next day	95%	90%	96%	
CELP9	% of inspected streets meeting our cleansing standards (including graffiti and flyposting)	99%	93%	99%	
CELP10	% of household waste recycled through the blue bin service (1 month in arrears)	28%	28%	27.3%	
CELP11	Customer satisfaction with refuse and recycling services (quarterly)	99%	90%	TBC	N/A
CELP12	Customer satisfaction with our garden waste service (quarterly)	94%	85%	97%	
CELP13	Number of Street Pride, Green Dog Walkers, and Friends Of community environmental events supported	204	204	126	
CELP14	% of those asked who are satisfied with FDC's events (May, July, October, January)	96%	96%	97%	

Key:

	Within 5% of target
	5-10% below target
	10% or more below target

Comments

CELP13 – Groups have continued to meet as restrictions allowed during this time and many smaller litter picks have been able to take place. Street Pride group numbers continue to grow, as do new groups coming forwards.

Economy

Projects from Business Plan:

Continue to review council land and property assets to ensure they are fit for purpose and optimised to deliver better public services, improve efficiency and release surplus land for residential and commercial development as outlined in our Commercial Investment Strategy (Cllr Ian Benney)

The Council continue to review assets and on 20/01/22, Cabinet approved fifteen parcels of land to be disposed of. Work has recently begun on a strategic review of FDC's holding at the Port Estate and a review of FDC's Surplus Asset Register. The Council secured vacant possession of 6 North Street in Wisbech on 04/01/2022, which allows future options to move at pace for this property and FDC's adjoining land holdings. The Council will be receiving a Planning Appraisal for the North Street land holdings in early February, from the Planning Consultants who are undertaking master planning work for FDC in Wisbech – this will inform decisions on FDC's future options for these lands.

Continue to lobby for improvements to our transport infrastructure, including the A47 economic corridor (Cllr Chris Seaton)

Wisbech Access Strategy

There is no specific update for this report. The land acquisition work and full business case project is ongoing until end of March 2022 as already reported.

This is a CPCA funded project being delivered by Cambridgeshire County Council. The latest information about the project can be found on the County Council website from the following link:

<https://www.cambridgeshire.gov.uk/residents/travel-roads-and-parking/transport-funding-bids-and-studies/wisbech-access-strategy>

A Wisbech Access Strategy report was presented to CPCA Business Board in July 2021 and CPCA Board in September 2021. The report required a strategic decision on the way forward linked to timescales and budgets. It was agreed that funding would be made available to complete the detailed design and the land acquisition for the 3 schemes by December 2021 with the full business case being completed by Spring 2022. A copy of the main accompanying paper for the meetings can be found from the following link:

<https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1529/Committee/62/Default.aspx>

Kings Dyke Level Crossing

This is primarily a CPCA funded project being delivered by Cambridgeshire County Council. The Project is currently in its construction phase. The new road will be open

to the public by the end of 2022. The project remains on target.

The last update information paper that went to the CPCA Transport and infrastructure Committee in early January 2021. This can be found at the website link below.

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1972/Committee/67/SelectedTab/Documents/Default.aspx>

The above-mentioned paper included a latest update on the construction process in the form of a drone video. Here is a link to the video on You Tube.

<https://www.youtube.com/watch?v=JpfZkEtIYRk&feature=youtu.be>

The County Council website includes significant detail about this project including technical reports and questions and answers. This webpage can be accessed from the following link. [Kings Dyke Crossing](#).

In Jan 2022 media information was released setting out current progress and next steps. This can be found from the website link below

[King's Dyke level crossing project enters key phase | Cambs Times](#)

March Area Transport Study

This is a CPCA funded project being delivered by Cambridgeshire County Council.

The Outline Business Case (OBC) work for the larger schemes was completed in October 2021 including its assessment by the CPCA independent evaluators. In November 2021 the CPCA Board confirmed the outcome of the OBC work and supported the recommendation to draw down £1.5million funding for detailed design and the final business case.

A copy of the OBC report can be found on the County Council website from the following link:

[Council and committee meetings - Cambridgeshire County Council > Meetings \(cmis.uk.com\)](#)

A copy of the CPCA November 2021 Board Meeting where the OBC was discussed and the recommendation to approve the full business case and detailed design stage can be found from the link below:

[CMIS > Meetings](#)

Technical details and feasibility study work associated with this project can be found on the County Council website from the link below

<https://www.cambridgeshire.gov.uk/residents/travel-roads-and-parking/transport-funding-bids-and-studies/march-transport-study>

March to Wisbech Railway Line

There is no specific update in respect of this project for this report. We are waiting for the outcome of the latest study work. CPCA Officers are due to give a progress update to FDC Overview and Scrutiny Committee in February 2022.

This is a CPCA funded project being delivered by Cambridgeshire County Council.

The full business case was submitted to CPCA Transport and Infrastructure Committee for its 1 July 2020 meeting. The papers relating to the business case can be found from the following website link. Item 2.7

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1969/Committee/67/SelectedTab/Documents/Default.aspx>

In March 2021 CPCA gave an update to the Transport and Infrastructure Committee on the Wisbech railway project. This included a recommendation to draw down an additional £300,000 for further study work. The work will look to align the Wisbech Railway work with the Ely Area Capacity Enhancement project and in the short term a Wisbech to March service. The expected completion of the report was November 2021. A copy of the March 2021 CPCA report can be found in the link below.

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1973/Committee/67/SelectedTab/Documents/Default.aspx>

A47 Dualling (CPCA Project)

There is no specific update in respect of this project for this report. We are waiting for the outcome of the latest study work.

It was reported in late 2020 that the Highways England Road Investment Strategy (RIS2) announcement did not include the A47 dualling project. Discussions between CPCA, Highways England and Government in early 2021 have since continued and negotiations are ongoing. In February 2021 Highways England agreed to undertake a review of the stage 0 work completed by CPCA. This review is to determine if there is any further work needed with a view to Highways England adopting the development work into their own programme. It was also agreed that the work will also consider proposals from East Tilney to A47/A17 junction in Norfolk. This represents an important commitment from Highways England and a Project Manager has now been appointed. The work is expected to complete in October 2021 with formal review and launch by the end of 2021.

The above information was reported to the CPCA Transport and Infrastructure Committee in March 2021. A link to the paper from that meeting is below.

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1973/Committee/67/SelectedTab/Documents/Default.aspx>

A47 Guyhirn (National Highways Project)

Please note that Highways England have recently been rebranded and are now known as National Highways.

The Guyhirn roundabout project is currently in its delivery phase. Work started on site in February 2021 with the scheme due to be open to traffic in 2022/2023. Work to resurface and repair the existing surface commenced in January 2022.

Full details about this scheme and the latest updates can be found on National Highways Website

[A47 Guyhirn junction - Highways England \(nationalhighways.co.uk\)](https://www.nationalhighways.co.uk/A47-Guyhirn-junction)

Support the delivery of interventions listed within the four market town 'Growing Fenland' socio-economic masterplans (Cllr Ian Benney)

All £4m of CPCA funding has now been allocated to Growing Fenland projects. Updates on the projects are shown below:

Chatteris

Chatteris Town Renaissance Fund (£92k)

The Chatteris Town Renaissance Fund project is progressing well and continues to consider and process applications for business grants as a result of the continued promotion of the scheme.

A total of 90% of all street furniture refurbishment work is now complete.

Chatteris Skills Development (£36,179)

The scope of the project has been agreed by all stakeholders and quotes for the ICT equipment have been received. Orders for the ICT equipment are likely to be placed in February 2022.

Chatteris Museum & Community Space (£771,821)

Chatteris Town Council are working towards purchasing the freehold and leasehold of 2 Park Street (the former Barclays Bank) and the existing tenants.

Planning permission has been granted for the conversion of the former Barclays Bank (2 Park Street) into a museum and it is hoped the application for permission to extend and convert 14 Church Lane will be considered by Fenland's planning committee within the next month.

The architect is making minor amendments to the plans for 2 Park Street and will then be drawing up a schedule of works and obtaining quotes from local builders.

March

Match funding for March Future High Street Project (£900k)

Please see update for March Future High Street Project on page 34.

Whittlesey

Whittlesey Interactive Highway Signs (£57,500)

Project complete (please [click here](#) for further information)

Whittlesey Heritage Walk (£218,169)

Work is progressing well with the Whittlesey Heritage Walk project, overseen by the steering group, with completion expected by end of June 2022. Updates include:

- Love Exploring have been commissioned to develop the Whittlesey Heritage Walk Mobile Phone App.
- Highway improvements have been commissioned through CCC Highways. This includes surface improvements, dropped kerbs and replacement fencing/railings.
- Design is underway for the 22 no. information boards.
- Quotes for the supply and installation of the information boards have been confirmed.
- Brochure/Leaflet design for the route is underway.
- 7 no. additional public benches are on order, expected delivery February 2022.

Whittlesey Heritage Visitor Centre (£500k)

The Whittlesey Town Council Property Working Group continue to drive this project forward, although a decision has been made to delay completion of the project by 6 months in order to secure additional funding. However, work continues on securing planning permission for the agreed design and negotiating the lease of the site with land owners.

The new projected opening date of the Whittlesey Heritage Visitor Centre is now May 2023.

Whittlesey Business Capital Grants Scheme (£124,331)

Please see update on page 32.

Wisbech

Wisbech Market Place Enhancement Scheme (£200k)

Negotiations are continuing with the preferred contractor. A revised plan, quotation and a draft contract are expected from the contractor within the next few weeks. Once documents are approved by the Town Council's Market Place Management Committee, materials can be ordered. It is hoped that work will start in early May 2022.

Wisbech Footfall Counters (£19,500)

Footfall counters are now installed and the Town Council has been receiving data since 13 December 2021. It shows that in the first 5 weeks of operation, in excess of 220,000 people walked through Wisbech Market Place area. Work is ongoing with the supplier, Springboard, and the Horsefair Shopping Centre (which has its own footfall counters via the same supplier) to not only have separate reports for both the Town Council and the shopping centre but a report which combines both sets of data.

Wisbech Replacement Shopwatch Radio Scheme (£33,800)

A meeting between the Wisbech Town Council Clerk and representatives of the Chamber of Commerce is scheduled for 1 February 2022, for the purpose of developing a Service Level Agreement (SLA) in relation to the council "handing-over" the radio scheme to the Chamber of Commerce. Once the SLA is in place, money from CPCA will be drawn-down and purchase of equipment will then take place, for transferring to the Chamber of Commerce to operate.

Wisbech Water Park (£147,500) & Wisbech Park Community Hub (£299,200)

FDC has appointed a project manager for the Hub project who is also supporting the installation of the splash pad. Initial works have included

- Assessment of power / water / waste requirements for both facilities
- Application to power network and Anglian Water for new suppliers for both facilities
- Location discussions have taken place with both planning and conservation teams
- Affordability analysis of the Hub to determine room sizes
- Early thoughts on how each room will work is informing what sort of structure could be used.
- Proposals will be discussed with local elected Members and the Love Wisbech group prior to further, more significant, design work being carried out.

The Hub should be past design and at planning application stage in late spring, with construction starting in autumn.

Procurement of the Water Pad has been completed with this facility being delivered in advance of the Hub as it is a more simple project and does not require planning permission and any real level of design. The successful contractor, Ustigate, has fitted many similar facilities. When the power and water companies have confirmed a date for supply, FDC will place an order for the construction of the water play area. An artist's impression of the new facility can be seen below. It is anticipated that the water play facility will be ready for this summer. This will attract people into Wisbech to use the park, as well as visit the town centre supporting the local economy.



Wisbech Business Capital Grants Scheme (£200k)

Please see update on page 32.

District Wide

Civil Parking Enforcement (£400k)

Please see update on Civil Parking Enforcement on page 12.

Continue to prepare a new Local Plan document, which will determine how the district will grow in the future (Cllr Dee Laws)

The Local Plan timetable has been revised and is now scheduled to go out to consultation in June 2022.

Deliver railway projects with CPCA support through the Manea, March and Whittlesea Stations Project Boards (Cllr Chris Seaton)Manea Station

Work commenced on site in late Summer 2021. Planning approval for the scheme was given in September 2020 and all but one of the planning conditions were discharged in June 2021. The final condition relating to the maintenance and operational plan for the car park was discharged in January 2022. Lead times for items such as the security gates are taking longer than expected due to COVID19. Poor weather and an outbreak of COVID19 has now delayed the completion of the car park. A revised project plan is in development with an expected completion in Spring 2022.

March Station

Work commenced on site in July 2021. The ticket office at the station has been temporary moved to a portacabin in the car park area to allow work on the platform building to come forward. The new platform 1 building is expected to open to the public in February 2022.

The new and extended station car park has been delayed due to extension drainage matters requiring a new drainage system. Work has recommenced on site following a delay to produce the new design and the project is expected to complete in Spring 2022.

Greater Anglia and their contractors are overseeing the delivery of this project

Whittlesea Station

Significant technical and study work has been undertaken to develop an approach to provide a car park, bus and taxi facilities and create an improved access to the station. This work has highlighted technical matters which are challenging to resolve e.g drainage and the presence of protected species on the site. The Project Board response after some minor additional work being inconclusive has requested a new Strategic Outline Business Case (SOBC) for the site and a new Options Appraisal report. This will allow a full assessment of the work today and will demonstrate the value of existing and new options to develop the station. A scoping phase to ensure key stakeholders have early input was completed in September 2021. The SOBC and

Options Appraisal are expected to be finalised in May 2022. This project remains on target.

Work with partners to deliver property improvements and the activity plan as part of the National Lottery Heritage Funded Wisbech High Street Project (Cllr Chris Seaton)

There has been continued positive progress with the National Lottery Heritage Fund (NLHF) Programme for Wisbech High Street. Through the months of September to December 2021 the programme has seen continued progress regarding ongoing property projects, new property improvements starting on site and some larger projects nearing completion.

Following regular contact with the NLHF regarding progress on the projects, the NLHF have confirmed in writing that they are willing to extend the project deadline into 2023 to ensure project completion.

Following an ongoing communications plan, the programme has also seen further property owners come forward to enquire regarding the final year of the grant being available for property improvements. Two further properties within Wisbech High Street have now come forward and are now at early-stage development of their projects.

The two major projects regarding 11-12 High Street and 24 High Street have moved forwards to a position whereby each project has now undertaken and completed a formal competitive tender process for a contractor to develop the properties, as permitted with the current planning permission. This point in the process has solidified contractor market costs for the time being and a Cabinet decision regarding option for each project is scheduled for the 3rd February.

Property No 4 Wisbech High Street:

Following a pause in progress last year, this property is now expecting to progress to delivery of a renovated shop front through utilisation of the grant. The owner has received and submitted quotes and the project will be progressing in early 2022.

Properties No 13 to 17 Wisbech High Street

An excellent example of an owner utilising a high-level intervention from the NLHF grant to deliver high quality historic shop fronts, supported by the creation of town centre residential properties located within the conservation zone. This project will complete in January 2022 and will significantly add to the streetscape of Wisbech High Street.

Property No 18 Wisbech High Street

Number 18 started delivery of their project in November 2021. Scaffolding was erected with works started and phase one now completed. The owner is anticipating the replacement of windows during February 2022 with completion following this date.

Property No 19 Wisbech High Street

NLHF are satisfied that works on the property can begin upon completion of the appropriate legal formalities. Works are planned to begin in Spring this year, this property will see a full repair and restoration of the already historic shopfront as an anchor point of the High Street.

Property No 21 Wisbech High Street

Following a recent communication drive, the owner of number 21 has come forward with an expression of interest in the grant. The High Street Project Officer will work with this owner throughout 2022 to deliver a scheme on the property.

Property No 31 Wisbech High Street

Following a recent communication drive, the owner of number 31 has come forward with an expression of interest in the grant. The High Street Project Officer will work with this owner throughout 2022 to deliver a scheme on the property.

11-12 and 24 High Street, Wisbech

These two projects form the largest capital elements of the programme and are expected to have the most significant impact upon the streetscape and vitality of the town centre in general. Over the past few months, significant progress has been made with the opportunity for the building work for both properties having been advertised and bidding contractors submitting their formal tenders. Despite this and the NHLF's continued commitment to working with Fenland District Council to overcome the impact of the pandemic, there are resultant financial implications which need to be considered.

An important note is that costs for both 24 and 11-12 have dramatically inflated which has resulted in a high risk that the private sector developer may abandon 11-12. A cabinet report discussing these options has been drafted and a decision on the best path to progress is scheduled for the 3rd February.

Activity Schedule Update

The Wisbech High Street Project activity programme was restarted in December 2021. Two events were held as part of the project: one physically on location in the town and one remotely online. Both were well-attended, and we received positive feedback from those involved.

The Wisbech Christmas Fayre on Sunday 12th December was a very busy, much anticipated, day. Lots of people were in the town enjoying what was on offer. Through the High Street Project, we held a special Christmas memories themed event partnering with the newly formed Etcetera Community Hub. Local people kindly participated in the important oral history project for conversational interviews recording their best memories about the Wisbech High Street and Christmas shopping in years gone by.

The latest in our series of free educational, expert heritage talks in collaboration with Lincoln Conservation happened online in December. It was a really engaging presentation with lots of questions from guests, the next in the series is due to happen on 25th January and we currently have doubled the attendee's numbers from last month. It has been great to see fans of the talks returning for each event, but more

recently there has been a wealth of interest from people that had not been involved previously which is fantastic. There are already a further two planned for February and March.

Other Projects:

Economic Growth Team Activity (Cllr Ian Benney)

Fenland Economic Growth Strategic Refresh 2022-2025

The Council's Economic Growth Strategic Refresh will be presented to Cabinet in February. The refresh sets out how the Council's Economic Growth Team (EGT), other Council Departments and partners will help support local businesses to grow, support businesses not currently located in Fenland who are considering a location here and support those local people who are looking to create a business.

Start & Grow

The Start & Grow programme is now live in Fenland providing business support, advice and grants to anyone looking to start a business and any early-stage business looking to grow. Funding for the project was secured through bidding into the Government's Community Renewal Fund project and the District Council is investing £200k of funding provided by Government via the Additional Restrictions Grant. It's expected that the project will deliver around £650k worth of support and grants into Fenland.

Expansion & Relocation Projects

As part of the ongoing business engagement programme, the Economic Growth Team continue to meet with targeted individual businesses to discuss their plans and how the Team can support them. The team continue to be actively involved with a number of local businesses and their expansion/relocation projects. Working closely with the Economic Growth Portfolio Holder, Cllr Benney, the Team are targeting supermarket, restaurant (including fast food), hotels and pub chains to understand their growth requirements and how Fenland might be able to help to fulfil them.

The team are responding to an increasing number of enquiries from the Department of International Trade via Growth Works Inward Investment, ranging from international businesses looking to locate into the UK and expansion plans of UK companies. The current supply of either existing premises or land for commercial development is heavily constrained. The team continue to work with local landowners and developers to bring forward potential sites to service these enquiries in the future.

Stakeholders

The EGT continue to build relationships with a number of business support organisations including the various Growth Works teams. Meetings have taken place with Growth Works – Coaching (marketing), the Director of Growth Works, Barclays Small Business Development Manager and Department for Work and Pensions.

Growing Fenland Wisbech & Whittlesey Capital Grants

All of the grant payments have now been made in Wisbech and only one remains in Whittlesey. A small amount of funding remains for each of the grant schemes and the Team will be making recommendations to both of the Growing Fenland Teams on how best to allocate these funds. Evaluation of the impact of the schemes and publicity will commence in March.

Combined Authority Economic & Business Recovery Sub-Group (EBRS)

The Local Economic Recovery Strategy Sub-Group has now been expanded to include stronger representation from businesses and has been renamed the Business Advisory Panel (BAP). The BAP is currently creating the Combined Authority's (CA) Economic Growth Strategy with a draft available for consultation in February and presentation to the CA Business Board in March. The Team will ensure that Fenland is well represented in the strategy and receives the required level of resources to support economic growth in the district.

Growth Hub

Any Fenland business that has operated for three years or less and employs three people or fewer and wants to grow their current business to ensure future success may be assisted by our partner Growth Hub's new support programme. The high-quality support available aims to increase confidence, knowledge and skills, secure growth finance, improve sales, marketing, and growth strategies, and ultimately increase turnover and profitability and the business could also be eligible for grant funding. More details at www.fenlandforbusiness.co.uk

Peer Networks

Peer Networks is a national peer-to-peer networking programme for SME leaders that want to grow and develop their organisation for future success. Businesses can attend six group sessions with fellow owner-managers, and three individual mentoring sessions, developing an action plan to prepare their business for the post-COVID, post-Brexit world through interactive action learning.

There is no cost to join Peer Networks and more information can be obtained by emailing the Team at business@fenland.gov.uk - <https://cpcagrowthhub.co.uk/peer-networks/>

Growth Works Coaching

Growth Works Coaching is working with Fenland businesses to accelerate their growth and unlock their potential to scale effectively:

<https://www.growthworkskoaching.uk/fenland-district-council-lets-get-started/>

Growth Works are also offering grant funding to enable businesses to access expertise from professional services or make critical capital purchases that will unlock their growth potential.

Help to Grow

This new subsidised management programme is aimed to help businesses grow with 50 hours of training and by joining other business leaders at the University of Leicester School of Business. The programme is 90% subsidised by the government. Further details are available at www.le.ac.uk/helptogrow or through ulsb.business@le.ac.uk

Future High Streets Fund (Cllr Ian Benney, Cllr Chris Seaton & Cllr Jan French)

Work has progressed significantly with CCC partners to progress to the preliminary design stage (imminently).

The Member steering group, led by Cllr Seaton, have been fully engaged in decision making around direction and scope of the project with regular monthly update meetings taking place to provide key decision gateways as well as to review and signoff work to date.

To date key pieces of work that have been completed are as follows:

- Following production of an artist's impression for the Riverside area, outline feasibility designs for all elements were agreed with FDC Members.
- Atkins, the preferred design consultant begun undertaking works on site for the preliminary design in December.
- 'Heads of Terms' agreement was sent to the Cllr Chris Seaton (Portfolio Holder – FDC) for review.
- FDC have met with Stagecoach a second time to discuss removal of Broad Street u-turn movement. Outcome of the meeting was to progress with the current general arrangement, maintaining dual bus capacity in both directions.
- FDC have provided all information requested by CCC to date
- A fee proposal for the accelerated Market Square investigations, preliminary and detailed design has been received for review by CCC colleagues ahead of being reviewed by FDC.
- Following engagement with designers and engineers it was agreed not to progress with Electric Vehicle (EV) ducts due to costs of investigation works and suitability of car park arrangement. Alternative EV charging is to be located within the town.
- Local Members' input into the precise siting and construction of the public toilets will inform our final decisions, and we will learn from FDC's prior experience of maintenance and repair issues affecting public toilets in March and elsewhere.

Images of the proposals for Broad Street and the Riverside project can be found below (source documents available upon request):

Broad Street:

Vacant Shop Grants:

Grant set up has progressed significantly with two specific vacant space grants proposed as part of the wider future highstreets fund programme:

- The Living Over The Shops Scheme (LOTS)
- The Vacant Unit Activation Scheme (VUAS).

Both grants comprise of funding for private owners of up to £25,000 to convert disused space above retail premises into flats or to reinstate vacant units to a more lettable quality respectively.

The guidance documentation for these grants is currently under review by members. A launch of the Vacant Unit Activation Scheme is scheduled for February 2022 with the Living above the shops grant re-scheduled for Summer 2022.

Web Pages:

Initial web pages with information relating to the projects have been set up and can be found here:

[March Future High Streets Fund - Fenland District Council](#)

These pages will be kept up to date with news and project updates to ensure members of the public are kept informed of progress.

Ministerial Tour:

On 21st of January 2022, the Council hosted a tour for members, including the CPCA Mayor and the MP of this area, outlining the specific interventions planned. Officers intend to undertake this again once works have begun.

Skills Update (Cllr Chris Seaton)

We continue to support a range of apprenticeships within the Council in Planning, My Fenland, HR & Payroll, ICT, Business Administration and GDPR, Leading a Team and Accountancy. We are hoping to begin offering apprenticeships within Environmental Health and Marine Service within the next year.

Growth Works Skills in conjunction with Turning Point, are offering businesses the opportunity to secure £5,000 per internship created in their organisation for a 12-week role. Businesses can register their interest at skills@growthworks.uk. Further information is available at <https://www.growthworkswithskills.com/employer-hub/all-information/>

Promote and develop our Business Premises at South Fens, The Boathouse and Light

Industrial Estates to encourage investment, business and job creation and skills diversification (Cllr Ian Benney)

Work continues in this area with highlights outlined below:

- Venture House in Wisbech is now occupied on a ten year lease by a Vets' Practice
- Following the Council forfeiting the lease of a tenant in voluntary liquidation at 3 Venture Court in Wisbech on 11/11/2021, terms have been swiftly agreed for a new tenant to take occupation in early February 2022.
- The Light Industrial Estates have a high level of occupancy, with only one unit at Prospect Way, one unit at Boleness Road, and one unit at South Fens Enterprise Park currently being marketed. All are receiving significant levels of interest.
- In terms of the Business Centres, the Boathouse is 100% full and South Fens Business Centre is seeing occupancy levels picking up.

South Fens Business Park Expansion

The planning application for the additional light industrial units was submitted in November and is currently being processed by the Council's planning service. An evaluation of the commercial value of constructing this phase and the 2nd phase of development at the same time has been commissioned to help enable an investment decision to be made.

Affordable Homes (Cllr Sam Hoy)

The Council is on target to have enabled 130 new affordable homes this financial year. Cllr Hoy and Cllr Boden attended an opening of a new affordable housing scheme in Elm where 27 new affordable homes (14 shared ownership and 13 affordable rented) have been built through Cross Key Homes.

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

During 2020 and late 2021, the business support and regulatory service visits were delivered differently due to the COVID pandemic. The guidance to councils from the Food Standards Agency (FSA) and Health and Safety Executive changed regularly and affected performance against our planned inspection programme as it required some work to be put on hold.

The FSA recovery framework has provided for an extended period within which certain categories of premises may be inspected. The recovery plan is risk based and requires higher risk premises (high risk due to the type of product being produced or served or due to previous poor management practices) to be inspected first.

In November and December 2021, FSA conducted a desk top audit of the Council's planned inspection and business support programme. This included an audit of resource committed to deliver the plan.

The FSA approved the Council's interim food service plan and agreed the resourcing allocation proposed to ensure all inspections would be completed within the recovery period of March 2023 for lower-risk premises. The recovery plan is based on the equivalent of 2.25 full time officers committed to this work.

The programme of inspections to be completed for 2020 to December 2022 was 585. Currently there remain 114 lower risk visits to be completed by December 2022. This does not take account of the inspection programme for 2022-2023.

During October to December, the business support programme was able to deliver 174 supportive visits and inspections in line with both food safety and health and safety guidance. This includes 4 category A, 20 category B and 150 category C and D premises. Four larger approved premises (businesses who produce large amounts of product often for export) were also visited which resulted in 2 reviewed and refreshed approvals, 1 approval being voluntarily revoked as the company were no longer producing products and 1 conditional approval being confirmed as a full approval.

Following these visits approximately 20% of businesses are contacted to ask for feedback on the inspection and advice given. This data is published annually.

Key PIs:

Key PI	Description	Baseline	Target 21/22	Cumulative Performance	Variance (RAG)
CELP15	% of major planning applications determined in 13 weeks (or within extension of time)	100%	75%	100%	
CELP16	% of minor planning applications determined in 8 weeks (or within extension of time)	94%	80%	76%	
CELP17	% of other planning applications determined in 8 weeks (or within extension of time)	99%	90%	87%	
EGA1	% occupancy of the business premises estate	87.8%	89%	93.83%	
MS1	Number of berth holders / occupancy of berths at Wisbech Yacht Harbour (85 berths)	85	85	80	93%
CELP18	Number of local businesses supported and treated fairly (quarterly)	96%	96%	100%	

Key:	
	Within 5% of target
	5-10% below target
	10% or more below target

Comments
Speed of Determination of Planning Applications: The performance for minor and other applications is below the PI but within tolerance. The reduced performance is due to validation backlogs (reducing) and high officer caseloads due to an increase in applications being received. A workflow and processes review is underway under the My Fenland transformation project. Notwithstanding the reduced performance against the local PIs, the team are exceeding the national performance requirements which are 75% for major applications and 70% for minor and other applications.

Quality Organisation

Projects from Business Plan:

Launch our Commercial Investment Strategy (Cllrs Chris Boden & Ian Benney)

The Commercial and Investment Strategy is operational and we purchased our first investment under this heading in March 2021. The commercial property purchased in Wisbech was subject to the full due diligence process and was approved by the Investment Board at their March meeting.

Further work is being carried out on Council owned sites and detailed appraisals are being completed for presentation at a future Investment Board meeting. Regular updates on these sites are provided to the Investment Board.

Following approval from the Investment Board, a fixed term resource has now been recruited and is helping to drive forward the development of Council owned sites.

Deliver the 'My Fenland' project to modernise customer service arrangements across the district (Cllr Steve Tierney)

My Fenland is the first major corporate transformation programme under the Council for Future priority that focusses on modernising the way we deliver all aspects of our services to our customers. It has involved updating and streamlining our processes to improve consistency and efficiency across the organisation, investing in new IT solutions and technology to improve the process for both staff and customers.

The key focus has been ensuring we are putting the customer journey first and providing the best possible customer experience.

Why?

There are so many benefits and reasons for going through this transformational programme, such as:

- Improved customer experiences and smarter ways of working
- The opportunity to explore and introduce new technology to streamline the customer journey
- Bringing together a range of discrete/defined services as a single point of contact and delivery, providing a more joined-up approach across the Council
- Reducing the number of staff handling customer data, which reduces error and the potential GDPR risk
- Better resilience in teams, and so a more consistent and effective customer service
- Improving our talent pipeline and succession planning for the Council.
- Improving service, driving down costs

So far....

We have delivered Phase 1, with the creation of the My Fenland team that has been successfully working as one newly formed team since July 2020.

Phase 2 is nearly complete, with a focus on customer interactions, opportunities for our customers to self-serve as a wider range of services and activities are consolidated in to the 'My Fenland' team. This involved process mapping a large number of new activities from the 'legacy' teams.

We have had some Key Successes.....

- Creation of new MF team including the implementation of a new structure and roles, supported by a detailed and comprehensive training plan
- Implementation of Paypoint – over £1.8 million payments made
- Launch of the Council's new website.
- Development and implementation of the Technical Officer role to free up the capacity of specialist officers across the organisation.
- The upgrade to the Telephony switch to enable, enhanced call routing and use of Customer Relationship Management (CRM) functionality as well as web chat.
- Reviewed and amended options for customers presenting by phone to simplify choices and reduce waiting times, including an appointment option.
- Implementation of an appointment scheme for customers wishing to access Council services face to face, enabling us to provide an enhanced individualised service to customers providing them a convenient time for them with a member of staff trained to deal with their query.
- The development of new forms to enable customers to self-serve via our website (e.g. missed bins; removing the need for back office intervention. These requests will be sent from our website into Bartec's in-cab technology
- The integration work with Bartec (in cab technology) and Agresso (corporate accounting system) is now complete and invoices are now being generated automatically without the need of manual input for officers. As well as maximising the use of technology, improved automation between software is also enabling us to concentrate more resources on answering phone calls and allowing more time to spend on in depth customer queries within the My Fenland team. This in turn frees up professional officer capacity, which is one of the key principles of this transformation approach
- Implementing a digital journeys package for Licensing and Environmental services. For example, Customers can supply information, such as reporting broken glass or dog fouling as well as apply for a new or to renew a licence, via our website, removing the need for Council staff having to duplicate data entry, improving accuracy whilst speeding up delivery time to our customers. Customers are also able to access these services 24/7
- Process mapping of tasks and activities identified as a priority and agreed by the project team, work is currently underway in relation to process mapping Planning Services, Tree Management, Cemeteries and Private Sector Housing. These projects will inform the transformation programme for 2022/23

Identify and deliver projects that support us to become a 'Council For the Future' (CFF) (Cllr Chris Boden & Cllr Steve Tierney)

The list of projects is identified in the Business Plan and updates are given elsewhere in this report. These include My Fenland, Website, Empty Homes and Private Sector Housing Enforcement.

Other Projects:

Elections Update (Cllr Chris Boden)

Electoral Registration

The Annual Canvass was reformed in 2020, but the purpose of Canvass remains the same, to identify everyone who should be on the electoral register. The Electoral Canvass period takes place from August to November ensuring that we can fulfil our statutory obligation to republish the Electoral Register on 01 December every year. The reformed canvass process incorporates a data matching step at the start in which registered electors are compared against National datasets to see if they match. The team also compare data against local datasets to match as many unmatched properties as they can and in 2021 moved a further 5128 properties into the matched property route. These steps inform us whether electors living in properties are likely to have changed allowing us to concentrate resources on the properties where data does not match.

Households of matched properties are allocated to Route 1 and receive a Canvass Communication A (CCA) letter. This route does not require a response, unless the household have a change to let us know about. Households of unmatched properties are allocated to Route 2 and receive a Canvass Communication B (CCB) this route follows a more traditional canvass process.

In 2021 we sent 38,347 CCA letters to matched properties and 7,606 CCB letters to unmatched properties. We received 6,108 responses to the CCB letters resulting in an 80% response.

The Register of Electors was successfully re-published on 1 December 2021 and the current total electorate figure is 76,112.

Postal Vote Refresh 2022

The law requires Electoral Registration Officers, by 31 January each year, to send to every absent voter whose signature on the personal identifiers record is more than five years old a notice in writing requiring them to provide fresh personal identifiers (signature)

This year we wrote to 1838 electors who had initially submitted their postal votes in 2016/2017 inviting them to provide a fresh signature. Reminders will be sent on 11

February 2022 and those who fail to respond will have their absent vote cancelled on 4 March 2022.

Those electors who have their postal votes cancelled on 4 March 2022 are still able to apply for a fresh postal vote in the future should they require one.

3Cs Update (Cllr Steve Tierney)

Sept – Dec 2021	Total received	Total within time frame	%age within time frame
Correspondence	16	16	100%
Stage 1			
Community Environment Leisure and Planning (CELP)	47	39	83%
Growth and infrastructure (GI)	1	1	100%
Policy Resources and Customer Services (PRCS)	21	20	95%
Stage 2			
CELP	6	6	100%
GI	1	1	100%
PRCS	2	1	50%
Stage 3			
CELP	4	4	100%
GI	0	0	NA
PRCS	2	1	50%

Communications Update (Cllr Steve Tierney)

News update:

The number of news stories added to the FDC website and distributed as press releases to local media in:

- October = 9
- November = 11
- December = 8

Monthly update on FDC social media sites:

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

October:

- Twitter = 107
- Facebook = 110

November:

- Twitter = 135
- Facebook = 142

December:

- Twitter = 164
- Facebook = 153

We currently have 4,788 likes on Facebook and 8,710 followers on twitter.

Consultation Summary:

- Local Council Tax Reduction Scheme Proposals – 25 Oct to 5 Dec 2021
- Have your say on a new political map for FDC – 26 Oct 2021 to 10 Jan 2022
- Walking, Cycling and Mobility Aid Improvement Strategy – 22 Nov 2021 to 28 January 2022

COVID-19 comms update:

We continue to follow and publicise national Government and Public Health England (PHE) advice and guidance in respect of COVID-19.

We have been promoting the Gov.uk and Cambridgeshire wide Covid- 19 materials.

Key Cambridgeshire wide communication campaigns which are currently live include: Rapid Testing information and sites, Vaccination Centre and free Transport information, Self-Isolating rules, and Housing Support Fund.

We continue to promote key communications as above to residents, local Community and Housing groups, Town and Parish Councils, and local Businesses.

The latest information is being shared through our Council's COVID-19 web page at: www.fenland.gov.uk/coronavirus and the Council's social media accounts.

In total, we have had over 133,000 Coronavirus web page views since their launch.

We are publicising press releases for all key Council news and service information relating to COVID-19.

We also continue to circulate comms to staff via our What's Breaking emails and the intranet.

Other Updates:

Cambridgeshire & Peterborough Combined Authority (CPCA) update (Cllr Chris Boden)

Information relating to the CPCA can be found on their website:

[Cambridgeshire & Peterborough Combined Authority \(cambridgeshirepeterborough-ca.gov.uk\)](http://cambridgeshirepeterborough-ca.gov.uk)

Mayoral decisions can be found [here](#).

Office decisions can be found [here](#).

The papers for recent meetings can be found by clicking on the links below:

CPCA COMMITTEE	DATE OF MEETING	LINK
Combined Authority Board	24.11.21	CMIS > Meetings
Combined Authority Board	26.01.22	CMIS > Meetings
Audit & Governance Committee	17.12.21	CMIS > Meetings
Audit & Governance Committee	28.01.22	CMIS > Meetings
Employment Committee	16.06.19	CMIS > Meetings
Housing & Communities Committee	10.01.22	CMIS > Meetings
Overview & Scrutiny Committee	13.12.21	CMIS > Meetings
Overview & Scrutiny Committee	24.01.22	CMIS > Meetings
Skills Committee	17.01.22	CMIS > Meetings
Employment & Skills Board	14.12.21	CMIS > Meetings
Transport & Infrastructure Committee	12.01.22	CMIS > Meetings

Forthcoming CPCA meetings include:

CPCA COMMITTEE	DATE OF MEETING	LINK
Combined Authority Board	23.02.22	CMIS > Meetings
Combined Authority Board	30.03.22	CMIS > Meetings
Audit & Governance Committee	11.03.22	CMIS > Meetings
Employment Committee	None scheduled	N/A
Housing & Communities Committee	09.03.22	CMIS > Meetings
Overview & Scrutiny Committee	21.02.22	CMIS > Meetings
Overview & Scrutiny Committee	25.03.22	CMIS > Meetings
Overview & Scrutiny Committee	28.03.22	CMIS > Meetings
Skills Committee	16.03.22	CMIS > Meetings
Employment & Skills Board	22.02.22	CMIS > Meetings
Transport & Infrastructure Committee	14.03.22	CMIS > Meetings

Key PIs:

Key PI	Description	Target 21/22	Cumulative Target	Cumulative Performance	Variance (RAG)
PRC1	% of customer queries resolved at first point of contact	Rolling monthly target of 85% per month	85%	99.5%	
PRC2	% of customers satisfied with our service (March 2021)	90%	Recorded annually in March	N/A	N/A
PRC3	% of contact centre calls answered within 20 seconds	Rolling monthly target rising to 46.5% by March 2021	37%	29%	
PRC4	% of contact centre calls handled	Rolling monthly target rising to 80% by March 2021	70%	77%	
ARP1	Days taken to process Council Tax Support new claims and changes	8.0		7.02	
ARP 2	Days taken to process Housing Benefit new claims and changes	8.0		7.95	
ARP3	% of council tax collected	96.8%	83.43%	83.50%	+0.07%
ARP4	Council Tax net collection fund receipts	£61,172,317	£52,062,693	£52,134,820	+£72,127
ARP5	% of NNDR collected	97.51%	80.28%	79.94%	-0.34%
ARP6	NNDR net collection fund receipts	£21,998,313	£18,106,158	£18,696,649	+£590,491
PRC5	Number of visits to our website	825,000		623,622	


Key:

	Within 5% of target
	5-10% below target
	10% or more below target

Comments

In relation to NNDR collection, there will be a fall in collection rate and arrears collected due to the large Pretoria Energy RV being moved from East Cambs to Fenland (this was due to a valuation office error).

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Agenda Item No:	8	
Committee:	COUNCIL	
Date:	24th February 2022	
Report Title:	FINAL BUSINESS PLAN 2022-23	

Cover sheet:

1 Purpose / Summary

For Council to consider and approve the Final Business Plan 2022-2023.

2 Key Issues

Our Business Plan 2022-23 identifies the key challenges and opportunities for Fenland. Its structure outlines our key Corporate Priorities (Communities, Environment, Economy and Quality Organisation), and an additional cross cutting 'Council for the Future' section. This section outlines transformative projects which aim to tackle areas of need within the district, or to transform services or the wider organisation to be fit for the future.

The impact of Coronavirus has and continues to affect our residents, partners, local businesses and our workforce. Recovering from the impact of Covid-19 and the 'Council for the Future' projects will be crucial in supporting the organisation to adapt and reshape to be able to effectively respond to future needs, aims and challenges.

Despite the challenges posed by Coronavirus and over a decade of continued public sector austerity, the Council remains committed to delivering high-quality services. We are working hard to attract crucial external funding needed to unlock Fenland's potential and bolster its prosperity and resilience in the coming years. Millions of pounds worth of investment is already secured, and projects are underway as part of 'Partnership Investment in Fenland'.

The Draft Business Plan was presented to the Overview and Scrutiny Panel on 17 January 2022. The Panel recommended a change to the working on the 'Promote health and wellbeing for all' priority, which has been updated. There was also a request for a Task and Finish Group to look at Key Performance Indicators, which has been approved.

3 Recommendations

For Council to consider and approve the Final Business Plan 2022-23.

Wards Affected	All
Portfolio Holder(s)	Councillor Chris Boden, Leader of the Council Cabinet Members
Report Originator(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director David Wright, Head of Policy & Communications
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director David Wright, Head of Policy & Communications
Background Papers	Budget and Medium Term Financial Strategy Draft Business Plan 2022-23

Report:

1 BACKGROUND AND INTENDED OUTCOMES

- 1.1 Our Business Plan sets out the priorities we aim to deliver over the next 12 months. These priorities have been developed to address the most important needs of our communities.
- 1.2 Our priorities are split into three headings: Communities, Environment and Economy. The fourth priority, Quality Organisation, sits alongside everything we do. It aims to ensure that the Council runs effectively, transparently, and sustainably.
- 1.3 Each priority is underpinned by a series of performance indicators, which are reported to all Members at our Council meetings. These public reports are summarised to provide end of year performance updates in our Annual Report. This explains what the Council has been doing over the previous financial year to achieve its objectives.
- 1.4 We also have a fifth cross cutting priority: Council for the Future. This priority is formed from a selection of transformative projects which aim to address the future needs of residents and our organisation as a whole.

2 REASONS FOR RECOMMENDATIONS

- 2.1 Council is being asked to approve the Business Plan 2021-22 because it will provide a structure of proposed aspirations and outcomes which will guide delivery of the council's core priorities. It will also aim to ensure that the Council runs effectively, transparently, and sustainably.

3 CONSULTATION

- 3.1 We ran an online public consultation about our Draft Business Plan and Budget 2022-23 between 4 January and 31 January 2022. It was publicised on the front page of our website, our news web page and FDC social media accounts and via press releases and circulated to our news distribution list. 33 people responded to our survey. 73% said that our Draft Business Plan and Budget clearly explained the services we plan to provide and how we will use our resources over the next 12 months. There were a small number of comments in favour of protecting green spaces and increasing council tax.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 No alternative options were considered as the Council has made an ongoing commitment to produce an annual Business Plan.

5 IMPLICATIONS

5.1 Legal Implications

- 5.1.1 There are no specific legal considerations connected with the content of this report.

5.2 Financial Implications

- 5.2.1 The Business Plan 2021-22 sets out high level corporate priorities that are reflected in the Council budget.



Fenland District Council

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Business Plan
2022/23

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Welcome to Fenland District Council's Business Plan for 2022/23.

Every year we set out our ambitions and priorities for the coming year. We outline what we want to achieve and how we intend to do it – with one thing at the forefront of our minds. People. Residents, visitors, employees, employers, our workforce – people are at the heart of everything we do, no matter how we plan for the years ahead.

The outcomes we focus on, the actions we'll deliver through working collaboratively with our partners and communities are what change people's lives for the better and for the long-term. They help to improve opportunities for everyone and make Fenland an even better place to live, work and raise a family.

During the past few years, we have made significant progress towards unlocking Fenland's potential, raising aspirations, improving public services, and securing inward investment to help our communities grow and strengthen.

Looking ahead, we know that the human cost of the Covid-19 pandemic will be felt keenly across the district, both in terms of loss and in the inequalities it has further exposed. Its financial cost is likely to lead to a long and protracted restructuring of the UK economy, the impact of which will be felt for many years to come.

Against this backdrop, Fenland continues to experience deprivation that affects people's quality of life, their health and even their life expectancy.

But if the past 18 months – two years has taught us anything, it's that we work better when we're standing together. The pandemic has shown us what's possible when public bodies, businesses

and communities work together with a common aim. That's the spirit we're taking forward with our Business Plan. Through continued collaboration to deliver our ambitions, the greater the likelihood that we can recover, renew, and create firm foundations for a healthier, stronger, and more resilient future.

In this plan you'll see a series of actions that will support this recovery, including progressing key town centre regeneration projects, delivering major transport and connectivity schemes, transforming our council services, protecting our environment, and identifying further investment opportunities.

Alongside the ambitions and priorities which will underpin all the work of our members and senior leadership team, there's lots of opportunities to look forward to. Challenges lie ahead, no doubt about it, but there is much locally to be proud of and we're confident we can deliver for the people of Fenland.



Paul Medd
Chief Executive



Chris Boden
Leader of the Council

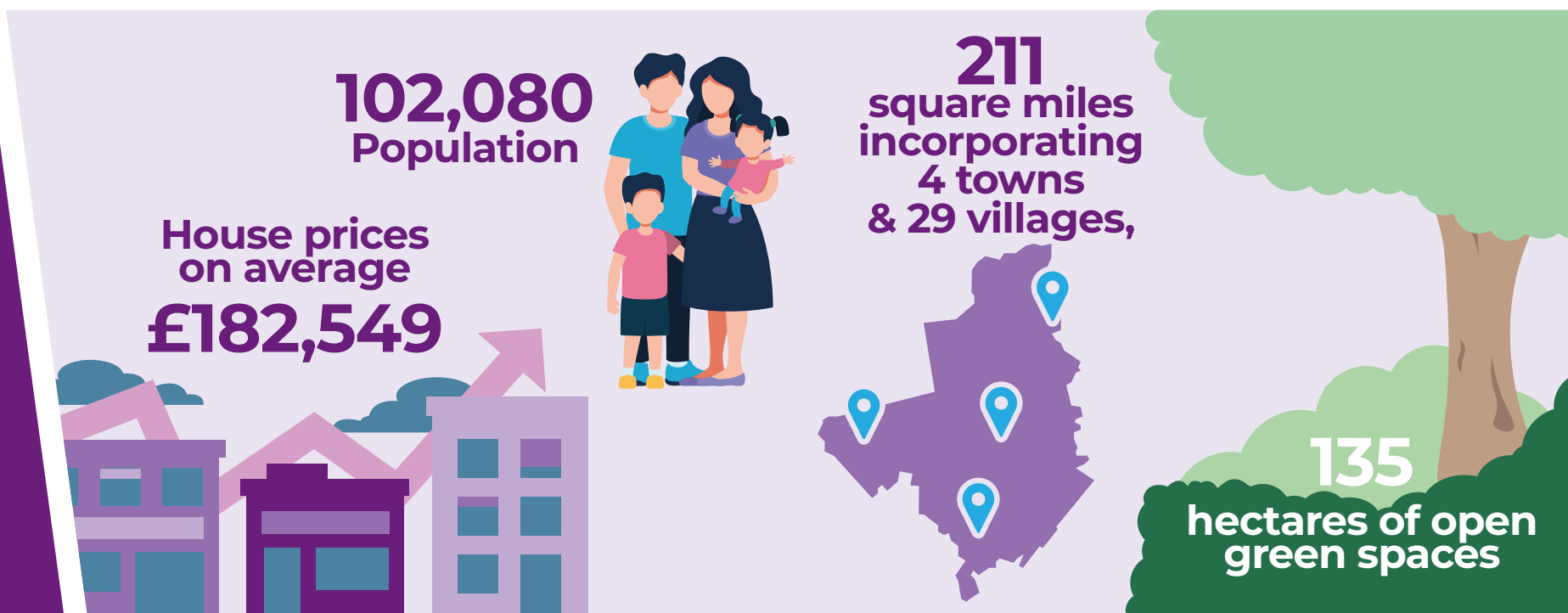
Fenland has strong community spirit and pride in its heritage. It is estimated that 102,080 people (ONS:2020) currently live in the Fenland District, which covers 211 square miles within North Cambridgeshire. More than 70% of residents live within our four market towns of Chatteris, March, Whittlesey and Wisbech. Our beautiful rural landscape is home to 29 villages and attracts visitors from nationwide.

Fenland has the lowest house prices in Cambridgeshire, with the average house priced at £182,549 (UK HPI: 2020), along with plentiful availability of commercial land. As a result, our population is growing quickly. By 2036, it is predicted that the population will have increased by 13% to 115,140 (ONS: 2020). As outlined within

this plan, we have plans in place to maximise the positive opportunities that growth could bring.

Our population is also getting older. 29% of our population are aged 60 or over; above average compared to Cambridgeshire and the UK (ONS: 2020). Alongside partners, we are working to enable residents to access the support they need to live happily, healthily and independently.

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



We've come a long way in our battle with coronavirus. At the start of 2021 we were in our second period of national lockdown, with fears about the impact it would have on jobs, businesses, and the economy, as well as people's mental health and wellbeing, at the forefront of our minds.

As a Council, meeting the demands of the Covid-19 pandemic have been vast. Whilst delivering business as usual, we have responded to, and delivered, changes in legislation within days, created new services to respond to residents' needs and communicated the latest guidance effectively with communities, businesses, and our workforce.

At the same time, we've accelerated the pace of our customer services transformation. Work to provide more modern, efficient, and flexible ways to access our services has been a Council priority for some time, but the rapid

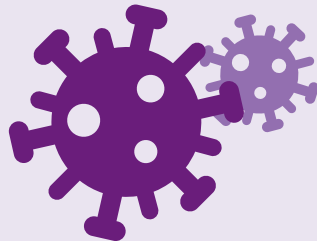
uptake of digital technologies during the pandemic meant we had to fast-track years of progress in a matter of months.

Not only have we significantly improved our online access, but we have increased the automation of our digital services and developed faster and more streamlined processes to make it even easier for people to interact with us, whilst ensuring that face-to-face services remain available for those that need them.

Meeting the challenges of Covid has also enabled even closer working with our partners, stakeholders and communities, and a greater pooling of our combined resources.

Now, as we continue to recover from the crisis, there is a great deal we can learn from our pandemic response. We have an opportunity to harness the innovation, collaboration and creativity which has flourished so much during the past almost two years and use it to evolve even further.

Over
2,350 requests
for support
to the Council's Covid-19
Community Hub



Distributed over
£30 million
in business grants
to local businesses

Support for
regulatory compliance
made to
more than **100**
local businesses



Provided emergency
accommodation for
57 rough sleepers



Over
620
self-isolation payments
made to local residents

*figures up to October 2021

Our Business Plan sets out the priorities we aim to deliver over the next 12 months. These priorities have been developed to address the most important needs of our communities.

Our priorities are split into three headings: Communities, Environment and Economy. These priorities primarily focus on the statutory and wide variety of core services that we provide day-to-day. In a typical year we empty 3 million bins, clean 210 square miles of town centres and open spaces, answer 78,000 telephone enquiries and determine 1,300 planning applications – and more!

The fourth priority, Quality Organisation, sits alongside everything we do. It aims to ensure that the Council runs effectively, transparently and sustainably. We invest in and support our workforce to ensure they have the skills and resources they need to work to the best of their ability.

Our unique 'one- team' culture enables officers, elected members and partners to work effectively together without the constraints of traditional department silos. This approach results in excellent staff satisfaction, with a record 95% of staff saying they were proud to work for us in our latest Staff Survey (2020).

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

We also have a fifth cross cutting priority: Council for the Future. This priority is formed from a selection of transformative projects which aim to address the future needs of residents and our organisation as a whole.

Summary of our Corporate Priorities structure

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

Our Cabinet members have selected a number of projects to contribute towards our 'Council for the Future' agenda. These projects have a variety of aims; from tackling areas of particular need within the district, to transforming services and the wider organisation sustainably to be fit for the future. Although these projects are influenced by external factors, the aim is to have a programme of projects completed by the end of the current Council leadership term.



We're working hard to attract the crucial external funding needed to unlock Fenland's potential and bolster its prosperity and resilience in the coming years.

The diagram shows some of the projects currently in progress across the district thanks to millions of pounds worth of inward investment already secured.

The projects include development and regeneration of key sites, investment to improve transport and digital connectivity, and innovation and technology centres.

The opportunities will help to accelerate Fenland's Covid-19 recovery, boost our economy, support new skills opportunities, and create much-needed new jobs.

Although many of these funding schemes are focused on our four market towns, our local villages will also benefit, as will neighbouring communities across Cambridgeshire, Norfolk, and Lincolnshire. Improvements to our rural communities are equally as important and are included in our investment work.



Support vulnerable members of our community

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

Promote health and wellbeing for all

- Update the Council's Leisure Strategy in 2022 and work collaboratively with Freedom Leisure and other partners to deliver the Strategy
- Work collaboratively with partners to deliver our Health and Wellbeing Strategy in order to tackle local health priorities and help people to be healthier
- Create healthier communities through activities developed by Active Fenland and community partners

Work with partners to promote Fenland through Culture and Heritage

- Work with local stakeholders to deliver an action plan to support the aims of the Creativity and Culture Strategy
- Support community groups to hold safe and successful public events

Performance Indicators

- Days taken to process new claims to changes for Council Tax Support
- Days taken to process new claims and changes for Housing Benefit
- Total number of private rented homes where positive action has been taken to address safety issues
- The proportion of households presenting to the Council as homeless whose housing circumstances were resolved through housing options work
- Number of empty properties brought back into use
- Number of Active Fenland sessions delivered per year
- Customer satisfaction: Net promoter score for Freedom Leisure Centres

Deliver a high performing refuse, recycling and street cleansing service

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

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

- Use education, guidance and Council powers to fairly enforce environmental standards and tackle issues such as fly tipping, illegal parking, dog fouling, littering and antisocial behaviour
- Ensure well maintained open spaces by working with our grounds maintenance contractor and through supporting community groups such as Street Pride, In Bloom, Green Dog Walkers and Friends of Groups
- Work with Town Councils and the community to provide local markets, market town events and Four Seasons events
- Support the Combined Authority in developing and delivering a people focussed Climate Action Plan
- The Council will comply with all Government requirements to help meet their 2050 net carbon zero target

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

- Deliver projects through the Community Safety Partnership to reduce crime, hate crime and anti-social behaviour
- Support the Fenland Diverse Communities Forum to deliver the Fenland-wide Community Cohesion Action Plan

Performance Indicators

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

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

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

Promote and enable housing growth, economic growth and regeneration

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

Promote and lobby for infrastructure improvements

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

Performance Indicators

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

Governance, Financial Control and Risk Management

- Maintain robust and effective financial standards, internal controls and organisational management
- Comply with data protection and General Data Protection Regulation requirements

Transformation and Efficiency

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

Performance Management

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

Consultation and Engagement

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

Excellent Customer Service

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

Equalities

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

Asset Management and Commercialisation

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

Workforce Development

- Equip our workforce with the right skills to effectively deliver our priorities
- Support and empower our staff to make effective decisions

Enforcement


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

Health and Safety

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

Performance indicators

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




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Agenda Item No:	9	
Committee:	Council	
Date:	24 February 2022	
Report Title:	General Fund Budget Estimates 2022/23 and Medium Term Financial Strategy (MTFS) 2022/23 to 2026/27; Capital Programme 2022 - 2025	

Cover sheet:

1 Purpose / Summary

To consider the Cabinet recommendations in relation to:

- the General Fund Budget Estimates 2022/23 and the Medium Term Financial Strategy 2022/23 to 2026/27;
- the Council Tax levels for 2022/23;
- the Capital Programme 2022-2025;
- the Treasury Management Strategy Statement, Capital Strategy and Annual Treasury Investment Strategy for 2022/23.

2 Key issues

- The Final Local Government Finance Settlement was announced on 7 February 2022 and the only change to the provisional settlement figures is a slight increase of £3,295 in the Lower Tier Services Grant allocation. Business Rates Baseline Funding (Settlement Funding Assessment) Levels will be frozen in 2022-23 due to the business rate multiplier being frozen in 2022-23.
- In accordance with the motion adopted by Council in July 2019, a 0% Council Tax increase has been included in the MTFS for 2022/23 and over the medium term.
- Council Tax Referendum limits for 2022/23 have been set at an increase of 2% or £5 whichever is the higher.
- Projections for 2021/22, including the Cambridgeshire Horizons money, are showing a surplus of £2.391m. However, assuming the current balance of the Cambridgeshire Horizons money is set aside for future use, the projections would show a shortfall of £243k at the end of the financial year. This does not include for the possibility of further expenditure being identified as being appropriate to be funded from the Cambridgeshire Horizons money.
- Current forecasts for 2022/23 show a shortfall of £203k based on the assumptions detailed in Appendix C. It is proposed that a contribution of £203k from the Budget Equalisation Reserve be made to achieve a balanced budget. This shortfall increases year on year, reaching £973k in 2026/27.
- Although there are currently many uncertainties regarding the budget for 2022/23 and the MTFS, there remains a significant structural deficit which the Council will need to address.
- The final deficits for 2021/22 and 2022/23 will have to be funded from Council reserves (current balances shown in Appendix G).

- An updated Capital Programme for 2021/22 and for the medium term 2022-25 is proposed.

3 Recommendations

- **It is recommended by Cabinet that:**
 - (i) the General Fund revenue budget for 2022/23 as set out in Section 9 and Appendix A be approved;
 - (ii) the Medium Term Financial Strategy as outlined in this report and Appendix B be adopted;
 - (iii) the Capital Programme and funding statement as set out in Appendix D be approved;
 - (iv) the adoption of the additional Business Rates Relief measures as detailed in Section 6 and Appendix H using Discretionary Relief Powers be approved;
 - (v) the expenses detailed in Section 12 be approved to be treated as general expenses for 2022/23;
 - (vi) the Port Health levy for 2022/23 be set as shown in Section 13;
 - (vii) the Treasury Management Strategy Statement, Minimum Revenue Provision, Treasury Investment Strategy, Prudential and Treasury Indicators for 2022/23 and Capital Strategy 2022/23 as set out in Section 15 and Appendix E be approved;
 - (viii) the Band D Council Tax level for Fenland District Council Services for 2022/23 be set at £260.46, no increase on the current year.

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder, Finance
Report Originator(s)	Peter Catchpole, Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
Background Paper(s)	Final Finance settlement – Department for Levelling Up, Housing & Communities (DLUHC). Spending Round 2021 (HM Treasury) Medium Term Financial Strategy working papers. Government announcements since February 2021.

This report contains the following Appendices:

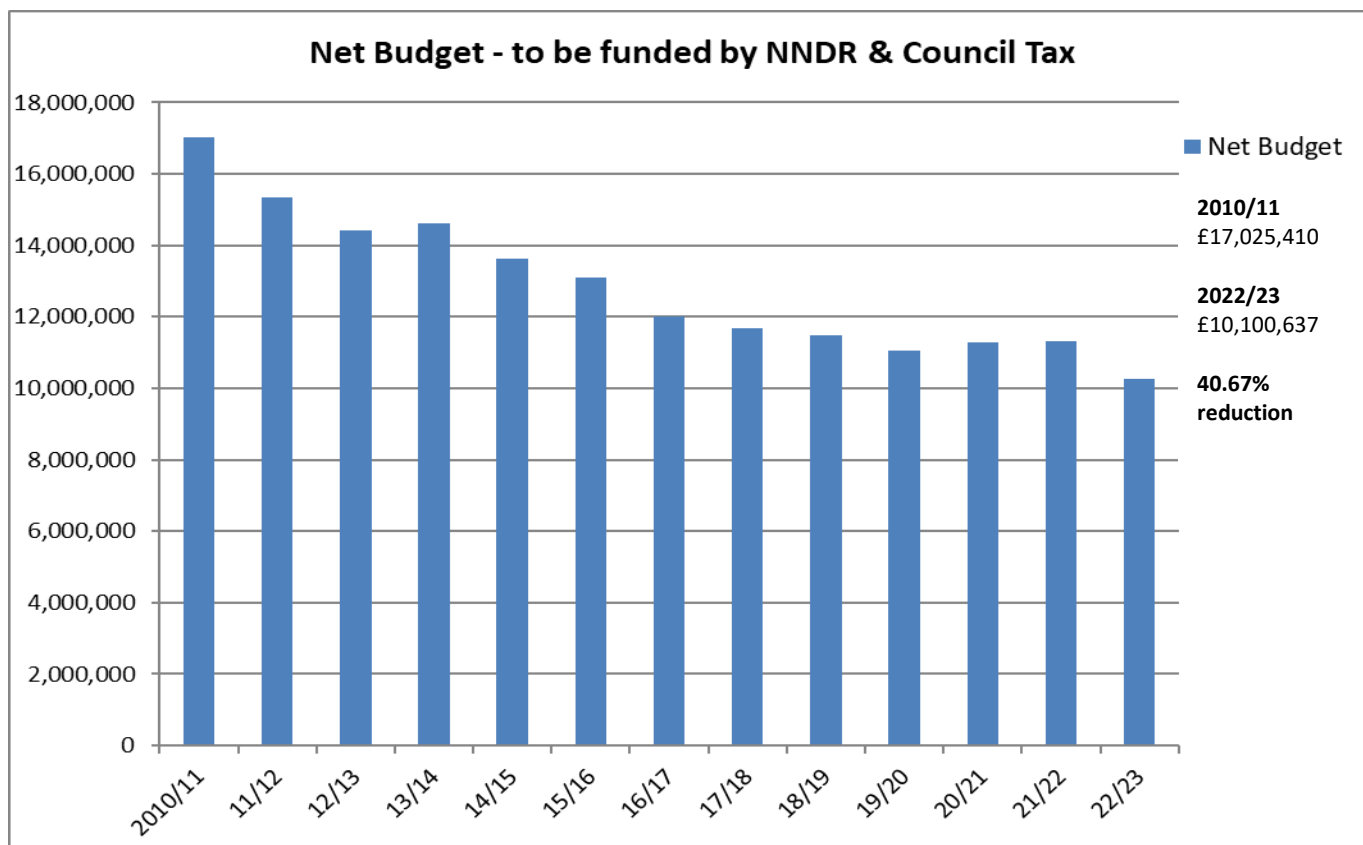
Appendices

- A. (i) General Fund Revenue Estimates - Summary
(ii) General Fund Revenue Estimates – Individual Services
- B. Medium Term Financial Strategy (MTFS)
- C. Assumptions built into Budget and Medium Term Strategy
- D. Capital Programme
- E. Treasury Management Strategy Statement, Minimum Revenue Provision Strategy, Annual Treasury Investment Strategy and Prudential Indicators
- E. Annex A Capital Strategy
- F. Parish Precepts
- G. Earmarked Reserves
- H. Business Rates - Covid-19 Additional Relief Fund (CARF) Guidelines

Report:

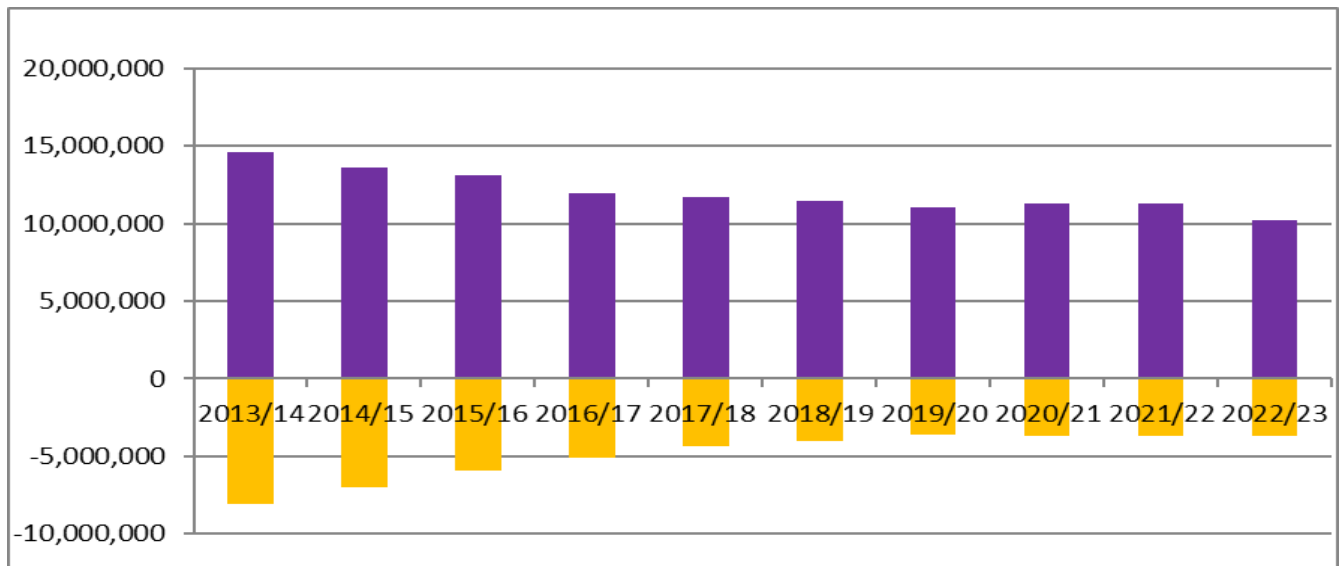
1 INTRODUCTION

- 1.1 This report sets out the financial implications of the council's priorities described in the Business Plan 2022/23. The Revenue budget estimates and the Capital Programme are final at this stage for approval. The draft Business Plan 2022/23 and draft Budget Estimates 2022/23 considered by Cabinet on 8th December 2021 together were subject to a public and stakeholder consultation from 4th January to 31st January 2022, prior to final budget and council tax setting for 2022/23 on 24th February 2022. The results from the consultation are published on the Council's website. There were a small number of comments in favour of increasing Council Tax.
- 1.2 The Overview and Scrutiny Panel considered the Draft Budget 2022/23 and MTFS on 17 January 2022 and made its comments to the Cabinet. Members asked questions, made comments and received responses from Officers and Portfolio Holders. The Panel agreed to note the revised General Fund Budget and Capital Programme for 2021/22 and agreed to send the Draft General Fund Budget Estimates 2022/23 and the Draft Medium Term Financial Strategy 2022/23 to 2026/27 for consultation. They also approved the Capital Programme 2022-2025.
- 1.3 Much of the financial information is necessarily based on a number of assumptions which are wholly or partly influenced by external factors. However, where final actual costs and revenue is known then they are included, for example the Final Local Government Finance Settlement for 2022/23 was announced on 7 February 2022. Equally, some additional costs and income discussed later in this report have been updated since the Draft Budget Estimates were prepared.
- 1.4 Local Government has been at the forefront of the austerity measures introduced by the government to reduce the national deficit following the General Election in 2010. This Council has had to reduce its Net Budget significantly since 2010 and by the end of 2022/23 it will have reduced by 40.67%. This is exemplified in the graph below:

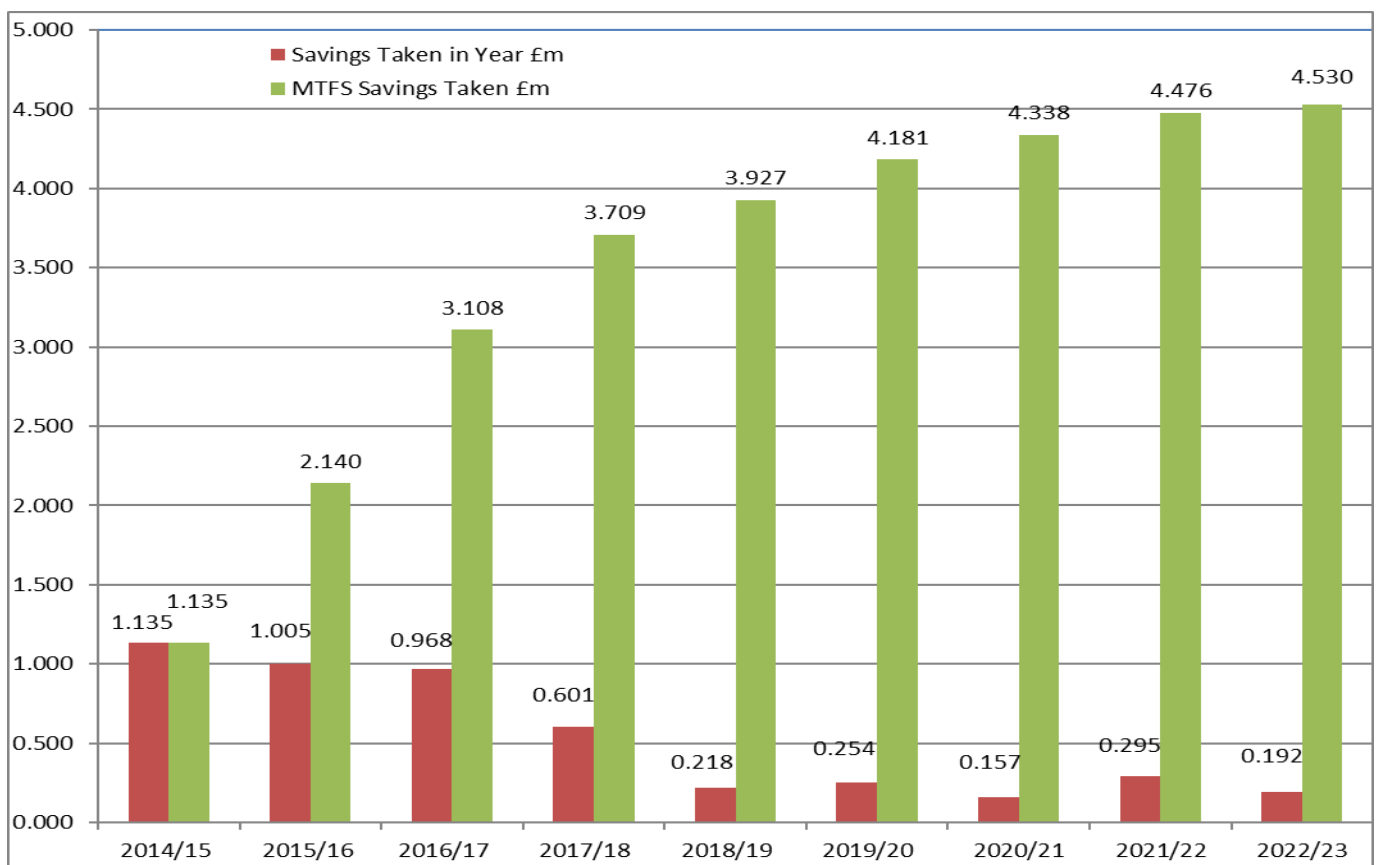


- 1.5 Since 2013/14 government support has reduced by around 54% and the Council's net budget by around 31% as illustrated in the following tables. In addition, Council Tax referendum principles have restricted increases in Council Tax.

	2013/14	2022/23	Reduction	%	
Government Grant	£8,094,919	£3,702,467	£4,392,452	54.26	
Net Budget	£14,604,750	£10,100,637	£4,504,113	30.84	



- 1.6 The following graph illustrates how successful the Council has been in delivering savings over the last 9 years, enabling it to achieve balanced budgets each year.



During these years, Members have been very clear, that where possible, front line services should be protected. The Council's strategy of identifying savings at least 12 months in advance of the financial year has led to the successful delivery of the required savings targets and means the Council are in a good position to meet the challenges of 2022/23 and beyond. These savings have been achieved through a number of ways, such as Management and Service reviews, shared services, procurement and income generation.

2 2021 SPENDING ROUND AND LOCAL GOVERNMENT FINANCE SETTLEMENT

- 2.1 On 27 October 2021, the Government announced the outcome of the 2021 Spending Review which outlined its' spending plans for the next three years, 2022/23 – 2024/25 by setting budgets for each central government department.
- 2.2 The relevant points for this Council from these announcements are as follows:
- Local Government will receive an additional £4.8bn in grant funding over the next three years (£1.6bn in each year);
 - A proposed Council Tax referendum limit of 2% or £5 (together with an additional 1% increase for Adult Social Care). Police and Crime Commissioners can increase their precept by £10;
 - Local Government's business rate baseline funding levels will remain the same as 2021/22 as a result of freezing the business rates multiplier in 2022/23 (normally this would increase in line with inflation as determined by the RPI rate as at September 2021, ie. 4.9%). Local authorities will be fully compensated for this decision;
 - For 2022/23, a new business rates relief for eligible retail, hospitality and leisure properties with 50% relief on rates bills up to £110,000 per business. The scope of the discount for 2022/23 will return to pre-Covid-19 eligibility for retail properties. Hospitality and leisure properties will continue to remain in scope. Again, local authorities will be fully-funded for the additional costs of the relief;
 - Additional funding to reduce rough sleeping and homelessness;
 - There was no announcement about local government funding reforms (Fair Funding Review or business rates changes) and it is assumed that they have been pushed back to at least 2023/24 if not later;
 - Following a consultation exercise which finished in April 2021, there has been no further announcement on the future of the New Homes Bonus (NHB). It is expected that the amount of NHB will reduce although there is likely to be some form of housing growth incentive;
- 2.3 Details of how this will be converted into specific funding allocations for individual local authorities were announced as part of the final local government finance settlement on 7 February 2022.

3 LOCAL GOVERNMENT FINANCE SETTLEMENT 2022-23

- 3.1 The Final Finance Settlement for 2022/23 was announced on 7 February 2022. The only change from the Provisional Finance Settlement was a slight increase of £3,295 in the Lower Tier Services Grant allocation.
- 3.2 The Council's Settlement Funding Assessment for 2022/23 is made up of its Business Rates Baseline Funding and a very small allocation of Revenue Support Grant (after this was phased out in 2019/20). This is detailed in Table 1 below. As a result of the freezing

of the multiplier in 2022/23, the Business Rates Baseline Funding figure is the same as 2021/22.

Table 1 – Settlement Funding Assessment (Core Funding) – Estimate prior to provisional settlement

	Actual 2021/22 £000	Actual 2022/23 £000	2022/23 % Increase
Settlement Funding Assessment (Business Rates Baseline Funding + RSG)	3,702	3,702	0.0%

3.3 There has been no change to the Business Rates Baseline Funding figure as a result of the government freezing the business rate multiplier. Local authorities will be fully compensated for this decision by way of additional S31 Grant.

3.4 There is also a new £822m one-off and un-ringfenced Services Grant in 2022/23. This is the portion of the £1.6bn per year grant announced at the Spending Review, that will not be for social care. Councils will receive an allocation of the £822m grant based on the existing Settlement Funding Assessment (which uses 2013/14 shares for distributing). FDC's allocation is £255,198. This allocation includes funding for the increase in employer national insurance contributions.

The £822m will remain in the local government sector in future years but may be allocated differently. This funding would be excluded from any proposed baseline for transitional support as a result of any potential funding system changes.

3.5 Lower Tier Services Grant (£111m) is maintained nationally at the same level as 2021/22. Allocations are based on the share of the 'lower-tier' element of the settlement funding assessment with an updated cash terms funding floor, which means no district council will face a drop in its CSP in cash terms in 2022/23.

Our allocation of this grant is £169,351 which is £3,295 higher than the provisional settlement figure and £11,654 higher than included in the draft budget report.

3.6 Core Spending Power (CSP) for local government has increased by 7.4% overall compared to 2021/22. Our increase in CSP is 5.3%. CSP is a measure of the revenue funding available for local authority services. This includes council tax; business rates; Revenue Support Grant; New Homes Bonus; adult social care grants and other grants (including the new one-off Services Grant).

These government forecasts assume that every local authority will raise their council tax by the maximum permitted without a referendum.

Assumed Council Tax increases make up 40% of the increase in CSP and Council Tax is now around 60% of the total CSP. The increased reliance on increasing council tax has been a feature of the finance settlements and CSP over the past few years.

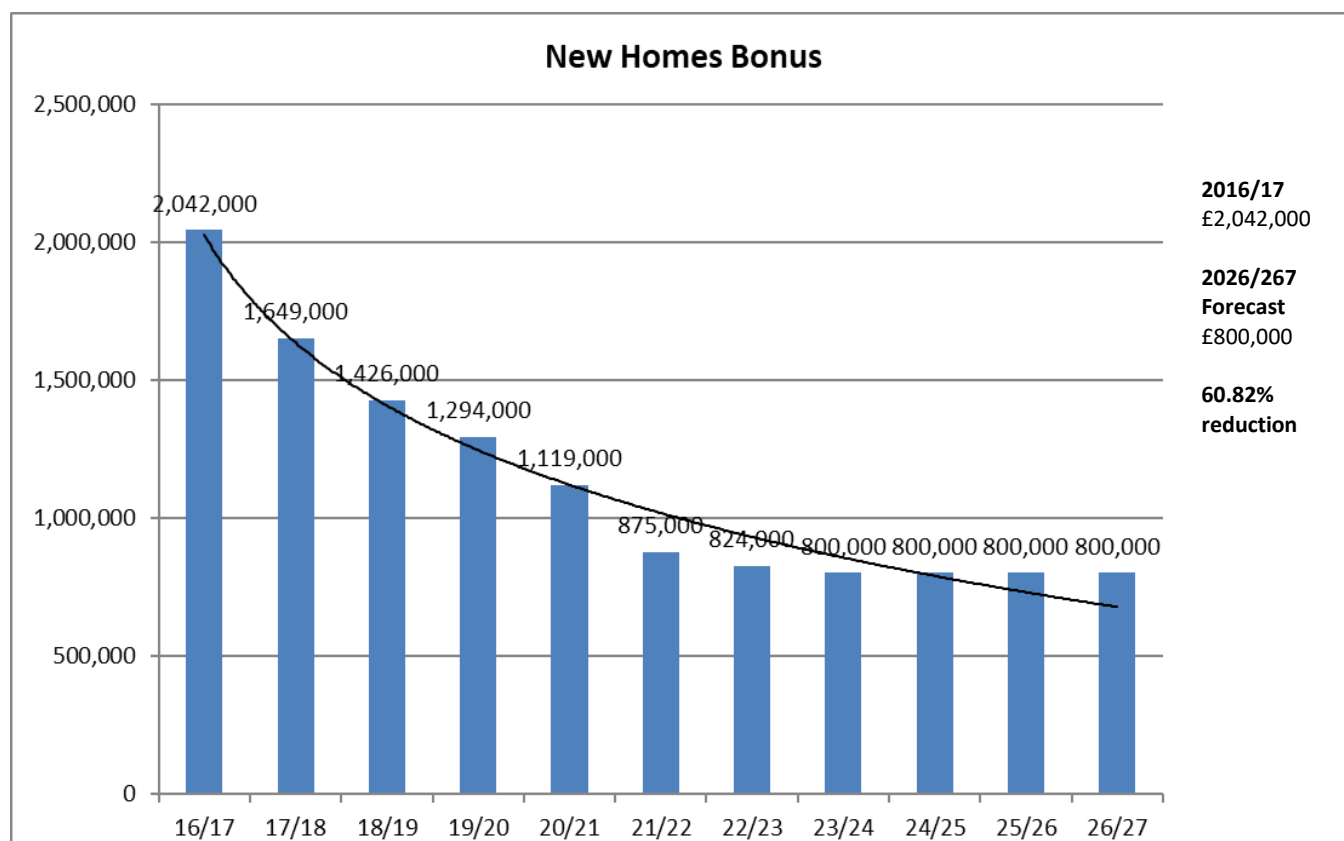
3.7 Although the settlement was for 2022/23 only, the Medium Term forecasts detailed in Appendix B have assumed a continuation of the current policy of increasing business rates baselines by inflation based on current Treasury forecasts over the medium term. In addition, the forecasts assume a continuation of the funding currently allocated as Services Grant and Lower Tier Services Grant.

3.8 The Government will consult the sector this year about "updating the system". This is what used to be known as the Fair Funding Review. DLUHC officials have clarified that this is likely to encompass a response to the review of New Homes Bonus. They were less clear that business rates reset would be in scope but in general, we can expect there to be a comprehensive review of the distribution of local government funding. There will be transitional protections to accompany any funding reforms.

- 3.9 DLUHC officials were clear that they want to work closely with the sector on these reforms. Any changes or resets of the Business Rates Retention system is a significant risk to FDC from 2023/24 onwards. FDC retain considerable sums (around £1.2m) above its Baseline Funding Level (determined in the Settlement) and for Renewable Energy (around £970k in 2022/23). These amounts are at considerable risk following any reset of the system in 2023/24.
- 3.10 In summary, the final settlement has provided a total of £266,852 of additional resources compared with what was included in the draft budget report.

4 NEW HOMES BONUS

- 4.1 In 2017/18, reforms to the allocation methodology of the New Homes Bonus (NHB) were made which significantly reduced the total amount available for distribution which consequently reduced this Council's allocation.
- 4.2 The key focus of the reforms was to reduce the payments from 6 years to 5 years in 2017/18 and to 4 years from 2018/19. In addition, from 2017/18, a national baseline for housing growth of 0.4% was introduced, below which New Homes Bonus is not paid, reflecting a percentage of housing that would have been built anyway.
- 4.3 Actual NHB received in 2021/22 was £875k. Following the announcement in the 2021 spending review, a further payment based on the current methodology (based on additional homes delivered from October 2020 – October 2021) will be made in 2022/23 although no new legacy payment will be made. The actual New Homes Bonus payment in 2022/23 is £824k (a reduction of £44k on original forecasts) with the forecast NHB reducing to £800k from 2023/24 onwards.
- 4.4 The graph below shows how the amount received from NHB has significantly changed over the past six years together with forecasts over the medium term.



4.5 A consultation document on The Future of the New Homes Bonus was published on 10 February 2021 with a deadline for responses by 7 April 2021. Since then, there have been no further announcements on the future of the NHB and nothing was detailed in the Spending Review 2021 documents. The current national total of £556m allocated by way of NHB may also change in future spending reviews. There is however expected to be some form of housing growth incentive scheme. The impact on this Council's funding could be significant. We have included £800k of NHB funding in the MTFS from 2023/24 onwards. These could be replaced by allocations we receive from whatever the new Housing Incentive system will look like. For example, under the current system, a 0.1% increase in the growth threshold would result in the loss of around £50,000 per annum in NHB, leading to a reduction in NHB of around £200,000 compared to the current MTFS forecasts.

4.6 The lack of clarity around the future of the NHB is a significant risk to the MTFS.

5 BUSINESS RATES

- 5.1 Members will be aware that the Business Rates Retention system was introduced in April 2013. Under this system, authorities would benefit if their actual Business Rates income collected in a year was higher than the baseline funding determined by government.
- 5.2 There has been real business rates growth in Fenland over the last eight years, however how this impacts on the resources available to this Council is complex, due to the rules and the operation of the current 50% Business Rates Retention system. The complexity of the system has been exacerbated by the business rates reliefs support given by the government as a result of Covid-19.

Business Rates Pooling Arrangement – 2022/23

- 5.3 The Council has joined with the County Council, Peterborough City Council, Fire Authority, East Cambridgeshire and South Cambridgeshire to become part of a pooling arrangement for business rates for 2020/21 and 2021/22. Unlike the Business Rates Pilot schemes, this is not a bidding process against other pools but is part of the existing system whereby authorities can choose to apply to become a pool with the agreement of the constituent authorities.
- 5.4 The benefit of being in a pool is that authorities will not be liable to levy payments on their business rates growth, which is then shared amongst the pooled authorities by a mutually agreed method. This will be based on where the growth has originated from with an appropriate share allocated to the County Council and Fire Authority.
- 5.5 Depending on actual business rates received in 2021/22, the net effect of the pooling arrangement could be considerable for the authorities in the pool. Current forecasts indicate that this Council could receive up to £300k additional income according to the sharing methodology agreed between the pooled authorities.
- 5.6 The members of the current pooling arrangement have notified DLUHC of their intention to remain as a pool for 2022/23 as there is still expected to be a net benefit to each authority. For the purposes of the 2022/23 estimates, an amount of £350k has been provisionally included as this Council's share of the potential benefit. We are still awaiting final estimated figures as all authorities in the pool will now have completed the annual statutory business rates estimate, the NNDR1 form and returned this to DLUHC by the deadline of 31 January 2022.
- 5.7 Due to uncertainties regarding any potential changes to the local government funding regime (including business rates retention) from 2023/24 onwards and any consequential impact on pooling arrangements, no allowance for any future benefits from pooling has been included in the medium term forecasts at Appendix B.

Business Rates Reform – 2023/24 onwards

- 5.8 Although it appears unlikely that any major changes will take place over the SR21 period, the risk remains that some interim reforms may happen. The most likely is the Baseline Funding Level of all Councils will be reset in 2023/24 with all 'growth' income being taken into account nationally and redistributed in the new system. In the estimate for 2022/23 and the medium term forecasts, around £1.2m of business rates above the Council's Baseline Funding Level is being retained. Under a baseline reset, this would mean that initially the additional £1.2m business rates income would be removed and redistributed. What remains unclear, is how much of this £1.2m will be returned to the Council as part of its recalculated Baseline Funding Level.
- 5.9 In theory therefore, the Council could lose all of this additional £1.2m in the absolute worst case scenario. However, this is unlikely and would create significant volatility within future funding allocations nationally, which the government does not wish to see. There will also undoubtedly be some kind of transitional arrangements which would also limit the extent of any gains and losses in funding arising from the new system.
- 5.10 Although it is extremely difficult to exemplify the impact of this redistribution, in broad terms, if the Council were to lose 50% of its growth income then this would add a further £600k per annum from 2023/24 to the current forecast MTFS shortfalls. A 20% loss of growth income would add a further £240k per annum to the current shortfalls.
- 5.11 In addition, the current system of retaining 100% of business rates from businesses generating Renewable Energy (estimated £970k in 2022/23) and the benefits from current pooling arrangements (estimated £350k in 2022/23) could also be reviewed and amended.
- 5.12 At the time of writing, the Fair Funding Review, the implementation of Business Rates Reform and the changes to the New Homes Bonus are all major risk areas for this Council from 2023/24 and over the medium term.**

6 ADDITIONAL BUSINESS RATES RELIEF MEASURES 2021/22 AND 2022/23

2021/22 COVID-19 Additional Relief Fund (CARF)

- 6.1 The Government is providing Fenland District Council with £1,908,380 of Section 31 Grant funding to implement a scheme of discretionary rate reliefs in accordance with guidance issued in mid-December 2021. The funding will be available to support those businesses affected by the pandemic but that are ineligible for existing support linked to business rates.
- 6.2 The guidance outlines the basis of grant allocation to billing authorities and the allocation methodology uses the change in Gross Value Added (GVA) as a proxy for the economic impacts of Covid-19 on each business sector.
- 6.3 The relief will be granted using discretionary relief powers under Section 47 of the Local Government Finance Act 1988 and is available to reduce chargeable amounts in respect of rates due in 2021/22.
- 6.4 The guidance and allocation methodology provide a clear indication from the government as to how this support should be targeted. Anglia Revenues Partnership (ARP) have modelled a scheme using the grant allocation methodology as a basis for applying this to eligible business rates premises.
- 6.5 The modelling and proposed scheme are intended to maximise the award of these reliefs up to the level of the Council's S31 Grant allocation. Appendix H details how the scheme will be applied including the process for reviewing/reconsidering any decision.

2022/23 Retail, Hospitality and Leisure Relief Scheme

- 6.6 At the budget on 27 October 2021, the Chancellor announced the introduction of a new business rates relief scheme for retail, hospitality and leisure properties worth almost £1.7 billion in 2022/23.
- 6.7 The 2022/23 Retail, Hospitality and Leisure Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 50% relief, up to a cash limit of £110,000 per business.
- 6.8 Guidance about the operation and delivery of this relief was provided by government on 20 December 2021. Billing authorities and major precepting authorities will be fully reimbursed for their loss of income under the rates retention scheme as a result of awarding relief in accordance with the guidance, using a S31 grant.
- 6.9 The relief will be granted using discretionary relief powers under Section 47 of the Local Government Finance Act 1988 and is available to reduce chargeable amounts in respect of rates due in 2022/23.

2022/23 – Extension of Transitional Relief and Supporting Small Business Relief for Small and Medium Properties Scheme

- 6.10 At the Budget the government also announced that it would extend the current transitional relief scheme and the supporting small business scheme for one year in 2022/23, to the end of the current revaluation cycle. The scheme will restrict increases in bills to 15% for businesses with small properties (up to and including £20,000 rateable value) and 25% for medium properties (up to and including £100,000 rateable value).
- 6.11 The relief will be granted using discretionary relief powers under Section 47 of the Local Government Finance Act 1988 and is available to reduce chargeable amounts in respect of rates due in 2022/23.
- 6.12 The government will fully reimburse authorities for the loss of income using a S31 grant.

7 FENLAND COMPREHENSIVE SPENDING REVIEW

- 7.1 The estimated total net savings generated from the FDC-CSR proposals agreed previously at £1.667m will now amount to £1.8m by the end of 2020/21. During this year several proposals have been implemented together with the full-year benefit of proposals implemented in 2018/19 and 2019/20. These include the following:
- Relocation of March and Wisbech Shops
 - CCTV – alternative service delivery with Peterborough City Council
- together with the full-year benefit in 2019/20 and 2020/21 of the following:
- Staffing Review of Customer Services, Human Resources, Accountancy and Vehicle Workshop
 - Leisure Centre management options (contract commenced 4 December 2018)
 - Leisure and Open Spaces Management Review
 - Community House closure
- 7.2 The savings generated from these and other CSR proposals are included within the Medium Term Financial Strategy detailed at Appendix B and have significantly contributed to the required savings target over the medium term.

8 FORECAST OUTTURN 2021/22

- 8.1 The impact of COVID-19 on the Council's delivery of services and finances have been and continue to be, significant and challenging. Members will be aware of the Council's response to COVID-19 and on the actions taken by the council to date and also on the future implications and opportunities of the COVID-19 pandemic in relation to service delivery by Fenland District Council.
- 8.2 The continuing impact of COVID-19 had a significant effect on the Council's budget for 2021/22 set by Council in February 2021. The approved budget showed a shortfall of £842k which was to be funded from balances and reserves to the extent that it was needed at the end of 2021/22.
- 8.3 An updated projection for 2021/22, taking into account the latest estimate of spending and income reduction pressures and additional government support, was included in the draft budget report presented to Cabinet on 8 December 2021. At that time, a shortfall of £987k was being projected for 2021/22. The reasons for the change in projected shortfall were detailed in the draft budget report.
- 8.4 The latest projected outturn for 2021/22 is set out at Appendix A and show the likelihood of a shortfall in the region of £243k by the end of this financial year.
- 8.5 The main reasons why the projected shortfall has significantly reduced are a reduction in employee costs (-£56k), additional income from services such as planning fees, search fees, trade waste, estates etc (-£243k), additional grant income (-£211k), income from the VAT sharing arrangement with Clarion (-£34k), additional officer time recharges to Fenland Future Ltd (-£50k) and additional use of the Cambridgeshire Horizons money (-£127k).

Cambridgeshire Horizons – Share of Surplus

- 8.6 In May 2021, the Council received £3,891,500 as its share of the surplus generated by Cambridgeshire Horizons Ltd. Of this, £1,050,000 was an agreed contribution to the A14 improvements, repayable to the Department of Transport at £42,000 per annum over the next 25 years. This left £2,841,500 available for this Council's future use. There are numerous conditions attached to the use of this money which restricts its future use.
- 8.7 Of the £2,841,500 available, £207,370 has been allocated in 2021/22 for various consultants and studies to be carried out in advance of future Levelling Up Fund (LUF) bids for the Wisbech area together with various costs associated with the Local Plan. Consequently, there is currently £2,634,130 available for future use (£52,900 has been allocated in 2022/23 for consultant costs). No allowance has been made for the possibility that other expenditure in 2021/22 may yet be identified as being appropriate to be funded from the Cambridgeshire Horizons money.
- 8.8 The latest projections for 2021/22 are set out at Appendix A and with the Cambridgeshire Horizons money included, show a **surplus of -£2.391m**. However, assuming that the balance of the Cambridgeshire Horizons money (£2.634m) is set aside for future use, the net position shows the likelihood of a **shortfall in the region of £243k** by the end of this financial year, £744k lower than the £987k previously approved. Should any other expenditure be identified to be funded from the Cambridgeshire Horizons money, then the projected shortfall at the year end will be reduced accordingly.
- 8.9 There are still many uncertainties around the potential shortfall for 2021/22 and there is no requirement at this time, to formally approve an amount to be funded from reserves. At the present time, Corporate Management Team, Senior Managers and the Accountancy Team are managing and monitoring the position carefully and will continue to review spending levels to ensure where possible, the amount to be funded from reserves at the year-end is minimised.

- 8.10 Use of reserves to fund any potential shortfall in 2021/22 will have a consequential impact on the Council's ability to fund the shortfall in 2022/23 from reserves. Details of the Council's reserves are at Section 16 and Appendix G.

9 DRAFT BUDGET ESTIMATES 2022/23 AND MTFS

- 9.1 The Council's MTFS has to ensure that the commitments made in the Business Plan are funded not only in the year for which formal approval of the budget is required (2022/23) but for forecast years as well, within a reasonable level of tolerance.
- 9.2 The impact of the issues identified in Section 8 above on the Council finances in 2021/22 will largely continue into 2022/23 and the medium term. The impact of the Final Local Government Finance Settlement has been incorporated into the figures in this report.
- 9.3 The Council's medium term forecasts are shown at Appendix B and summarised in Table 2 below. The table includes a 0% Council Tax increase in 2022/23 and the medium term.

Table 2 - MTFS - 0% increase in 2022/23 onwards

	Estimate	Forecast	Forecast	Forecast	Forecast
	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Expenditure					
Net Service Expenditure	13,369	13,916	14,258	14,699	15,051
Corporate Items	691	664	462	460	644
Renewable Energy Rates Retained	-970	-896	-913	-929	-944
Retained Business Rates (Growth)	-1,225	-1,276	-1,305	-1,332	-1,360
Business Rates Pool - share of benefit	-350	0	0	0	0
Contribution from Business Rates Reserve	-1,415				
Net Expenditure (before use of balances)	10,100	12,408	12,502	12,898	13,391
Funding					
Business Rates Baseline/RSG	-3,702	-3,787	-3,859	-3,925	-3,991
Business Rates Collection Fund Deficit	1,836	184	0	0	0
Council Tax Collection Fund Surplus(-)/Deficit	-44	0	-50	-50	-50
Council Tax <i>(increases of 0% in 22/23 onwards)</i>	-7,987	-8,084	-8,182	-8,280	-8,377
Total Funding	-9,897	-11,687	-12,091	-12,255	-12,418
Shortfall(+) before use of balances	+203	+721	+411	+643	+973
Contribution from Budget Equalisation Reserve	-203	0	0	0	0
Shortfall(+) after use of balances	0	+721	+411	+643	+973

- 9.4 Government support for 2022/23 was confirmed as part of the final finance settlement. This Council will receive retained business rates and a very small amount of Revenue Support Grant from the finance settlement. The projections for 2023/24 onwards are based on the best estimates and information available and are consistent with the announcements on business rates in the Spending Round 2021. However, subject to further clarity on the detailed implementation of the announcements, there remains significant uncertainty in these projections.
- 9.5 The figures in Table 2 incorporates the assumptions detailed at Appendix C. With the final funding announcements and a 0% increase in Council Tax a shortfall of £203k is currently forecast for 2022/23. **It is proposed that a contribution of £203k from the Budget Equalisation Reserve be made at this time to achieve a balanced budget for 2022/23.**

- 9.6 The net budget requirement for 2022/23 is currently estimated at **£9.897m** (£10.100m less £0.203m use of reserves) after all identified savings, contingencies and reserve transfers are included.
- 9.7 The forecasts include further proposed savings from the Phase 3 of the My Fenland transformation initiative over the next two years and the medium-term, together with assumptions regarding receipts from Council Tax and Business Rates.
- 9.8 The development of the Commercial and Investment Strategy has the potential to generate additional significant returns over the MTFS. Currently, recharges to Fenland Future Ltd (FFL) for officer time and loan interest receipts have been included in the forecasts at Appendix A and B. These are based on the current business plan of FFL over the next three years. Additional returns may also be realised depending on the type and timing of investment opportunities. Consequently, no allowance for these further potential returns (over and above the recharges and loan interest to FFL) have been included in the MTFS at the current time.
- 9.9 Taking into account the proposals in the Table 2 above, the estimated net budget requirement in 2022/23 is detailed in Appendix A. The level of forecast resources available to the Council and the estimated levels of expenditure over the medium term are set out in detail in Appendix B. These show a funding gap of £973k by the end of 2026/27.
- 9.10 There is still considerable uncertainty around the estimates for 2022/23 and the forecasts for the medium term. Currently there are a number of 'unknowns' which could both positively and negatively impact on the forecasts including:

Risks associated with the MTFS forecasts:

- The ongoing impact of the Finance Settlement announcements on 2023/24 and the medium term;
- Impact of potential changes to the New Home Bonus methodology and allocations from April 2023;
- Impact of the potential business rates baseline reset from April 2023 and longer-term changes to the Business Rates Retention system;
- Impact of potential additional income in 2024/25 from the Extended Producer Responsibility scheme for managing packaging waste;
- Impact on income streams being greater than anticipated due to external factors such as Search Fees (transfer to Land Registry) and Port Income (sale of Port Sutton Bridge);
- Continuing impact of homelessness temporary accommodation costs in 2022/23 and the medium term and the impact on recovery of housing benefit subsidy;
- Potential for additional support for the Leisure Management contractor in 2022/23. A full year's Management Fee income from the Leisure Contractor has currently been included in the 2022/23 estimates and each subsequent year of the MTFS;
- Impact of service developments eg. Marine Services future structure and Car Parking Enforcement (CPE);
- Revenue impact of funding new capital schemes not currently included in the capital programme;
- Potential impact of the My Fenland transformation programme Phases 3 and 4 with associated savings. Further detailed work is required to quantify the scope of these phases, associated savings and timing implications. £192k of savings are included in 2022/23 for Phase 3, rising to £384k per annum from 2023/24 onwards;

- Potential net benefits from FFL of loan interest and dividends from future developments over and above already included in the MTFS generating revenue income;
- Commercial and Investment Strategy and future potential positive returns to the Council;

9.11 Whatever impact the above issues may have however, there will remain a significant structural deficit for the Council to address.

- 9.12 The forecasts for the years 2023/24 – 2026/27 are provisional at this stage and should be considered with extreme caution. Future announcements and consultation outcomes will also determine government policy and therefore the funding in the future years. In addition, the forecasts are dependent on permanently maintaining the savings identified through the My Fenland transformation initiative.
- 9.13 As detailed earlier in this report, Business Rates Retention Reform, Fair Funding Review and changes to the New Homes Bonus could have a significant impact on the Council's forecast resources over term of the MTFS. Further to the risks associated with these externally determined funding streams the Council should also ensure that income budgets are achieved and new income streams considered and implemented for medium to long term sustainability in combination with any operational and transformational benefits that the Council realises. The use of general reserves to support revenue expenditure adds to the overall risks to the Council as such reserves can only be used once but the cumulative impact of such use will continue to be felt into the future.

Other Risks

Capital Programme – Future Funding

- 9.14 The Council is increasingly relying on borrowing (Internal and Prudential) to fund its future programme as the amount of capital receipts and the level of reserves available to fund the capital programme are reducing considerably over the next two years. Consequently, any new capital schemes (which do not generate a return to repay borrowing costs) will have to be funded through borrowing which will result in revenue costs and therefore will impact on the MTFS and future shortfalls.
- 9.15 For example, a £1m scheme with a 20 year life, funded by prudential borrowing, would result in around an additional £70,000 per annum in interest (2%) and repayment costs.
- 9.16 To exemplify the effect on the MTFS of potential additional costs arising from the above risks, Table 3 below details a scenario whereby the Council loses 50% of its business rates growth income following potential reforms in 2023/24.

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

	Estimate	Forecast	Forecast	Forecast	Forecast
	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
MTFS Shortfall - Appendix B	203	721	411	643	973
<i>(0% CT increase in 2022/23 onwards)</i>					
50% loss of NNDR growth income		600	600	600	600
Increasing NHB threshold by 0.1%		50	100	150	200
Revised Shortfall	203	1,371	1,111	1,393	1,773

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

10 PARISH PRECEPTS

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

11 FEES AND CHARGES

- 11.1 The Overview and Scrutiny Panel reviewed fees and charges for 2022/23 at its meeting on 17 January 2022 and these were subsequently considered by Cabinet on 20 January 2022. All of the recommendations from these meetings have been included in the financial forecasts.

12 SPECIAL AND GENERAL EXPENSES

- 12.1 For the purposes of Section 35 of the Local Government Finance Act 1992, the Council needs to pass appropriate resolutions for each financial year to determine how expenses which could legally be regarded as special should be treated.
- 12.2 If expenses are treated as special expenses, then they must be charged against the parts of the Council's area to which they relate.
- 12.3 Parish precepts are special expenses and cannot be treated as general expenses.
- 12.4 Drainage Board and Port Health levies which affect only part of the Council's area are treated as general expenses unless the Council resolves otherwise. These are currently treated as general expenses and it is recommended that this position continues for 2022/23.
- 12.5 Expenses incurred by the Council in performing, in part of its area, a function performed elsewhere by a parish council are special expenses unless the Council determines otherwise. Currently, these are treated as general expenses. To maintain this position, it is recommended that the Council determines that such expenses should not be treated as special expenses for the financial year 2022/23.

13 PORT HEALTH

- 13.1 The Port Health levy for 2022/23, based on expected expenditure, is recommended as shown in Table 4 below for Council to approve.

Table 4: Port Health Levy 2022/23

Description	£
a) Port Health anticipated expenditure	16,620
b) Port Levy	
Fenland District Council	14,709
South Holland District Council	1,163
King's Lynn and West Norfolk Borough Council	748
Total	16,620

14 FENLAND DISTRICT COUNCIL - COUNCIL TAX 2022/23

- 14.1 As part of the 2022/23 Final Local Government Finance Settlement, the government has confirmed that the referendum limit will be set at 2% or £5, whichever is higher for 2022/23 for District Councils. A 2% increase on the Band D Council Tax equates to £5.13 per annum (a 1.97% increase due to roundings).
- 14.2 Social care authorities, such as Cambridgeshire County Council can also increase their element of council tax by a further 1% in 2022/23 plus the balance of the Adult Social Care increase not utilised in 2021/22 (a further 2% for the County Council). This equates to a maximum potential increase in the County Councils' element of council tax of 4.99% (3% increase for Adult Social Care and 1.99% basic increase).

- 14.3 This Council at its meeting on 18 July 2019, agreed to re-position the MTFS to show 0% Council Tax increases through to 2023/24. This report extends the MTFS period and 0% increases to 2026/27. The motion agreed by Council emphasised that 0% increases in Council Tax throughout the MTFS period is an ambition and it was recognised that the Council continues to face significant financial challenges and uncertainties that may not allow this ambition to be met. These challenges and uncertainties have been exacerbated by Covid-19.
- 14.4 The motion also stated that Members of the Council need to act responsibly each year when setting the precept to balance the ambition of achieving a 0% Council Tax rise with the legal need to balance the budget. It was agreed that raising Council Tax in any of the next four years will be a last resort in order to minimise the financial effects of Council Tax on all of Fenland's households.
- 14.5 For information, an additional 1% increase in Council Tax in 2022/23 would generate in the region of £80,000 of revenue per annum to the Council. Even with this additional revenue included, the estimates for future years show a significant and increasing shortfall (see Table 5 below).
- 14.6 After the estimates of expenditure and income have been prepared, and the Final Settlement has been received, the next step is to set the council tax for 2022/23 for Fenland District Council.
- 14.7 In line with the motion agreed by Council on 19 July 2019, assumed Council Tax increases of 0% have been included for 2022/23 and over the period of the MTFS.
- 14.8 At this level of Council Tax, there will be a deficit to fund in 2022/23 and over the period of the MTFS. Consequently, the Council will need to continually consider its strategy to meet the estimated shortfalls shown at Table 2 and in Appendix B.
- 14.9 The implications of not increasing Council Tax over the MTFS is that the Council would be reducing its financial base permanently as it would not be able to recover potential revenue foregone due to the cumulative year on year impact. The consequences of continually setting zero Council Tax levels and not achieving the necessary savings/additional income have been clearly demonstrated by the events at other Councils. The ability to achieve significant year on year savings (without increasing existing and/or introducing new revenue streams together with transformational change) to balance the budget becomes progressively difficult without eventually impacting on front-line services and delivery.
- 14.10 Council can of course agree to a higher increase (up to the referendum limit of 2%) and a 1% increase in Council Tax raises around £80,000 revenue per annum. Table 5 shows the implications of increasing the Council Tax in 2022/23 by 1.97% per annum and thereafter compared to freezing the Council Tax in 2022/23 and throughout the MTFS period.

Table 5: MTFS Deficits at Differing Council Tax increases in 2022/23 onwards

Deficits based on different % increases	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Deficits at 0% increase (<i>as shown in Table 2/Appendix B</i>)	+203	+721	+411	+643	+973
Additional CT with 1.97% increase p.a. from 2022/23	-157	-322	-492	-672	-859
Net position at 1.97% increase	+46	+399	-81	-29	+114

- 14.11 For future years, the Council will consider options around introducing a scheme to accept voluntary council tax contributions from residents. whereby they can pay an additional amount over and above the 'normal' amount of Council Tax.
- 14.12 Table 6 shows the Band D Council Tax for spending at the level proposed, together with Council Tax levels from the major preceptors and Parishes.

Table 6: Band D Council Tax Levels 2022/23

COUNCIL TAX BASE	2022/23 30,664		2021/22 30,143	
	£	Band D £	£	Band D £
Fenland District Council Precept (Appendix A)	<u>7,986,741</u>		<u>7,851,042</u>	
Fenland District Band D Council Tax	0.00%	260.46	0.00%	260.46
MAJOR PRECEPTORS				
County Council	(4.99%)	1,469.61	(2.99%)	1,399.77
Police & Crime Commissioner	(4.03%)	257.58	(6.42%)	247.59
Fire Authority	(1.96%)	74.97	(2.00%)	73.53
Sub Total BAND D TAX		2,062.62		1,981.35
Parish Councils-average (Appendix F)	(0.88%)	48.48	(-0.84%)	48.05
Total average Band D Tax		2,111.10		2,029.40
Total average increase over 2021/22	£81.70 (4.03%)			

- 14.13 The County Council increase for 2022/23 includes 3% for the Adult Social Care precept (£41.99) and 1.99% on the general council tax (£27.85), giving a total increase of 4.99% (£69.84). For 2022/23, the Police and Crime Commissioner is allowed to increase council tax by up to £10.00 on a Band D property. The actual increase is £9.99 (4.03%).

15 TREASURY MANAGEMENT STATEMENT, ANNUAL TREASURY INVESTMENT STRATEGY AND CAPITAL STRATEGY 2022/23

- 15.1 Full details of the proposed Treasury Management, Annual Investment Strategy and Capital Strategy for 2022/23 are contained in Appendix E. The proposed Treasury Management and Annual Investment strategies were presented to and endorsed by Audit and Risk Management Committee on 14 February 2022.
- 15.2 The key issues relating to the strategies and their impact on the MTFs are as follows:
- Changes to the revised 2021 Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management and Prudential Codes which will impact on future Treasury Management Strategy Statement (TMSS) and Annual Investment reports and the risk management framework.
 - The prudential and treasury indicators detailed in paragraphs 2-13 of Appendix E, show that the Council's capital investment plans are affordable, prudent and sustainable.
 - The Capital Strategy, detailed at Annex A of Appendix E, sets out the context in which capital expenditure and investment decisions are made and establishes that the Council has arrangements in place to ensure it gives due consideration to risk, reward, and impact on the achievement of priority outcomes.

- The MRP policy sets out how the Council will make prudent provision for the repayment of borrowing needs over the medium-term forecast.
- The Treasury Management Strategy has been organised so that the Council will have sufficient cash resources to meet capital expenditure plans and operational cash flows.
- Due to the Council's long term PWLB debt portfolio (£4.5m at 31/03/21) currently attracting excessive premiums it is not financially advantageous for the Council to comply with the gross borrowing and capital financing prudential indicator fully.
- Total external interest which includes finance lease interest payments; revised estimate for 2021/22 is £491,030 and the estimate for 2022/23 is £623,390. Additionally if the authority were to borrow the full £21.302m, over the next four years, to fund schemes taken forward as part of the Commercial and Investment Strategy this would currently attract annual interest payments of £447,342 by 2024/25.
- The report includes Link Groups forecast for Bank Rate which now includes a further three increases of 0.25% in March, May and November 2022 to end 2022 at 1.25%.
- The current Medium Term Financial Strategy assumes that some external borrowing will be required over the four-year period to 31 March 2025.
- The aim of the Council's annual investment strategy is to provide security of investments whilst managing risk appropriately; investment returns are commensurate with the Council's historic low risk appetite although we are in the process of transition as a Council from a low risk policy to an appropriate managed risk policy. The Council achieves these objectives through differentiating between "specified" and "non-specified" investments and through the application of a creditworthiness policy.
- Total investment income is an estimated £40,000 for 2021/22 and £100,000 for 2022/2023. In addition, the Council is anticipating, depending on completing due diligence checks, that it will invest up to £4m into property funds before the end of this financial year (2021/22). The Medium Term Financial Strategy for 2022/23 onwards, incorporates an estimate that such an investment would yield an annual return of £150,000.

16 REVIEW OF GENERAL FUND BALANCE AND EARMARKED RESERVES

- 16.1 An important part of any budget strategy is the review and consideration of reserves. Earmarked Reserves are typically held and used in a planned way to deal with issues where it is foreseen that resources need to be set aside to meet a specific need but the exact amount and timing is not known. General Reserves are held to cushion the impact of an event or events that cannot be foreseen whilst maintaining these resources at a consistent and reasonable level over the medium term.
- 16.2 Sufficient levels of reserves are necessary to provide for various contingent and unplanned items that could include:-
- significant increased costs of providing statutory services
 - significant increased contractual costs
 - an unexpected and/or significant event or disaster, e.g. civil emergency
 - an unexpected major liability in law
 - the need to make significant payments in relation to prior year adjustments under the direction of the external auditor

- 16.3 The Council's current uncommitted General Fund Balance is £2m. It is good practice to keep the balance on this reserve under review alongside ensuring that the purposes for which other earmarked reserves were allocated remain consistent with and relevant to the Council's Medium Term Financial Strategy.
- 16.4 The Budget Equalisation Reserve was established in 2019/20 to provide a smoothing mechanism between financial years which could provide resources to help achieve balanced budgets in future years. The current balance on this reserve is £483k and is available to meet the current estimated budget shortfall in 2021/22 (£243k). In addition, as part of the budget proposals for 2022/23 detailed in this report a contribution of £203k is required from this reserve to set a balanced budget.
- 16.5 The analysis of reserves at Appendix G details the projected General Fund and earmarked reserves position at 31 March 2022 and 31 March 2023 taking into account the proposals detailed in this report.

17 CAPITAL PROGRAMME

- 17.1 Capital Expenditure and income plans have been prepared through the Council's service and financial planning cycle. The Council's capital resources are dependent on government funding, external grants or through the ongoing disposal of assets.
- 17.2 A fully updated Capital Programme for 2022-25 is presented at Appendix D for approval. The programme has been updated to ensure it adequately reflects the cost and anticipated timing of schemes previously approved.
- 17.3 Members have continued to receive reports regarding ongoing work to dispose of surplus assets. Most recently, at its meeting on 20 January 2022, Cabinet approved a list of assets where officers should take steps to dispose of each asset using the most appropriate method to secure best value. The receipts generated from the sale of surplus assets form an important source of income to fund the capital programme. It is difficult to determine with certainty the returns the Council might be able to generate and the timing of such capital receipts. Such returns, however, are important in the context of the Council's Medium Term Financial Strategy as where capital expenditure can be financed through the application of capital receipts it does not need to be financed from borrowing. It is also relevant to note that the Investment Board will consider the business plan of Fenland Future Limited at its meeting in March 2022. Decisions taken at this meeting may result in further capital receipts over the life of the capital programme should any transfer of land take place as part of the implementation of the business plan.
- 17.4 The Council continues to take forward the delivery of significant regeneration projects in Wisbech and March. The profile of expenditure on the Future High Street Project in March has been updated to reflect the report Cabinet members considered at its meeting on 20 January 2022. Members considered an update on the Wisbech High Street project at its meeting on 3 February 2022 and the current status of the project is reflected in the capital programme.
- 17.5 Members will also note that on today's Cabinet agenda there is a report indicating that the Council has been successful in securing further funding from the Department for Business, Energy and Industrial Strategy (BEIS) as part of Wave 1 of the Social Housing Decarbonisation Fund. The proposed project will deliver energy-efficiency improvements to 450 properties owned by Clarion including 200 in Wisbech. Subject to the decision taken at the Cabinet meeting, the capital programme will be updated to reflect the grant provided by BEIS. The terms and the condition of the grant require works to be completed during the 2022/23 financial year. Match funding has been provided by Clarion and the project does not require any financial contribution from the Council's capital resources.

- 17.6 The Council is developing an Accommodation Strategy and a Member Steering Group has been established. There is provision in the current capital programme for the cost of undertaking those works at Fenland Hall which were deemed to be a high-priority in the recently commissioned condition survey. However, further capital resources might be required over the medium-term to implement the Accommodation Strategy.
- 17.7 Officers are also currently awaiting costed estimates following the commissioning of a survey of port infrastructure in Wisbech. Members will be updated once these estimates are available and future iterations of the capital programme will incorporate the cost of works required.
- 17.8 The Council has either bid for, or is awaiting the opportunity to bid for, capital resources in connection with several other high-profile government and CPCA-led initiatives. Should these bids be successful they will be incorporated into future updates to the capital programme and the impact of providing any match-funding required will be reflected in the revenue budget and the Medium-Term Financial Strategy.
- 17.9 Should resources from external funding and/or capital receipts not generate the level of receipts forecast, or there is a delay in the disposal of assets, then the capital programme will need re-visiting to ensure funding is sufficient to meet proposed expenditure including through borrowing. Reviews of the programme and resources available are carried out regularly during the year.
- 17.10 The Council's Borrowing Strategy which is incorporated into the Council's Treasury Management Strategy Statement, recognises that some prudential borrowing will be required over the life of the capital programme. The projected additional annual revenue costs for the Council are reflected in the MTFS.

18 RISK ASSESSMENT

- 18.1 There is an element of risk inherent in any process that looks into the future to make forecasts, particularly in the current economic climate and other national and international events now or in the future that may impact on the Council either directly or indirectly. The Council has a strong track record in good financial management as recognised in the recent Annual Audit Letter. This risk is further minimised by adopting the following methodology when preparing the estimates:-
- Service managers and the Accountancy Team working together to define likely service income/expenditure patterns matched with service delivery plans;
 - Maintaining "earmarked" reserves for expenditure that it is known will occur but the exact amount and timing of the expenditure is not known;
 - Maintaining an adequate level of general reserves to meet sudden and or unforeseen expenditure;
 - Adopting clear guidelines and control systems (robust revenue and capital budget management and monitoring procedures, Financial Regulations and Contract Procedure Rules etc.) to alert service managers, and members before variances reach tolerance levels;
 - Using professional and expert advice and economic forecasts where these are available, e.g. treasury management, interest rates;
 - Maintaining a rolling review of forecast estimates beyond the current year.
- 18.2 These assumptions are made with all available information but are necessarily calculated based on broad assumptions. In the current economic climate, some of these assumptions are particularly volatile. The MTFS will be prepared annually on a rolling basis so that as information becomes more certain the figures will be updated and early consideration can be given to any action or changes in direction that may be required.

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

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

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

- 19.2 The proposed budget is set against the context of significant economic uncertainty in a post-Covid-19 world together with considerable uncertainty regarding government funding over the MTFS. The Government intends to make fundamental changes to the funding system for Local Government through the introduction of a new needs based fairer funding formula and the introduction of business rates reforms and a new system of distributing the New Homes Bonus. The cumulative impact of these changes and lack of visibility on any transition or damping arrangements means that financial planning for 2023/24 and the medium term is very uncertain.

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

The robustness of the Budget estimates and the adequacy of the reserves are largely dependent on the levels of risk and uncertainty. There is an element of judgement as budget estimates of spending and income are made at a point in time and may change as circumstances change, particularly given the economic uncertainty in a post-Covid-19 world.

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

The estimates that support this budget have used all the data and supporting information that the Council has at its disposal at this point in time. The principal financial assumptions made in the Budget are noted in this report and attached at Appendix C. Budget monitoring throughout the year will be an important tool in identifying, at an early stage, potential issues so appropriate action can be taken.

The delivery of the planned savings and major business projects **is critical** to the successful delivery of the Council's budget strategy. Current activity provides adequate assurance as to the deliverability of the 2022/23 budget with future year projections representing realistic planning assumptions which will be subject to review as part of the annual budget setting process. The MTFS is currently forecasting a financial shortfall for the financial year 2022/23.

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

There are however significant funding risks over the period of the MTFS. Potential changes to the Business Rates Retention system are particularly concerning and will have a significant impact on this funding. As detailed in Section 5 of this report, this could result in less funding in the future. It is however uncertain as to when and what actual changes will take place and the budget and MTFS is presented on the basis of the current arrangements continuing.

Current Council policy of not increasing Council Tax in 2022/23 and over the MTFS should be viewed in the light of the forecast shortfalls detailed within this report and the financial impact of increasing Council Tax up to the referendum limit. This is exemplified in Table 5 in paragraph 14.10 of this report. In addition, as detailed in paragraph 3.6, the government's assessment of Council's Core Spending Power assumes Council Tax is increased by the maximum permitted without a referendum.

Although no use of the General Fund Balance is planned in 2022/23, it is good practice to re-assess the appropriate level of this balance over the period of the MTFS. It is proposed that this is carried out during 2022/23 taking into account actual use of this balance and updated MTFS forecasts.

Given the uncertainties detailed in this report, it is imperative that the Council maintains sufficient resources to cover any in-year unforeseen expenditure. A risk based approach to the consideration of the level of reserves is a component of the Council's overall risk management framework. Operational risks should be managed within Services' bottom line budgets and thus will not normally result in any further call on the Council's General Balances, as detailed in Section 16 above.

My assessment of the process that has been undertaken is that the calculations used in the preparation of the estimates for the Budget for 2022/23 are fair and robust and that reserves are adequate to reflect known circumstances and to be able to manage the stated uncertainties and risks that could realistically be anticipated at this point. All earmarked reserves are held for the purpose for which they are set up and are considered to be adequate to meet the requirements of those purposes when called upon based on the best information available as at the time of writing.

FENLAND DISTRICT COUNCIL

Summary of Revenue Estimates

		Current Approved Estimate 2021/22 £	Projected Outturn 2021/22 £	Estimate 2022/23 £
Service Summary	<i>As detailed in Appendix A(ii)</i>			
Growth & Infrastructure		1,387,770	1,423,950	958,230
Communities, Environment, Leisure & Planning		5,324,906	4,909,288	4,020,960
Resources & Customer Services		7,706,630	7,747,190	8,426,150
NET COST OF GENERAL FUND SERVICES		14,419,306	14,080,428	13,405,340
Corporate Items				
Contributions to/ (from) Earmarked Reserves		-131,743	-336,019	-101,020
Contributions to/(from) Business Rates Reserve		-1,987,155	-2,002,224	-1,415,206
Cambridgeshire Horizons - Share of Surplus		-3,891,500	-3,891,500	0
RTB/VAT Sharing Income		-126,317	-160,000	-70,000
Drainage Board Levies		1,594,010	1,594,010	1,721,530
Financing Charges - <i>Interest/Minimum Revenue Provision</i>		847,065	857,065	1,063,314
Investment Income and Property Funds Income		-40,000	-40,000	-250,000
New Homes Bonus		-874,916	-874,916	-823,959
A14 Contribution		74,000	74,000	74,000
Pay Award 2021/22 : 1.75%		209,000	209,000	0
Vacancy Factor (1.5%)		0	0	-181,000
Business Rates - net additional income above baseline <i>(government grants for reimbursement of reliefs, growth less levy payment)</i>		-1,544,224	-1,521,878	-1,573,797
Business Rates - reimbursement of additional Covid-19 reliefs		-1,204,300	-1,211,278	-621,016
Business Rates Pool - FDC Share of Benefit		-300,000	-300,000	-350,000
Government Grant - Covid-19 General Grants for spending pressures		-634,010	-634,010	0
Government Income Compensation Scheme Grant		-88,000	-88,000	0
Lower Tier Services Grant		-157,697	-157,697	-169,351
Services Grant		0	0	-255,198
FFL - Officer Time Recharge/Net Loan Interest		-50,000	-100,000	-161,000
Corporate Adjustments		-8,305,787	-8,583,447	-3,112,703
Net Expenditure before CFF savings		6,113,519	5,496,981	10,292,637
<i>CFF Transformation Savings identified not yet implemented</i>		<i>0</i>	<i>0</i>	<i>-192,000</i>
Net Expenditure after CFF savings		6,113,519	5,496,981	10,100,637
Contribution from Budget Equalisation Reserve		0	0	-203,198
NET EXPENDITURE after use of balances		6,113,519	5,496,981	9,897,439
Core Funding				
Revenue Support Grant		0	0	-589
Business Rates Baseline Funding		-3,701,878	-3,701,878	-3,701,878
Business Rates Collection Fund Deficit(+)		3,620,772	3,620,772	1,835,529
Council Tax Collection Fund Deficit(+)/Surplus(-)		43,723	43,723	-43,760
Council Tax		-7,851,042	-7,851,042	-7,986,741
Surplus(-)/Shortfall(+)		-1,774,906	-2,391,444	0
Balance of Cambridgeshire Horizons money set aside for for future FDC use		2,761,500	2,634,130	
		986,594	242,686	

GROWTH AND INFRASTRUCTURE			
Service	2021/22 Current Approved Estimate £	2021/22 Projected Outturn £	2022/23 Original Estimate £
Direct Services			
Transport Development	87,500	87,500	97,600
Miscellaneous (Clocks, Monuments)	21,750	21,750	3,750
Drainage (District)	3,000	3,000	3,000
Highways (District)	132,690	120,100	124,600
Car Parks	212,000	212,000	184,200
Marine Services	339,370	374,370	283,100
Economic Estates	-32,800	7,600	-190,800
Sewage Treatment Works	118,500	122,500	13,800
Parish Council Concurrent Functions	59,800	59,800	70,200
Economic Development	170,150	155,450	183,750
Regeneration	88,650	69,250	-21,800
HLF- High St Wisbech	21,660	33,730	11,130
Total Direct Services	1,222,270	1,267,050	762,530
Support Services			
Asset & Project Services	231,700	227,100	275,700
Net Cost of Services	1,453,970	1,494,150	1,038,230
Less Support Services Recharges to Capital Schemes	-66,200	-70,200	-80,000
TOTAL GROWTH AND INFRASTRUCTURE	1,387,770	1,423,950	958,230

General Notes for Appendix A(ii):

1. Within all the Service Estimates detailed in Appendix A(ii), Support Services costs have not been reallocated with the exception of recharges to Capital Schemes.
2. Similarly, Capital Charges have not been reallocated as these 'costs' are reversed out within the Corporate Items section of the estimates, thereby having no impact on the Budget Requirement and Council Tax.
3. Estimates for 2022/23 include the assumptions on pay, expenditure and income detailed at Appendix C. In addition, staff cost allocations to services have been reviewed for 2021/22 and have resulted in costs being re-allocated to better reflect time spent on providing those services.
4. In addition, the estimates for 2022/23 include the implementation of the My Fenland transformation project which has moved costs from various services and consolidated them in Customer Services.

COMMUNITIES, ENVIRONMENT, LEISURE & PLANNING			
Service	2021/22 Current Approved Estimate £	2021/22 Projected Outturn £	2022/23 Original Estimate £
Direct Services			
Housing Strategy	146,220	147,610	156,510
Private Sector Renewals	119,900	84,950	82,080
Housing Standards	36,350	43,870	-8,520
Care & Repair	29,010	35,750	39,410
Community Champions	65,330	65,330	0
CCTV	30,440	21,340	47,290
Safer Fenland	75,170	60,510	90,130
Licensing	-23,200	-24,050	-23,780
Housing Options	434,710	274,040	294,010
Community Development	139,400	134,200	125,890
Travellers Services	-69,520	-72,180	-70,050
Pollution Reduction	104,270	104,620	110,410
Public Health	978,140	884,390	240,060
Food Safety	152,730	149,793	152,770
Health and Safety	57,210	56,680	75,290
Refuse Collection - Domestic	1,057,026	988,505	1,241,090
Garden Waste	-199,670	-201,430	-198,150
Refuse Collection - Trade Waste	-143,880	-195,340	-150,810
Street Cleansing	834,660	832,610	879,730
Streetscene	176,060	178,970	213,530
Public Conveniences	15,860	17,230	16,380
Arts Development & Culture	10,710	9,120	25,060
Planning Policy	179,100	213,900	97,100
Development Management	-243,800	-277,100	-206,600
Building Control	54,000	54,000	54,000
Conservation	39,400	39,400	41,300
Planning Compliance	90,700	90,700	91,350
Technical Support	196,900	197,700	204,100
Leisure Centres	286,810	304,120	-319,540
Sports Development	139,080	128,190	71,840
Parks and Open Spaces	517,950	527,950	579,500
Cemeteries	-29,070	-34,660	-49,080
Markets and Fairs	-12,260	-13,080	-9,630
Community Events	56,280	57,050	106,550
Vehicle Workshop	22,890	24,600	21,740
TOTAL COMMUNITIES, ENVIRONMENT, LEISURE & PLANNING	5,324,906	4,909,288	4,020,960

RESOURCES AND CUSTOMER SERVICES			
Service	2021/22 Current Approved Estimate £	2021/22 Projected Outturn £	2022/23 Original Estimate £
Direct Services			
Miscellaneous Central Services	158,340	158,340	158,540
Unfunded Pension Costs/Apprenticeship Levy	991,240	993,240	1,076,720
Corporate Management	1,038,780	1,007,030	917,630
Council Tax Cost of Collection	-21,320	10,630	248,950
Business Rates Cost of Collection	-3,550	-3,650	-11,160
Housing Benefits	614,950	830,510	797,160
ICT Direct Service Costs	711,580	714,810	703,190
Policy	235,900	221,900	272,500
Land Charges	-97,150	-124,050	-65,300
Elections & Electoral Registration	194,500	192,100	192,550
Democratic Services	537,050	524,950	569,260
Emergency Planning	-48,570	-116,570	55,250
Total Direct Services	4,311,750	4,409,240	4,915,290
Support Services			
Accountancy	573,760	572,600	596,260
Information & Communication Technology	507,860	507,860	563,300
Customer Services	942,100	886,170	894,930
Post & Reprographics	135,050	130,050	127,850
Internal Audit	101,700	98,900	115,900
Legal Services	244,050	252,950	244,550
Corporate Health & Safety	3,010	3,120	21,150
Human Resources	295,200	299,450	328,870
Property Services	109,400	104,600	116,700
Fenland Hall	354,100	364,100	363,500
The Base	128,650	118,150	137,850
Total Support Services	3,394,880	3,337,950	3,510,860
TOTAL RESOURCES AND CUSTOMER SERVICES	7,706,630	7,747,190	8,426,150

APPENDIX B
(0% Council Tax increase)

Medium Term Financial Strategy	Projected 2021/22 £000	Estimate 2022/23 £000	Forecast 2023/24 £000	Forecast 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000
Expenditure						
Service Expenditure/Income						
Gross Service Expenditure	25,774	23,047	23,253	23,661	24,165	24,586
Fees and Charges	-6,210	-6,442	-6,467	-6,533	-6,598	-6,665
Grants and Contributions	-4,908	-2,081	-1,730	-1,715	-1,698	-1,685
Recycling Credits	-1,000	-1,120	-1,140	-1,155	-1,170	-1,185
Total Net Service Expenditure	13,656	13,404	13,916	14,258	14,699	15,051
Corporate Items						
Corporate Expenditure/Savings						
Drainage Board Levies	1,594	1,722	1,860	1,897	1,935	1,974
Financing Charges - Interest on External Borrowing	491	623	700	700	700	700
Financing Charges - Current Capital Programme - MRP	366	440	550	550	550	550
Vacancy Factor (1.5%)	0	-181	-187	-191	-196	-201
A14 Upgrade - contribution	74	74	74	74	74	74
CFF Transformation Savings identified not yet implemented	0	-192	-384	-384	-384	-384
	2,525	2,486	2,613	2,646	2,679	2,713
Corporate Income Items						
Contribution to(+)/from(-) Earmarked Reserves	-336	-101	-30	60	60	60
Contribution to(+)/from(-) Business Rates Reserve	-2,002	-1,415	0	0	0	0
Cambridgeshire Horizons - share of surplus	-3,892	0	0	0	0	0
RTB/VAT Sharing Income	-160	-70	-20	-20	-20	-20
Investment and Property Fund Income	-40	-250	-200	-200	-210	-210
New Homes Bonus	-875	-824	-800	-800	-800	-800
Business Rates - net additional income above baseline	-1,203	-604	-1,276	-1,305	-1,332	-1,360
Business Rates - renewable energy rates retained	-319	-970	-896	-913	-929	-944
Business Rates - reimbursement of additional Covid-19 reliefs	-1,211	-621	0	0	0	0
Business Rates Pool - FDC Share of Benefit	-300	-350	0	0	0	0
Government Income Compensation Scheme	-88	0	0	0	0	0
Lower Tier Services Grant	-158	-169	-169	-169	-169	-169
Services Grant	0	-255	-255	-255	-255	-255
FFL - Officer Time Recharge/Net Loan Interest	-100	-161	-475	-800	-825	-675
Contribution from Budget Equalisation Reserve	0	-203	0	0	0	0
	-10,684	-5,993	-4,121	-4,402	-4,480	-4,373
Total Corporate Items	-8,159	-3,507	-1,508	-1,756	-1,801	-1,660
Gross Service/Corporate Expenditure	28,299	25,533	25,866	26,307	26,844	27,299
Gross Service/Corporate Income	-22,802	-15,636	-13,458	-13,805	-13,946	-13,908
Net Budget Requirement	5,497	9,897	12,408	12,502	12,898	13,391
Funding - NNDR/CT						
Business Rates Baseline Funding/RSG	-3,702	-3,702	-3,787	-3,859	-3,925	-3,991
Business Rates Collection Fund Deficit	3,621	1,836	184	0	0	0
Council Tax Collection Fund Surplus(-)/Deficit	44	-44	0	-50	-50	-50
Council Tax (increases of 0% in 22/23 onwards)	-7,851	-7,987	-8,084	-8,182	-8,280	-8,377
Total Funding - NNDR/CT	-7,888	-9,897	-11,687	-12,091	-12,255	-12,418
Surplus(-)/Shortfall(+)	-2,391	0	+721	+411	+643	+973
Balance of Cambridgeshire Horizons money set aside	2,634					
Shortfall(+) after Cambs. Horizons set aside	+243					
Summary						
Total Gross Expenditure	28,299	25,533	25,866	26,307	26,844	27,299
Funded by:						
Fees and Charges	-6,210	-6,442	-6,467	-6,533	-6,598	-6,665
Grants and Contributions	-4,908	-2,081	-1,730	-1,715	-1,698	-1,685
Recycling Credits	-1,000	-1,120	-1,140	-1,155	-1,170	-1,185
New Homes Bonus	-875	-824	-800	-800	-800	-800
Investment Income, VAT/RTB	-200	-320	-220	-220	-230	-230
Cambridgeshire Horizons - share of surplus	-3,892	0	0	0	0	0
Contribution to(+)/from(-) Earmarked Reserves	-336	-101	-30	60	60	60
Contribution to(+)/from(-) Business Rates Reserve	-2,002	-1,415	0	0	0	0
Income Compensation Scheme	-88	0	0	0	0	0
Lower Tier Services Grant and Services Grant	-158	-424	-424	-424	-424	-424
FFL - Officer Time Recharge/Net Loan Interest	-100	-161	-475	-800	-825	-675
Contribution from Budget Equalisation Reserve	0	-203	0	0	0	0
Retained Business Rates	-3,114	-4,411	-5,775	-6,077	-6,186	-6,295
Council Tax	-7,807	-8,031	-8,084	-8,232	-8,330	-8,427
Total Funding	-30,690	-25,533	-25,145	-25,896	-26,201	-26,326
Surplus(-)/Shortfall(+)	-2,391	0	+721	+411	+643	+973
Balance of Cambridgeshire Horizons money set aside	2,634					
Shortfall(+) after Cambs. Horizons set aside	+243					

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

Within the forecasts are a number of assumptions which are necessary to produce the overall budget strategy. However, there is an element of risk associated with this process although the aim is to mitigate these risks as detailed in section 18 of the main report.

The main assumptions are as follows:

- 0% Council Tax increase for 2022/23 and thereafter (1% increase generates around £80k of resources and 1.97% around £157k of resources).
- 1.73% increase in Council Tax base in 2022/2023 (Tax-base 30,664) and 1.20% thereafter (increase of 375 Band D equivalent properties per annum).
- Inflation increases in Retained Business Rates income from 2023/24 onwards. Future net benefits from Business Rates will be dependent upon the impact of any potential system re-set and other changes from April 2023 onwards.
- Inclusion of this Council's share (£350k) of the potential benefit arising from the continuation of the Cambridgeshire Business Rates Pool in 2022/23 only. Potential benefit from the Pool in future years will be dependent on any changes to the Business Rates Retention System from April 2023.
- Continuation of the Lower Tier Services Grant (£169k to be received in 2022/23) and Services Grant (£255k to be received in 2022/23) in 2023/24 onwards. Although the national totals of these grants will remain in the Local Government sector in future years, they may be allocated differently.
- The New Homes Bonus for 2023/24 onwards has been included at £800k per annum as detailed in Section 4 of the report. Future allocations will be dependent upon the scheme design and national totals of any replacement Housing Growth initiative.
- 2% pay award in 2022/23 (£230k cost) and thereafter together with an allowance for pay increments of around 1% p.a. (£115k cost) reflecting the continuing impact of the pay grades re-modelling following the national pay award agreement effective from April 2019.
- Employer's Pension Contributions – following the triennial valuation as at 31.03.2019, the contribution rate for 2022/23 is to remain the same as 2021/22 (17.4% of salary) with an additional past deficit lump sum payment of £978k, representing an overall increase of 1% p.a. in total contributions. For 2023/24 onwards, following the next triennial valuation, further increases have been assumed in line with the current triennial valuation.
- Inclusion of a vacancy factor for 2022/23 onwards, equivalent to a reduction in staff costs of 1.5% (£181,000 in 2022/23).
- Specific allowance for inflation where required eg: employee costs (as detailed above), business rates, external contracts, energy and water, drainage board levies etc. Otherwise, no allowance for inflation has been included.
- Investment interest rates are forecast to begin rising from February 2022 (£100k estimated income in 2022/23).
- Investment income includes an assumed £4m investment in property funds during 2022/23 (£150k p.a. income net of costs).

- Assumptions regarding forecast income levels from fees and charges have been included based on 2021/22 projections. In addition, fee increases (where applicable) together with a review of activity levels have determined the current estimates.
- For 2022/23 onwards, a full years' worth of Management Fee being received from the Leisure Management contractor has been assumed. This follows two years of significant additional Council support for the Leisure Management contract in 2020/21 and 2021/22 as a result of Covid-19, through deferral of the management fee and also cash support.
- For 2022/23, additional provision has been included for a continuation of the high demand for bed and breakfast and temporary accommodation for the homelessness and rough sleeper's service. Further work is being carried out to determine the level and type of ongoing support required.
- Potential impact of My Fenland Phase 3 has been included (£194k saving in 2022/23 rising to £383k savings p.a. from 2023/24 onwards). However, further detailed work is required to quantify the scope and savings likely to be generated.
- Recharges to Fenland Future Limited to reflect the use of FDC officer time on the company's behalf has been included (£100k in 2021/22, £125k in 2022/23 and future years). This amount could vary depending on the amount of time and types of activities being carried out for the company.
- Potential net benefits from Fenland Future Ltd of loan interest and dividends from future developments have been included. These amounts could vary depending on the timing and profitability of developments being carried out by the company.
- No potential additional income from the Extended Producer Responsibility scheme for managing packaging waste (effective from 2024/25) has been included as there are currently no indications of the level of this income.

CAPITAL PROGRAMME AND FUNDING 2021 - 2025

	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000
Capital Programme (excluding Commercial and Investment Strategy Schemes)	12,486	13,567	8,692	1,587
Commercial and Investment Strategy Schemes	330	2,472	13,500	5,000
CURRENT FORECAST EXPENDITURE	12,816	16,039	22,192	6,587

FORECAST RESOURCES AVAILABLE

Capital Grants	10,165	6,722	6,985	950
Usable Capital Receipts - In Year	150	215	100	100
Reserves used in year to fund Capital	463	200	0	0
Section 106s and Other Contributions	26	115	0	0
Borrowing (Internal and Prudential)	2,012	8,787	15,107	5,537
Total Forecast Resources	12,816	16,039	22,192	6,587

CAPITAL PROGRAMME SUMMARY 2021/22 - 2024/25

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
Leisure Centres								
1 Condition Survey Improvements	447	790	810	422	2,469	2,469		£98k R&M Reserve
Regeneration Programmes								
2 Fenland Renaissance and Place Shaping	16				16	16		
3 Heritage Lottery Fund - Non-FDC Properties	514				514	81	433	£433k HLF Grant.
4 Heritage Lottery Fund - 24 High Street, Wisbech		1,350			1,350	1,112	238	£238k HLF Grant.
5 Railway Station Master-Planning	2,543	1,853			4,396	82	4,314	£4,314k CPCA Grant, £82k S106
6 Whittlesey Flood Warning Signs	46				46		46	CPCA Grant £46k
7 Future High Street Fund, March	490	2,272	5,935		8,697	250	8,447	£2,000k CPCA, £6,447k MHCLG Future High Streets
8 Growing Fenland - Capital Grants	320				320		320	£320k CPCA Grant
Cemeteries								
9 Manea Churchyard	15				15	15		
10 Cemetery Chapels Condition Survey Works		315			315	315		
11 Remedial Works in Closed Cemeteries		80	190		270	270		
Highways								
11 Category 2 Street Lights - FDC Lights	105	176			281	281		
12 Street Name Plates/District Facilities Signage	18				18	18		
Street Light Improvements - Parishes (Contribution to Cat 2								
13 Replacements)	11				11	11		£11k Capital Contribution Reserve
14 Growing Fenland - Civil Parking Enforcement	100	200	100		400		400	£400k CPCA Grant
15 Huntingdon Road Improvements, Chatteris	15	20			35	35		
Office Accommodation								
16 Fenland Hall and The Base - Repairs and Renewals	200	1380	100		1,680	1,680		
Environment								
17 Replacement and Grant-Funded Additional Litter Bins	108				108	83	25	£25k WRAP Grant
Port								
18 Boat/Vessels - Replacement Deck, Hull and Engines	57	35			92	92		
19 Wisbech Port Structural Works	328				328	328		
Sub Total	5,333	8,471	7,135	422	21,361	7,138	14,223	

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
Brought Forward	5,333	8,471	7,135	422	21,361	7,138	14,223	
Parks and Open Spaces								
20 West End Park, March - Park Improvements	27				27	9	18	£16k Cambs CC, £2k March TC
21 Parks, Play Areas and Open Space - Chatteris	60	40			100	100		£6k S106 money
22 Parks, Play Areas and Open Space - Doddington		75			75	75		£21k S106 money
23 Parks, Play Areas and Open Space - Parson Drove	24				24	24		
24 Parks, Play Areas and Open Space - Wisbech	20	20		15	55	55		£32k S106 money
25 Parks, Plays Areas and Open Space - Whittlesey		45			45	45		
26 Wisbech Water Park		150			150		150	£150K CPCA Grant
27 Wisbech Park Pavillion		555			555	10	545	£545K CPCA Grant
Vehicles and Plant								
28 Vehicles	321	154	257	200	932	932		
ICT System Replacement Programme & Upgrades								
29 Replacement & Upgrade Programme	364	390	100		854	854		£554k Management of Change Reserve
Improvement of Assets								
30 Sewage Treatment Works Refurbishment	80	657	250		987	987		
31 Birch Fen Silt Removal and Outfall Maintenance	25				25	25		
32 March Moorings Renewals		24			24	24		
33 Hostel Roof Renewal	42				42	42		
34 Lattersley Nature Reserve - Capping Layer		40			40	40		
35 Energy Efficiency Improvements to Clarion Properties	4,492				4,492		4,492	£4492k BEIS Decarbonisation Fund Grant
Car Parks								
36 Eastwood, Chatteris		100			100	100		
Economic Estates								
37 Replacement of AV Equipment at Business Centres		50			50	50		
38 South Fens Business Park Expansion	150	1,846			1,996	1,000	996	£996k CPCA 'Business Space' Funding
Private Sector Housing Support								
39 Private Sector Renewal Grants	240	40	40	40	360		360	£360k Govt Grant
40 Disabled Facilities Grants	1,308	910	910	910	4,038		4,038	£4038k Govt Grant
Total - Approved Programme	12,486	13,567	8,692	1,587	36,332	11,510	24,822	

Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2022/23

1 Introduction

CIPFA Treasury Management Code and Prudential Code (Revised 2021)

- 1.1 CIPFA published the revised codes on 20th December 2021 and has stated that formal adoption is not required until the 2023/24 financial year. This Council has to have regard to these codes of practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.
- 1.2 The revised codes will have the following implications:
- a requirement for the Council to adopt a new debt liability benchmark treasury indicator to support the financing risk management of the capital financing requirement;
 - clarify what CIPFA expects a local authority to borrow for and what they do not view as appropriate. This will include the requirement to set a proportionate approach to commercial and service capital investment;
 - address Environmental, Social and Governance (ESG) issues within the Capital Strategy;
 - require implementation of a policy to review commercial property, with a view to divest where appropriate;
 - create new Investment Practices to manage risks associated with non-treasury investment (similar to the current Treasury Management Practices);
 - ensure that any long term treasury investment is supported by a business model;
 - a requirement to effectively manage liquidity and longer term cash flow requirements;
 - amendment to Treasury Management Practice 1 to address ESG policy within the treasury management risk framework;
 - amendment to the knowledge and skills register for individuals involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each council;
 - a new requirement to clarify reporting requirements for service and commercial investment, (especially where supported by borrowing/leverage).

- 1.3 In addition, all investments and investment income must be attributed to one of the following three purposes: -

Treasury management

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments. The Council's proposed investment in property funds falls into this category.

Service delivery

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

Commercial return

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return. This does not preclude the Council from taking forward investments as part of its Commercial and Investment Strategy so long as financial return is not the primary reason for taking forward the scheme. This particularly applies in the case of projects relating to housing where service delivery objectives can be achieved as well as a financial return.

- 1.4 As this Treasury Management Strategy Statement and Annual Investment Strategy deals solely with treasury management investments, the categories of service delivery and commercial investments will be dealt with as part of the Capital Strategy report
- 1.5 Members will be updated on how all these changes will impact our current approach and any changes required will be formally adopted within the 2023/24 TMSS report.

2 Background

- 2.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's assessment of its risk appetite, providing adequate liquidity initially before considering investment return.
- 2.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

- 2.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

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

- 2.4 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

3 The Capital Strategy Reporting Requirements

- 3.1 The CIPFA revised 2017 Prudential and Treasury Management Codes require all local authorities to prepare an additional document, a Capital Strategy which will provide the following:
- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - an overview of how the associated risk is managed; and
 - the implications for future financial sustainability.
- 3.2 The aim of the Capital Strategy is to ensure that all elected members on full Council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

4 Treasury Strategy Reporting Requirements

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

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

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

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

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

4.3 The Strategy covers two main areas:

Capital issues

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

Treasury management issues

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

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

5 Capital Prudential Indicators 2022/23 to 2024/25

- 5.1 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.
- 5.2 The capital expenditure prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously and those forming part of this budget cycle. Commercial activities/non-financial investments relate to areas such as capital expenditure on investment properties, loans to third parties etc.
- 5.3 The table below summarises the capital expenditure plans and how these are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital Programme	2021/22 Revised Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
Forecast Capital Expenditure	12,486	13,567	8,692	1,587
Commercial and Investment Strategy Schemes	330	2,472	13,500	5,000
TOTAL	12,816	16,039	22,192	6,587
Financed by:				
Capital Grants	10,165	6,722	6,985	950

Capital Receipts	150	215	100	100
Reserves used in year to fund Capital	463	200	0	0
Section 106 and Other Contributions	26	115	0	0
Total Financing	10,804	7,252	7,085	1,050
Net Financing Need For The Year (Borrowing)	2,012	8,787	15,107	5,537

- 5.4 The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness, its underlying borrowing need. Any capital expenditure shown above, which has not immediately been paid for will increase the CFR.
- 5.5 The CFR does not increase indefinitely, as each year the Council is required to pay off an element of the capital spend (including finance leases) through a statutory revenue charge (MRP). In the case of schemes taken forward as part of the Council's capital programme this has the effect of reducing the Council's (CFR) broadly over the asset's life.
- 5.6 In the case of capital expenditure incurred in accordance with the Council's Commercial and Investment Strategy the MRP charge cannot be determined until such time that the Investment Board approves a scheme. Where the projected Capital Financing Requirement is disclosed in this report the figures used reflect the impact of borrowing to fund the full allocation of the remaining £21.3M over the next 4 years but no assumptions have been made regarding how MRP might reduce the CFR attributable to these schemes. This approach is considered reasonable until such time that any new schemes are formally approved by the Investment Board. In accordance with the current Minimum Revenue Policy, a provision for MRP in relation to the Investment Property acquired in the 2020/21 financial year is incorporated into the information in this report and the Council's Medium Term Financial Strategy.
- 5.7 In this context, it is also important to note that, as well as the statutory MRP charge, the Council is permitted to make additional voluntary payments to reduce the CFR. These voluntary payments will typically reduce the statutory charge that would have been due in future years. Voluntary payments can be funded from capital resources. This is particularly significant in the context of the Council's Commercial and Investment Strategy. As a result of investments undertaken, the Council may receive significant capital receipts and/or repayments of amounts due under the terms of loan agreements with third parties, including the Local Authority Trading Company. These amounts may be received before the maturity date of the external borrowing used to undertake the initial investment. Any assumptions regarding the anticipated use of capital resources to reduce the CFR will be reported as part of future treasury management reporting.
- 5.8 The CFR includes any other long term liabilities (finance leases). A finance lease is a commercial arrangement between the Council and a lessor (finance company), where in consideration for a series of payments the Council has the right to use an asset (e.g. refuse vehicle) for the lease duration (typically 7 years). The annual lease payment is made up of a capital and interest repayment.
- 5.9 Although legally the Council doesn't own the asset during the lease duration, International Accounting Standards require that the Council capitalise the asset and liability on its balance sheet, much like a loan. Whilst this increases the CFR, the nature of the finance lease agreement doesn't require the Council to separately borrow to fund the asset.

Capital Financing Requirement (CFR)	2021/22 Revised Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
CFR – as at 31 March				
Opening CFR	6,177	7,821	16,185	30,676
Movement in CFR	1,644	8,364	14,491	4,883
Closing CFR	7,821	16,185	30,676	35,559
Movement in CFR represented by				
Net financing need for the year	2,012	8,787	15,107	5,537
Less MRP and other Financing Movements	(368)	(423)	(616)	(654)
Movement in CFR	1,644	8,364	14,491	4,883

6 Minimum Revenue Provision (MRP) Policy Statement

- 6.1 The Council is required to pay off an element of the accumulated general fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision).
- 6.2 DLUHC regulations have been issued which require the Council to approve an MRP statement in advance each year. A variety of options are provided to Councils within the guidance. Councils are permitted under the guidance to establish their own approach to setting MRP and different approaches can be applied for different types of assets. The Council's principal responsibility is to ensure that it can demonstrate that whatever approach they adopt across their asset base it is prudent. Given the Council's decision to adopt a Commercial and Investment Strategy it was necessary to revise the MRP policy in 2020/21 to take account of investments which might feasibly be taken forward in accordance with the Commercial and Investment Strategy. The policy applicable for the current financial year onwards is as follows:
- (1) For unsupported borrowing (including finance leases) undertaken to fund the Council's capital programme, excluding any capital expenditure approved by the Council's Investment Board, MRP will be based on the estimated useful life of the assets to be purchased or acquired. Repayments made under the terms of finance leases shall be applied as MRP.
 - (2) For Investment Properties purchased or constructed (following a decision taken by the Council's Investment Board) the MRP charge shall be based on the difference between the value of the asset and the value of any outstanding unsupported borrowing secured to fund the original purchase of the asset. A calculation shall be undertaken at the end of each financial year to identify the difference between the value of the asset and the amount borrowed. Where a difference exists MRP shall be charged over a period commensurate with the period the Council expects to hold the asset as set out in reports presented to the Investment Board.
 - (3) For any loans made to third parties, including those made to the Local Authority Trading Company, no MRP shall be charged where the loan requirement requires the third party to make repayments on at least an annual basis over the life of the loan. In the unlikely event of the Council providing a maturity loan to a third party, MRP shall be charged in equal amounts over the life of the loan.

(4) Should the Council acquire an equity stake in any third party, the MRP charge will be for the lower of twenty years or the scheduled completion date of any projects funded by the third party using the proceeds from selling an equity stake to the Council.

(5) For investment in Property Funds which the Council, following consultation with its Treasury Advisors, assesses as meeting the definition of capital expenditure MRP shall be charged over the period the Council expects to hold the investment. The period over which MRP can be charged for this type of investment shall not be permitted to exceed 20 years. Currently, the Council does not anticipate that its proposed investment in property funds referred to elsewhere in this document will meet the definition of capital expenditure.

6.3 It is important to note that DLUHC are currently consulting on potential changes to the guidance relating to setting the Minimum Revenue Provision. One potential outcome of the consultation is that government could bring forward changes to the regulations

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

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

Year End Resources	2021/22 Revised Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
Fund balances / reserves	18,740	15,600	15,800	15,850
Expected Cash investments	22,200	19,400	18,000	18,000

8 Affordability Prudential Indicators

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

8.2 This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Financing Costs to Net Revenue Stream	2021/22 Revised Estimate %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %
General Fund	8.27	9.39	13.13	13.75
Net Revenue Stream	£9.787m	£11.257m	£11.687m	£12.091m

9 Treasury Management Strategy

- 9.1 The capital expenditure plans set out in section 5 provide a summary of future level of spend. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet service activity and the Council's capital strategy. This will involve both the organisation of cash flow and where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.
- 9.2 The Council's treasury portfolio as at 31 March 2021 for borrowing and investments was £8.043m and £24m respectively. As of 31 December 2021, investments are £34m (see Appendix A attached) and borrowing £8.019m.
- 9.3 The Council's forward projections for borrowings are summarised below. The next table shows the actual external debt, against the underlying capital borrowing need (the Capital Financing Requirement - CFR).

	2021/22 Revised Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
Debt at 1 April	7,800	8,130	16,821	30,061
Expected change in debt to fund capital programme (excluding Commercial and Investment Strategy schemes)	0	6,219	(260)	(260)
Borrowing to fund Commercial and Investment Strategy Schemes	330	2,472	13,500	5,000
Other long term liabilities (OLTL)	243	106	23	0
Expected change in OLTL	(137)	(83)	(23)	0
Actual gross debt at 31 March	8,236	16,844	30,061	34,801
Capital financing requirement (CFR) at 31 March	7,821	16,185	30,676	35,559
Borrowing less CFR – 31 March	415	659	(615)	(758)

- 9.4 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and the following two financial years. This allows some flexibility for limited early borrowing for future years and ensures that long term borrowing is not undertaken for revenue or speculative purposes (in the sense of anticipating future upward movements in interest rates), other than where the borrowing fits in with the Council's approved Investment Strategy.
- 9.5 The Council notes that the Prudential Code published by CIPFA prohibits local authorities from borrowing in advance of need. This prohibition has been recently re-affirmed by DLUHC in its Statutory Guidance on Local Authority Investments which states that this

prohibition extends to undertaking borrowing to fund the purchase of financial and non-financial investments, including investment properties. This is on the basis that in such circumstances local authorities would be borrowing 'purely in order to profit from investment of the extra sums borrowed'. Section 4 of the Council's Capital Strategy explains how the Council has had regard for this guidance and notes the Council's approach to determining whether the motivation behind any proposed investment is purely to profit from investment of any sums borrowed.

- 9.6 As a result of the Council's long term Public Works Loan Board (PWLB) debt portfolio of £4.5m (31/03/21) currently attracting excessive premiums (£2.391m at the time of writing this report), if it were prematurely repaid and the fixed rate market loan of £3.3m (31/03/2021), 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.
- 9.7 Interest repayments associated with the external debt (including finance leases) above are shown below. The figures in the third column reflect the interest which would fall due if the Investment Board were to approve schemes totalling the full allocation of £21.3M and borrowing was undertaken over 4 years (see table 9.3 above) funded by a maturity loan at today's rate.

YEARS	INTEREST DUE (EXISTING CAPITAL SCHEMES) £000	INTEREST DUE (FUNDING OF COMMERCIAL AND INVESTMENT STRATEGY) £000	TOTAL £000
2021/22	491	0	491
2022/23	623	59	682
2023/24	616	342	958
2024/25	611	447	1,058

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

Operational Boundary	2021/22 Revised Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
Debt	12,000	14,500	14,500	14,500
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities / Non Financial Investments	21,302	21,302	21,302	21,302
Total	34,302	36,802	36,802	36,802

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

of a specific council, although this power has not yet been exercised. The Council is asked to approve the following authorised limit.

Authorised Limit	2021/22 Revised Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000
Debt	17,000	19,500	19,500	19,500
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities / Non Financial Investments	21,302	21,302	21,302	21,302
Total	39,302	41,802	41,802	41,802

10 Prospects for Interest Rates

- 10.1 The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives Link Assets Service's central view as at 7 February 2022.

Link Group Interest Rate View 7.2.22													
	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.75	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
3 month av. earnings	0.80	1.00	1.00	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
6 month av. earnings	1.00	1.10	1.20	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
12 month av. earnings	1.40	1.50	1.60	1.70	1.70	1.60	1.60	1.50	1.40	1.40	1.40	1.40	1.40
5 yr PWLB	2.20	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30
10 yr PWLB	2.30	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
25 yr PWLB	2.40	2.50	2.50	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60
50 yr PWLB	2.20	2.30	2.30	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40

- 10.2 Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021 and then to 0.50% at its meeting of 4th February 2022.
- 10.3 As shown in the forecast table above, the forecast for Bank Rate now includes a further three increases of 0.25% in March, May and November 2022 to end at 1.25%.
- 10.4 Gilt Yields / PWLB Rates - since the start of 2021, we have seen a lot of volatility in gilt yields, and hence PWLB rates. Link's forecasts show little overall increase in gilt yields during the forecast period to March 2025 but there will doubtless be a lot of unpredictable volatility during this forecast period.
- 10.5 While monetary policy in the UK will have a major impact on gilt yields, there is also a need to consider the potential impact that rising treasury yields in America could have on our gilt yields. As an average since 2011, there has been a 75% correlation between movements in US 10-year treasury yields and UK 10-year gilt yields. This is a significant upward risk exposure to the above forecasts for medium to longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison. PWLB rates and interest rates will both be kept under review by officers to inform the Council's strategy
- 10.6 One of the key results of the pandemic has been a fundamental rethinking and shift in monetary policy by major central banks like the Fed, the Bank of England and the ECB, to tolerate a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate. There is now also a greater emphasis on other targets for monetary policy than just inflation, especially

on 'achieving broad and inclusive "maximum" employment in its entirety' in the US, before consideration would be given to increasing rates.

- 10.7 For local authorities, this means that investment interest rates and very short term PWLB rates will not be rising as high as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion.
- 10.8 Investment returns have started improving in the second half of 2021/22 and are expected to improve further during 2022/23 as the MPC progressively increases Bank Rate.
- 10.9 Borrowing interest rates fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England and still remain at historically low levels. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years.
- 10.10 On 25.11.20, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three year capital programme.
- 10.11 Borrowing for capital expenditure. Link's long-term forecast (beyond 10years), for Bank Rate is 2.00%. As nearly all PWLB certainty rates are now above this level, borrowing strategy will need to be reviewed, especially as the maturity curve has flattened out considerably. Better value can be obtained at the very short and at the longer end of the curve and longer-term rates are still at historically low levels. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive as part of a balanced debt portfolio. Longer-term borrowing could also be undertaken for the purpose of certainty, where that is desirable.
- 10.12 While this authority will not be able to avoid borrowing to finance new capital expenditure and the rundown of reserves, there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances.

11 Borrowing Strategy

- 11.1 As noted above in paragraph 9.5 the Council recognises that statutory guidance indicates that whilst the Council has the necessary powers to borrow in advance of need the government and CIPFA state it should refrain from doing so where such borrowing takes place purely in order to profit from investment of the extra sums borrowed. None of the Council's current borrowing was undertaken in advance of need.
- 11.2 As a result of the Council's decision not to repay debt of £7.8m at the time of the housing stock transfer in 2007, the Council is currently over borrowed (see paragraph 9.6 above); the Council's gross debt exceeds its CFR over part of the treasury strategy.
- 11.3 Where the Council has insufficient internal resources to fund its capital programme the difference between available resources and funds required is met through borrowing. The Council is able to borrow internally if it identifies that it has surplus funds currently held in investments which could be used to finance its capital programme. However, any decision to borrow internally has to consider when any funds borrowed might be required to support the day-to-day cash needs of the Council. Unless the Council is able to increase the surplus funds it has available, i.e. through generating surpluses on the revenue account, internal borrowing will only provide a temporary solution to funding the capital programme.
- 11.4 When the Council borrows externally it will ordinarily do so using funds borrowed from the Public Works Loan Board, though this does not preclude the Council considering other sources of lending.

- 11.5 The current Medium Term Financial Strategy assumes that some external borrowing will be required over the four-year period to 31 March 2025. Assumptions about the level of external interest payable are reflected as part of the prudential indicators included in this document. Responsibility for deciding when to borrow externally, together with details of the amount to borrow and the term and type of any loan, rests with the Chief Finance Officer. The Chief Finance Officer's decision will be informed by advice from the Council's treasury management advisors and information regarding the progress of schemes set out in the capital programme. Any borrowing decisions will be reported to Cabinet through either the mid-year or annual treasury management reports.
- 11.6 The Chief Finance Officer will monitor capital plans and interest rates in financial markets and adopt a pragmatic approach to funding the capital programme. Any borrowing decisions and budget consequences will be reported to Cabinet through either the mid-year or annual treasury management reports.
- 11.7 Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing and are required for upper and lower limits.

Maturity structure of fixed interest rate borrowing 2022/23	Lower %	Upper %
Under 12 months	0	20
12 months to 2 years	0	50
2 years to 5 years	0	75
5 years to 10 years	0	75
10 years and above	0	100

Maturity structure of variable interest rate borrowing 2021/22	Lower %	Upper %
Under 12 months	0	100
12 months to 2 years	0	100
2 years to 5 years	0	100
5 years to 10 years	0	100
10 years and above	0	100

12 Debt Rescheduling / Repayment

- 12.1 Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a very large difference between premature redemption rates and new borrowing rates, even though the general margin of PWLB rates over gilt yields was reduced by 100 bps in November 2020.
- 12.2 If rescheduling was done, it will be reported to the Cabinet at the earliest meeting following its action.

13 Annual Investment Strategy - management of risk

- 13.1 The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).
- 13.2 The Council's investment policy has regard to the following:-

- DLUHC's Guidance on Local Government Investments ("the Guidance");
 - CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code"); and
 - CIPFA Treasury Management Guidance Notes 2018.
- 13.3 The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite
- 13.4 The above guidance from the DLUHC and CIPFA, place a high priority on the management of risk. The Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means.
- 13.5 Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings
- 13.6 Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
- 13.7 Investment instruments identified for use in the financial year are listed below under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.
- 13.8 **Specified Investments** - These investments are sterling investments (meeting the minimum 'high' quality criteria where applicable) of not more than one year maturity, or those which could be for a longer period but where the Council has the right to repay within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. Investment instruments identified for use in the financial year are as follows:
- term deposits with part nationalised banks and local authorities;
 - term deposits with high credit criteria deposit takers (banks and building societies);
 - callable deposits with part nationalised banks and local authorities;
 - callable deposits with high credit criteria deposit takers (banks and building societies);
 - money market funds (CNAV) / (LVNAV) / (VNAV);
 - Debt Management Agency Deposit Facility (DMADF); and
 - UK Government gilts, custodial arrangement required prior to purchase.
- 13.9 **Non-Specified Investments** - These are any other type of investment (i.e. not defined as specified above). Investment instruments identified in both "specified" and "non-specified" categories are differentiated by maturity date and classed as non-specified when the investment period and right to be repaid exceeds one year. Non-specified investments are more complex instruments which require greater consideration by members and officers before being authorised for use. Investment instruments identified for use in the financial year are as follows:
- term deposits with high credit criteria deposit takers (banks and building societies);

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

- 13.10 As a result of the change in accounting standards first introduced in 2018/19 under IFRS 9, the Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. In November 2018, the former Ministry of Housing, Communities and Local Government, now the DLUHC, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from 1.4.18.
- 13.11 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. Short term cash flow requirements (up to 12 months) include payments such as, precepts, business rate retention, housing benefits, salaries, suppliers, interest payments on debt etc.
- 13.12 The current forecast shown in paragraph 10.1, includes a forecast for Bank Rate to reach 1.25% in November 2022.
- 13.13 The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

Average earnings in each year	Now
2022/23	1.00%
2023/24	1.25%
2024/25	1.25%
2025/26	1.25%
Years 6 to 10	1.50%
Years 10+	2.00%

- 13.14 Estimated investment income is £40,000 for 2021/22 and £65,000 in 2022/23. These estimates assume that £4m of cash balances are invested in Property Funds from 2022/23 onwards and that none of the existing cash balances held by the Authority will be utilised to fund schemes approved by the Investment Board.
- 13.15 **Investment treasury indicator and limit** - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year end. Currently the Council has no treasury investments in excess of 1 year.

	2022/23 £000	2023/24 £000	2024/25 £000
Maximum principal sums invested > 365 days	10,000	10,000	10,000

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

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

14 **Creditworthiness Policy**

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

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

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

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

14.3 The Link creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system does not give undue preponderance to just one agency's ratings.

14.4 Typically, the minimum credit ratings criteria the Council will use will be short term rating (Fitch or equivalents) of F1 and a long-term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use

14.5 The Council's own bank currently meets the creditworthiness policy. However, should they fall below Link Group creditworthiness policy the Council will retain the bank on its counterparty list for transactional purposes, though would restrict cash balances to a minimum.

- 14.6 All credit ratings are monitored weekly and prior to any new investment decision. The Council is alerted to changes to ratings of all three agencies through its use of the Link Group creditworthiness service.
- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
 - In addition to the use of credit ratings the Council will be advised of information in movements in credit default swaps against the iTraxx European Financials benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 14.7 Sole reliance will not be placed on the use of Link Group Creditworthiness policy. In addition, this Council will also use market data and market information, information on any external support for banks to justify its decision making process.
- 14.8 To further mitigate risk the Council has decided that where counterparties form part of a larger group, group limits should be used in addition to single institutional limits. Group limits will be as set through the Council's Treasury Management Practices – schedules.
- 14.9 In relation to financial institutions, the Council currently only invests in UK banks and building societies, which provides sufficient high credit quality counterparties to meet investment objectives. It should be noted that in some cases these banks are subsidiaries of foreign banks but these are of the highest credit quality.

15 External Service Providers

- 15.1 The Council uses Link Group as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the authority at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to available information, including, but not solely, our treasury advisors.
- 15.2 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.
- 15.3 The scope of investments within the Council's operations now includes both conventional treasury investments, (the placing of residual cash from the Council's functions), and more commercial type investments, such as investment properties. The Council will engage specialist advisers for commercial-type investments.

FENLAND DISTRICT COUNCIL

CAPITAL STRATEGY 2022/23-2024/25

1. OVERVIEW AND CONTEXT

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

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

2. CAPITAL EXPENDITURE

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

Role and Purpose of the Asset Management Plan

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

maintaining a Council asset is not necessarily a reliable indicator of future costs. Forward projections regarding the resources to be allocated to asset management recognise the interaction between revenue and capital expenditure in determining the Council's cost base.

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

Investment in Vehicles, Plant, Equipment and IT

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

Role and Function of the Corporate Asset Team

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

- capital expenditure is proposed to protect a Council asset and reduce the risk of excessive revenue expenditure being incurred in upcoming financial years;
 - the proposed capital expenditure will generate income, either of a revenue or capital nature, in excess of the capital expenditure which is expected to be incurred including any financing costs but does not meet the definition of asset acquired 'primarily for yield' as defined in guidance issued by HM Treasury; and/or
 - the proposed capital expenditure will (after including financing costs) reduce revenue expenditure incurred by one or more of services in future financial years.
- 2.11 The capital financing regulations permit the Council to treat as capital expenditure certain types of transaction which do not result in the acquisition of a physical asset by the Council. These transactions can be high-volume, small value transactions such as the awarding of Disabled Facilities Grants which are currently funded from monies received as part of Cambridgeshire County Council's Better Care Fund allocation. Such transactions do not require specific approval providing the nature and purpose of the expenditure has been approved as part of the Capital Programme.
- 2.12 Any proposals to incur capital expenditure which do not lead to the recognition of a physical asset where the expenditure proposed exceeds £10,000 but does not fall within the scope of the Council's Commercial and Investment Strategy will be considered at a meeting of CMT. If approved by Cabinet, approval will be sought at a meeting of Cabinet before being considered at full Council if necessary. Possible examples include, but are not restricted to:
- granting loans to third parties (for reasons not linked to the objectives of the Commercial and Investment Strategy);
 - providing grant-funding to a third party which enables that third party to undertake expenditure which would have been capital in nature had it been undertaken by the Council.

Role and Function of the Investment Board

- 2.13 During the 2019-20 financial year the Council initiated the development of a Commercial and Investment Strategy for the Council. The current version of the Strategy was approved by full Council on 9 January 2020.
- 2.14 The Commercial and Investment Strategy was developed in recognition of the investment opportunities available to the Council acknowledging that utilising the Council's powers to invest could bring substantial benefits not only to the Council but also to the wider District and its residents. The

Capital Strategy has been updated to take account of the changes in the Council's arrangements for determining its capital priorities which arise from the implementation of the Commercial and Investment Strategy. This is explained in more detail in section four of this document.

- 2.15 Following the approval of the Commercial and Investment Strategy Cabinet approved the establishment of a sub-committee known as the Investment Board. The Investment Board has initially been allocated a maximum budget of £25M to take forward capital schemes which facilitate the achievement of the objectives set out in the Strategy. To date £4.028M of this allocation has been utilised to take forward specific schemes and the balance has been profiled over the upcoming three financial years.
- 2.16 The Investment Board undertakes its own appraisals of proposed capital schemes. The appraisal of such schemes will be separate from and in addition to the proposals for new capital schemes considered at meetings of Corporate Asset Team which follow the process outlined in paragraph 2.10 of this strategy. The Investment Board has delegated powers to approve schemes providing the maximum budget is not exceeded.
- 2.17 Capital schemes which fall within the remit of the Investment Board include the acquisition of share capital or the granting of loan funding to companies and/or partnerships in which the Council has an interest. The decision about whether to establish a company or enter into a partnership rests with Cabinet. The Investment Board is responsible for the approval of the business plans of any entities created as a result of a decision taken by Cabinet. Approval of the relevant business plan will precede the allocation of capital funds.
- 2.18 On 9 June 2020 Cabinet approved a business case for the establishment of a Local Authority Trading Company. Following that meeting the Council formally registered Fenland Future with Companies House (Company No. 12659496). Directors have been appointed to the Board of Fenland Future and the Board and during the 2021/22 financial year work on appraising potential investments and developing relevant business cases has continued.
- 2.19 The Council recognises that since the Commercial and Investment Strategy was approved in February in January 2020 guidance has been introduced restricting local authorities' access to Public Works Loan Board financing where that funding is to be used to acquire investment assets primarily for yield. Additionally, the Council recognises that where internal or external borrowing is utilised to acquire investment assets this has the potential to increase the Council's overall level of debt by bring forward the point in time

when the Council needs to borrow externally. Notwithstanding these considerations, the Council believes there is still a substantial opportunity for the Council to deliver against its objectives linked to regeneration and improving the supply of housing in the District by investing responsibly under the aegis of the Commercial and Investment Strategy.

3 DEBT AND BORROWING AND TREASURY MANAGEMENT

- 3.1 Day-to-day responsibility for the Treasury Management function rests with the Chief Finance Officer. This section of the strategy reproduces key information taken from the Treasury Management Strategy Statement. The profile of borrowing linked to the Commercial and Investment Strategy shown below is indicative. The operational boundary and authorised limits shown in Tables 3 and 4 have been determined with reference to the budget allocated to the Investment Board referred to in paragraph 2.15 above. This recognises that the Investment Board could invest the remaining allocation in one financial year if this were deemed to be appropriate.

Key Considerations relating to Treasury Management

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

Year End Investments	2021/22 Revised Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£000	£000	£000	£000
Fund balances / reserves	18,740	15,600	15,800	15,850
Expected investments	22,200	19,400	18,000	18,000

Table 1: Year End Investment Balances projected over the period 1 April 2021 – 31 March 2025

Year-End Debt	2021/22 Revised Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£000	£000	£000	£000
Debt at 1 April	7,800	8,130	16,821	30,061
Expected change in debt to fund capital programme (excluding Commercial and Investment Strategy schemes)	0	6,219	(260)	(260)
Borrowing to fund Commercial and Investment Strategy schemes	330	2,472	13,500	5,000
Other long term liabilities (OLTL)	243	106	23	0
Expected change in OLT	(137)	(83)	(23)	0
Actual debt at 31 March	8,236	16,844	30,061	34,801

Table 2: Year End Debt and Net Investment projected over the period 1 April 2021– 31 March 2025

- 3.3 At 1 April 2021 the Council's Debt position comprised other long-term liabilities relating to finance leases of £243k and external borrowing of

£7.8m. These loans were taken out at prevailing market rates between 1994 and 2004. The term of these loans is between 25 and 50 years. Following the transfer of the Council's Housing Stock in 2007, which generated a significant capital receipt for the Council, the Council has retained investment balances which exceed the amounts borrowed. However, changes in prevailing interest rates since the loans were taken out mean that a high premium would be payable by the Council if it were to seek to repay any of the loans early. The premiums to be applied are considered to be prohibitively high for early redemption to be regarded as a reasonable treasury management decision. The Council continues to keep this situation under review with the support of its appointed treasury management advisors. However, for the purposes of this strategy, it has been assumed that external borrowing of £7.8m brought forward, as at 1 April 2021, will continue to be carried forward due to the current historically low interest rates.

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

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

Operational Boundary	2021/22 Revised Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£000	£000	£000	£000
Debt	12,000	14,500	14,500	14,500
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities/ Non-Financial Investments	21,302	21,302	21,302	21,302
Total	34,302	36,802	36,802	36,802

Table 3: Operational Boundary over the period 1 April 2021 – 31 March 2025

Authorised Limit	2021/22 Revised Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
	£000	£000	£000	£000
Debt	17,000	19,500	19,500	19,500
Other long term liabilities	1,000	1,000	1,000	1,000
Commercial Activities / Non-Financial Investments	21,302	21,302	21,302	21,302
Total	39,302	41,802	41,802	41,802

Table 4: Authorised Limit over the period 1 April 2021 – 31 March 2025

- 3.6 Table 2 above indicates that the Council's Actual Debt position is expected to increase over the period covered by this strategy. This reflects an anticipated decision to undertake external borrowing to fund the expenditure commitment set out in the capital programme. In accordance with the Council's constitution, any decision about when, how much and from where to borrow will be made by the appointed S151 Officer.
- 3.7 Regulations prevent the Council from borrowing in advance of need. There is no requirement for the Council to draw on investment balances to fund its capital commitments prior to undertaking external borrowing but guidance being developed by CIPFA encourages authorities to considering exiting long-term investments to reduce the need to take on additional debt. To manage interest rate risk effectively, the Council will continue to consider medium and long-term forecasts of interest rates provided by its Treasury Management advisors to project likely returns from the investment of surplus funds and the financing costs associated with external borrowing. This approach recognises that postponing long-term borrowing to future years could be more expensive over the life of the loan if interest rates were to increase.
- 3.8 The Council is required by statute to make arrangements to ensure that there is provision to repay as part of the Council's revenue budget any borrowing undertaken to finance the capital programme. This is known as the Minimum Revenue Provision (MRP) and the Council is required to approve its MRP policy on an annual basis:

	Projected Minimum Revenue Provision (£000)
2021/22	368
2022/23	423
2023/24	616
2024/25	654

Table 5: Projected Minimum Revenue Provision over the period 1 April 2021– 31 March 2025

- 3.9 Regulation requires the Council to ensure that its MRP policy results in prudent levels of MRP. The Council's MRP policies are explained in full as part of the Treasury Management Strategy Statement which is approved by Full Council annually. Specific provisions are in place to explain the approach taken to determine MRP for schemes taken forward as part of the Commercial and Investment Strategy.
- 3.10 At the present time no assumptions have been made regarding the MRP which would be due on schemes taken forward as part of the implementation of the Commercial and Investment Strategy. These assumptions will be updated as schemes are taken forward.
- 3.11 In recognition of the inherent volatility of commercial investment the Council has established an Investment Strategy reserve. One of the purposes of that reserve is that it should hold surpluses in respect of those years where actual income generated from commercial investments exceeds budget estimates. This can help reduce the impact on the General Fund of any unanticipated shortfall which might arise in future years.

4. COMMERCIAL ACTIVITY

- 4.1 The Council has a long-standing portfolio of non-operational assets which it manages to secure a rental income and income from fees and charges earned from providing facilities for conferences and meetings. The main non-operational assets held by the Council are:
- Boathouse Business Centre, Wisbech – Office Units, Conference and Meeting Space
 - South Fens Business Centre, Chatteris - Office Units, Conference and Meeting Space
 - South Fens Enterprise Park, Chatteris – Light Industrial Units for Small Business Use
- 4.2 Rents generated from the lease to third parties of areas of land, buildings and/or infrastructure held by the Council principally for the purposes of service delivery, i.e. premises at Fenland Hall, the Base and Wisbech Port have been assessed by officers to fall outside the scope of commercial activity in the context of this section of the Council Strategy. This reflects the fact that the motive for holding these assets is not principally commercial in nature.
- 4.3 Responsibility for assessing the need for capital investment in the current portfolio of non-operational assets, reflecting those non-operational assets held as at 31 March 2022 currently rests with the Corporate Asset Team in accordance with the arrangements set out in paragraph 2.10 above.

- 4.4 During the 2020-21 financial year the Council approved a Commercial and Investment Strategy. The Council has established an Investment Board to take forward capital schemes which deliver against objectives set out in part two (commercial property investment) and part three of the Strategy (commercial investment and regeneration).
- 4.5 The Commercial and Investment Strategy sets out the assessment criteria to be used for investments undertaken in accordance with part two of the strategy. This requires the Council to determine the net yield associated with each proposed acquisition, after taking account of financing costs, including MRP, and to assess the particular circumstances relating to each acquisition to understand the risks the Council is subject to and possible sources of mitigation. The Council is cognisant of the recent changes to the regulations which govern the basis on which authorities can take out loans from the Public Works Loan Board and specifically preclude authorities who plan to acquire investment assets primarily for yield from accessing PWLB loans. Reference to the current regulations has been incorporated into the Investment Board's decision-making processes.
- 4.6 Following approval of a proposal in March 2021 to date, the Council has acquired one commercial investment property which is let to a commercial tenant on a 25-year repairing and insuring lease.
- 4.7 The Investment Board is a sub-committee of the Cabinet. The Council's constitution requires that the committee's membership includes the Leader (who Chairs the Investment Board), the Portfolio Holder for Finance, as well as one other member of Cabinet appointed by the Leader or two members of Cabinet if the Leader also has the Finance Portfolio. The constitution requires the Chair of the Investment Board to ensure the Investment Board meets a minimum of three times each year. The Chair of the Overview and Scrutiny Panel will attend the Investment Board's meetings in an observational capacity.
- 4.8 The Investment Board is a decision-making body and its functions include the determination of investment appraisals and business cases submitted for its consideration. A report on the discharge of these functions is provided to the Cabinet twice a year.
- 4.9 The Investment Board also has responsibility for monitoring the performance and financial delivery of those appraisals and business cases it agrees to fund. The Section 151 Officer ensures that reports on the activities of the Investment Board prepared for consideration by Cabinet include details about the impact of the Board's activities on the overall financial position of the Council.
- 4.10 Statutory guidance published by MHCLG requires the Council to:

- assess and disclose publicly the extent to which it is dependent on profit-generating investments to deliver a balanced revenue budget over the life of the medium-term financial strategy; and
- to set limits for gross debt and commercial income as a proportion of the Council's budgeted net service expenditure over the life of the medium-term financial strategy.

Commercial Income as a proportion of net service expenditure

4.10 The current limit for budgeted commercial income as a proportion of net service expenditure has been set at 20% (equivalent to commercial income of £2.816M per year based on 2021/22 budgeted net service expenditure).

4.11 The Investment Board was established in January 2020. To date it has approved the acquisition of one tenanted industrial property. The indicator recommended by CIPFA is reported in the table below::

Budgeted Income 2021/22 non-operational assets (Economic Estates)	£925K
Net Service Expenditure	£14.08M
Commercial Income as a % of Net Service Expenditure	6.6%
Approved Limit	20%

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

Gross Debt as a proportion of net service expenditure

4.12 The current limit for gross debt as a proportion of net service expenditure has been set at 375% (equivalent to gross debt of £52.8M per year based on 2021/22 budgeted net service expenditure).

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

Gross Debt expected as at 31 March 2022	£7.8M
Net Service Expenditure (2021/22)	£14.08M
Gross Debt as a proportion of Net Service Expenditure	55.4%
Approved Limit	375%

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

Commercial Property Investment – Loan to Value Assessment

- 4.14 An important consideration when appraising the impact of the Council's commercial and investment strategy on the Council is to consider the extent to which borrowing undertaken by the Council to fund investment in property is matched by the underlying value of the assets purchased.
- 4.15 When assets are first purchased it is common for the directly attributable costs associated with acquiring the asset, including applicable stamp duty, to exceed the realisable value of the asset. Consequently, if a property purchase is funded from borrowing this may mean in the early years of the Council's ownership the fair value of property owned by the Council may be less than the borrowing undertaken by the Council to fund the acquisition. Over time, if property prices appreciate this will have a positive impact on the Council's loan to value ratio.
- 4.16 The Council will obtain valuations of all its commercial investment properties annually and disclose the Loan to Value ratio as part of each year's capital strategy.
- 4.17 The Council has one commercial investment property which had been funded from borrowing. A valuation of that asset obtained as part of work completed to produce the 2020/21 statutory accounts indicated that, as at 31 March 2021, its value was equal to the consideration the Council had paid to the vendor in March 2021 exclusive of stamp duty and legal fees.

Borrowing in Advance of Need

- 4.17 Statutory guidance on Local Authority Investments and the Prudential Code published by CIPFA requires that authorities must not borrow in advance of their needs purely in order to profit from the investment of the extra sums borrowed. Government has clarified that this requirement extends to the use of external borrowing to fund the purchase of non-financial investments, including investment properties.
- 4.19 As noted in paragraph 2.15 above the Council's Investment Board has been allocated a budget of £25M to take forward the Council's Commercial and Investment Strategy. The Council's Commercial and Investment Strategy provides for two types of investments to be taken forward: part two of the strategy sets out the process to be followed for commercial property investment and part three is concerned with investments for regeneration and place-shaping.
- 4.20 The Council will need to undertake external borrowing if it is to utilise the full budget of £25M which has been allocated by Full Council.
- 4.21 The statutory guidance recognises that the Council can disregard the provisions of the Prudential Code and the statutory guidance providing it explains its reasons for doing so and its policies for investing the extra

amounts borrowed and the arrangements in place to manage the associated risks. However, the decision taken by government in November 2020 to preclude Councils from accessing loans from the Public Works Loans Board if they plan to acquire investment assets primarily from yield limits Councils' opportunities to take forward proposals which would previously have been possible.

- 4.22 The delivery of objectives linked to the Council's Commercial and Investment Strategy represents a key element of the Council's Business Plan. Whilst the regulatory context in which Councils are permitted to invest has altered and is expected to alter again following implementation of the revised Prudential Code from 2023/24, this Council nevertheless believes there are opportunities for prudent investment in the District. Such investments can contribute to enhancing the District's economic vitality and act as leverage which enhances the viability of investment in our District funded by the private sector.
- 4.23 The Commercial and Investment Strategy sets out in detail the appraisal and decision-making approach the Investment Board is required to follow before any investment in commercial property is undertaken. This ensures that appropriate governance arrangements are in place and the Council has due regard to the risks associated with investments both individually and in the context of the overall level of risk presented by the Council's current portfolio.
- 4.24 Active monitoring of the portfolio will take place throughout the year with reference to the indicators included in this strategy together with appropriate commentary relevant to the particular investments held by this Council.

5. KNOWLEDGE AND SKILLS

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

PARISH PRECEPTS 2022/23

TAX BASE (Equated Band D Properties)	PRECEPT 2021/22 £	COUNCIL TAX PER BAND D PROPERTY £	PARISH	TAX BASE (Equated Band D Properties)	PRECEPT 2022/23 £	COUNCIL TAX PER BAND D PROPERTY £	INCREASE FROM 2021/22 %
350	12,852	36.72	BENWICK	357	12,852	36.00	-2.0
3,364	151,000	44.89	CHATTERIS	3,384	155,000	45.80	2.0
275	12,750	46.36	CHRISTCHURCH	281	16,000	56.94	22.8
843	56,459	66.97	DODDINGTON	863	60,000	69.52	3.8
1,193	30,000	25.15	ELM	1,202	30,000	24.96	-0.8
397	19,000	47.86	GOREFIELD	397	20,000	50.38	5.3
1,135	54,000	47.58	LEVERINGTON	1,160	56,000	48.28	1.5
890	61,000	68.54	MANEA	911	65,055	71.41	4.2
6,606	320,000	48.44	MARCH	6,726	320,000	47.58	-1.8
241	13,000	53.94	NEWTON IN THE ISLE	241	10,000	41.49	-23.1
455	20,560	45.19	PARSON DROVE	463	20,660	44.62	-1.3
389	12,000	30.85	TYDD ST GILES	400	15,000	37.50	21.6
5,610	171,015	30.48	WHITTLESEY	5,736	172,000	29.99	-1.6
787	65,851	83.67	WIMBLINGTON	839	67,168	80.06	-4.3
6,427	368,885	57.40	WISBECH	6,504	389,640	59.91	4.4
1,181	80,116	67.84	WISBECH ST MARY	1,200	77,074	64.23	-5.3
30,143	1,448,488	48.05	GRAND TOTAL	30,664	1,486,449	48.48	0.88

EARMARKED AND GENERAL RESERVES - Revised 2021/22 and Estimated 2022/23
APPENDIX G

Reserve Name	Balance 01.04.21 £	Capital Funding £	Revenue Contributions to(+)/from(-) 2021/22 £	Revised Balance 31.03.22 £	Capital Funding £	Revenue Contributions to(+)/from(-) 2022/23 £	Estimated Balance 31.03.23 £
Travellers Sites	326,101		47,640	373,741		48,560	422,301
Station Road, Whittlesey - Maintenance	4,800		2,800	7,600		2,800	10,400
CCTV - Plant & Equipment	21,128		10,000	31,128		10,000	41,128
Invest to Save	104,000		-104,000	0			0
Management of Change	800,468	-354,000		446,468	-200,000		246,468
Specific Government Grants (received in previous years)	1,327,622		-392,199	935,423		-70,190	865,233
Business Rates Equalisation Reserve	4,146,689		-2,002,224	2,144,465		-1,415,206	729,259
Capital Contribution Reserve	315,196	-11,000		304,196			304,196
Port - Buoy Maintenance	146,999		-8,000	138,999		-19,000	119,999
Repairs and Maintenance	562,706	-98,000		464,706			464,706
Heritage Lottery Fund (HLF) - Wisbech	80,898		-33,730	47,168		-11,130	36,038
Solid Wall Remediation	100,000			100,000			100,000
Highways Street Lighting	29,367		19,230	48,597		19,230	67,827
Investment Strategy Reserve	1,340,168			1,340,168			1,340,168
Budget Equalisation Reserve	482,633		-242,686	239,947		-203,198	36,749
Planning Reserve	391,138		-85,000	306,138		-16,390	289,748
Elections Reserve	30,000		30,000	60,000		30,000	90,000
Specific Covid-19 Government Grants (received in 2020/21)	1,838,547		-1,770,980	67,567			67,567
Port - Pilots Staff Development Training	24,000		-24,000	0			0
Cambridgeshire Horizons - A14 Contribution	0		1,008,000	1,008,000		-42,000	966,000
Cambridgeshire Horizons - Share of Surplus	0		2,634,130	2,634,130		-52,900	2,581,230
TOTAL EARMARKED RESERVES	12,072,458	-463,000	-911,019	10,698,439	-200,000	-1,719,424	8,779,015
General Fund Balance	2,000,000			2,000,000			2,000,000
TOTAL RESERVES	14,072,458	-463,000	-911,019	12,698,439	-200,000	-1,719,424	10,779,015

Comments / Conditions of Use

Can only be used for specific future maintenance liabilities.

Required for future road maintenance.

Available for future CCTV maintenance & replacement liabilities.

Original Funding agreement with Salix Finance has been terminated and grant repaid.

Available for the effective management of any organisational changes required to meet the Council's future priorities.

Available to fund specific spending commitments in future years.

Available to assist the Council in smoothing out volatility in the business rates retention system.

Available to fund specific spending commitments in future years.

Available for future buoy maintenance to service windfarms.

Available to provide funding for one-off schemes, not covered by the normal Repairs and Maintenance revenue budgets.

To manage the Heritage Lottery Funded scheme in Wisbech.

Available to fund potential costs linked to solid wall installations in the District.

Available to fund future repairs and maintenance relating to street lighting.

Established to provide future funding for Commercial and Investment Strategy projects.

Year-end surpluses are transferred to this reserve. If a deficit is forecast this reserve can be used to offset the expected shortfall.

Available to fund additional planning costs not reflected in the annual budget, including the development of the Local Plan.

Available to fund four-yearly District-wide elections. Transfers are made to this reserve each year to fund the cost of the next District-wide election.

Specific Government Grants received for Covid-19 initiatives eg. Business Support, Test & Trace and Outbreak Management.

Available to fund the training of maritime pilots to fulfill the authority's statutory functions.

Monies received from Cambridgeshire Horizons specifically for contribution to A14 improvements. To be paid over 25 years at £42k per annum.

Available for the Council's future use in accordance with the conditions attached to the receipt.

Unallocated general reserve required for various and unplanned for contingencies, to mitigate risks associated with future financial planning as well as for general day to day cash flow needs.

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

COVID-19 Additional Relief Fund (CARF) - Non-Domestic Rates Discretionary Rate Relief Guidelines Addendum

Background

The Local Government Finance Act 1988 provides for Non-Domestic Rate relief to be awarded for certain types of organisations and businesses. Relief under this scheme is payable under discretionary relief powers under section 47 of the LGFA 1988

The Relief covered in this document is the COVID-19 Additional Relief Fund (CARF) which is available for the period 1 April 2021 to 31 March 2022. This relief is funded by central government as part of measures to support businesses that have been impacted by the effects of the pandemic and follows guidance from Government.

This relief is aimed at hereditaments where the business has experience adverse effects due to the COVID-19 pandemic but up to this point has received no rates relief or grants under other COVID schemes.

Guideline aim

These guidelines set out the local scheme which will be used to distribute the funds made available by Government to local businesses in response to the impact of the pandemic. It also provides the details of how the scheme will be administered.

Applications for Rate Relief

Business rate payments remain legally due and payable in accordance with the most recent bill, until such time as any relief is awarded. Hereditaments that are identified as potentially being eligible for the COVID-19 Additional Relief Fund (CARF Relief) will have a relief applied to their 2021/2022 bill. They will then be invited to complete a post assurance application form, online. Failure to engage in this process or to confirm eligibility will result in the relief being removed.

How Applications are Processed

The Business Rates team will carry out a post assurance exercise to determine the validity of the award of CARF relief. Should ARP fail to be satisfied that the award is correct then the relief may be removed.

Notification of the Decision

Notice of the award of relief will be contained within a revised Business Rates Demand Notice. The relief will be credited to the 2021/22 demand notice and any resulting credit balance carried forward to the 2022/23 demand notice reducing ongoing instalments. If a refund is required by the business this will need to be requested by the ratepayer after the award has been made.

Period of Award

This relief is awarded for the maximum period of one year between 1 April 2021 and 1 April 2022, there is no scope for extending this period.

Eligibility Criteria
Relief should not be awarded to ratepayers who for the same period of the relief either are or would have been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS),
Relief should not be awarded to a hereditament for a period when it is unoccupied (other than hereditaments which have become closed temporarily due to the government's advice on COVID-19, which should be treated as occupied for the purposes of this relief).
Support will be directed towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact
All awards are subject to Subsidy regulations and as such a declaration to confirm these regulations are not breached forms part of the application process

Some premises are deemed ineligible for relief under the scheme as are considered to have suffered downturn due to Covid. These include:

- Advertising rights
- ATM's
- Banks/Insurance/Building Societies
- Cemeteries
- Civic amenity sites
- Colleges of further education
- Communication stations
- Crematoria
- Exhaust and tyre centres
- Funeral Parlours/Chapel of rest
- Garages (Transport and commercial)
- Hospitals and Clinics
- Landfill gas Generator sites
- Local Authority Schools
- Mineral producing hereditament
- Water processing plants
- Vehicle repair and workshops
- Veterinary Clinics
- Waste Recycling Plants
- Pet Groomers
- Pitches for stalls sales or promotions
- Post Offices
- Surgeries, Clinics and Health Centres
- Telescope sites

Appeals

There is no legal right of appeal on discretionary relief, however in keeping with the good customer care practice and principles of transparency this scheme provides for a review/reconsideration of any decision.

There is provision within these guidelines for a request for reconsideration of a decision to be made by the Head of NDR, Recovery and Enforcement or the Section 151 Officer (dependant on the value). It will be necessary to provide further information or, to show that sufficient "weighting" or consideration has not been given to a particular factor or factors raised in the application. No relief can be backdated on applications received after 30 September 2022.

Action	Timescale
If the applicant wishes to ask for a reconsideration of a decision, the request should be made in writing to the Strategic Revenues Manager or to the Section 151 Officer and must demonstrate that some or all of the relevant factors contained within this document are met	A request for a reconsideration should be sent to the Council within 1 month of the date on the letter of refusal/award.
The Council will acknowledge receipt of a request for a reconsideration in writing and advise the applicant of the date that the application will be reviewed by the Strategic Revenues Manager or by the Section 151 Officer.	Letter advising the date of application review will be sent within one week of the receipt of appeal letter.
The Strategic Revenues Manager or the Section 151 Officer will review the appeal. A letter will be sent to the applicant advising the final decision of the Council.	The letter will be sent within one week of the final decision.

AGENDA ITEM NO. 10

COUNCIL TAX RESOLUTION

Council Tax 2022/23

Following consideration of the report to this Council on 24 February 2022 and the setting of the Revenue Budget for 2022/23, the Council is required to pass the resolution below to set the Council Tax requirement.

RESOLVED

- (1) it be noted that the Tax Base for the year 2022/23 has been calculated in accordance with the Local Government Finance Act 1992 and associated regulations as follows:
 - (a) 30,664 being the amount calculated by the Council as its Council Tax Base for the year, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended).
 - (b) Part of the Council's area

Parish	Tax Base
Benwick	357
Chatteris	3,384
Christchurch	281
Doddington	863
Elm	1,202
Gorefield	397
Leverington	1,160
Manea	911
March	6,726
Newton	241
Parson Drove	463
Tydd St Giles	400
Whittlesey	5,736
Wimblington	839
Wisbech	6,504
Wisbech St Mary	1,200
TOTAL	30,664

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

- (2) The Council calculates that the Council Tax requirement for the Council's own purposes for 2022/23 (excluding Parish precepts) is £7,986,741.

- (3) That the following amounts be now calculated by the Council for the year 2022/23 in accordance with Sections 31 to 36 of the Local Government & Finance Act 1992 (as amended):
- (a) 47,278,603 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act **[Gross Expenditure including benefits & Town/Parish Precepts]**
 - (b) 37,805,413 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act **[Revenue Income including reimbursement of benefits, specific & general grants & use of reserves]**
 - (c) 9,473,190 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year **[Net Expenditure, including Parish Precepts]**
 - (d) 308.94 being the amount at 3(c) above divided by the Council Tax Base at 1(b) above, in accordance with Section 31B(1) of the Act, **[basic amount of its Council Tax for the year, including Parish precepts]**
 - (e) £1,486,449 being the aggregate amount of all special items referred to in Section 35(1) of the Act **[Parish Precepts]**
 - (f) 260.46 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount at (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates

- (g) Part of the Council's area:

Parish	Band D
Benwick	296.46
Chatteris	306.26
Christchurch	317.40
Doddington	329.98
Elm	285.42
Gorefield	310.84
Leverington	308.74
Manea	331.87
March	308.04
Newton	301.95
Parson Drove	305.08
Tydd St Giles	297.96
Whittlesey	290.45
Wimblington	340.52
Wisbech	320.37
Wisbech St Mary	324.69

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

(h) Part of the Council's area

		Valuation Band							
Parish of		A	B	C	D	E	F	G	H
		£	£	£	£	£	£	£	£
BENWICK		197.64	230.58	263.52	296.46	362.34	428.22	494.10	592.92
CHATTERIS		204.17	238.20	272.23	306.26	374.32	442.38	510.43	612.52
CHRISTCHURCH		211.60	246.87	282.13	317.40	387.93	458.47	529.00	634.80
DODDINGTON		219.99	256.65	293.32	329.98	403.31	476.64	549.97	659.96
ELM		190.28	221.99	253.71	285.42	348.85	412.27	475.70	570.84
GOREFIELD		207.23	241.76	276.30	310.84	379.92	448.99	518.07	621.68
LEVERINGTON		205.83	240.13	274.44	308.74	377.35	445.96	514.57	617.48
MANEA		221.25	258.12	295.00	331.87	405.62	479.37	553.12	663.74
MARCH		205.36	239.59	273.81	308.04	376.49	444.95	513.40	616.08
NEWTON IN THE ISLE		201.30	234.85	268.40	301.95	369.05	436.15	503.25	603.90
PARSON DROVE		203.39	237.28	271.18	305.08	372.88	440.67	508.47	610.16
TYDD ST.GILES		198.64	231.75	264.85	297.96	364.17	430.39	496.60	595.92
WHITTLESEY		193.63	225.91	258.18	290.45	354.99	419.54	484.08	580.90
WIMBLINGTON		227.01	264.85	302.68	340.52	416.19	491.86	567.53	681.04
WISBECH		213.58	249.18	284.77	320.37	391.56	462.76	533.95	640.74
WISBECH ST. MARY		216.46	252.54	288.61	324.69	396.84	469.00	541.15	649.38

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


- (4) it be noted that for the year 2022/23 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwellings shown below:

		Valuation Band							
Precepting Authority		A	B	C	D	E	F	G	H
		£	£	£	£	£	£	£	£
Police & Crime Commissioner for Cambridgeshire		171.72	200.34	228.96	257.58	314.82	372.06	429.30	515.16
Cambridgeshire & Peterborough Fire Authority		49.98	58.31	66.64	74.97	91.63	108.29	124.95	149.94
Cambridgeshire County Council		979.74	1,143.03	1,306.32	1,469.61	1,796.19	2,122.77	2,449.35	2,939.22
Total		1,201.44	1,401.68	1,601.92	1,802.16	2,202.64	2,603.12	3,003.60	3,604.32

- (5) having calculated the aggregate in each case of the amounts at 3(h) & 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act, 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2022/23 for each of the categories of dwellings shown below:

		Valuation Band							
Parish of		A	B	C	D	E	F	G	H
		£	£	£	£	£	£	£	£
BENWICK		1,399.08	1,632.26	1,865.44	2,098.62	2,564.98	3,031.34	3,497.70	4,197.24
CHATTERIS		1,405.61	1,639.88	1,874.15	2,108.42	2,576.96	3,045.50	3,514.03	4,216.84
CHRISTCHURCH		1,413.04	1,648.55	1,884.05	2,119.56	2,590.57	3,061.59	3,532.60	4,239.12
DODDINGTON		1,421.43	1,658.33	1,895.24	2,132.14	2,605.95	3,079.76	3,553.57	4,264.28
ELM		1,391.72	1,623.67	1,855.63	2,087.58	2,551.49	3,015.39	3,479.30	4,175.16
GOREFIELD		1,408.67	1,643.44	1,878.22	2,113.00	2,582.56	3,052.11	3,521.67	4,226.00
LEVERINGTON		1,407.27	1,641.81	1,876.36	2,110.90	2,579.99	3,049.08	3,518.17	4,221.80
MANEA		1,422.69	1,659.80	1,896.92	2,134.03	2,608.26	3,082.49	3,556.72	4,268.06
MARCH		1,406.80	1,641.27	1,875.73	2,110.20	2,579.13	3,048.07	3,517.00	4,220.40
NEWTON IN THE ISLE		1,402.74	1,636.53	1,870.32	2,104.11	2,571.69	3,039.27	3,506.85	4,208.22
PARSON DROVE		1,404.83	1,638.96	1,873.10	2,107.24	2,575.52	3,043.79	3,512.07	4,214.48
TYDD ST.GILES		1,400.08	1,633.43	1,866.77	2,100.12	2,566.81	3,033.51	3,500.20	4,200.24
WHITTLESEY		1,395.07	1,627.59	1,860.10	2,092.61	2,557.63	3,022.66	3,487.68	4,185.22
WIMBLINGTON		1,428.45	1,666.53	1,904.60	2,142.68	2,618.83	3,094.98	3,571.13	4,285.36
WISBECH		1,415.02	1,650.86	1,886.69	2,122.53	2,594.20	3,065.88	3,537.55	4,245.06
WISBECH ST. MARY		1,417.90	1,654.22	1,890.53	2,126.85	2,599.48	3,072.12	3,544.75	4,253.70

- (6) authorise the publication of the amounts
- (7) authorise the appropriate officer to demand the amounts in accordance with the Council Tax (Administration and Enforcement) Regulations 1992
- (8) This Council hereby determines that its relevant basic amount of Council Tax for 2022/23 is not excessive in accordance with Section 52ZB of the Local Government Finance Act 1992, as amended by section 5 of the Localism Act 2011.

Agenda Item No:	11	
Committee:	Council	
Date:	24 February 2022	
Report Title:	Council Tax Support – 2022-23 Scheme	

Cover sheet:

1 Purpose / Summary

To consider the Cabinet recommendations in relation to the Council Tax Support (CTS) Scheme to take effect from 1 April 2022.


2 Key issues

- Each year the Council is required to review its Council Tax Support Scheme. This report advises Council about the conclusion of the 2021 annual review and the resultant Cabinet recommendations for the CTS scheme to take effect from 1 April 2022.
- Cabinet at its meeting on 20 January 2022 considered the outcome of the consultation process and decided to recommend to Council that proposed changes detailed in Section 4 of this report, be implemented in the Council Tax Support Scheme with effect from 1 April 2022.
- The report detailing Cabinet's considerations is attached.
- A Customer Impact Assessment (CIA) is attached at Appendix C to this report.
- The proposed Council Tax Support Scheme for 2022/23 is set out at the following link: <https://www.fenland.gov.uk/CTSS2022>

3 Recommendations

- (i) It is recommended by Cabinet that the proposed changes detailed in Section 4 of the attached report, be implemented in the Council Tax Support Scheme with effect from 1 April 2022,
- (ii) the Council Tax Support Scheme to take effect from 1 April 2022 as set out in the following link be approved:
<https://www.fenland.gov.uk/CTSS2022>

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

Agenda Item No:	9	
Committee:	Cabinet	
Date:	20 January 2022	
Report Title:	Council Tax Support – 2022-23 Scheme	

Cover sheet:

1 Purpose / Summary

To consider the outcome of the consultation process on potential changes to the Council Tax Support Scheme for 2022-23 and to recommend to Council the final scheme for implementation with effect from 1 April 2022.

2 Key issues

- Cabinet at its meeting on 30 September 2021 decided to carry out a consultation exercise on the following four changes to the current scheme (as detailed in Section 4 of the report):
 - to reduce the capital threshold to £10,000 and abolish tariff income;
 - to introduce a fixed rate deduction of £7.40 for non-passported non-dependents;
 - to streamline the claim process and
 - to increase the tolerance for Universal Credit data re-assessments.
- A consultation exercise was carried out for a 6 week period from 25 October to 5 December 2021.
- The results of the consultation exercise are summarised in Appendix A with the detailed responses in Appendix B. The majority of the 13 responses received agreed with the proposed changes.
- A Customer Impact Assessment (CIA) will be required if Cabinet recommends any changes to the contribution rate for 2022-23. This is detailed at Appendix C.

3 Recommendations

- It is recommended that members consider the attached report and consultation responses and recommend to Council that the proposed changes detailed in Section 4 of this report, be implemented in the Council Tax Support Scheme for 2022-23.

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Boden, Leader & Portfolio Holder, Finance Cllr Mrs Jan French, Deputy Leader
Report Originator(s)	Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
Contact Officer(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR & OD Mark Saunders, Chief Accountant
Background Paper(s)	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 2022 for the scheme relating to the 2022-23 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 and continues to work well.

- 1.12 For 2021-22 the only change was to increase the percentage for the minimum contribution rate from a baseline of 14% to 20%. It is too early to report the impact this has had on collection and recovery and it will take several months before we start to understand this. Many customers still have arrears from last year following the impact of COVID-19 and the suspension in recovery action throughout the year which could impact on their ability to pay this year.
- 1.13 We are now reviewing our CTS scheme for the 2022-23 financial year.

2 The 2021 review (for CTS scheme for 2022-23)

- 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 for 2022-23.
- 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 All partner authorities are currently considering the options to change the scheme for 2022-23 as detailed in Section 4 below.
- 2.5 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.
- 2.6 Since April 2020 we have strengthened our use of DWP Universal Credit data share links to further assist customers.
- 2.7 Both these initiatives continue to work well for customers, with other Councils either now introducing these changes or looking to do so.
- 2.8 Customer consultation is central to the review of the CTS scheme for 2022-23 and following Cabinet's decision on 30 September 2021, a consultation exercise on the four proposals was undertaken. This took the form of a web-based consultation and was widely publicised on the Council's website and with stakeholders.
- 2.9 Consultation was open for 6 weeks, from 25 October 2021 to 5 December 2021.

- 2.10 We received 13 responses, which although low, is consistent with the normal response rate to public consultation exercises.
- 2.11 The results of the consultation exercise are summarised at Appendix A, with detailed responses at Appendix B. The majority of respondents agreed with the proposed changes.
- 2.12 The majority of respondents (69%) agreed with the Council lowering the capital threshold to £10,000 and removal of a capital tariff with those customers with savings over £6,000. With regards the proposal for a fixed non-dependent deduction 61% agreed, 54% thought the figure of £7.40 was the right amount for this deduction. Most survey respondents also agreed with the simplification of the claims process (69%). The final proposal to increase the tolerance rule had the agreement of 92% of those who responded, the remaining 8% did not know.
- 2.13 The survey also asked for any other thoughts or comments on the proposals. One respondent was concerned that the smallest change may have a significant impact on those receiving benefits. Another comment supported any change that helps ease the financial burden for those on the lowest incomes. The last comment suggested the council should consider supporting those with mental or physical disabilities and customers with a terminal illness.

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 eight full years and we are in the ninth 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
31/3/21	£8.65m	4,823	3,334
Covid-19 Hardship Fund	<u>-£0.87m</u>		
Net Cost of CTS	7.78m		
Change 2013 to 2021	- £0.38m	141	- 1,393
	-4.66%	3.01%	-29.47%

- 3.3 The annual amount of CTS awarded since 2013 to the end of March 2021 has reduced as a result of both the increase in contribution rate to 14% in 2014-15 and a significant reduction in Pensioner claims. There was, however a significant increase in the number of working age claims during 2020-21 due to the impact of Covid-19.

CTS Current Position

- 3.4 Since March 2021, we have seen a reduction of 10.82% in the number of working age CTS claims as at the end of December 2021.
- 3.5 Figures for the amount of CTS awarded and numbers of customers claiming it at the end of December 2021 compared with March 2021 are detailed in the table below:

CTS cases and amount awarded: March – December 2021			
Date	CTS awarded	Working age claims	Pensioner claims
31/03/21	£7.78m	4,823	3,334
31/12/21	£7.37m	4,301	3,269
Change March to December 2021	-£0.41m -5.27%	-522 -10.82%	-65 -1.95%

- 3.6 Total CTS awarded has reduced over the first nine months of 2021-22 due to a reduction in working age claims and the increase in contribution rate to 20%.
- 3.7 Although the Government's Coronavirus Job Retention Scheme ceased on 30 September 2021, there has not, as yet, been corresponding increases in CTS claims.
- 3.8 Whilst the potential remains for caseloads to increase due to continued uncertainties over the future economic impact of Covid-19, it is encouraging that caseloads have returned to near pre-pandemic levels.

Government Funding 2021-22

- 3.9 For 2021-22, the government has provided a one-off grant to authorities in recognition of the anticipated additional cost of providing CTS, at a time when more households are likely to be facing financial difficulties as a result of the pandemic. The grant is for local authorities to keep and the funding is unringfenced. This Council's grant is £194,254 and the major preceptors (County, Police and Fire) have received their grants directly.

4 **Proposals for changes to CTS for 2022-23 approved for consultation - improving the customer journey**

Proposal 1 - Reduce the capital threshold from £16,000 to £10,000 and remove the requirement to pay a tariff on savings over £6,000.

- 4.1 This option would result in:
- A simplified scheme reducing the burden on customer and evidence requirements;
 - Reduced number of claim adjustments as there would be no requirement to notify changes in capital of £250 or more;
 - More streamlined customer experience and reduced processing times for universal credit claims as tariff income details are not provided in DWP claim records;
 - Targeting help to those most in need as those with less capital will receive increased awards and those who no longer qualify will have more than £10,000 capital.
- 4.2 A by-product of implementing this change would be that our options to automate and provide decisions to customers in one day would be extended to those with Capital over £6,000 as the need to manually calculate tariff income would be removed.
- 4.3 This option focuses on improved customer journey and although indicating some savings it is likely to be relatively cost neutral to the Collection Fund as detailed in the table below:

Option	Saving	Gains	Reductions
Capital upper threshold £10,000 with no tariff income	£7,492	11	11

NB: The capital threshold is the amount of capital (for example, savings) that a customer can own and still receive a reduction on their council tax. This proposal is intended both to ensure support is focused on those customers who most need it and to remove the need for customers to provide evidence (where there is an over £250 change to their capital) of their capital for 'tariff income' to be calculated. ('Tariff income' is a measure that the Government uses for all benefits to calculate how much income a customer could theoretically earn from their capital, even if they don't earn it).

Proposal 2 – Introduce a fixed rate non-dependant deduction

- 4.4 It is proposed to set a fixed deduction of £7.40 on the amount of Council Tax reduction a customer on 'non-passported benefits' (see definition below) is entitled to if they live with non-dependent adult family members or friends. At the moment, the amount of deduction has to be calculated individually and can cause problems when the non-dependent family members or friends refuse to, or forget to, let the customer know about changes in their circumstances.

- 4.5 Non-passported benefits is a DWP term. 'Passported' means people in receipt of DWP prescribed benefits; the income-based elements of Income Support, Jobseekers Allowance and Employment Support Allowance for whom a council does not have to undertake a separate means-tested exercise and evidence gather to determine Council Tax Support or Housing Benefit. 'Non-passported' means a council must undertake that separate exercise, usually because people have earnings/income exceeding those benefit thresholds. 'Passported' customers automatically receive full Council Tax Support up to the non contribution rate or full Housing Benefit whilst non-passported customers will have to make some contribution towards both cohorts must pay the minimum of 20% as required within Fenland District Council's Scheme.
- 4.6 This option would result in:
- A simplified scheme reducing burden on customer and evidence requirements.
 - Reduced number of claim adjustments as there would be no requirement to notify changes in non-dependant income. This is something the customer is not always aware of or able to obtain verification of themselves.
 - The functionality to verify and receive automatic income updates from DWP and HMRC does not extend to non-dependants meaning verification is always a manual process and the onus is solely on the customer to identify and report changes for their adult household members.
 - More streamlined customer experience and reduced processing times for Universal Credit claims as DWP do not gather details of non-dependant's income and the responsibility on the Local Authority to obtain this missing information delays claim processing.
 - Harmonisation with Universal Credit where there is already a flat-rate non-dependent deduction
 - Delays in and failure to provide non-dependant income details results in incorrect CTRS awards, payment failure and Council Tax arrears.
- 4.7 A by-product of implementing this change would be that our options to automate and provide decisions to customers in one day would be extended to those with non-dependants as the need to request follow up details would be removed.
- 4.8 Any customers who are entitled to a severe disability premium within their Council Tax Support assessment will continue to be exempt from non-dependant deductions.
- 4.9 This option focusses on an improved customer journey and reduction in administration resource and although indicating some savings the proposed deduction rates have been modelled to provide a relatively cost neutral option as detailed in the table below:

Option	Saving	Gains	Reductions
Fixed non-dep deduction to £7.40 for those not passported	£4,324	99	58

Proposal 3 – Streamlining the claim process

- 4.10 Currently anyone who claims Universal Credit (UC) is signposted to the Local Authority to make a separate application for CTRS. However, our scheme allows us to treat the DWP notification of UC outcome as a claim in its own right and the Local Authority, therefore, often receive duplicate claims.
- 4.11 Making the claim process more streamlined by restricting use of our direct claim route to those already in receipt of UC or a legacy benefit and signposting everyone else to make a claim for UC if they haven't already done so, thereby, not accepting a duplicate direct claim with the LA would have the following impact:
- More streamlined customer journey by preventing duplication of claims.
 - Reduce burden on customer to provide evidence through making a non-UC claim.
 - Removes requirement for both DWP and Local Authority to verify income details.
 - Maximises income by signposting customers to claim Universal Credit.
 - Makes full use of DWP data share functionality.
 - Reduces administration resource requirements.
- 4.12 A by-product of implementing this change would be that our opportunity to automate DWP first payment files would increase if more claims came through this verified route in the first instance rather than via our online claim form.
- 4.13 Reporting has indicated that for this financial year to date only 3 customers have applied directly to the Local Authority without being in receipt of a legacy benefit or UC or making a fresh claim for UC at the same time. Implementing this change would signpost all 3 to claim directly with the DWP, resulting in 2 of them being entitled to UC and CTRS and 1 not being entitled to UC but still being entitled to CTRS. Therefore, 66% of the few people we would signpost to claim UC as they haven't already done so, would be better off as a result and we would no longer receive duplicate claims for those who have already claimed UC.
- 4.14 This option focusses on improved customer journey and reduction in administration resource and there are no financial implications.

Proposal 4 – increase tolerance for Universal Credit data re-assessments

- 4.15 In April 2020 a tolerance of £65 per month was introduced which meant that income changes of less than £15 per week were no longer re-assessed for UC customers.
- 4.16 Universal Credit (UC) is designed to be paid monthly, calculated on the customer's circumstances, including Real Time Information (RTI) earnings data from HM Revenue and Customs. Given customers' circumstances, especially earnings, fluctuate, this leads to monthly revised UC awards sent to the Council by the DWP.

- 4.17 Due to the tolerance rule, customers have seen a reduction by one third in Council Tax adjustment notifications, and a reduction in direct debit amendments and the need to request a refund. This has provided greater certainty to customers to enable them to manage their payments and household budgets.
- 4.18 The introduction of a fluctuating earnings rules last year has been particularly beneficial given the significant increase in the COVID-19 workload for Anglia Revenues Partnership, which peaked at a 500 per cent increase compared to the same point last year, before reducing to 200 per cent and now starting to return to normal levels.
- 4.19 By increasing the tolerance rule from £65 per month to £100 per month a further 16% of re-assessments would be avoided, providing customers with more consistent payments, fewer adjustments and improved financial certainty. By retaining the discretion to review exceptional cases we will be able to override the rule in the case of a single beneficial change being reported. However, we are yet to see a case where discretion has been needed with the current £65 tolerance as most cases have monthly fluctuations reported which evens out any impact of applying the tolerance over the course of a year.

5 Customer Impact

- 5.1 The Equality Act 2010 reminded all public authorities of their duty to have 'due regard' to the need to:
- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act,
 - Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
 - Foster good relations between people who share a protected characteristic and people who do not share it.
- 5.2 Authorities must consider the needs of "protected groups" when making policy decisions, and undertake a Customer Impact Assessment (CIA) to understand the effect of such decisions upon such groups. In doing this, we are required to take the appropriate actions when making changes that may impact negatively on these groups.
- 5.3 A CIA will be required as part of the Council report approving the final CTS scheme for 2022-23 at their meeting on 24 February 2022. This is detailed at Appendix C.

6 Next steps

- 6.1 The recommendations from this meeting will be presented to Council at their meeting on 24 February 2022 who will approve the final scheme for implementation from 1 April 2022.

	Proposal 1 Capital changes Proposal 1 Fenland District Council is proposing to lower the 'capital threshold' for Local Council Tax Reduction from £16,000 to £10,000 and remove the requirement to pay a tariff on savings over £6000.	Proposal 2 Fixed deduction. Proposal 2 Fenland District Council is proposing to set a fixed deduction on the amount of Council Tax reduction a customer is entitled to if they live with non-dependent adult family members or friends.	Proposal 2 Is £7.40 the right amount for the deduction? Based on data about average deductions for current claimants, the council is proposing a fixed rate deduction of £7.40 for claimants whose are not in receipt of Income Support, Jobseekers Allowance (Income based), Employment Support Allowance (Income Related). Do you agree that this is the right amount?	Proposal 2 Too high or too low If you answered no to Q3, do you believe this amount is too high or too low?	Proposal 3 Simplification of application process Proposal 3 Fenland District Council is proposing to simplify the application process for LCTRS by requiring all customers to apply to DWP rather than direct to the local authority. Whereas previously, customers submitted separate claims for LCTRS, the proposals would mean customers would in future only need to apply for benefits through DWP, who will automatically notify ARP if someone is eligible for LCTRS. Do you agree with this proposal	Proposal 4 Increase to the amount used for the tolerance rule. Proposal 4The council is proposing to adjust the current rule whereby customers' income can vary up to £65 a month (£15 a week) before a reassessment is required, to £100 a month.
Strongly agree	23.08%	7.69%			38.46%	30.77%
Agree	46.15%	53.85%	53.85%	Too High 50%	30.77%	61.54%
Don't know	0.00 %	30.77%			15.38%	7.69%
Disagree	15.38%	7.69%	46.15%	Too Low 50%	15.38%	0.00%
Strongly disagree	15.38%	0.00%			0.00%	0.00%

13 responses.

Appendix B: Responses to consultation on proposed changes to Fenland District Council Local Council Tax Reduction Scheme 2022-23

	Question	Consultees' responses	Fenland District Council response
1	Proposal 1. Do you agree with the proposal to lower the 'capital threshold' for Local Council Tax Reduction from £16,000 to £10,000, and remove the requirement to pay a tariff on savings over £6,000.	<p>Agree 9 Don't know 0 Disagree 4</p> <p>If someone has this much in savings then they're not in most need. There are those with a higher priority for support.</p> <p>Should be in line with income tax personal allowance and then incremental steps up to £16000.00</p> <p>I think if someone has over that amount in savings they have enough so survive.</p> <p>This would result in more of the poorest people having to pay more council tax</p> <p>It seems much fairer as those with little or no savings should be prioritised over those who are lucky to have a relatively larger amount of savings</p> <p>Penalises those who have saved vs those who haven't. What affect would this have? Where are the statistics on affected number of people vs savings made by the council?</p>	<p>There will be some customers who will receive more Council Tax Reduction Support and some customers who will receive less but this is not proposed as a cost saving measure.</p> <p>The change is aimed to target help to those most in need as those with less capital will receive increased awards and those who no longer qualify will have more than £10,000 capital.</p> <p>As with all means tested schemes there is a level where customers' savings or income results preclude assistance.</p> <p>If customers savings decrease below this level £10,000 a customer may make a further claim for LCTRS assistance.</p>

	Question	Consultees' responses	Fenland District Council response
2	Proposal 2. Do you agree with the proposal to set a fixed deduction for customers with non-dependent adult friends or family members in the same household?	<p>Agree 8 Don't know 4 Disagree 1</p> <p>Will this mean people who get PIP enhanced care element or mobility will no longer be entitled to the non dependent deduction being ignored?</p> <p>Peoples circumstances are unique</p>	<p>The proposal is to retain a nil deduction for non-dependents in receipt of passported benefits (or UC with no earnings) but introduces a fixed rate deduction of £7.40 for other non-dependents.</p> <p>We would also retain the existing protections for customers in receipt of disability benefits meaning they would be exempt from any deductions (regardless of their non-dependent's circumstances):</p> <p>Deductions are not made if you or your partner:</p> <ul style="list-style-type: none"> • are receiving attendance allowance • are registered as blind • are receiving <u>Disability Living Allowance</u> (the care component) • are receiving the <u>Personal Independence Payment</u> (the daily living component).
3-4	Based on data about average deductions for current claimants, the council is proposing a fixed rate deduction of £7.40 for claimants whose benefits are not 'passported'.	<p>Agree 7 Don't know 0 Disagree 6</p> <p>In times where cuts are being made and costs are going up (especially gas and electricity) this could tip people in to deep poverty.</p>	<p>There are currently deductions of non-dependents and these can often change leading uncertainty of CTS entitlement and revised Council Tax Bills.</p>

	Question	Consultees' responses	Fenland District Council response
	Do you agree that this is the right amount?	<p>is this per week or per month. What if the non-dep is only working part-time, on zero hours contract and not guaranteed an income.</p> <p>What if you get income related universal credit?</p> <p>I actually don't know -there is no point of reference for anyone to know whether this is the right amount and surely the deduction amount should depend upon income</p> <p>More support for low income people</p>	<p>The nil deduction will apply to those on passported benefits including those on UC with no earnings.</p> <p>A fixed deduction reduces the burden on customer to continually provide and evidence and updated wage information.</p> <p>It is anticipated that there will be less claim adjustments as there would be no requirement to notify changes in non-dependant income. This is something the customer is not always aware of or able to obtain verification of themselves.</p>
5	Proposal 3. Do you agree with the proposal to simplify the application process for LCTRS by requiring all customers to apply to the Department for Work and Pensions (DWP) rather than direct to the local authority. Whereas previously, customers submitted separate claims for LCTRS, the proposals would mean customers would in-future only need to apply for benefits	<p>Agree 9 Don't know 2 Disagree 2</p> <p>how will you ensure those that do not want to claim other benefits will be able to access support -not everyone wants to claim with DWP.</p> <p>Not sure how this will work.</p> <p>What if this goes wrong? What safeguards will be in place for those who slip through the net when the automatic system doesn't</p>	<p>We already receive data for new UC claimants directly from DWP and treat this as a new claim in its own right (removing the need for a duplicate claim via the LA). This change is to help reduce the number of duplicate claims still received.</p> <p>The council will make all decisions in relation to Council Tax Reduction Support entitlement, it is just that the income information will be provided by the DWP. Customers will still have reconsideration and appeal rights regarding all</p>

	Question	Consultees' responses	Fenland District Council response
	through DWP, who will automatically notify ARP if someone is eligible for the LCTRS.	work 100% correctly (as most systems are not perfect)	<p>Fenland District Council Tax Reduction Support assessments.</p> <p>This change will mean that we only accept new claims via our website from those in receipt of legacy benefits or war pensions. Anyone else will be signposted to claim UC in the first instance or advised that they do not need to complete a form if they have claimed UC already and are waiting its outcome.</p> <p>The numbers we will be signposting are minimal with modelling showing we would only signpost around 4 customers per quarter and 3 of these would have qualified for UC so we would be helping maximise their income.</p> <p>Anyone already in receipt of UC or who has previously made an unsuccessful claim for UC will be able to make a quick and easy re-claim via a short declaration form on our website. We will still provide customer assistance with eligibility questions etc.</p> <p>If a customer decides not to claim Universal Credit a claim for Council Tax Reduction Support may still be submitted.</p>
6	Proposal 4. Do you agree with the proposal to increase the threshold for income changes	<p>Agree 12 Don't know 1 Disagree 0</p> <p>I don't understand this one.</p>	By increasing the figure from £65 per month to £100 per month would further reduce the need

	Question	Consultees' responses	Fenland District Council response
	that affect Local Council Tax Reduction from £65 to £100?		<p>for re-assessments from a third to a half. This should result in customers having stable payment arrangements, fewer adjustments and improved financial certainty.</p> <p>The Council are not trying to reduce Council Tax Support entitlement. The discretion to review exceptional cases we will be able to override the rule in the case of a single beneficial change being reported. However, most cases have monthly fluctuations reported even out any impact of applying the tolerance over the course of a year</p> <p>There are likely to be less overpayments of Council Tax Reduction Support as there should be fewer assessments required because the increase of the threshold.</p>
7	Anything else about the proposals.	I'm very lucky that I don't need to claim support so my views are not based on my own experiences. However, I work in Social Housing and I see first hand the impact of a small weekly increase can have on those who are on minimal benefits. It might only be a few pound a week here, but it's also other things that are 'only a few pounds more' before you know it we will be having more and more people depending on food banks etc	<p>These proposals are not about implementing savings or effecting other services delivered by the council. These proposals aim to simplify and improve service provision, reduce duplication of information, and lessen the requirement to provide information to the council.</p> <p>.</p> <p>Deductions will not made for a non-dependent if a customer or their partner is in receipt of</p>

	Question	Consultees' responses	Fenland District Council response
		<p>I am all for anything which helps ease the financial burden for those of us on the lowest incomes even just a little</p> <p>Please consider supporting further those uniquely in need such as those with mental or physical disabilities, terminal illness.</p>	<p>Personal Independence Payment (PIP) daily living component.</p>

<p>Name and brief description of policy being analysed</p> <p><u>Council Tax Support</u> Proposed changes to Fenland District Council's Council Tax Support Scheme 2022-23</p>
<p>Information used for customer analysis</p> <p>Changes to Fenland District Council's Local Council Tax Reduction Scheme 2022-23. The four proposed changes are as follows:</p> <p>Proposal 1 It is proposed to lower the 'capital threshold' for Local Council Tax Reduction from £16,000 to £10,000 and remove the requirement to pay a tariff on savings over £6000.</p> <p>Proposal 2 It is proposed to set a fixed deduction of £7.40 on the amount of Council Tax reduction a customer on 'non-passported benefits' (see definition below) is entitled to if they live with non-dependent adult family members or friends. At the moment, the amount of deduction has to be calculated individually and can cause problems when the non-dependent family members or friends refuse to, or forget to, let the customer know about changes in their circumstances.</p> <p>Proposal 3 Fenland District Council is proposing to simplify the application process for LCTRS by requiring all customers to apply to DWP rather than direct to the local authority. Whereas previously, customers submitted separate claims for LCTRS, the proposals would mean customers would in future only need to apply for benefits through DWP, who will automatically notify ARP if someone is eligible for LCTRS.</p> <p>Proposal 4 The council is proposing to adjust the current rule whereby customers' income can vary up to £65 a month (£15 a week) before a reassessment is required, to £100 a month. Since the £65 threshold was introduced in 2020, ARP have seen a significant reduction in adjustment notifications, direct debit amendments and refunds. It has also given customers greater certainty to enable them to manage their payments and household budgets.</p> <p>The majority of the service we provide is governed by legislation and regulations. All of the policies and procedures we work to are reviewed regularly to ensure these are fair and we welcome feedback from customers and take appropriate action where necessary through our 3c's department.</p>

	Could particularly benefit	Neutral	May adversely impact	Explanations	Is action possible or required?	Details of actions or explanations if actions are not possible Please note details of any actions to be placed in your Service Plan
Race		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability</p> <p>There is no impact in relation to race of a person. Council Tax Support is a means tested benefit, race is not a factor of the scheme.</p> <p>No mitigation required</p>	N	
Sex		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability. There is no impact in relation to the sex of person.</p> <p>No mitigation required.</p>	N	

Gender reassignment		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability irrespective of a person's gender reassignment.</p> <p>No mitigation is required.</p>	N	
Disability		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability irrespective of disability. Existing protections for customers entitled to a severe disability premium would be retained meaning there would continue to be an exemption from non-dependant deductions.</p> <p>No mitigation is required</p>	N	
Age		<input checked="" type="checkbox"/>		<p>The Fenland Council Tax Support Scheme is based in the national default scheme which was previously the Council Tax Benefit Scheme. The proposed changes may affect working age customers dependent on capital, household circumstances or Council Tax liability, not on the basis on age.</p> <p>Customers of pensionable age (this is defined by legislation and will change over time as the state retirement age</p>	N	

				<p>changes upwards) will not be affected by these changes as the Government has specified that they must be protected.</p> <p>All information being published about the changes make reference to the changes only affecting working age customers. Households with children and young adults at school will continue to be supported by Child Benefit and maintenance being ignored in calculation Council Tax Support assessments.</p>		
Sexual orientation		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>There is no impact in relation to sexual orientation of a person.</p> <p>No mitigation required.</p>	N	
Religion or belief		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability. There is no impact in relation to religion or belief of a person.</p> <p>No mitigation required.</p>	N	

Pregnancy & maternity		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>There is no impact in relation to pregnancy and maternity. Applicable amounts and premiums remain unchanged.</p> <p>No mitigation required.</p>	N	
Marriage & civil partnership		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability irrespective of marital or civil partnership status.</p> <p>No mitigation is required</p>	N	
Human Rights		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>There is no impact in relation to Human Rights of a person.</p> <p>No mitigation required.</p>	N	
Socio Economic	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>These proposed charges will result in some customers receiving more Council Tax Support and some</p>	N	

				<p>receiving less.</p> <p>The proposed changes aim to target assistance to those customers who have under £10,000 capital and reduce the evidence requirement burden for customers. In addition, the proposed changes aim to provide stable payment arrangements and provide financial certainty by applying a standard rate nondependent deduction and increasing the amount used within the Universal Credit tolerance rule.</p> <p>Mitigation.</p> <p>To continue with the discretion to review exceptional cases to override the Universal Credit tolerance rule in the case of a single beneficial change being reported.</p>		
Multiple/ Cross Cutting		<input checked="" type="checkbox"/>		<p>The changes to the Council Tax Support Scheme may affect working age customers based on either capital, household income or Council Tax liability.</p> <p>These changes will only impact customers in receipt of or claiming Council Tax Support Reduction</p>	N	
Outcome(s) of customer analysis						
a) Will the policy/ procedure impact on the whole population of Fenland and/ or identified groups within the population; negative <input checked="" type="checkbox"/> neutral <input type="checkbox"/> positive <input checked="" type="checkbox"/>						

No major change needed <input checked="" type="checkbox"/> Adjust the policy <input type="checkbox"/> Adverse impact but continue <input type="checkbox"/> Stop and remove / reconsider policy <input type="checkbox"/>	
Arrangements for future monitoring: We are always welcoming customers feedback and act upon them when necessary.	
Details of any data/ Research used (both FDC & Partners): A consultation survey on the proposals was conducted by Fenland District Council Consultation for 6 weeks, from 25 th October 2021 to 5 th December 2021.	
Completed by: Name: Sam Anthony and Andrew Rose Position: Head of HR & OD and Operations Manager, Anglia Revenues Partnership	
Approved by Peter Catchpole: Corporate Director	Date published: This should be the date the analysis was published on the website

Agenda Item No:	12	
Committee:	Council	
Date:	24 February 2022	
Report Title:	Economic Growth Strategic Refresh 2022-25	

1 Purpose / Summary

- 1.1 This Strategic Refresh document has been created to continue the delivery of the Council's Economic Development Strategy 2012-2031 (EDS). It sets out how the Council's Economic Growth Team, other Council departments and public and private partners will continue to work together to support economic growth in Fenland.
- 1.2 For Council to consider and approve the Economic Growth Strategic Refresh 2022-25.

2 Key Issues

- 2.1 Since the approval of the Council's EDS much of the local, regional, and national context has changed significantly for example EU-Exit, Covid-19, Climate Change and Levelling Up Policy.
- 2.2 In addition, several strategies and plans have been produced by partners including the Cambridgeshire & Peterborough Independent Economic Review and Cambridgeshire and Peterborough Local Industrial Strategy all which impact on the EDS.
- 2.3 These changes all contribute to the need for a strategic refresh of the EDS and hence this document.

3 Recommendations

- 3.1 For Council to consider and approve the Economic Growth Strategic Refresh 2022-25

Wards Affected	All
Forward Plan Reference	KEY/17DEC21/01
Portfolio Holder(s)	Cllr Ian Benney
Report Originator(s)	Anna Goodall, Assistant Director Simon Jackson, Economic Growth Manager Ann Wardle, Business Engagement Manager
Contact Officer(s)	Simon Jackson, Economic Growth Manager

Report:

1 BACKGROUND AND INTENDED OUTCOMES

- 1.1 The economy, supporting economic growth, is one of the Council's 3 outward facing Corporate Priorities.
- 1.2 This Strategic Refresh has been created to continue the delivery of the Council's Economic Development Strategy 2012-2031 (EDS). It sets out how the Council's Economic Growth Team, other Council departments and public and private partners will continue to work together to drive forward economic growth in Fenland and ensure that we are known as being "open for business".
- 1.3 Since the approval of the EDS some of the local, regional, and national context has changed significantly for example through EU Exit and Covid19. In addition, partner strategies and services have also been created such as Cambridgeshire and Peterborough Local Industrial Strategy and Growth Works service. These changes in context and new strategies and services all contribute to the need for a strategic refresh of the EDS and hence this document.
- 1.4 Economic growth is ultimately delivered by businesses, those who are already in Fenland, those who relocate to Fenland and those who create a business in Fenland. One of the key roles of the Council is to support those owners, managers, and entrepreneurs in their growth decisions, location decisions and aspirations by for example enabling access to the high-quality business support that is available including grant funding.
- 1.5 The Strategic Refresh embodies this supportive role and is reflected in the refresh as follows:
 - 1.5.1 **Growing businesses** - Through engagement with existing local businesses the Council will target the support that is available to help enable each business to grow and assist them to overcome any barriers to growth or to develop opportunities. This will include ensuring that businesses are aware of and supported in applying for financial support for which they are eligible.
 - 1.5.2 **More business start-ups** – Help ensure that the support is in place to help enable local people to start a business and to stay in business including the possible availability of grant funding.
 - 1.5.3 **Attract new businesses** - Help attract new businesses into the district from supermarkets and fast-food brands to businesses seeking a UK base. The Council will proactively engage with targeted new business opportunities to ascertain each businesses future plans and location requirements.

- 1.5.4 **Available workforce** – Help ensure that supply of and skills of the available workforce are appropriate for the Fenland marketplace, as well as offering young people improved aspirations, increased wage levels and alternative career paths. Represent companies' skills requirements for the development of skills support, funding and development of relevant courses.
- 1.5.5 **Available serviced land and premises** - Acquiring technical and specialist support to bring forward employment sites and premises to include infrastructure, highway, and market/commercial assessments. To bring together these and other similar requirements into an "Investment Prospectus" for Fenland.
- 1.6 The success of the Strategic Refresh will be demonstrated by the value each business places on their interaction with the Council and partners as demonstrated through case studies and feedback.
- 1.7 Economic growth can also provide opportunities for the Council to generate net positive income either through investment itself or potentially via Fenland Future Limited and can also generate business rate growth and therefore an increased revenue stream into the Council.

2 REASONS FOR RECOMMENDATIONS

- 2.1 As one of the Council's 3 outward facing Corporate Priorities it is important that how the Council supports economic growth is as effective as possible and this Strategic Refresh updates the existing EDS to ensure that this continues to be the case.

3 CONSULTATION

- 3.1 Engagement with partners on other strategies such as the Combined Authority's Employment and Skills Strategy has enabled external views and policies to be incorporated into the Strategy Refresh document.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 An alternative to actively and proactively supporting Fenland's economic growth would be for the Council not to do so. However, there is clear evidence that the Council plays a vital role in the Economic Growth of the District including the attraction of significant external funding and investment, the provision of commercial property, attraction of new businesses into the District and expansion of businesses already in Fenland.
- 4.2 Moreover, all the other Districts in Cambridgeshire also recognise the importance of their Council supporting economic growth and the very competitive environment that exists for securing funding and investment into their District's. Over the last two years several Districts have added resources

into their support for economic growth by for example adding to their economic development teams.

- 4.3 This alternative option was considered and rejected as it would result in Fenland being significantly disadvantaged in securing economic growth and external funds.

5 IMPLICATIONS

5.1 Legal Implications

- 5.1.1 There are no specific legal issues engaged by the recommendations contained in this Report.

5.2 Financial Implications

- 5.2.1 All financial implications have been reflected for in the Council's draft budget.

5.3 Equality Implications

- 5.3.1 All individual projects and services have been assessed to ensure equality of access, etc.

6 SCHEDULES

Schedule 1 – Draft Fenland Economic Growth Strategic Refresh, 2022-25

SCHEDULE 1
Fenland Economic Growth Strategic Refresh 2022-25

Fenland Economic Growth

Strategic Refresh 2022-2025

**Delivering the Council's Economic Development Strategy 2012-
2031**

February 2022

Foreword by Cllr Ian Benney Portfolio Holder for Economic Growth



Fenland is a great place to live, work or visit and as Cabinet Member for Economic Growth I want to ensure that the residents benefit from local economic growth. There are major opportunities for growth in Fenland and this Strategic Refresh sets out how the Council will help maximise these opportunities over the next three years.

Ultimately economic growth is delivered by local businesses and the key role the Council undertakes is to support entrepreneurs, owners and managers when making decisions about how and when to grow or start their business. This refresh sets out how the Council contributes to the decisions made by businesses. They are rapidly becoming known as the people who can open doors and help with the challenges,

Finally, whilst having a Refresh is important by far the most important aspect of what I ask is action, having meaningful impact on economic growth in Fenland. With that in mind, you will find this Refresh to be as concise as possible, with a focus on measurable action and demonstrating that Fenland is truly open for business.

Cllr Ian Benney

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Executive Summary

This Strategic Refresh has been created to continue the delivery of the Council's Economic Development Strategy 2012-2031. It sets out how the Council's Economic Growth Team, other Council departments and public and private partners will continue to work together to drive forward economic growth in Fenland and ensure that we are open for business.

Economic growth is delivered by businesses, those who are already in Fenland, those who relocate to Fenland and those who create a business in Fenland. One of the key roles of the Council is to support those owners, managers, and entrepreneurs in their growth decisions and aspirations by for example enabling access to the high-quality business support that is available including grant funding. The Refresh embodies this role and is reflected as follows:

1. **Growing businesses** - Through engagement with existing local businesses the Council will target the support that is available to help enable each business to grow and assist them to overcome any barriers to growth or to develop opportunities. This will include ensuring that businesses are aware of and supported in applying for financial support for which they are eligible.
2. **More business start-ups** – Help ensure that the support is in place to help enable local people to start a business and to stay in business including the possible availability of grant funding.
3. **Attract new businesses** - Help attract new businesses into the district from supermarkets and fast-food brands to businesses seeking a UK base. The Council will proactively engage with targeted new business opportunities to ascertain each businesses future plans and location requirements.
4. **Available workforce** – Help ensure that supply of and skills of the available workforce are appropriate for the Fenland marketplace, as well as offering young people improved aspirations, increased wage levels and alternative career paths. Represent companies' skills requirements for the development of skills support funding and development of relevant courses.
5. **Available serviced land and premises** - Acquiring technical and specialist support to bring forward employment sites and premises to include infrastructure, highway, and market/commercial assessments. To bring together these and other similar requirements into an "Investment Prospectus" for Fenland.

The success of the Refresh will be based upon how well the Council and its partners interacts with business owners and managers who make the decisions as to whether the business expands, relocates, or starts. Measuring success therefore includes mostly input measures, inputs into the business decision making process. The ultimate outcome of economic growth the Refresh seeks to deliver is delivered by business.

Critically, therefore, the success of the Refresh will be demonstrated by the value each business places on their interaction with the Council and partners as demonstrated through case studies and feedback.

The Council helps enable businesses to secure grant and other funding to support the growth of their business and attracts funding to support the growth of the economy for example for infrastructure to make available land for commercial development.

Economic growth can provide opportunities for the Council to generate net positive income either through investment itself or potentially via Fenland Future Limited and can also generate business rate growth and therefore an increased revenue stream into the Council.

Introduction

The economy is one of the Council's 3 outward facing Corporate Priorities:

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

This Strategic Refresh (Refresh) has been created to continue delivery of the EDS and sets out how the Economic Growth Team, other Council departments and public and private partners (hereafter referred to in this document as the "Team") can continue to work together to drive forward economic growth in the district.

The Refresh will be reviewed annually to ensure that the actions undertaken by the Team remain responsive, appropriate, up-to-date, deliver real impact and demonstrate how Fenland is open for business.

The Refresh utilises the five strategic 'Model for Growth' themes developed in the EDS designed to underpin economic growth:

- Enterprise
- Workforce development
- Enabling infrastructure
- Business retention & growth
- Inward investment

Within each theme the Refresh sets out the projects and initiatives designed to have the most impact on each theme and includes:

- Action being undertaken
- Outcome expected
- Measurable outputs

Changing Context

Since the approval of the Council's EDS some of the local, regional, and national context has changed significantly. This section sets out the most significant economic changes and the most recent strategic responses made by partners. These changes all contribute to the need for a strategic refresh of the EDS and hence this document.

Economic

EU Exit

Following the referendum vote in 2016, the UK officially left the European Union (EU) on 31 January 2020. The following are the major changes and opportunities for Fenland businesses following EU Exit.

New markets - By exiting the EU trading bloc, the UK is free to strike its own trade deals with other non-EU countries. As an EU member state, this wasn't the case.

Less regulation - The UK is free to set its own regulations and standards – and this could be beneficial for businesses.

Business travel to the EU - Travelling to the EU on business, there are a number of changes concerning passports, visas and travel insurance.

VAT - The way VAT is dealt with for importing and exporting has changed.

Data protection - Following the end of the Brexit transition period, how businesses handle personal data has not changed if they have correctly implemented the UK General Data Protection Regulation.

Supply chain - A disruption of the flow of goods and services from the UK to the EU was an anticipated effect of EU Exit. Many businesses responded to this by stockpiling goods while tariff-free trade between the UK and EU was still in place.

Workforce - On January 1st, 2021, freedom of movement between the UK and EU ended. Under the new post-Brexit immigration laws, both EU and non-EU migrants will be subject to a point-based system for visa eligibility.

The termination of freedom of movement, and transition to a new immigration system has resulted in a short-term shrinkage in the workforce.

Covid-19 Pandemic

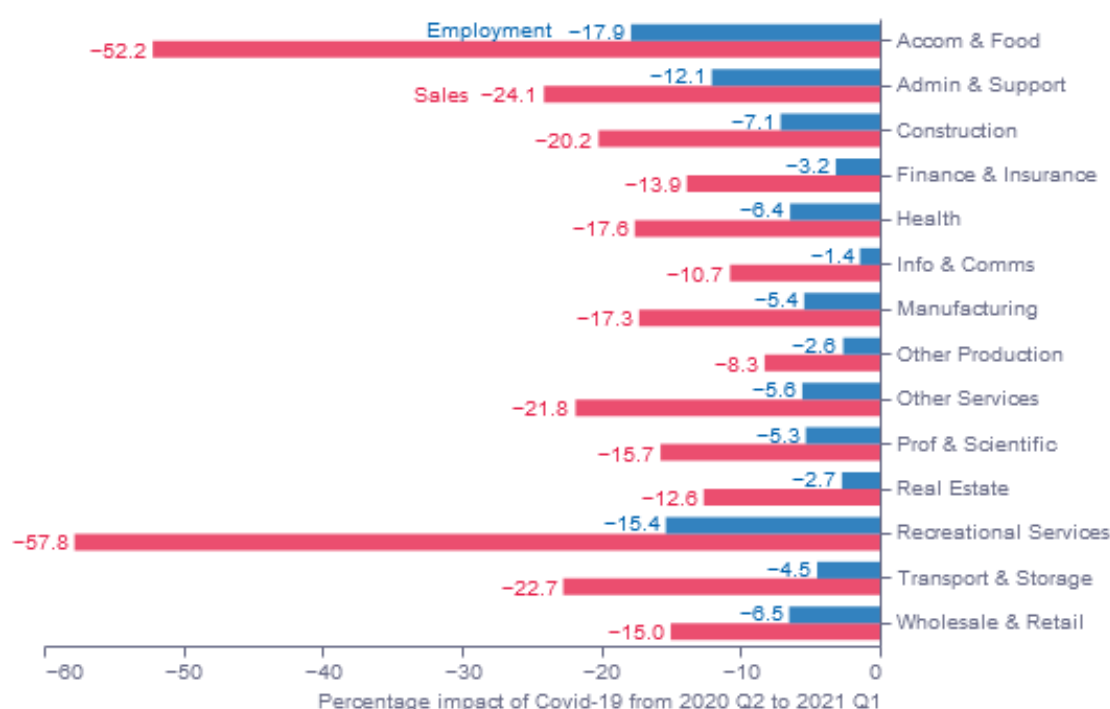
Sales - The figure below shows the estimated impact on sales and employment over the first year of the pandemic. Businesses in all sectors reported a large reduction in sales, which was close to 60% in recreational services. Other sectors reporting a

large reduction were accommodation and food, administration and support, and transport and storage.

The smallest effects were expected in other production (agriculture, mining and quarrying, and utilities) and information and communications – all of which are less likely to be affected by lockdowns and other restrictions.

The reductions in employment were smaller than the falls in sales, in large part due to government support programmes, such as the Coronavirus Job Retention Scheme (CJRS).

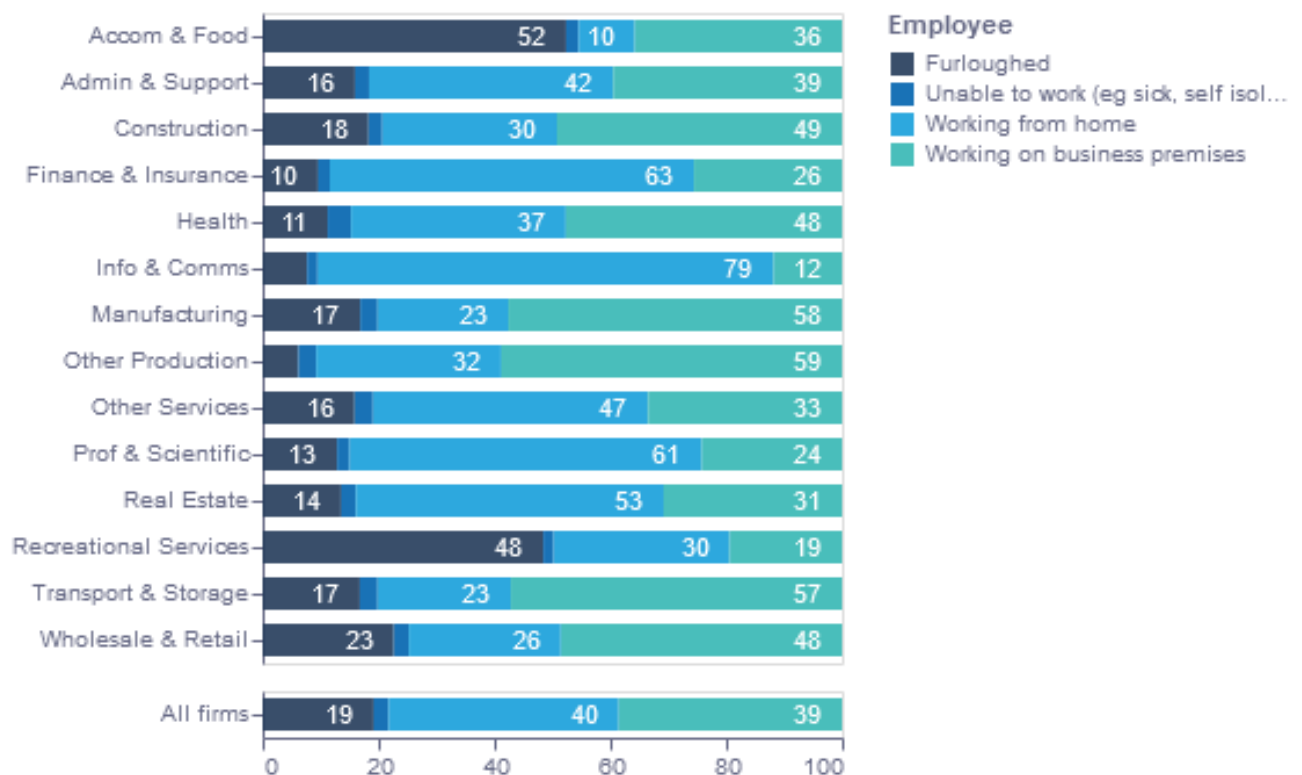
Impact of Covid-19 on sales and employment from 2020 Q2 to 2021 Q1 by industry



Workforce - Businesses have laid off some workers and used the CJRS to furlough others. Businesses have reported furloughing around a fifth of their employees over the past year on average; these workers were still employed but not required to work any hours – see table below.

The spread of Covid-19 has had a profound and potentially long-lasting impact on how businesses operate. For example, workers in some sectors have been able to adapt relatively easily to social distancing at work, for example, by working from home. The ability to do this has varied greatly by industry and firm. It depends on the nature of the firm's activities and the extent to which it is necessary to engage in face-to-face contact with customers or other employees.

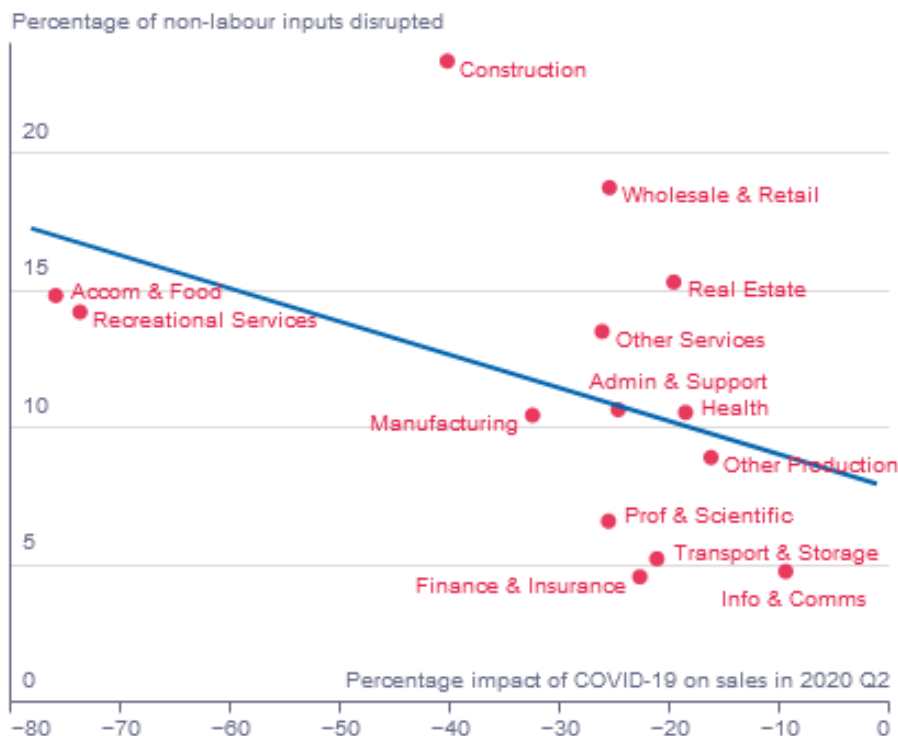
The table below shows that working from home has been more prevalent in sectors such as finance, insurance, professional and scientific, and information and communications. These are all higher productivity service industries.



Supply chains - Apart from falling demand, businesses have also reduced output because they are unable to obtain crucial inputs or supplies. Around 40% of firms have reported some disruption to their supply chains during the second quarter of 2021.

Supply disruption was reported to be higher in industries and firms that expected larger sales impacts, implying that supply effects could have been a factor that held back output too, and more so in some sectors than others.

Disruption to non-labour inputs from Covid-19 in 2020 Q2 and impact of Covid-19 on sales in 2020 Q2 by industry.



Uncertainty - Covid-19 has also led to a sharp increase in uncertainty for everyone – firms, workers, and consumers. Overall uncertainty in the past year increased substantially, with 70% of businesses reporting that the overall level of uncertainty facing their business was high or very high. On average, 85% of firms reported that coronavirus was one of their top three sources of uncertainty over the year to March 2021.

This uncertainty is larger for firms in recreational services, accommodation and food, construction, and transport and storage – the sectors most affected by the pandemic.

High-street - Shops had been having difficulties already, not least because of online competition, and in 2020, total retail sales volumes fell by 1.9% compared with 2019, the largest annual fall on record.

International travel - remains at low levels compared to pre-pandemic. resumption of travel stretched further into the distance.

Business growth - There has been some predictable business growth. Amazon, Royal Mail, Hermes, DPD – everyone who delivers to the door – have all seen business growth. If you manufacture cardboard in the UK, it has been a record 12 to 18 months.

Company formation - Company formation didn't decline in 2020 – 772,002 new businesses were formed in the UK, up 13% on 2019. Many were in sectors that benefited from the pandemic, such as manufacturers of personal protective

equipment or disinfectants, camp sites catering for all the staycationers, and takeaway food companies.

Working from home – a substantial proportion of workers continue to work from home resulting in less office space being required.

Broadband connectivity – The importance of broadband connectivity at home either via fibre or 4th and 5th generation mobile has been highlighted with more people working from home. Lack of connectivity can be a particular issue in rural economies.

Overall, the sectors and businesses that have been most affected by lockdowns and other social restrictions have also suffered the most in terms of loss of sales and impacts on staff. It is also these industries, principally those related to food, travel, and leisure, which have faced significant future uncertainty.

Assessing the Impact of Covid 19 in Cambridgeshire & Peterborough

In July 2021 Metro Dynamics published a report commissioned by the CPCA assessing the impact of Covid 19 on the Cambridgeshire and Peterborough economies. At the onset of the crisis output fell fastest in Cambridge, followed by South Cambridgeshire, based on modelled estimates of the crisis' economic impact and driven by falls in output across the professional, scientific and technical sector, education, and hospitality and entertainment. Based on these modelled estimates Cambridge has also been the slowest of the districts to recover.

Meanwhile, Fenland, Peterborough and Huntingdonshire were relatively less affected, partly due to the insulating effects of larger agricultural, construction and manufacturing industries, where more businesses were able to continue operating at close-to-normal levels of output.

Based upon the data available, the key findings of the report mostly cover the whole Cambridgeshire and Peterborough economy however where possible Fenland specific findings are highlighted.

1. Vaccination is helping recovery, but structural impacts will remain.

Partly because of the successful vaccine rollout, projections for the UK's economic growth are being revised upwards. The Office of Budget Responsibility (OBR) now expects the UK economy to return to pre-pandemic levels sometime in 2022, with unemployment to peak in late 2021. That said, this faster bounce back in economic activity is not expected to translate into a complete economic recovery. The national economy is still expected to be 3% smaller in 2025 than it would have been without the pandemic.

2. Economic impact varies across the area

A recovery is underway in Cambridgeshire & Peterborough, aided by recovery in construction, manufacturing and retail sectors, though at the end of 2020 the economy remained 7.6% smaller than it was before the onset of the pandemic – a near £500m fall in output. The scale of the fall in output varies across local economies, ranging from a 5% reduction in Fenland to 10% in Cambridge, based on the concentration of more affected sectors in each place.

In Fenland between Q1 and Q4 2020 output fell by 5.2% compared to 10.9% in Cambridge and Fenland has the 2nd highest rate of recovery in Cambridgeshire and Peterborough.

In terms of the rate of growth of new businesses Fenland maintained its rate of growth at around 8% per year. This rate exceeds that achieved by South Cambridgeshire and Huntingdonshire.

3. Gradual recovery in hospitality and leisure, with labour shortages

The most significant effects of the pandemic have been on retail, hospitality, and entertainment businesses, which have been particularly hit by lockdown restrictions and having to adapt fast to both those restrictions and changing consumer preferences. We are nevertheless seeing signs of recovery in these businesses. Prior to the pandemic 104,00 people in Cambridgeshire and Peterborough were employed in entertainment, hospitality, and retail sectors – around one in four workers. Although job losses at the start of the pandemic were concentrated in these sectors, many businesses are now reporting difficulties hiring staff. A particular challenge is to fill jobs previously commonly held by workers from the EU and elsewhere who have left the UK over the course of the pandemic. Business is also reporting difficulty in hiring seasonal student labour as potential employees are choosing not to work this summer.

4. Wider trading environment improving, but with rapid adjustments needed

As consumer confidence has grown the business environment has gradually improved, with more than 90% of businesses now trading an increasing number reporting improved profits. The crisis has required businesses across all sectors to adapt and invest in new processes and practices. There is some indication that this will lead to sustained productivity improvements, though the scale of the impact remains to be seen and may be offset by firms rehiring.

5. Unemployment has increased and the impact has been exacerbated existing inequality.

Employment support schemes (particularly the Coronavirus Job Retention Scheme, 'furlough') have continued to act as an effective break on increasing unemployment. Across Cambridgeshire and Peterborough nearly 40,000 workers were still furloughed at the beginning of May 2021 and at least 30,000 more people are on Universal Credit now than before the pandemic. Despite this support flowing to

lower-income households, the overall impact of the crisis is a deeply unequal one. There is a clear correlation between areas of pre-existing deprivation and the incidence of Covid-19 cases and deaths, as well as correlated increases in new Universal Credit claims. The pattern is most pronounced in the city of Peterborough and the market town of Wisbech in Fenland, but also in Soham, St Neots and parts of Cambridge, where relatively high levels of deprivation are matched by relatively high levels of Covid-19 cases and deaths and increases in Universal Credit claims. The unequal impacts of the crisis seem likely to spill over into an unequal recovery, with deprived people and places again disproportionately the most affected.

A comparison of district claimant counts within Cambridgeshire and Peterborough shows that Fenland has the lowest claimant increase from January 2020 to April 2021 of all local authorities in Cambridgeshire and Peterborough. Fenland and Huntingdonshire were the first districts to see peaks in their claimant counts in May 2020. While Fenland saw partial recovery immediately following this peak, the claimant count in Huntingdonshire remained relatively high until October 2020.

Within Cambridgeshire & Peterborough, the rates of take-up of the furlough scheme have mirrored the national pattern. Cambridge has seen the largest proportion of eligible employments making use of the scheme (10.0%), while Fenland has seen the lowest (7.3%).

University for Peterborough

The University for Peterborough project is the single most important capital project in the CPCA's skills portfolio, addressing the issue of low Higher Education participation, poor aspirations, and lack of employer confidence in the Cambridgeshire and Peterborough economy.

Climate Change & Net Zero

Fenland is low-lying and vulnerable to unpredictable weather patterns and rising sea levels. Emissions-focused initiatives are now central to economic strategies across Cambridgeshire & Peterborough, for example, over 77% of CPCA's major initiatives are climate-focussed.

Meeting the new national target to reduce greenhouse gas emissions by at least 68% by 2030 and transitioning to net zero by 2050 demands an even greater focus on measures that deliver economic growth through sustainable choices, business models and jobs.

Climate change is a business opportunity. The low-carbon transition creates opportunities for efficiency, innovation and growth that extend beyond high-carbon industries like energy and transport to all sectors. Companies can save energy and materials costs, serve new customer needs, enhance their reputations, and better attract and retain talent — all because of working to reduce their emissions and

those of their customers and suppliers. Through their governance role, boards can help to ensure that climate opportunities are captured by reviewing corporate strategy and focusing on long-term value.

With the increased investment need throughout the housing sector in sustainable and net zero carbon products and services, there is an urgent need to support the growth of existing and diversification of new entrants into the marketplace. This is highlighted when looking just at the Clarion Housing Association portfolio in isolation. In 2021-22, they are expecting to complete circa 120 properties to a “zero carbon ready state” representing less than 1% of the entire portfolio and for the next 3 years they are forecasting that figure to increase by circa 300% year on year (450 2022/23, 1,500 2023/24 and circa 4,000 2024/25).

Levelling-up fund

The Cambridgeshire & Peterborough Independent Economic Review (CPIER) published in 2018 identified the spatial disparities across the Cambridgeshire & Peterborough area and (also within) the three distinctive, but overlapping economies of Greater Cambridge, Greater Peterborough, and the Fens.

Announced at the Spending Review in 2020, the Levelling Up Fund (LUF) will invest in capital investment in local infrastructure that improves everyday life across the UK. Building on and consolidating prior programmes such as the Local Growth Fund and Towns Fund, it will have a visible and tangible impact on people and places and support economic recovery. In doing so, it will also create opportunity across the country, prioritising bids that invest in regeneration and growth in places of need and areas of low productivity and connectivity.

The £4.8 billion fund will support town and city centre regeneration to deliver economic and social levelling-up. In round one the emphasis was on town centre regeneration, culture, and heritage, as well as a major opportunity to promote local transport projects through the Local Transport Authority (CPCA in Cambridgeshire). LUF provides a new approach to tackling economic differences between areas and driving prosperity in towns and cities that have been left behind, and which have now been prioritised by Government for support.

The Growing Fenland Wisbech Masterplan sets out a clear list of priorities for the town and town centre. The Council has commissioned a supporting piece of work to give spatial, map-based expression to these priorities and to identify further opportunities for regeneration and investment. This would help to directly support the development of the town's quality of life offer. This work will enable a focused, detailed proposition supported by a high-level cost analysis and business case for a coherent package of proposals to enable a LUF bid to be made in spring 2022.

Partner Strategies and Plans

Cambridgeshire & Peterborough Independent Economic Review (CPIER), September 2018

A review of all the available economic evidence for the area chaired by an experienced and expert panel, bringing in new research on business clusters and growth. The set out a series of key recommendations, many of which were reiterated and developed by the subsequent Cambridgeshire and Peterborough Local Industrial Strategy.

The review segmented Cambridgeshire and Peterborough into three key economic areas with boundaries described as “fuzzy” – Cambridge, Peterborough (includes Whittlesey) & The Fens (broadly comprises most of the District of Fenland, and parts of the Districts of Huntingdonshire and East Cambridgeshire).

The key points with regards to The Fens were:

- The Fens is the most challenged economically of the three
- Market towns have lost their former glory and struggle to attract or retain young people
- Rural communities struggling to maintain high value industries
- Brexit poses a challenge to provide low-cost labour – “a concern that at all skill levels, from highly skilled workers to unskilled workers, businesses rely on foreign labour”.
- Businesses need to tackle low labour productivity by investing in the skills of their workers
- Immense potential for the Fens as the apex of British agricultural production & an attractive way of life in thriving Market Towns

Cambridgeshire and Peterborough Combined Authority Skills Strategy Evidence Base Report, December 2018

The analysis shows that the Cambridgeshire and Peterborough economy comprises three overlapping labour markets which inform the demand and flow of labour across the region. These are:

- Peterborough and surroundings (including north Huntingdonshire and Whittlesey)
- The Fens (including Fenland, some of East Cambridgeshire and part of Huntingdonshire)
- Cambridge and South Cambridgeshire (including southern parts of Huntingdonshire and East Cambridgeshire as a third).

The Fens specialisms in the CPCA area were identified as:

- Primary (agriculture)
- Construction & utilities
- Wholesale & distribution

Key Fenland only facts:

- Fenland contributes 5.2% of total employment and 4.9% of total turnover in the Combined Authority, the smallest contribution among the six districts.
- Over half of total employment in Fenland is concentrated in SMEs, while micro firms account for approximately 30% of total employment.
- The largest share of turnover in the area is originated by firms with 10-49 employees (28.2%).
- SMEs have exhibited the highest rates of employment growth (8.4%) and have grown at a faster rate relative to the Combined Authority (6.0%).
- The highest rate of growth in turnover is reported for large firms (7.8%)

The key programmes and projects proposed by the strategy:

- The Skills Hub
- Life Sciences Sector Deal Pilot
- The Mayor's Apprenticeship Challenge Fund
- Strategic Coordination of Local Programmes
- A New University for Peterborough
- Work Readiness Pilot

Of the suggested programmes and projects, the two most significant to improve life chances and labour market performance were seen as the University of Peterborough and the creation of an area wide Skills Hub.

Cambridgeshire and Peterborough Local Industrial Strategy, July 2019

The strategy seeks to enhance Cambridgeshire and Peterborough its position as a global leader in knowledge and innovation, further developing its key sectors including life sciences, information and communication technologies, creative and digital industries, clean tech, high-value engineering and agri-business'. The strategy sets out an evidence-based plan to support industry across the area in delivering these goals.

Oxford-Cambridge Arc, Policy Paper, February 2021

The five counties around the line between Oxford, Milton Keynes and Cambridge are known as the Oxford-Cambridge Arc (Arc). The area comprises Bedfordshire, Buckinghamshire, Cambridgeshire, Northamptonshire, and Oxfordshire. The Arc has one of the fastest-growing economies in England and supports more than two million jobs and adds over £110 billion to the economy every year.

A spatial framework for the Arc is being developed; a long-term strategic plan to help coordinate the infrastructure, environment, and new developments in the area. In July 2021 consultation document was published, 'Creating a Vision for the Oxford-

Cambridge Arc', which launched the first public consultation on the development of the Spatial Framework. This consultation ran from 21 July and closed on 12 October with the feedback currently being analysed.

Combined Authority, Local Economic Recovery Strategy, March 2021

The goal of the Combined Authority Local Economic Recovery Strategy (LERS) is to make a leading contribution both to the UK's recovery from the Covid-19 pandemic and to its future global success. The LERS sets out how it will help accelerate the recovery, rebound and renewal of the Cambridgeshire and Peterborough economy, and achieving the ambition to double Gross Value Added by 2042 in a digitally enabled, greener, healthier, and more inclusive way.

The LERS identifies the Fens sub economy, with a world-leading agri-tech sector and innovative micro businesses, alongside the most productive agricultural land in the UK.

In common with many major economies in the UK and globally the LERS has identified three phases of action. The Response phase lasted well into 2021 with the mission to help people and businesses manage the impact of the pandemic, and to adapt to both temporary changes and emerging new norms in employment, sectors, and markets.

The Recover and Rebound phase began with the reopening of the economy in 2021 and will accelerate through 2022/23. Renewal and Future Growth will follow from 2023 onward. The missions for these phases are to:

- Help people at risk of unemployment by accelerating retraining and upskilling
- Build back faster by accelerating start-ups, scale ups and set ups
- Build back better and greener by accelerating high tech jobs and cluster growth, focussing on green, digital, and net zero technologies.

CPCA Employment & Skills Strategy, October 2021

CPCA is developing a new Employment and Skills Strategy for the region. They have reviewed a robust data and evidence base across the CPCA area and each of the six local authority areas, and through engagement and further analysis have identified priorities for outcomes and objectives. The strategy is due to be published in March 2022.

CPCA - Growth Works, May 2021

To deliver the Local Industrial Strategy, a business growth service, called Growth Works has been designed to fuel growth in business & skills across all of Cambridgeshire and Peterborough. The vision for the Growth Works service is to

accelerate the rebound and regrowth of the Cambridgeshire and Peterborough economy. A consortium, led by Gateley, is delivering the Growth Works Service.

Growth Works has four pillars:

- Growth Coaching Service
- Inward Investment Service
- Skills and Apprentices
- and Equity Investment

The five service lines which make up Growth Works are:

1. A Growth Coaching Service to engage and support the regions' entrepreneurs and business leaders to speed their rebound and growth post COVID. This service is delivered by YTKO.
2. An Inward Investment Service to better engage and persuade firms to locate here or invest in our firms and projects – like a new university for Peterborough or improvements to our towns and cities. This service is led by International Investment Services.
3. A Skills Brokerage Service to link learners and those wanting to retrain for new jobs to employers that are growing and have great opportunities. This service is led by GPC Skills.
4. A Capital Growth Investment Fund to offer grants, loans and equity investment for small firms needing finance to grow and struggling to find support from banks and elsewhere. This is led jointly with YTKO and Gateley.
5. The Cambridgeshire & Peterborough Growth Hub, a one-stop shop for support including funding, training, and general expertise. The Growth Hub signposts business leaders to the right support for them.

By integrating all these services into one, Growth Works will deliver over 5,000 jobs, 1400 apprenticeships and Capital Grants 1700 learning opportunities for young people and those needed to find work or build their careers.

Emerging New Local Plan

The emerging new Local Plan for the District is currently under preparation following two rounds of a “call for sites”. It is anticipated that the draft plan will be published for comment in June / July 2022 with the submission draft being available in the Spring of 2023. The plan will cater for the growth of the District to 2040 and seek to allocate enough land in a variety of locations to meet the Council's growth ambition and the demands of business.

Strengths, Weaknesses, Opportunities and Threats for the Fenland Economy

The EDS identified several strengths, weaknesses opportunities and threats (SWOT) for the Fenland economy and a number remain the same in 2021. However, since 2012 more have been identified and the table below combines the original SWOT with post 2012 additions:

	Fenland economy
Strengths	<ul style="list-style-type: none"> • Strong demand from expanding businesses and relocators • Super-fast broadband i.e., >95% premises now access at least 24Mbps rising to >97% over the next 12 months • Proposed housing growth • Entrepreneurial culture • Port of Wisbech • Low-cost base • Vibrant engineering and food processing sectors • Supportive and flexible planning
Weaknesses	<ul style="list-style-type: none"> • Lack of serviced land or available industrial units • Mobile and mobile broadband coverage in rural areas • Pockets of high levels of deprivation • Poor transport links within the District • Image of the area • Limited arts, culture and night-time economies • Recruitment issues – actual recruits and skill levels
Opportunities	<ul style="list-style-type: none"> • Potentially available land for development • Levelling Up Fund and Shared Prosperity Fund • EU Exit i.e., new markets • Climate change, low carbon & net zero i.e., market opportunities • University of Peterborough • Strategic employment sites i.e., Stainless Metalcraft Phase II Advanced Manufacturing Park & Whittlesey Science & Technology Park • March High Street Fund • Growing Fenland Funding • North Cambridgeshire Training Centre • Location for Cambridge overspill • Fenland Thinking Place
Threats	

	<ul style="list-style-type: none"> • Covid-19 i.e., continuing uncertainties • Increasing workforce vacancy rates • EU Exit i.e., worker shortages • Climate change i.e., flooding risk • Growth of neighbouring centres • National and international economic climates • Flood risk area
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Actions

Responsibility for delivery of the Refresh rests mostly with the Economic Growth Team comprising the Economic Growth Manager and Business Engagement Manager. The Economic Growth Team will either deliver projects directly or through working with others such as other departments within the Council and the Combined Authority and its contractors to ensure delivery of the Refresh.

The Refresh utilises the strategic 'Model for Growth' themes developed in the EDS; Enterprise, Workforce development, Enabling infrastructure, Business retention and growth and Inward investment.

The Refresh highlights the individual actions being undertaken, the expected outcome resulting from taking these actions and measurable outputs. All of the actions help ensure that Fenland is seen as both support of and open for business.

The actions respond to the changes in context as set out previously and reflected in the SWOT analysis for example the increasing issue of lack of serviced land and available commercial property and in particular light industrial premises and the significant new opportunities including Stainless Metalcraft Phase II Advanced Manufacturing Park and Whittlesey Science & Technology Park.

Enterprise

Objective

Maintain and build a thriving enterprise and entrepreneurial culture that encourages businesses to start up and grow.

Work Plan

Action	Outcome	Measurables
<p>Community Renewal Fund (CRF) "Start & Grow" programme ends in June 2022</p> <p>To aid Start and Grow to engage individuals and early-stage/micro businesses in an intensive enterprise programme. It will bring skills development and business investment together in one scheme through a 'pre-qualification' process for grant awards.</p>	<p>Increases start-up success through investment in local businesses; it equips new and existing enterprises with the business skills they need for sustainable growth and through this will safeguard jobs and increase employment.</p>	<p>(7 months period to end June 2022)</p> <p>Programme will deliver:</p> <ul style="list-style-type: none">• 25 supported enterprises• 8 jobs safeguarded• 25 new businesses• 25 new products• £150k investment attracted• £500k grants paid <p>Value for money: outputs require approximately £10k investment per business compared to the expected investment of £32k via other funded programmes</p>
<p>Fenland Start & Grow programme commencing July 2022</p>	<p>Increases start-up success through investment in local businesses; it equips new and existing enterprises with the business skills they need for</p>	<p>(2022-23 9 months to end March 2023)</p> <p>Programme will deliver:</p> <ul style="list-style-type: none">• 15 supported enterprises

Following an evaluation of the CRF funded programme including an assessment of value for money, this seeks to continue the CRF funded programme blending funding from the Council with external funding such as the CA.	sustainable growth and through this will safeguard jobs and increase employment.	<ul style="list-style-type: none"> • 8 jobs safeguarded • 15 new businesses • 10 new products • £75k investment attracted • £100k grants paid <p>2023-2025 per year as follows:</p> <ul style="list-style-type: none"> • 25 supported enterprises • 8 jobs safeguarded • 25 new businesses • 15 new products • £150k investment attracted • £100k grants paid
Maintain regular meetings with the business community, including the Fenland Chamber of Commerce	More developed and coordinated approach to business intelligence to support business growth and competitiveness.	One new service to support businesses per year
Develop the Fenland for Business website to support businesses with signposting to advice and guidance and information	More businesses accessing the support and guidance available for example Growth Works that increases survival rates and job growth	<p>20% increase year on year of visitors to the Fenland for Business website.</p> <p>Increase the number of Twitter followers by 10% year on year.</p>
Annual business start-up leaflet – targeting the hard to reach home based businesses	Enabling more business start-ups and increasing the number of businesses registered on the Council's business database	<p>Every household paying Council Tax to receive a leaflet.</p> <p>Feeder for the Start & Grow programme.</p>

<p>Signposting to the Fenland for Business website “Start” section of the website and encouraging new and existing businesses to register to receive regular e-newsletter updates. Delivered with the annual council tax invoices.</p> <p>Sponsorship will be sought to help with funding the project from 2023-24 onwards.</p>		<p>Additional 10% increase in new businesses registered on the Council's Fenland for Business website in the month post- delivery of the leaflet</p>
<p>Economic Growth Team Service</p> <ul style="list-style-type: none"> • Promote available employment sites and premises via for example the Fenland for Business website, including: • Boathouse Business Centre • South Fens Business Centre and Enterprise Park • Council owned land & industrial units • Private commercial property and land 	<p>Enabling businesses to access to employment sites and development land to support business growth</p>	<p>15 enquiries per year converting to 3 businesses per year finding new premises/site</p>

Workforce development

Objective

Help ensure that current supply of and skills of the available workforce are appropriate for the Fenland marketplace, as well as offering young people improved aspirations, increased wage levels and alternative career paths. Improved access to employment, training, and skills for balanced economic participation.

The Team will act as a key intermediary between business and key training and skills providers including the CPCA, colleges, developing North Cambs Training Centre and emerging University of Peterborough.

Work Plan

Action	Outcome	Measurables
To engage with CA Growth Works with Skills - demand-led skills service connecting learners and employers with opportunities that enable growth.	Deliver a fair and inclusive economy by empowering local people to access the education and skills needed to meet the needs of the local economy and business, both now and in the future.	Number of referrals per annum
To engage with North Cambs Training Centre (Stainless Metalcraft)	The facility will provide training across a range of vocational subjects for between 80 and 130 apprentices each year. The apprentices will then be equipped to find good careers in the local economy and help businesses meet their skills needs.	Number of company referrals per annum

Encourage businesses to utilise Growth Works with Skills Turning Point scheme (Skills and Employment) - the project includes, personal skills analysis, raising awareness of, signposting to, and providing vouchers up to £600 to enable access to free short course training, 'work re-entry' workshops to support transition back to work from furlough. Funding of £5k per internship will be provided to employers to provide new work opportunities. 'Learning Mentor Training' for the host organisation. Training Needs Analysis to identify re-skilling, up-skilling, and re-training opportunities within a business.	Deliver a fair and inclusive economy by empowering local people to access the education and skills needed to meet the needs of the local economy and business, both now and in the future.	Number of employers referred to the scheme which concludes in March 2022.
Work collaboratively with Jobcentre Plus to help raise awareness to businesses of enterprise opportunities and work placements. Quarterly meetings with Jobcentre Plus and proactive marketing of DWP programmes and initiatives	Improved awareness businesses of enterprise opportunities, apprenticeships, and work placements	4 meetings per annum with Jobcentre Plus 3 listings per annum of DWP programmes in the Team's e-newsletter
Work collaboratively with College of West Anglia (COWA), North Cambridgeshire Training Centre and University of Peterborough (UoP) to deliver programmes that meet the needs of local business including quarterly collaboration meetings	A more supportive environment for private sector involvement and improved opportunities for employment growth	4 meetings per annum with COWA 4 meetings per annum with Up 4 meetings per annum with North Cambridgeshire Training Centre

Enabling infrastructure

Objective

The provision of excellent underpinning infrastructure, which, as well as providing serviced land and available premises, to include road and transport linkages and the provision of superfast broadband.

Work Plan

Action	Outcome	Measurables
<p>Acquiring technical and specialist support to bring forward employment sites to include infrastructure, highway, and market/commercial assessments. The sites include:</p> <ul style="list-style-type: none">• Stainless Metalcraft, Advanced Manufacturing Innovation Launchpad & Manufacturing Technology Centre• Whittlesey Science & Technology Park, 50 acres-built area 70 acres green space, carbon zero• Development of light industrial units adjacent to the ex-Bartletts site• Sites around the location of Fenton Way Chatteris <p>These sites and others to be combined with other infrastructure requirements into an Investment Prospectus.</p>	<p>Enable progress to be maintained to ultimately deliver sites and premises.</p> <p>Enable funding to be sought to support delivery.</p>	<p>2022-23 3 key employment locations assessed and delivery plans in place</p> <p>2023-24 1 key employment locations assessed and delivery plans in place</p>

Work with partners to encourage and promote sustainable low carbon green infrastructure.	A more tailored sustainable environment to support green infrastructure, environmental and renewable supply chains.	Ongoing dialogue.
Support the development of sustainable and enhanced broadband infrastructure including completing the delivery of the Fenland component within the Connecting Cambridgeshire project	Widespread access to enhanced broadband speeds and infrastructure that provide greater business competitiveness and viability.	Engaging with partners including the private sector e.g. CityFibre to help them deliver by 2022-23 >97% premises (homes and businesses) having access to broadband speeds of at least 24mbps

Business retention & growth

Objective

The District is seen as an exciting place to seek to start or grow a business. This objective recognises the importance of proactively targeting and supporting growth-oriented employers in Fenland; helping them to grow through enhanced access to finance, expert advice, suitable premises, and locations.

Work Plan

Action	Outcome	Measurables
Undertake a proactive account management business engagement programme with larger employers and potential growth companies	Better informed intelligence to enable support and guidance to be delivered in a more coordinated way. Business issues identified and mitigated, growth opportunities identified and supported	6 case studies featuring businesses that have directly benefitted from the support provided by the Team. Group of 40 businesses receive 1:2:1 "account management" service with 40 businesses visited per annum
Undertake a proactive business engagement programme with all known employers and business owners	Significant proportion of businesses aware of the Team and the business support opportunities available to them.	2,500 businesses receive a minimum of 6 e-newsletter communications from the Team per annum. Reactive follow up to engagement with Team from businesses
Reactive follow up to engagement with Team from businesses	Business issues identified and mitigated, growth opportunities identified and supported	4 case studies featuring businesses that have directly benefitted from the support provided by the Team.

CA Growth Works Business Coaching Service – 1:2:1 consultancy, masterclasses, grant funding	Providing support packages tailored to a business's specific needs, growth objectives and timeline. Enabling business growth.	Team to refer a minimum of 20 businesses for 1:2:1 consultancy and grant support per annum
South Fens Enterprise Park additional light industrial units Phase I and Phase II (additional funding will be required to deliver Phase II)	Enabling more businesses to expand and locate in Fenland	Team to take a leading role in the delivery by Q1 2023: Phase I four units Phase II two units (subject to funding)
Work with agents and developers to bring forward employment land provision, encourage investment in 'move on' opportunities through: Quarterly Agents and Developer Forum meetings, 1:2:1 engagement with agents and developers. The Team will work closely with the Council and Fenland Future to assess investment opportunities.	An enhanced district wide office and commercial accommodation that supports growth and diversity in the emerging sectors	10 1:2:1 meeting with agents and developers per annum 2 agents and developers forum meetings per annum
Work with Growth Hub - Peer to Peer network to recruit SME leaders to create strong peer-to-peer networks	Growth and development of businesses. work with individual SME leader's challenges can be explored through an action learning approach.	Team to recruit 5 businesses and enable continuing engaged in the network in the first year. Team to enable a rolling group of 10 businesses in the network from 2023-24
Develop joint Business events with partners to encourage networking, share business issues, etc	Enabling more businesses to expand	2 joint partner business events per annum
Services for Business Leaflet	Enabling more businesses to expand	Every business registered for business rates receives a leaflet.

All businesses registered for business rates receive a leaflet advising them of the services available to them from the Council and its partners such as Growth Works.		
Adopt a Customer Relationship Management (CRM) data management	<p>Improved understanding of businesses and their requirements, issues, etc enabling enhanced support to be provided.</p> <p>Data for inclusion in funding submissions, etc.</p>	Increase the number of businesses listed in the CRM database by 5% in the first year (100 to 150 businesses) and then between 1 to 2% growth in years 2&3.
Housing sector sustainable and net zero carbon products and services	<p>A webinar event prior to March 2022 primarily designed to target local supply chain that are:</p> <ol style="list-style-type: none"> 1. already working in Net Zero Carbon arena 2. working in construction but not specifically NZC, and 3. existing business and/or start-up's that see this as a growth area and would like to diversify existing activities. 	Growth in the supply chain both locally and nationally

Inward investment

Objective

To maintain and increase the level of employment in the district and improve the quality of employment locally to provide all ages of the community with the opportunities that match their skills and aspirations. This will require the district to secure new inward investment to compliment current local employers.

The district has clear advantages to offer investors in key sectors, in particular Agri/food, precision engineering and manufacturing, professional and business support services, and the environmental and renewable sectors.

The Team will proactively target and engage with different business sectors from supermarkets and fast-food brands to international businesses looking for a UK base. The engagement with individual businesses will help the Team understand the plans and location requirements of these businesses and where appropriate put forward propositions that seek to attract them to locate in Fenland. Even where a business does not currently have expansion plans the Team will have started a relationship with that business which in the longer term may result in investment into the district.

In addition to the Council, Fenland is promoted as an investment destination through the CA Growth Works Inward Investment Team, Cambridgeshire Chamber of Commerce, Federation of Small Business, commercial agents and developed relationships with strategic employers.

Encourage additional investment from parent companies of existing international investors to bring in new products or technologies leading to the expansion or retention of their Fenland facilities.

Work Plan

Action	Outcome	Measurables
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Work closely with and respond to information enquiries from CA Growth Works Inward Investment Team	Delivering economic growth through the attraction of inward investment.	Working with the Growth Works Inward Investment Team: 10 inward investment enquiries per annum 1 inward investment per annum
<p>Economic Growth Team inward investment service:</p> <ul style="list-style-type: none"> • Identifying suitable land or commercial premises • Helping to facilitate planning applications • Identifying suitable funding streams • Working with businesses to source suitable workforce • Arrange business development meetings with local supply chains, • For large scale investment, facilitating on-going high quality business support to help nurture business growth 	Delivering economic growth through the attraction of inward investment.	<p>2 inward investment enquiries per annum</p> <p>1 inward investment per annum</p>
<p>Continue to market Fenland propositions to target growth sectors, individual businesses and locations including:</p> <ul style="list-style-type: none"> • Supermarkets, fast-food brands, hotels, etc • Inward Investor Pack • Targeted Business Exhibitions • Programme of strategic marketing 	Positive coverage of Fenland as a location of choice for business	<p>Creation of Inward Investor Pack.</p> <p>Attendance at a targeted business exhibition per annum and generated of 3 quality leads.</p>
Deliver 'soft landing' tools that support an aftercare programme for new and recently established investors, through:	Effective message of Fenland being 'Open for Business' delivered to businesses and potential investors	<p>Creation of soft-landing package.</p> <p>Marketing of package to potential investors, intermediaries i.e., agents,</p>

<ul style="list-style-type: none"> • Face-to-face meetings • Free office accommodation • Priority planning applications 		lawyers, banks and partners i.e., Growth Works Inward Investment.
Collate Insight/data – targeted market research to include opportunities for attracting an hotel into Fenland, high quality manufacturing and engineering, research institutions, etc	Enabling propositions to be communicated to key sectors such as high-quality engineering to market Fenland as an effective location for their business.	1 research project undertaken per annum. 1 proposition created for a target market per annum.
Enable a Manufacturing Technology Centre (MTC) at Chatteris study	Help enable the delivery of the Advanced Manufacturing Innovation Launchpad and MTC and provide a substantial boost to economic growth in the district.	Study highlighting the options to market the MTC for inward investment.
Work closely Thinking Place and potential Place Board.	A brand strategy to support the communication of key propositions to attract inward investment.	Brand strategy and prospectus.
Consider Discretionary Business Rate Relief to incentivise businesses to locate in Fenland and commercial developments to be brought forward. Any relief is totally discretionary and only considered where it acts as a real incentive to business.	Attraction of inward investment, expansion projects and development of commercial space for example light industrial units	2 businesses per annum attracting discretionary business rate relief

Measuring the success of the Refresh

The Refresh seeks to help deliver the Council's Economic Development Strategy 2012-31 with the overall aim of achieving economic growth in Fenland. What does economic growth look like?

- More business start-ups
- More businesses relocating into the district
- More expansions of existing businesses
- More local well-paid jobs for local people
- Thriving town and village centres
- More home-based businesses

The delivery of economic growth is substantially in the hands of businesses and specifically the people who run or create them. Businesses make the decisions about whether to expand, relocate, start and so on. Given this, the role of the Team is to:

- support owners/senior managers with their decision making through account management, signposting and so on
- ensure that there are opportunities for businesses to acquire suitable premises and/or serviced land on which to expand or locate
- ensure that the message that Fenland is "open for business" and what that means practically for businesses is understood across Fenland and outside of Fenland by targeted businesses, targeted sectors and those making enquiries about relocating into Fenland

Demonstrating the success of the Refresh is therefore based upon how well the Team interacts with these decision makers that ultimately lead to the business expanding, relocating, or starting. The resultant outcomes being more businesses, more jobs, higher paid jobs, more apprenticeships, etc

Examples of actual feedback from Fenland businesses:

"Thanks for all you've done so far, it's very professional."

"Thank you for taking the time to see us today and with your guidance, we may be able to achieve some expansion in staff and sales turnover in the coming months. Your suggestions and comments were very enlightening."

Example case study (anonymised):

Vegetable Packing Company

The company pack fruit for supermarkets and employ 125 staff at the Fenland facility. During a 1:2:1 engagement meeting with the company a number of barriers to growth and opportunities were identified with the main barrier being recruitment.

The Team introduced the company to Growth Works with skills, Cambridgeshire Skills, Skills for the Workforce and to Everyone Health. The company was able to promote the roles it had available and the support that it provided for staff and health improvements which will help in staff retention.

Introductions were made to Growth Works Skills for the company to make use of recruitment online tool and Job Centre Plus regarding Kickstart and direct recruitment.

The main opportunity identified was research and development (R&D). The R&D opportunities at the National Centre for Food Manufacturing were discussed as well as links to Cambridgeshire Wireless so that the company is able to network with businesses that can provide solutions to the robotics opportunities that the company are developing.

In addition, two local companies were introduced to the company as they would be of interest as part of the supply chain, in particular to aid in plastic packaging reduction, which is a customer requirement and an introduction to a Cambridgeshire company who will assist with new product development.

A further introduction has been made to a new inward investor due to synergies between the two companies and so that they can work together in their development of systems, processes and skills.

Bidding for external funding

The Team helps enable businesses to secure grant and other funding to support the growth of their business and attracts funding to support the growth of the economy for example for infrastructure.

One example of where the Team helped businesses secure grant funding, in early 2021 the Team contacted business to highlight a new CPCA capital grant which resulted in 5 companies receiving £390,000 of grant funding, a total of £2,975,844 in capital expenditure and 59 jobs to be created.

One example of helping to secure external funding is the Team's support to create a proposal to attract Central Government Levelling Up Funding with an application expected to be required by spring 2022. The Team have supported the two successful bids for Central Government Community Renewal Funding (CRF) resulting in an estimated £920k of funds and resource being invested in Fenland. The CRF projects are seen as "pilots" for the Governments Shared Prosperity Fund which the Team will be integral to creating proposals to attract this funding for Fenland.

The team will soon see the first successful inward investment into Fenland due to the introduction to Growth Works by the Economic Growth team. The company has been awarded a £75,000 grant from Growth works and will employ 20 staff. There are plans to develop seven new products in the next 3 years at the Fenland facility

Income generation

Economic growth can provide opportunities for the Council to generate net positive income either through investment itself or potentially via Fenland Future Limited (FFL) and its Business Plan. Such opportunities include investment in existing commercial property both occupied and unoccupied, design and build commercial property for committed end users, speculative design and build of commercial property and so on.

The Team works with existing Fenland businesses that require new premises and businesses that are considering locating in Fenland. The Council or potentially FFL can provide solutions to a business's property requirements and where appropriate the Team will advise businesses of these options. The Team will collect the necessary information from a business to enable both the Council and potentially FFL to make an initial assessment of the opportunity.

Economic growth can also generate business rate growth and therefore an increased revenue stream into the Council.

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Agenda Item No:	13	
Committee:	COUNCIL	
Date:	24th February 2022	
Report Title:	Future Arrangements for Appointing the Council's External Auditors	

Cover sheet:

1 Purpose / Summary

- 1.1 This report sets out the options available to the Council regarding the future appointment of an external auditor for 2023/24 to 2027/28 following the end of the current appointment period.

2 Key Issues

- 2.1 The Council's current appointing arrangements have been made through opting into the Public Sector Audit Appointments Ltd (PSAA) for the period 2018/19 - 2022/23.
- 2.2 A new appointing person arrangement is required, so that the appointment of an external auditor for the accounts of 2023/2024 and later years can be made.
- 2.3 New appointments for the 2023/2024 accounts must be made under the provisions of the Local Audit and Accountability Act 2014 (the Act), and confirmed by 31 December 2022.
- 2.4 Councils have two potential options to consider when appointing auditors, including opting into the PSAA arrangement for appointing external auditors. These are set out in the report with the view that the Council should opt into the PSAA arrangement.
- 2.5 Audit and Risk Management Committee have considered the options at the meeting on 14 February 2022 and are recommending to Council to opt in to the PSAA arrangement.
- 2.6 The Local Audit (Appointing Person) Regulations 2015 require that the Council may only make the decision to opt into the appointing person arrangement by the members of the Council meeting as a whole.

3 Recommendations

Audit and Risk Management Committee recommend to Council that:

- 3.1 Fenland District Council opt-in to the PSAA sector led auditor appointment arrangements for the Council.
- 3.2 To delegate acceptance of the invitation to the Corporate Director & Chief Finance Officer, as the Council's Section 151 Officer.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder Finance Cllr Kim French, Chairman of Audit and Risk Management Committee
Report Originator(s)	Peter Catchpole, Corporate Director and Chief Finance Officer
Contact Officer(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant Kathy Woodward, Internal Audit Manager
Background Papers	Audit and Risk Management Committee – Arrangements for Appointing Council's External Auditors.

Agenda Item No:		
Committee:	AUDIT AND RISK MANAGEMENT COMMITTEE	
Date:	14th February 2022	
Report Title:	Future Arrangements for Appointing the Council's External Auditors	

Cover sheet:

1 Purpose / Summary

This report sets out the options available to the Council regarding the future appointment of an external auditor for 2023/24 to 2027/28 following the end of the current appointment period.

2 Key issues

- The Council's current appointing arrangements have been made through opting into the Public Sector Audit Appointments Ltd (PSAA) for the period 2018/19 - 2022/23.
- A new appointing person arrangement is required, so that the appointment of an external auditor for the accounts of 2023/2024 and later years can be made.
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- Councils have two potential options to consider when appointing auditors, including opting into the PSAA arrangement for appointing external auditors. These are set out in the report with the view that the Council should opt into the PSAA arrangement.

3 Recommendations

To recommend to Council:

- That Fenland District Council opt-in to the PSAA sector led auditor appointment arrangements for the Council, subject to receiving a satisfactory invitation to opt into the PSAA's appointing person arrangements; and
- To delegate acceptance of the invitation to the Corporate Director & Chief Finance Officer, as the Council's Section 151 Officer.

Wards Affected	All
Forward Plan Reference	
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio for Finance Cllr Kim French, Chairman of Audit and Risk Management Committee
Report Originator(s)	Kathy Woodward, Internal Audit Manager

Contact Officer(s)	Kathy Woodward, Internal Audit Manager Mark Saunders, Chief Accountant Peter Catchpole, Corporate Director and Chief Finance Officer
Background Paper(s)	

1 Background / introduction

- 1.1 The Audit Commission closed in March 2015. Transitional arrangements were managed by the PSAA until the 2017/18 audit. The Council agreed to opt into PSAA's appointing person arrangement for the period 2018/19 – 2022/23.
- 1.2 A new appointing person arrangement is required, so that the appointment of an external auditor for the accounts of 2023/2024 and later years can be made.

2 Options for the Appointing Person Arrangement

- 2.1 New appointments for the 2023/2024 accounts must be made under the provisions of the Local Audit and Accountability Act 2014 (the Act), and confirmed by 31 December 2022. There are two options available to the Council for appointing an auditor:
 - OPTION 1: to undertake an individual auditor procurement and appointment exercise; or
 - OPTION 2: to join a "sector led body" arrangement where specified appointing person status has been achieved under the relevant Regulations.
- 2.2 For the first option, the legislation requires an Auditor Panel to be established. Requirements include:
 - At least three members, two of which must be independent;
 - A majority of independent members; and
 - An independent chairperson.
- 2.3 Guidance on Auditor Panels has been issued by CIPFA for local government bodies. The guidance includes a table of advantages and disadvantages of the different ways an Auditor Panel could be set up. This table is reproduced at Appendix A for information.
- 2.4 For the second option, the 'sector led body' is Public Sector Audit Appointments Ltd (PSAA).
- 2.5 PSAA is an independent company limited by guarantee incorporated by the Local Government Association in August 2014. In July 2016, the Secretary of State for Communities and Local Government specified PSAA as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015. This means that PSAA have been able to make auditor appointments for audits of the accounts from 2018/2019 of principal authorities that choose to opt into its arrangements.
- 2.6 For the period 2018/19 – 2022/23, 498 bodies were listed as opting into PSAA's scheme. Only 11 bodies chose to adopt local arrangements for appointing auditors.
- 2.7 The scheme is an authorised national scheme which will take full responsibility for local auditor appointments and aim to ensure a high quality professional service and value for money.
- 2.8 The PSAA intends that the scheme will save time and resources for Councils and avoid the necessity to establish an auditor panel and manage their own auditor procurement. Assuming a high level of participation, the scheme should be able to attract the best audit suppliers and command competitive prices.
- 2.9 Moreover, the scheme will aim to appoint the same auditors to bodies which are involved in formal collaborations and joint working initiatives.
- 2.10 The Council opted into the PSAA appointing arrangements for the 2018/19 – 2022/23 period. Over the duration of this period, the Council have received rebates from the


PSAA, where they have been able to manage the contract arrangements and challenged the scale of fees charged.

- 2.11 Rebates received from the PSAA amounted to £4,580 in 2019, £7,470 in 2021 and for 2019/20 the additional audit charge proposed by EY to reflect a range of cost pressures faced by EY's public sector audit practice has been reduced by £10,773 following an intervention by PSAA.
- 2.12 Councils have until the 11th March 2022 to formally opt into the PSAA arrangement. The PSAA aim to award contracts to audit firms by June 2022, giving six months to consult on appointments with authorities before 31 December 2022 deadline.
- 2.13 The Local Audit (Appointing Person) Regulations 2015 require that the Council may only make the decision to opt into the appointing person arrangement by the members of the Council meeting as a whole. This report therefore asks Audit and Risk Management Committee to recommend to Council that the PSAA's invitation is accepted.

Appendix A: Configuration of an Audit Panel: Advantages / Disadvantages

Option	Possible Advantages	Possible Disadvantages
Setting up own separate and individual Auditor Panel to oversee separate and individual procurement	<ul style="list-style-type: none"> • Full ownership of the process • Fully bespoke contract with the auditor • Tendering process more based on local circumstances (within EU procurement rules) 	<ul style="list-style-type: none"> • May experience difficulties in appointing majority independent panel members and independent panel chair • Will need to ensure that panel members are suitable qualified to understand and participate in the panel's functions • Will have to cover panel expenses completely • May not be able to procure at a low cost, eg depending on authority location, risk of limited provider choice and a single authority contract may be less attractive to some providers • Will not achieve economies of scale
Set up a panel jointly with other authority / authorities as part of a procurement exercise for joint contract covering more than one authority or multiple separate contracts	<ul style="list-style-type: none"> • Less administration than a sole auditor panel • Will be able to share administration expenses • May be easier to attract suitable panel members 	<p>If procuring a joint audit contract:</p> <ul style="list-style-type: none"> • May need to compromise on arrangements or auditor contract • May not end up with first choice of auditor, compared to an

	<p>If procuring a joint audit contract:</p> <ul style="list-style-type: none"> • May still be a relatively tailored process • May be able to achieve some economies of scale <p>If procuring separate audit contracts:</p> <ul style="list-style-type: none"> • An opportunity for fully bespoke contracts with the auditor if the group of authorities can agree 	<p>individual auditor panel. If a large group of authorities work together and decide to appoint one joint audit contract across all authorities a joint panel may be more likely to advise appointment of an auditor it considers suitable for all authorities taken together</p> <ul style="list-style-type: none"> • Need to agree appointment of members across multiple authorities and set up a joint decision making process
Use existing committee or sub-committee	<ul style="list-style-type: none"> • Existing administrative structure in place • Existing (sub) committee should already have better basic understanding of the authority's objectives and requirements 	<ul style="list-style-type: none"> • Possible need to appoint new (sub) committee members to comply with independence regulations
Use another authority's panel	<ul style="list-style-type: none"> • Will not have to set up an auditor panel • Possible more independent options for the authority using the host authority's panel 	<ul style="list-style-type: none"> • The panel may not understand the specific needs of the authority • May need a formal arrangement with the other authority • May be difficult to find an authority willing to enter into such an arrangement • May be more difficult to ensure adequate liaison with authority's own Audit Committee

Agenda Item No:	14	
Committee:	Council	
Date:	24th February 2022	
Report Title:	Change to Constitution and Committee Membership	

Cover sheet:

1 Purpose / Summary

- 1.1 The purpose of this Report is to provide members with an update on the changes that have been made to the Constitution and Outside Body appointments since its last meeting.

2 Key Issues

- 2.1 The Chief Executive has exercised his delegated authority to make a change to the membership of the Cambridgeshire and Peterborough Combined Authority Audit and Governance Committee which must now be presented for ratification by Full Council.
- 2.2 The Acting Monitoring Officer has used her delegated authority to make a change to the Constitution in relation to licensing consultations which must now be presented for ratification by Full Council.

3 Recommendations

- 3.1 Members are requested to note and ratify the following decisions taken by the Chief Executive and Monitoring Officer under their respective delegations:

- The addition of Councillor Mrs French as a substitute member of the CPCA's Audit and Governance Committee; and
- The following amendment to the Council's Constitution at Part 3, Table 4, paragraph 111:

"The Chairman of Licensing has delegated authority to authorise the initiation of a public consultation exercise in relation to any matter for which the Licensing Committee has ultimate responsibility unless, in their opinion in consultation with the relevant Corporate Director, there are wider issues to consider in which case the matter will instead be placed before the Licensing Committee for determination".

Wards Affected	All
Portfolio Holder(s)	Councillor Chris Boden, Leader Councillor Andrew Lynn, Portfolio Holder for Licensing
Report Originator(s)	Paul Medd, Chief Executive Amy Brown, Acting Monitoring Officer
Contact Officer(s)	Amy Brown, Acting Monitoring Officer
Background Papers	N/A

Report:

In any circumstance where the Monitoring Officer exercises delegated authority under Part 3, Table 4, paragraph 47 to make amendments to the Constitution, it is a requirement that those changes are then notified to and ratified by Full Council at its next meeting. The purpose of this Report is to notify Full Council of the changes that have been made since its last meeting.

1 BACKGROUND AND INTENDED OUTCOMES

1.1 Constitutional Amendment

1.1.1 Consultations are a necessary part of ensuring that members of the public and other stakeholders have an opportunity to engage in and comment upon proposed changes to licensing practices.

1.1.2 The Licensing Manager, with the agreement of the Chairman of Licensing and the Portfolio Holder for Licensing, requested the Acting Monitoring Officer to amend the Constitution as follows:

“The Chairman of Licensing has delegated authority to authorise the initiation of a public consultation exercise in relation to any matter for which the Licensing Committee has ultimate responsibility unless, in their opinion in consultation with the relevant Corporate Director, there are wider issues to consider in which case the matter will instead be placed before the Licensing Committee for determination.”

1.1.3 This change replaces the custom of seeking the approval of the full Licensing Committee before initiating any consultation processes thereby enabling a more expedient approach unless, in the opinion of the Chairman of Licensing there are wider issues to consider. The outcome of the consultation process and any resultant decisions will still rest with the Licensing Committee as normal.

1.1.4 The Acting Monitoring Officer therefore implemented the change with effect from 31st January 2022 and the Constitution has been amended accordingly.

1.2 Change to Committee Membership

1.2.1 On 26th January 2022 at the request of Councillor Boden in his capacity as Leader, the Chief Executive exercised his delegated authority to confirm the appointment of Councillor Mrs French as a substitute member of the Audit and Governance Committee of the Cambridgeshire and Peterborough Combined Authority.

3 REASONS FOR RECOMMENDATIONS

3.1 The recommendations set out in this Report are presented to members for approval in line with the constitutional requirement to seek ratification from Full Council in the circumstances described.

4 CONSULTATION

- 4.1 There are no specific consultation requirements connected with the recommendations set out in this Report however the Chief Executive and Monitoring Officer exercised their respective delegations with input from the relevant member and officer representatives.

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 There were no viable alternatives other than maintaining the status quo which would not have achieved the desired outcomes.

6 IMPLICATIONS


6.1 Legal Implications

- 6.1.1 There are no specific legal issues engaged by the recommendations requested in this report.

6.2 Financial Implications

- 6.2.1 There are no specific financial issues engaged by the recommendations requested in this report.

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Agenda Item No:	15	
Committee:	COUNCIL	
Date:	24 February 2022	
Report Title:	Senior Manager Pay Policy Statement	

Cover sheet:

1 Purpose / Summary

The purpose of this report is for Council to adopt the Senior Manager Pay Policy Statement for 2021-2022 attached to the report.

2 Key Issues

- Last year, Members approved the Council's Senior Manager Pay Policy Statement as part of the Localism Act 2011 (s38) on the 20th February 2021. The act also states that this must be reapproved every year by the 31st March.
- The statement has been updated for 2021-22 to reflect national pay awards. The 2021 pay award for Heads of Service has still not been agreed at this is not therefore reflected in the figures shown in the updated policy.
- The policy must include pay and remuneration for chief officers and other employees, including the lowest paid.
- This statement does not change any policies regarding remuneration and is a set of principles and does not concern data relating to a particular individual.
- Since 2010, the Senior Managers of the Council have been reduced with Corporate Management Team reducing from 11 to 4 members. In addition, further restructuring has reduced the number of Heads of Service and Managers.
- Overall staff numbers (excluding casuals) have reduced by 38% since 2010, delivering over £5.5m of annual savings for the Council and taxpayers (over £2m in management), whilst ensuring the Council continues to deliver excellent services.

3 Recommendations

It is recommended that Council adopts the Senior Managers Pay Policy Statement for 2021/22 at Appendix 1 as required by the Localism Act 2011.

Wards Affected	N/A
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder, Finance Cllr Kim French, Chairman of Audit and Risk Management Committee
Report Originator(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR & OD
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer Sam Anthony, Head of HR & OD
Background Papers	MHCLG Guidance 'Openness and Accountability in Local Pay': Draft Guidance under section 40

4 BACKGROUND AND INTENDED OUTCOMES

- 4.1 The Localism Act 2011 (s38) requires English local authorities to produce a pay policy statement for 2013/2014, and for each financial year thereafter. Council approved the 2020/21 statement last year as set out in the act and the 2021/22 statement has been updated to reflect national pay awards and the employee contribution rate changes for pensions.
- 4.2 The Act states that the policy must include pay and other remuneration for chief officers and other employees, including the lowest paid. The Act defines remuneration widely, to include pay, charges, fees, allowances, benefits in kind, pension and termination payments.
- 4.3 This policy has been developed in response to this and sets out Fenland District Council's approach to the pay and remuneration of the Council's Senior Managers.
- 4.4 This statement does not change any policies regarding remuneration and is a set of principles and does not concern data relating to a particular individual. As stated, the Localism Act 2011 requires local authorities to produce a pay policy statement. This follows Will Hutton's 2011 Review of Fair Pay in the Public Sector which has been a key driver for the Government's aim for greater transparency and value for money in terms of senior public sector pay.

Fenland District Council, under the direction of the Leader and Cabinet, has been at the forefront of ensuring value for money in the Council's senior management arrangements by looking at business need, capacity and management savings.

- 4.5 A number of reviews have taken place since 2010 which has seen the Corporate Management Team reduce from 11 to 4 members (one currently vacant) and further restructuring which has reduced the number of Heads of Services and Managers.
- 4.6 Overall staff numbers (excluding casuals and staff transfers associated with the Leisure Management Contract) have reduced by 38% since 2010, delivering over £5.5m of annual savings for the Council and taxpayers (over £2m in management), whilst ensuring the Council continues to deliver excellent services
- 4.7 Therefore, it is important that the Council's approach to Senior Manager's pay is a balance between securing and retaining employees to continue delivering member priorities and quality services whilst providing value for money.

Appendix 1 sets out the Council's Senior Manager's Pay Policy Statement for 2021/22, in line with the Localism Act 2011 for adoption by the Council.

5 REASONS FOR RECOMMENDATIONS

- 5.1 It is recommended that Council adopts the Senior Managers Pay Policy Statement for 2021/22 at Appendix 1 as required by the Localism Act 2011.

6 CONSULTATION

- 6.1 All changes to terms and conditions of employment are subject to consultation with the trade unions.

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 There are no alternatives as this policy statement is required in law.

8 IMPLICATIONS

8.1 Legal Implications

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. The pay policy contains all the information required by the Localism Act.

8.2 Financial Implications

The pay policy has been produced with input from the finance team.

8.3 Equality Implications


There are no specific equality implications in relation to the pay policy itself however, impact assessments are completed in respect of any changes to terms and conditions which impact pay.

An initial equality impact assessment (IEQIA) has not been carried out on the pay policy itself. However, IEQIA's are carried out on any changes that are proposed that impact on pay.

9 SCHEDULES

Not applicable

Appendix 1

 Broad Horizons · Clear Vision PEOPLE POLICIES	PEOPLE POLICY: SENIOR MANAGER'S PAY POLICY STATEMENT

1.0 Introduction

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

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

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

2.0 Scope

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

- Chief Officers
- Corporate Management Team
- Heads of Service

2.1 Chief Officers

At Fenland District Council, the Chief Officers are:

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

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

2.2 Corporate Management Team

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

2.3 Heads of Service

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

3.0 Remuneration

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

3.1 Heads of Service

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

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

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

3.2 Corporate Management Team

a) For Corporate Directors subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services', the Council uses a Senior Management pay spine that commences at £70,000 and ends at £91,867.

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

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

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

3.3 Chief Executive

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

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

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

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

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

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

4.0 Salary Ranges

The current salary ranges for Heads of Service, CMT and the Chief Executive are presented in the table below.

Post	Range	
	From	To
Head of Service	£44,865	£62,160
Corporate Management Team	£70,000	£91,867
Chief Executive	£125,000	£152,304

These salary ranges may change if either local or national pay awards are awarded within the financial year and before the next pay policy statement is produced.

5.0 Pensions

The employees within the scope of this Statement are entitled to join the Local Government Pension Scheme (LGPS). Employees contribute between 5.5% and 12.5% of their salary. For the purpose of this statement, employees included with the table in section 4.0 contribute between 6.8% and 12.5%, depending on where they are within the salary range. The employer pension contribution rate is 17.4% for all employees and managers (regardless of their grade or salary rate).

6.0 Remuneration on Recruitment

On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. Access to appropriate elements of the Council's Relocation Scheme may also be granted in certain cases, when new starters need to move to the area.

All permanent or fixed term posts are advertised in accordance with the Council's recruitment Policy and Process, and appointment of Chief Officers is made on merit, in accordance with the rules governing the recruitment of Chief Executive and Chief Officers set out in the Council's Constitution.

Appointment of Heads of Service is the responsibility of the Chief Executive or his/her nominee. The salary on recruitment will be within the current salary range of these posts at that time.

7.0 Other Benefits

The expenses which may be payable to the Chief Executive, the Corporate Management Team or Head of Service are as follows:

- Re-imbursement of travel and subsistence – Any excess travelling allowance that is paid will be in accordance with the Council's established policies, and any subsistence allowance that is paid will normally be no higher than the current rates set by Her Majesty's Revenues and Customs (HMRC). All rail travel for officers will be second class unless there are exceptional circumstances.
- Vouchers are issued in accordance with the Councils' Eye Test Policy.
- The employees within the scope of this policy are entitled to participate in the Council's Salary Sacrifice Scheme, which includes cycle-to-work, car lease and home electronics. Such schemes are exempt from income tax or National Insurance contributions and therefore represent a saving for employees who then use them to purchase bicycles or technological products.
- Professional fees for employees, including Chief Officers, Corporate Managers and Heads of Service are paid in accordance with the Council's

established process for the payment of professional fees for those employees whose role requires professional qualification and continued professional development.

There are no bonus arrangements payable to the Chief Executive, the Corporate Management Team or Heads of Service.

8.0 Car Allowances

An annual car allowance is also currently payable to the Corporate Management Team and Heads of Service, but whilst this is subject to the normal deductions for tax and National Insurance, this does not count towards pensionable pay and no pension contributions are paid for it, either by the Council or by the employee. The car allowance is linked to grading and salary.

9.0 Relationship to the lowest paid employee

The lowest paid staff within the Council are on Band 2 of the Council's pay structure. This band is therefore defined as the lowest paid for the purposes of this policy.

Band 2 is currently £17,842, and therefore lowest pay point on the council's pay scale is currently £17,842 per annum.

The Chief Executive's salary scale is set out in section 4.

The current ratio between the lowest and highest pay points is - 1:8.5

The current ratio between the actual lowest pay grade and actual Chief Executive's salary is - 1:8.5

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

10.0 Termination of Employment

On ceasing to be employed by the Council, individuals will only receive compensation:

- (a) in circumstances that are relevant (e.g., redundancy), and
- (b) that is in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or

(c) that complies with the specific term(s) of a settlement agreement.

Any decision to re-employ an individual, who was previously employed by the Council and, on ceasing to be employed, was in receipt of a severance or redundancy payment, will be made on merit. The Council will not, however, normally engage such an individual under a contract for services.

11.0 Publication of this policy and salary data

Salary data for the Chief Officers is published on the Council's website within the Council's statement of accounts. This policy is also published on the website.

12.0 Consultation

All changes to terms and conditions of employment are subject to consultation with the trade unions.

13.0 Implications

13.1 Financial Implications

The pay policy has been produced with input from the finance team.

13.2 Legal Implications

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. The pay policy contains all of the information required by the Localism Act.

13.3 Equalities Implications

There are no specific equality implications in relation to the pay policy itself however, impact assessments are completed in respect of any changes to terms and conditions which impact pay.

An initial equality impact assessment (IEQIA) has not been carried out on the pay policy itself. However, IEQIA's are carried out on any changes that are proposed that impact on pay.

14.0 Background Documents

MHCLG Guidance 'Openness and Accountability in Local Pay': Draft Guidance under section 40.

15.0 Review

This policy will therefore be reviewed at annual intervals to ensure that it remains fit for purpose, and it will be submitted to Full Council for approval by the end of March each year.

Please contact Human Resources for further information.

Author	Human Resources
Date	February 2022
Status	Approved
Date of revisions (if applicable)	February 2013, February 2014, February 2015, February 2016, February 2017, February 2018, February 2019, February 2020, February 2021, February 2022
Date agreed	February 2012
Date for revision	February 2023
Links to other People Policies	N/A

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