

# Public Document Pack

## COUNCIL

A meeting of Council will be held at Council Chamber, Fenland Hall, County Road, March on MONDAY, 20 FEBRUARY 2023 at 4.00 PM and I request you to attend accordingly for transaction of the following business:

This is a public meeting and as such we encourage members of the public to view the meeting via our YouTube channel:

<https://www.youtube.com/watch?v=iDSwZJO6vrl>

- 1 To receive apologies for absence.
- 2 Previous Minutes (Pages 5 - 10)  
  
To confirm and sign the minutes of 12 December 2022.
- 3 Civic Engagements Update. (Pages 11 - 12)
- 4 To receive any announcements from the Chairman of the Council and/or the Head of Paid Service.
- 5 Leader of the Council Announcement
- 6 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.
- 7 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.
- 8 To receive reports from and ask questions of Cabinet members with portfolio holder responsibilities, in accordance with Procedure Rules 8.1 and 8.2. (Pages 13 - 54)
- 9 Questions from Members of the Public in accordance with Procedure Rule 9A (Pages 55 - 56)  
  
Question from Alan Melton.
- 10 Motion submitted by Councillor Tierney (Pages 57 - 58)  
  
Motion submitted by Councillor Tierney concerning works to a damaged building in Wisbech.
- 11 Business Plan 2023/24 (Pages 59 - 78)  
  
For Council to consider and approve the Final Business Plan 2023-2024.

12 Corporate Budget 2023/24 (Pages 79 - 148)

To consider the Cabinet recommendations in relation to the General Fund Budget Estimates 2023/24 and the Medium Term Financial Strategy 2023/24 to 2027/28; the Council Tax levels for 2023/24; the Capital Programme 2023-2026; and the Treasury Management Strategy Statement, Capital Strategy and Annual Treasury Investment Strategy for 2023/24.

13 Council Tax Resolution 2023/24 (Pages 149 - 152)

Following consideration of the report to this Council on 20 February 2023 and the setting of the Revenue Budget for 2023/24, the Council is required to pass the resolution to set the Council Tax requirement.

14 Approval for the Anglian Revenues Partnership (ARP) entering into a Section 113 agreement with Broadland District Council and South Norfolk Council and for ARP to provide Fraud Services (Pages 153 - 156)

To seek approval that Fenland DC agree that they should enter into a Section 113 partnership with Broadland District Council and South Norfolk Council in order that Anglia Revenues Partnership provides fraud services.

15 Approval for the Anglian Revenues Partnership (ARP) entering into a Section 113 agreement with Lincolnshire County Council (to include Boston Borough Council, City of Lincoln Council, East Lindsey District Council, West Lindsey District Council, South Kesteven District Council, North Kesteven District Council and South Holland District Council) for ARP to provide Single Person Discount Fraud Services. (Pages 157 - 160)

To seek approval that Fenland DC agree that they should enter into a Section 113 partnership with Lincolnshire County Council (to include Boston Borough Council, City of Lincoln Council, East Lindsey District Council, West Lindsey District Council, South Kesteven District Council, North Kesteven District Council and South Holland District Council) for ARP to provide Single Person Discount Fraud Services.

16 Political Proportionality Report (Pages 161 - 180)

It is recommended that Council notes the revised political proportionality of Fenland District Council and approves the proposal that the allocations to Committees and Panels and Outside Bodies as set out at Appendix A and B continue for the remainder of the 2022/23 municipal year.

17 Senior Management Pay Paper (Pages 181 - 192)

The purpose of this report is for Council to adopt the Senior Manager Pay Policy Statement for 2022-2023 attached to the report.

Fenland Hall  
March



Chief Executive

Friday, 10 February 2023

**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



**MONDAY, 12 DECEMBER 2022 - 4.00 PM**

**PRESENT:** Councillor A Miscandlon (Chairman), Councillor N Meekins (Vice-Chairman), Councillor I Benney, Councillor C Boden, Councillor J Clark, Councillor S Clark, Councillor D Connor, Councillor M Cornwell, Councillor S Count, Councillor Mrs M Davis, Councillor D Divine, Councillor Mrs J French, Councillor K French, Councillor A Hay, Councillor Miss S Hoy, Councillor M Humphrey, Councillor Mrs D Laws, Councillor D Mason, Councillor P Murphy, Councillor D Patrick, Councillor M Purser, Councillor C Seaton, Councillor R Skoulding, Councillor M Tanfield, Councillor S Tierney, Councillor S Wallwork and Councillor S Wilkes.

**APOLOGIES:** Councillor Mrs S Bligh, Councillor G Booth, Councillor C Marks, Councillor A Maul, Councillor Mrs K Mayor, Councillor J Mockett, Councillor W Sutton and Councillor R Wicks.

### **C33/22      PREVIOUS MINUTES**

The minutes of the meeting of 3 October 2022 were confirmed and signed.

### **C34/22      CIVIC ENGAGEMENTS UPDATE.**

Councillor Miscandlon drew members' attention to the civic activities undertaken by himself and the Vice-Chairman in the weeks preceding Full Council.

### **C35/22      TO RECEIVE ANY ANNOUNCEMENTS FROM THE CHAIRMAN OF THE COUNCIL AND/OR THE HEAD OF PAID SERVICE.**

Councillor Miscandlon paid tribute to Ray Griffin and Norman Topliss who had sadly passed away. He stated that Ray Griffin was a Conservative Councillor for the Waterlees Ward of Wisbech from May 2007 until May 2011 and served on the Licensing Committee and Overview and Scrutiny Policy Panel.

Councillor Miscandlon informed members that Norman began his career in Local Government in 1962 and joined Fenland District Council in 1974, fulfilling the roles of Deputy Treasurer, Treasurer, Director of Finance and Administration and ultimately Chief Executive from 1993 until his retirement in 2002. He offered condolences to Ray and Norman's families and members observed a two minutes silence in their memories.

Councillor Miscandlon thanked everyone who was able to attend and support his carol service on 2 December, which was a well-attended and enjoyable event and a wonderful way to commence the festive season. He paid special thanks to Deputy Lieutenant Mark Knight MBE, Mayor of Whittlesey Councillor David Mason, Mayor of Chatteris Linda Ashley and the Council's Chief Executive, Paul Medd, who all read at the service. Thanks was also made to the Chatteris Community Choir, Kingsfield School Choir and soloist Clare Grant who all performed magnificently as well as the vicar, Wendy Thompson, and Member Services for their excellent planning and assistance in arranging and supporting the event.

**C36/22**      **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 reported that there had been no questions submitted under Procedure Rule 8.6. Under Procedure Rule 8.4, Councillor Cornwell asked the following questions as Leader of the Opposition:

- he sees from the sadly depleted local media that colleagues in East Cambridgeshire have managed to obtain £2.3million from Cambridgeshire Horizons and asked if Fenland had made any applications and received monies from Cambridgeshire Horizons and if not why not? Councillor Boden responded that as far as Cambridgeshire Horizons is concerned he was instrumental in ensuring that the monies that had been lying there unused for the best part of 9 years were made available to the constituent councils and he also proposed the way in which the monies should be distributed, which was favourable as far as Fenland District Council was concerned, with it receiving £3.35million in total of which £1.05million will need to be paid back to the Department for Transport over the next 25 years and the remainder is to be made available for various specified objectives consistent with the objectives of Cambridgeshire Horizons so Fenland did end up in the same position as East Cambridgeshire District Council. Councillor Cornwell stated he was pleased to hear this but asked why East Cambridgeshire should get the publicity? Councillor Boden responded that this Council is not in the habit of always necessarily putting out or pushing publicity, which some members of the authority might think is party political, but the Council achieved what it needed to achieve, there was no need for it to be publicised widely and the Council will ensure the money is spent wisely.
- recently he has been approached by a number of the ex-members of the old Fenland Tourist Board who have pointed out that since the Board was disbanded, and the subject was supposedly included in Fenland's Creativity and Cultural Strategy from February 2021, little seems to have happened on the tourism front and asked when something touristy is likely to happen or is the Council's line that the industry itself is required to take a lead in re-establishing a partnership arrangement? He further asked if there should be an update to the Strategy as well? Councillor Boden agreed that not much has happened recently but there has been Covid which put a stop on a whole host of things to do with tourism over a period of 2 years or more, but there will be more to be undertaken with cooperation of the existing tourist providers in the area but it will not be imposed on people. Councillor Cornwell made the point that the question has come about because there has been a resurgence of activity in this industry and some are questioning what is happening and should this resurgence be matched in some way to show that the Council are trying to help the industry recover lost ground.

**C37/22**      **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 Miss French stated that she has heard that the Combined Authority Mayor will be bringing in a Council Tax levy and asked Councillor Boden if this is true and if so does he have any indication on the value? Councillor Boden responded that the Combined Authority Mayor has a legal power to introduce a precept and there has been discussion and suggestion that because of the Combined Authority Mayor's failure to receive any bus money from Central Government last March and April that obtaining money directly from local residents in the form of a precept could be a way forward but there is yet to be any firm indication that it will actually take place or how much it would be, with it being harmful to speculate the cost. He made the point that at this time when so many people are struggling

to make ends meet due to inflation levels and high heating costs the last thing they want is another tax to appear on their Council Tax bills so he personally deprecates the suggestion that the Mayor considers it may be necessary to do this. Councillor Boden made the point that the previous Mayor, James Palmer, never found it necessary to use this legal power and he is very unhappy with the prospect that residents may see a Council Tax precept from the Combined Authority Mayor which all residents will have to pay.

- Councillor Wallwork referred to the congestion charges proposed for Cambridge and asked Councillor Tierney to confirm that this was not heading into Fenland? Councillor Tierney responded that the biggest aspiration of the ruling group in control of the County Council is fighting global warming and it does not appear that there is any price that is too great to pay, with one of the things they want to firmly do is clamp down on cars and some of the groups in the Cambridge area are upset and angry about it as it is a cost to just travel in and out of your house or work every single day and a cost that affects the most vulnerable. He stated that there is talk about doing something similar or the same at this end of the County and when in the past he has heard these rumours they have always come true, but it is too early to say what the proposals will be but there are papers suggesting right now on some sort of car control or taxation they feel is necessary but he would certainly oppose it and would hope this whole Council would unite against such a proposal.
- Councillor Hay added that she was at the Combined Authority Overview and Scrutiny meeting last week and a report was considered on a bus review, which has taken 4 years to be produced when members were told it would take less than a year, but as part of this review they are looking at congestion charges and she was told afterwards by the officer from the Combined Authority that they feel they will not get any funding from Central Government unless they include congestion charging. She does not believe this is a true statement and she believes they are using it as an excuse.

## **C38/22      TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW 2022/23**

Members consider the Treasury Management Strategy Statement and Annual Investment Strategy Mid-Year Review for 2022/23 presented by Councillor Boden.

Councillor Boden stated this year, as last year, the Council has undertaken no additional borrowing so the total amount of borrowing has been reduced and it is not anticipated that the Council will borrow any money in this financial year as it currently stands. He added that it is assumed that there will be some element in borrowing needed in the three and a half year period up to 31 March 2026 but that very much depends on some of the decisions that members make about the Council and what it does.

Councillor Boden stated that it is not surprising that the Council's investment income has been significantly greater in the current financial year than had been anticipated in the budget, which is due to the higher inflation rates than was anticipated when the budget was set in February. He made the point that officers work extremely hard on a day by day basis to identify the best location to place the money available to the Council and this has been undertaken extremely successfully, with their initially being a budget figure for the current financial year of £100,000 of investment income with it now being anticipated to achieve £500,000, an improvement of £400,000, with in the first six months the Council managing to achieve £164,000.

Councillor Boden stated that a lot of work was undertaken by officers to ensure that every penny earned enough money for the Council as was possible and that is a positive to be on target now towards £½ million of investment income. He stated that when he first came onto this Council he was very surprised to see the residual debt being carried over from years ago and it became clear to him that the reason the Council had such debts outstanding was it was borrowed at such rates that it was uneconomical to buy it out or reschedule, but now the whole yield curve has shifted higher over the course of the last 6-8 months and it now means that the Council is within sight of

possibly being able to reschedule one of the two remaining debts on long-term high interest rates. He added that this will be monitored and an eye kept on how the markets change and if they change in a certain direction which makes it prudent and successful for the Council to make a change it shall do so otherwise these two old debts will continue.

Councillor Boden advised that the overall position is that officers on a day to day basis have managed the resources of the Council as effectively as possible and the Council is in a much stronger position now in terms of the income received this year from investment than was ever thought possible in February when the budget was set.

**Proposed by Councillor Boden, seconded by Councillor Connor and AGREED that the report be noted.**

### **C39/22      FDC FORMAL RESPONSE TO FENS RESERVOIR CONSULTATION**

Members considered the Council's formal consultation response to the proposed Fens Reservoir to be located north of Chatteris.

Members made comments as follows:

- Councillor Count expressed the view that this is a great project and it really needs to be embraced, with the consultation response being accurate in his opinion and he also agrees with the letter and the way the Council is embracing this. However, the one thing that concerns him is the word 'potential', this is a fantastic project with a lot of potential and Anglian Water in their documentation talk about potential for water sports, potential for a media space, potential for biodiversity and cycleways and it would be great to obtain all this but he is worried about whether the main interest is in delivering a reservoir and it is up to somebody else to supply the potential. Councillor Count feel this is a fantastic opportunity but it is up to councillors as local members to keep an eye on the potential and find a way that it gets delivered and something that needs to be explained to Anglian Water as the journey is moved on together is that they might be thinking of this as something for somebody else but the Council feels it is much part of an entire package and one goes hand in hand with the other.
- Councillor Tierney endorsed the comments of Councillor Count and stated that everyone has to realise this is an epic project coming to Fenland, being the largest public works project since the draining of the Fens and the benefits, not just for the security of the water, with all of the leisure facilities will be amazing and everyone should be doing everything it can to ensure that what the area ends up with is just as good as was promised at the start.
- Councillor Cornwell stated that the thing that attracts him in particular is the fact for many years people have said why is so much water wasted each year by diverting it out to sea and this proposal satisfies this as the water that is going in the reservoir will be water that is handled by the area's superb drainage system so it is being reused. He thinks it is an incredible project and seems to be the biggest one since the drainage of the Fens, agreeing with the previous speakers about making sure the whole package is delivered together and residents have a say on what is provided. Councillor Cornwell stated that he has noticed from some of the other installations that Anglia Water has is that car parking is a headache at some of them because people have to travel to them and if the spin offs such as cycleways can be provided it would be fantastic but it must be part of the whole package and it is inherent on members to make sure that complete package goes ahead.
- Councillor Mrs French totally agrees with all the previous speakers, she attended a flood meeting this morning, with Anglian Water and Middle Level being in attendance, and she asked the question about the hundreds of thousands of money that is used for electricity to pump the Fens up to St Germans and would they be looking to work together so that water will be pumped into the reservoir and the answer was yes they are working together so hopefully this will save Middle Level some money, with as part of the discussions today, Middle Level stating that they are spending £24 million investing in Fenland, which is



superb.

- Councillor Boden referred to the difference in the debate in Fenland compared to the debate going on about the other so called Fens reservoir which is being proposed by Anglian Water. He stated that this debate about where there should be a new reservoir has been going on for 2 years now in detail by Anglian Water, starting with 70 potential sites cut down to 36 eventually coming down to 4-5 and finally to the 2 that are now being proposed, with Fenland fighting very hard to get one of the reservoirs due to the potential value it could have. Councillor Boden made the point that the other reservoir being proposed in Lincolnshire has a lot of local opposition, with thousands of residents signing petitions against it, and the differences between what is happening in Lincolnshire and here in Fenland is stark and there is superb potential here and it will be incumbent on all members and their successors to ensure that the potential is realised. He stated that the area does not have to wait until the reservoir becomes operational before receiving value from it as hundreds of direct jobs and many hundreds of indirect jobs will be secured by this proposal for Fenland's reservoir and many of those jobs will be very skilled, in short supply at the moment, and will involve individuals getting highly transferrable skills for the future and it gives a great opportunity to get local jobs for local people to skill people up, reskill them if necessary, skills them from school if necessary in order to ensure those jobs do come as they should to local people, which involves working with the CPCA which has a large training budget and discussions have already started with the CPCA on what is going to be required to ensure those jobs come to local people and there are individuals trained up to do jobs they will be able to do for the rest of their lives. Councillor Boden expressed the view that there is also the indirect effect that this is going to have on the supply chain and in a whole host of different ways this is going to have a significant positive financial effect on Fenland starting in the fairly near future. He referred to the comments of Councillor Tierney in that this is the largest infrastructure programme that there has been in Fenland since the 17<sup>th</sup> Century when the Fens were drained and to put it in context the cost of what is being proposed for Fenland's reservoir is just about the same as the cost of the A14 extension which has recently been built from the A1/M to Cambridge, which shows it is a massive programme and investment into the area and can have massive spin offs not merely in the long-term but also in the shorter term where it can make a real difference to the lives of the area's children, residents and local communities. He feels that the approach that the Council has got is the appropriate one to be followed and he endorses it.

**Proposed by Councillor Boden, seconded by Councillor Mrs French and AGREED that:**

- **the Council's formal response to the Fens Reservoir consultation and the draft letter from the Leader of the Council, Portfolio Holder for Planning and Portfolio Holder for Economic Growth be approved; and**
- **authority be delegated to the Corporate Director in consultation with the Leader of the Council, Portfolio Holder for Planning and Portfolio Holder for Economic Growth where any changes might be required.**

#### **C40/22      CARBON REDUCTION AND CLIMATE ADAPTATION**

Members considered the Carbon Reduction and Climate Change Action Plan presented by Councillor Tierney which had been produced as a result of the Motion agreed by Council on 11 July 2022.

Councillor Tierney stated how proud he was that the Motion received such cross-Council support and a direction of travel was agreed with regards to how the challenges would be dealt with. He stated that the focus is on things that can be achieved, things that are real and will have an effect, things that are cost effective and things that will deliver for the people of Fenland rather than the virtual signalling that you might see elsewhere and the bloated plans that can never be afforded, the focus at Fenland is on things that can be undertaken to make a real difference to better people's lives to provide a cleaner, safer environment and mitigate pollution in an achievable way.

Councillor Tierney thanked officers for taking such a clear steer from Council.

Councillor Boden welcomed the report and stated it differs from what other councils have produced as it is identifying changes which are deliverable and quantifiable and the Council is measuring what it is trying to do in order to achieve the objectives that the Council is obliged to achieve by law. He expressed the view that when this is compared to what a number of other authorities are doing, where they are producing papers which are not quantifiable, they have no means of quantifying the cost effectiveness of what they are doing and they are not prioritising the different strands of work, this Council's approach is a far better one as it allows the Council to work out how it can manage to afford to do what it can and measures the cost effectiveness to prioritise the different opportunities available.

**Proposed by Councillor Tierney, seconded by Councillor Boden and AGREED that:**

- **the draft Climate Change Action Plan be approved;**
- **the Monitoring Officer be authorised to amend the Constitution so as to include reference to the Environment Act 2021 within Appendix A of Part 3, Table 4 so as to enable officers to fulfil the Council's obligations under that Act in accordance with their ordinary delegations; and**
- **responsibility be delegated to officers for reviewing and updating the Climate Change Act Plan in consultation with the Portfolio Holder with responsibility for the environment.**

#### **C41/22      POLLING DISTRICT AND POLLING PLACES REVIEW**

Members considered the review of polling districts and places following the Local Government Boundary Commission for England review presented by Councillor Boden.

Councillor Boden thanked officers, particularly Anna Goodall and Elaine Cooper, for the amount of time and effort put into the review including the careful consideration of the comments and responses which have been made by members of the public detailed in Appendix B. He feels that the review has produced in Appendix C new polling districts and where necessary new polling places to mark the fact that the ward boundaries will be changing for the Elections in May 2023.

Councillor Boden made the point that unlike all the previous reviews there is an unusual situation in that the passage of the Elections Act 2022 means that there will be some regulatory changes and the Council has yet to discover exactly how this will in a practical way change how polling stations will operate. He made the point that it may be that there needs to be more individuals at a polling station or the space constraints will change and an attempt has been made in this review to ensure that enough leeway has been allowed for the recommendations which will eventually come from Government to be effected without any further change and that is the reason why there is a recommendation delegating authority to the Returning Officer to make changes to the proposals at short notice should it be necessary as a result of the advice received from Central Government about the way the Elections Act 2022 will be put into effect.

**Proposed by Councillor Boden, seconded by Councillor Tierney and AGREED that:**

- **the outcome of the review and consultation undertaken be noted;**
- **the changes recommended to polling districts and polling places be approved;**
- **authority be delegated to the Returning Officer to make changes to polling districts and polling places at short notice should it be required due to the implications of the Elections Act; and**
- **the next compulsory review of all polling districts will be undertaken from 1 October 2023 to be completed at the latest by 30 January 2025 be noted.**



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## Civic Engagements

**From December 3, 2022 to February 9, 2023**

December 5, 2022	RAF Alconbury Winter Reception Attended by the Chairman
December 14, 2022	Huntingdon Town Council Carol Service Attended by the Chairman
December 18, 2022	March Town Council Carol Service Attended by the Chairman
January 26, 2023	Peterborough City Council Holocaust Memorial Day Service Attended by the Chairman
January 31, 2023	Mayor of Kings Lynn and West Norfolk – Civic Service to Commemorate the 70 <sup>th</sup> Anniversary of the 1953 Floods Attended by the Vice Chairman
3 February, 2023	Mayor of March Charity Ball Attended by the Chairman

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# **Cabinet and Corporate Management Team**

## **Portfolio Holder Briefing Report**

**February 2023**  
**(For performance in December 2022)**

# 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  
Steve Count**

Portfolio Holder for  
Licensing &  
Community Safety



**Councillor  
Mrs Jan French**

Deputy Leader of the  
Council



**Councillor  
Miss Sam Hoy**

Portfolio Holder for  
Housing



**Councillor  
Mrs Dee Laws**

Portfolio Holder for  
Planning



**Councillor  
Peter Murphy**

Portfolio Holder for  
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)

The Council has undertaken 30 positive interventions in response to new requests for service for Houses in Multiple Occupation (HMOs) across the district.

The Council has also inspected 69 properties as part of the homes for Ukraine scheme and investigated 109 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	Ukraine Homes / Privately Rented Homes investigated
Wisbech	21	71
March	4	33
Chatteris	1	27
Whittlesey	1	14
Villages	3	33

#### **VILLAGE BREAKDOWN**

Benwick = 2  
Coates = 1  
Coldham = 1  
Christchurch = 2  
Doddington = 2  
Eastrea = 1  
Elm = 3  
Gorefield = 1  
Guyhirn = 2  
Leverington = 6  
Manea = 2  
Newton = 2  
Parson Drove = 4  
Throckenholt = 1  
Tydd = 1  
Turves = 1

WSM = 4

Officers continue to support the Homes for Ukraine project, carrying out a number of welfare checks and supporting guests whose arrangements had broken down with their hosts. The Council receives income for this work.

In response to the death of Awaab Ishak, the team has witnessed an increase in damp and mould complaints which are being triaged and responded to in priority order. The Secretary of State has issued an in-depth survey to all Local Authorities which we have responded to in order for Government to ascertain the seriousness of the hazard within their Private Rented Stock and how it is dealt with locally.

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

#### **Table 1**

Represents the total number of properties brought back into use through officer involvement from 1 April 2022 to 31 March 2023.

<b>1.4.22 to 31.3.23</b>	<b>LTE 6-23MTHS</b>	<b>LTEP 24MTHS +</b>
<b>Total Officer involvement</b>	53	14
<b>Total for the period</b>	<b>1.4.22 – 31.3.23</b>	<b>67</b>

The support of the My Fenland team to the Private Sector Housing Team has had a positive impact, as they have been issuing more stage 1 letters to owners, freeing the officers time, and supporting the Empty Homes Officer in engaging owners or empty properties. The officer continues to target the 6–24-month empty properties through this process.

The property market has slowed in comparison to this time last year. Several owners have expressed concerns as sales have fallen through and some buyers have had mortgage offers withdrawn. However good properties continue to sell, and the market is favourable.

Builders continue to struggle with obtaining materials and the cost of these has also increased, but they continue to have no shortage of work.

Planned visits by the officer during November and December highlighted several properties which were occupied and some properties where fraud is suspected and currently under investigation by Council Tax colleagues.

The officer continues to work closely with several teams within the Council and this is proving to be extremely beneficial in identifying both occupied and unoccupied properties. The officer and Council Tax colleagues have a positive reciprocal sharing



of information within GDPR boundaries and this in turn improves the accuracy of the empty homes data.

**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 216 households from becoming homeless since April 2022 (up to end of Dec 2022). Total homeless presentations for this period were 1478 with housing advice given to 903 households where no duties were owed.

The number of homeless approaches is up by 8% compared to the end of Q3 last year (2021/22 – 1370). B&B placements are up 9% (146 placements in 2021/22, 159 so far in 2022/33).

The proportion of households presenting to the Council as homeless whose housing circumstances were resolved through Housing Options work is currently 56% (up to end of Dec 2022). (216 preventions divided by 384 households where duties were owed).

The team continues to be focussed on homeless prevention and supporting those in need within the Fenland community.

Work continues on achieving DAHA (Domestic Abuse Housing Alliance) accreditation.

We are slowly starting to see more homeless presentations where affordability is an issue, with households approaching prior to any notice to quit being served by landlords. We anticipate that this new trend will potentially increase as the cost-of-living crisis continues.

Rough sleepers:

- 6 modular homes in Wisbech for rough sleepers and those at risk of rough sleeping (Funded from the Rough Sleeper Accommodation Programme (RSAP) with subsidy from Places for people / Ferry Project) were opened in April 2023.
- The Modular Homes have been very successful so far and one client is due to move on from this accommodation into social housing shortly.
- 7 properties purchased by Clarion for Rough Sleepers and those at risk of rough sleeping. There are 3 more in the process of purchase through funding secured from the RSAP and Clarion subsidy.

- All with support to reduce the risk of the tenancy failing.
- Clarion are also looking to provide 5 additional homes to the 10 we have already to use as temporary accommodation to ease pressure on use of bed and breakfast accommodation.

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

### **International Golden Age Fair**

A number of different agencies supported a successful International Golden Age Fair at the Rosmini Centre in Wisbech just before Christmas.

Despite below freezing temperatures, the event was attended by over 100 residents, who could access a wide range of advice and information including, home safety advice, access to benefits and coping with fuel bills. There was also a pop-up vaccination clinic for COVID-19 vaccinations that attendees could assess during this visit to the event.

A total of 70 winter warm packs and approximately 30 electric blankets were distributed to those most in need, as well as self-heating hand packs and thermal mugs to keep drink warm in the home.



## **Increase the use of local open spaces and collaborate with local activity providers and other partners to address health inequalities (Cllr Sam Clark)**

The Active Fenland Team is using funding secured from the Integrated Care Board to deliver Ramblers Walks in FDC's open spaces. These sessions have proved popular – although very weather dependent.

Fenland was awarded some Levelling Up Parks Funding in 2022. This funding was location specific (for Wisbech Park) and uses include:

- Tree assessment and maintenance
- To financially support the forthcoming Wisbech Park play area refurbishment
- To develop a [green social prescribing](#) scheme for the park, conjunction with the county-wide parks group

## Other Projects:

### Leisure Update (Cllr Sam Clark)

Freedom Leisure continues to manage the leisure centres well. Despite the concern over inflation and the cost-of-living crisis, membership numbers are holding up well.

Currently the fitness membership is running in excess of 3,600 members, with the weekly swimming lessons swimmers numbering 3,140.

To mitigate some energy costs, the leisure centre opening hours have been trimmed. This has resulted in little impact on memberships and very few concerns from customers.

Freedom has also formalised the use of the swimming pools by the local swimming clubs. Clubs are now able to coach children above level 7 only. This is typical in the industry and follows [Swim England guidance](#) (see Club & operator SLA and Club operator toolkit) and means that Freedom is not hiring out water space to a direct competitor. This process has been ongoing but stalled for many months, with clubs keen to keep the old status quo, but with the current challenges facing the entire leisure industry this approach is necessary for operators – whether that be Freedom or an in-house operator, as highlighted in the Swim England literature.

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

#### Vaccination outreach service

December saw the closure of the Temporary Large Scale Vaccination Centres and the Horsefair site in Wisbech closed on 15<sup>th</sup> December 2022. Vaccinations remained available via the network of pharmacies and GP's and can be booked by following the NHS link:

[Book or manage a coronavirus \(COVID-19\) vaccination - NHS \(www.nhs.uk\)](https://www.nhs.uk)

Regular discussions with NHS partners have resulted in an extended “pop up” community outreach element of the vaccination programme into 2023. Fenland will see pop-ups through February and March, looking to visit each of the market towns to offer walk up/no appointment needed COVID- 19 vaccinations, many also offering the flu vaccine too.

Pop up schedule:

15<sup>th</sup>, 22<sup>nd</sup> and 23<sup>rd</sup> February 2023 and 1<sup>st</sup> March 2023 - Rosmini Centre in Wisbech.

### Cambridgeshire and Peterborough Health and Wellbeing and Integrated Care Partnership

The newly formed statutory partnership meets twice a year. The last meeting was 20<sup>th</sup> December 2022. Agenda and papers can be found here:

[Joint Cambridgeshire & Peterborough Health & Wellbeing Board/ICP | CPICS Website](#)

### Integrated Care Board

The North and South Boards continue to meet monthly to develop local activities in support of the Integrated partnership priorities.

ICB North has the following local priorities:

- Adult Mental Health and Waiting Well - 'to look at ways we can increase referrals/signposting for the benefit of the citizens of Wisbech and surrounding wards'
- Smoking Reduction - 'to reduce the prevalence of smoking in Wisbech and surrounding wards.'
- Engagement - 'to engage with as many citizens of Wisbech and surrounding wards as possible to make improvements in health, care and wider service provision'

**Key PIs:**

Key PI	Description	Baseline	Target 22/23	Cumulative Performance	Variance (RAG)
CELP1	Total number of private rented homes where positive action has been taken to address safety issues	277	250	208	
CELP2	NEW INDICATOR The proportion (%) of households presenting to the Council as homeless whose housing circumstances were resolved through Housing options work (%)	57%	57%	56%	
CELP3	Number of empty properties brought back into use	77	50	67	
CELP4	Amount of New Homes Bonus achieved as a result of bringing empty homes back into use	£93,099	£45,000	N/A (December 22)	N/A
CELP6	Number of Active Health local sessions per year that improve community health	504	500	55 (Nov 2022)	
CELP19	Satisfaction with our leisure centres (Net Promoter Score)	85%	85%		
CELP20	Value of Arts Council Grants achieved in Fenland	N/A	£40,000		

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 December, as a Council, we responded to 54 fly tipping reports. The majority of the waste was household related. These reports are broken down as follows.

Month	Total	Chatteris	March	Whittlesey	Wisbech	Rural
Dec-22	54	4	9	4	11	26

As part of our enforcement work during this time, officers have been out to 11 fly tipped sites to look through waste found to try and find out who may be responsible. Often, nothing is found, but a thorough search is undertaken, following up on anything found.

As a result of investigations, two 'Contact Me' letters have been sent to addresses found which has resulted in a further formal Interview Under Caution postal document being sent out. Enforcement actions during this time has resulted in:

- A £400 Fixed Penalty Notice was issued to a female for fly tipping in Cherry Road, Wisbech. The Notice was paid that month.
- 2 people pleaded guilty to paying someone they didn't know or check were genuine waste carriers to take their rubbish away. Both ended up with their waste being dumped and evidence found linked back to them.
- On 7 December 2022, a male from Wisbech pleaded guilty at Peterborough Magistrates court for waste found dumped in Long Drove being traced back to him and was fined a total of £657.
- On 21 December 2022, a female from Friday Bridge pleaded guilty at Peterborough Magistrates court for waste found dumped in Friday Bridge and was fined a total of £102 (a very low fine issued by the courts due to her financial circumstances).

Additional enforcement work carried out saw 2 Parking Fixed Penalty Notices issued to cars for parking on the marketplace in March on a market day.

A total of 12 vehicles have been reported as abandoned this month. All were investigated and not deemed abandoned and were later moved by their owners.

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

December was a very busy month for the Council, not only delivering two large Christmas events but also providing support services for wider events such as waste facilities and market closures for activities such as Christmas Lights Switch on nights.

March Christmas Market saw the highest turn out to date, and following a successful promotional campaign, attracted 160 stalls plus an indoor craft fayre. This event has become well established since its inception in 2012 and now attracts visitors from well beyond Fenland. Many town centre businesses who once did not open on a Sunday look forward to the event as an important date for the diary and one of the best annual trading days.

Wisbech Christmas Fayre followed suit. Monitoring cameras clocked 30,000 visitors within the town centre throughout the course of the day, footfall double than that of the previous Sunday in December. Highlights this year included live street entertainment, Victorian photo booth and participation by wider community organisations particular the town Libraries.

**Community groups supported to deliver environmental projects including Street Pride, Friends of and Green Dog Walkers** (Cllr Peter Murphy)

A total of 14 events were held in December 2022 by community groups to improve the environment. This included regular work parties as well as members of Whittlesey Street Pride group assisting with tree planting at Yarwells Headland as part of a Queens Canopy project being organised by the Town Council.

Four groups utilised marketing opportunities from festive events to promote themselves:

- Whittlesey Street Pride attended Whittlesey Extravaganza
- Whittlesey In Bloom decorated a Christmas tree for display at St Mary's Church Christmas Tree Festival
- Murrow Street Pride & Parson Drove Street Pride held Christmas Carol fundraising events.



### **Deliver the Recycling Action Plan** (Cllr Peter Murphy)

So far this year recycling crews have rejected 2,672 blue bins by checking the bins that they collect. These customers then receive information on how to get their recycling correct in future.

More detailed inspections of blue bins have taken place across 2,741 properties as part of our work to improve the quality of recycling, with 30% (831) receiving a 'Thank You' tag for recycling that was very good, with information on how to improve recycling delivered to all properties.

To date this year the percentage of good quality materials collected in blue bins is 91%, with the remaining 9% made up largely of food waste and liquids in containers.

This means that each household in Fenland has so far this year presented an average of 145 kilograms of good quality materials for recycling, resulting in a total of 6,531 tonnes of good quality materials to be recycled.

The overall amount of waste collected is reducing however, perhaps as a result of changes in the cost-of-living, with 420 tonnes of recycling missing compared to last year and 430 tonnes of general waste. A significant change in the amount of waste collected.

The values of some commodities, such as paper, have also dropped recently which will impact the Council's income from the materials collected over coming months.

Even with these changes, within the first 9 months of the year the recycling service has generated £375,800 of income from recycling materials, an increase of £32,000 on last year, including recycling credits from the County Council (£354,460).

As we know, there continues to be a need to reduce the amount of food and liquid waste that is contained in customers' blue bins and encourage customers to rinse and empty containers prior to recycling them to tackle the increasing levels of these contaminants.

Recycling information will be included in all Council Tax letters along with the usual summer collection calendar information delivered via green bins during March.

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

The commercial waste and recycling service has attracted more than 60 new customers so far this year and improved income on previous years.

Income so far this year totals £487,000, resulting in an improved bottom line on last year of more than £40,000.

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

Following an additional £150k of funding being secured by Cambridgeshire County Council (CCC) to carry out the Traffic Regulation Order (TRO) review work, Milestone have now been commissioned to develop work packages for all of the existing TRO's within Fenland to inform the estimated cost of the corrective sign and line works.

Milestone have already prepared an indicative work program with an estimated task completion date for the work package preparation of April 2024. However, FDC have requested this timeline be looked at and shortened where possible.

A change request form was submitted to the CPCA to request that the funding deadline for the Civil Parking Enforcement (CPE) works is revised from March 2024 to December 2025 to enable delivery of the scheme following completion of the CCC work. This was agreed at the Cambridgeshire & Peterborough Combined Authority (CPCA) board meeting held on 25.02.23.

FDC continues to progress the CPE project works where possible and current progress to date and the current focus can be seen below:

- 1) A draft CPE Off Street Parking Places Order has been compiled for all FDC owned/managed parking facilities. The order will be developed further and completed following short and long stay periods and dispensations being agreed for each site.
- 2) A draft FDC/CCC agency and service level agreement has been compiled by Cambridgeshire County Council. However, further development of the document will be required over the coming months by CCC and the FDC project team to minimise both the operational and long-term risk to each organisation. The final agreement will require member approval by both administrations.
- 3) A draft application to the Department for Transport (DfT) for a Civil/Special Enforcement Area Designation Order for the introduction of CPE in Fenland has been prepared by Cambridgeshire County Council in partnership with FDC. However, as the application requires information relating to the agency agreement and FDC's enforcement and back-office administration service provision which have yet to be agreed, it is likely that the DfT application will not be made until September 2023.

Whilst the initial timeline to implement CPE in Fenland was originally estimated to take 2 years, several factors including available County Council and Contractor resources have now inadvertently resulted in project slippage. It is now estimated that the CPE designation order will be made in Q3 of 2024 with the implementation of CPE in Fenland being in 2025.

### **Deliver the CCTV shared service with Peterborough City Council (Cllr Steve Count)**

The CCTV shared service has maintained its 100% service function across a 24/7 period; however, an unforeseen critical failure did take place on the network which affected services for Chatteris, Doddington, March and Whittlesey areas during late November and during December.

The failure was immediately responded to as part of our robust maintenance contract. However, the failure was at a high level and required bespoke replacement equipment and a specialist climbing team to repair. This was also disrupted by the extreme cold weather which made climbing the tower on planned days unsafe and impossible. As such, the repairs were successfully delivered on 21 December with all services returning fully operational. All affected stakeholders were updated and advised.

From 1 April to 31 December 2022, the CCTV service has been able to respond to 991 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 from 1 April to 31 December 2022 has led to 76 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 and disorder and anti-social behaviour by delivering regular camera patrols of our four market towns and other key locations. Since April and up to 31 December 2022 the CCTV team have delivered 3,254 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 the CCTV service has responded to over 280 service requests from our out of hours telephone contact service.

## Other Projects:

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

Grass cutting finished in early November, (as opposed to the end of October) as a result of the warmer, slightly wetter, autumn and the Tivoli contract team consequently reduced in numbers (to 8) for the winter period. In that time, the second annual tranche of hedge cutting has taken place and was completed by Christmas.

A number of tree projects were identified for remedial action, most notably Wisbech Park where some specimens have now been removed due to decay but over 30 new trees planted by way of mitigation including in the new splash pad area. A wider ranging tree inspection to cover the entire tree stock managed by FDC has been approved and work will commence shortly.

The rose garden in Mount Pleasant has benefitted from additional attention with the hedge height reduced by 50% (better light to the plants). Dead roses were also removed and 120 new ones introduced. The difference is dramatic and restores the area to what it ought to be like with a few finishing touches to be undertaken.

Repairs to the cemetery wall at Doddington, chapel at Whittlesey cemetery and the chapel at Station Road cemetery (March) are now completed or close to completion. The cemetery chapel at Wisbech will be repaired next.

Progress has been made for the new pavilion in Wisbech Park and the BMX pump track in West End Park with both projects due to commence in the coming few months.

An excellent new play area at Doddington has been completed (slightly weather delayed) and tenders are now out for a significant change to the play area at Wisbech park with a number of contractors interested in submitting bids (returns are due on 24 February with an expected completion in June/July 2023).

As well as other contracted work, the following has taken place across the district:

- multiple bench repairs and replacements in cemeteries
- ditch clearance (West End Park)
- fencing repairs and bed clearance in preparation for new year planting
- wildflower meadow (Whittlesey) cleared, and notice boards put up for 2023

## **Street Lighting** (Cllr Jan French)

### **Street Light Repairs & Maintenance**

A total of 46 streetlight faults were reported and attended to during the month of December by FDC's streetlight maintenance contractor on behalf of FDC, Clarion Housing Association and seven of the Parish Councils. Only nine of the reported faults related to District Council streetlights.

### **Capital Street Light Replacement Works**

Limited progress was made in December on the outstanding programmed Capital replacement works. Whilst some delays are still being experienced with material lead in times, long lead in times for UKPN connectivity works still remain. In addition, a large proportion of programme slippage has been attributed to a shortage in FDC's streetlight contractor resources. FDC officers are working with Cable Tests new contracts manager to address the backlog.

## **FDC Car Park Maintenance** (Cllr Jan French)

Car Park asset inspections were undertaken at the end of October and various defects quantified. The majority of the repair works have since been undertaken with some further patching and gully cleansing works scheduled to be carried out in January/February.

Following consultation with Cambridgeshire Police and the Community Safety Team, replacement of the damaged wheel stop kerbs in Furrowfields Road car park has been programmed for early January. Following installation of the wheel stop kerbs in 2018 they have proven instrumental in preventing unauthorised lorry parking and ASB.

Following fire damage sustained to the recycling centre within Somers Road Car Park in June from the adjacent BT exchange building and having taken on board recommendations from the resulting fire safety report, a new location has been found within Somers Road Car Park for the recycling centre. Work has already commenced on the new recycling facility and is due to be completed in February.

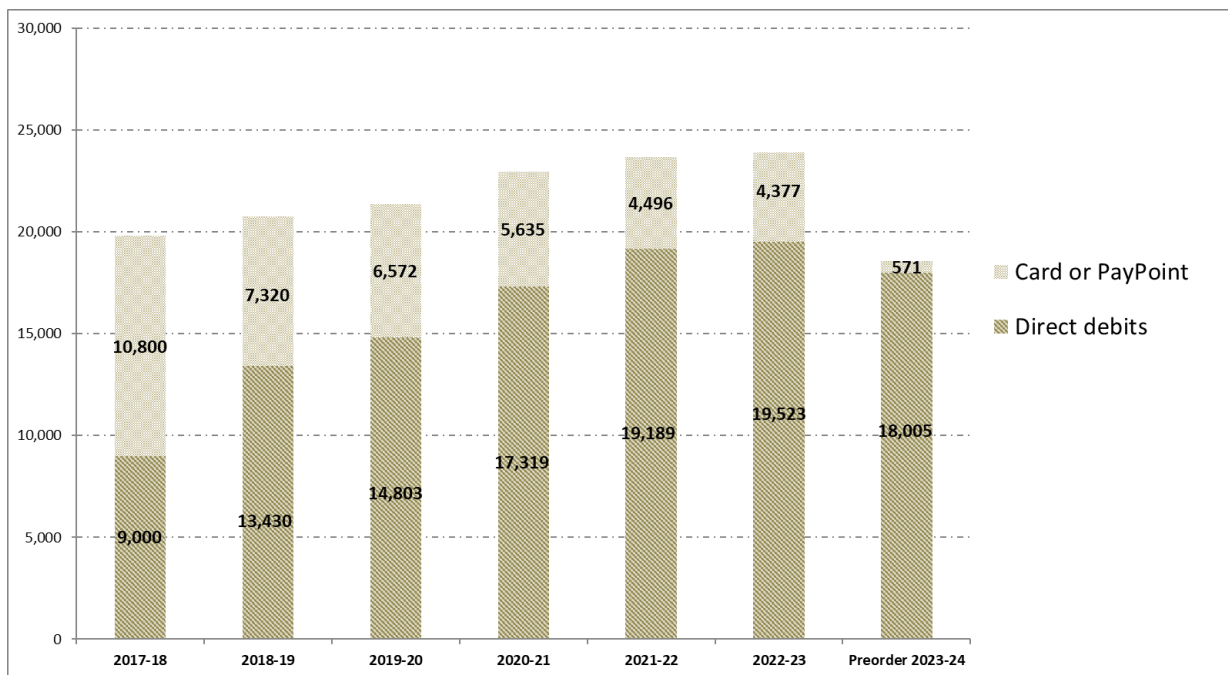
Reinstatement work to the former recycling area which is to be returned to parking has been temporarily put on hold until June following the completion of stabilisation works to the BT exchange building.

## Garden Waste Service Update (Cllr Peter Murphy)

The Fenland Garden Waste Service is preparing to enter the seventh year of operation from April 2023.

As illustrated in the graph below, in 2017 the majority of customers were paying for their service via the card payment option at £40. This coming year we expect the majority of customers to take up the £39 Direct Debit option.

Work continues to keep the costs of the service as reasonable as possible for our customers and continue to be the lowest cost garden waste service in the region.



As at the end of January, for the coming season 18,005 customers have direct debits ready to renew and more than 500 customers have already applied for their subscription via their local Post Office or by using the Council's website.

The direct debit option remains open for customers until the end of March to allow them to take advantage of this reduced-price option.

Recently the team successfully used the free communications service 'Gov.Notify' (used as a communication tool during the pandemic) to inform direct debit customers of the changes to their forthcoming subscription by email, with 15,400 confirmed emails reducing the cost of postal services significantly.

The crews have worked through difficult conditions during the year, collecting 5,860 tonnes of garden waste so far this year. This is around 246 kgs per household using the service.

## Community Safety Partnership (CSP) Update (Cllr Steve Count)

### **CSP Workforce Development**

Training themes for CSP Workforce Development sessions are linked to the priorities within the CSP action plan. Frontline staff from statutory and the voluntary sectors that work across Fenland are invited to attend these free training sessions.

The sessions are intended to keep those attending updated with latest information, trends and response options for the subjects covered which will assist them to support, signpost, and where necessary refer potential victims/vulnerable people to the correct service.

Those attending include staff from housing providers, FDC teams, Police, Probation, traveller teams, young people workers, family workers, children centres, food banks, volunteers, schools, healthcare workers, faith groups, community organisations and citizens advice.

### **Domestic Abuse & Coercive Control**

The Domestic Abuse and Coercive Control Awareness Training session was a successful event which was attended by 44 frontline professionals. The session was delivered in partnership with the County's DASV partnership, and the charity Impakt.

The value of these sessions is reflected in the feedback which includes:

Brilliant session, thank you Vickie and everyone, such important messages and you have such a great relaxed but informative/experienced way to deliver the presentation. We are all responsible for safeguarding and it's good to be reminded of the challenges and issues

Thank you. It was a powerful and informative session. It will stay with me for a long time.

Thank you for putting this together, it has been a very useful session and a real eye opener.

### **LGBTQ+ Awareness Workshop**

Following a Domestic Homicide Review, it was identified that there was little support for the LGBTQ+ community within Fenland and probably limited knowledge of what support was available across Cambridgeshire or regionally.

To address this, the CSP worked in partnership with the Against Hate Crime Coordinator from Cambs Police to develop a LGBTQ+ Awareness Workshop which would be aimed at front line workers and community organisations across Fenland.

The event and delivery was supported by Cambridgeshire Constabulary, Fenland District Council, Loving Me (a domestic abuse service for trans and non-binary people across England), The Kite Trust (who support LGBTQ+ young people up to the age of 25

and their families across Cambridgeshire and Peterborough), and AKT (a LGBTQ+ youth homelessness charity).

A total of 39 people attended the session which included representation from education, Police, housing providers, substance abuse support, mental health support, FDC Housing and homeless outreach, health workers and county council.

Feedback included:

Thanks ever so much. A really insightful session with excellent speakers.

I will change my email signature to include my pronouns and the link about it

### **Fenland Prevent Training Sessions 2022**

In partnership with Eastern Region Special Operations Unit (Counter Terrorism - Prevent) the CSP facilitated two Prevent training events for Fenland's frontline workers.

The sessions were delivered by the Police from the Prevent Team. The training was attended by a total of 63 frontline professionals. A wide range of organisations attended which included Housing Providers, Fire Service, NHS, County Council, FDC and education.

The sessions were delivered to increase the knowledge of how to identify a wide range of extremism, the support available to anyone at risk of radicalisation and how to make a referral.

### **Community Engagement Rural Events**

The CSP continue to engage with the rural communities such as an event in Christchurch in January 2023. We are offering attendance at existing community events, providing residents the chance to voice concerns directly to the FDC Community Safety team. These sessions are more often than not also attended by a Police Officer from the local Police team.

From Spring 2023 onwards, in partnership with the local Police teams, we will be trialling sessions at non-community events. These will be promoted through FDC & Police communication channels, as well as through Parish Councils and partners.

### **Community Safety Newsletter 12<sup>th</sup> Edition**

The CSP newsletter reports back on the activity of the CSP and has been published this November. This is available on the CSP webpage and is distributed to partners in the statutory and voluntary sectors [Community Safety Partnership \(CSP\) - Fenland District Council](#),. Hard copies are also made available in local libraires.

In this edition you will find updates on workforce development sessions, engagement events and CAPASP. There is also support, advice and reporting links on a range of concerns for the Fenland community to refer to.



## **Street Drinking Update** (Cllr Steve Count)

Operation Luscombe, a partnership approach to tackling street level ASB led by Cambridgeshire Constabulary, has been considered a success and as such will continue for a further three months at which point there will be a full review.

Op Luscombe patrols have been supported by FDC staff from Community Safety and Streetscene. These patrols have identified a decrease in litter at some known hotspot areas, including St Peter's Church and West Street car park.

A location which was found to be a focal point for street drinkers has been cleared by Environmental Services. It's hoped the items removed will discourage gathering but also improve the aesthetics of the area.

The alcohol related Public Safety Protection Order (PSPO) is due a review before October 2023 and the planning for this has already begun.

**Key PIs:**

Key PI	Description	Baseline	Target 22/23	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%	99.2%	
CELP10	% of household waste recycled through the blue bin service (1 month in arrears)	27.5%	28%	26.6%	
CELP11	Customer satisfaction with refuse and recycling services (quarterly)	96.3%	90%		
CELP12	Customer satisfaction with our garden waste service (quarterly)	98.75%	85%	????	
CELP13	Number of Street Pride, Green Dog Walkers, and Friends Of community environmental events supported	191	204	178	
CELP14	% of those asked who are satisfied with events	97%	96%	97%	

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

Comments

## 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)

Following the higher than forecast tender returns from the initial tender process, the tender process for the South Fens Enterprise Park was suspended. Estates and procurement colleagues continue to work with the design team to identify solutions that would enable a suitable commercial scheme to be delivered in an affordable manner whilst still providing much needed commercial accommodation.

Five surplus properties are scheduled to go to auction on Monday 6 February, these being sites at:

- Land at Eastwood, Chatteris (South of 55a Wood St)
- Land at Feldale Place, Whittlesey
- Former garage site, Drybread Rd, Whittlesey
- Former garage site at Riverside Gardens, Parsons Drove
- Land between 32 and 32a Station Rd, Manea

Four other sites remain in the planning phase whilst other sites are being identified for possible future disposal subject to prior member approval.

**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 on this project**

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 – A47 Broad End Road, A47 Elm High Road and A1101 Ramnoth Road/Weasenham Lane. The work is progressing alongside a full business case project. These projects are now very near to completion in late 2022. A copy of the main accompanying paper for the meetings mentioned above can be found from the following link:

[https://cambridgeshire.cmis.uk.com/ccc\\_live/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1529/Committee/62/Default.aspx](https://cambridgeshire.cmis.uk.com/ccc_live/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1529/Committee/62/Default.aspx)

The next step for these 3 projects is to secure funding for their construction.

#### Kings Dyke Level Crossing

#### **There is no specific update on this project**

The deliverer of this project is through Cambridgeshire County Council, Growth Deal Funding by the former Local Enterprise Partnership (LEP) and Cambridgeshire and Peterborough Combined Authority Transforming Cities Fund. In July 2022, the new Kings Dyke bridge opened to traffic. Please see the link below for further details and images.

[King's Dyke bridge opens after 50-year bid to replace level crossing - BBC News](#)

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](#).

#### March Area Transport Study

This is a CPCA funded project being delivered by Cambridgeshire County Council. It includes a range of transport projects across March to address transport issues and to facilitate new housing and employment growth.

The main scheme detailed design stage and first stage full business case project work is now complete. Further reports including requests to draw down further funds and to commence construction for March Board Street will go to CPCA Meetings in early 2023 for approval.

Papers confirming the outcome of the previous Outline Business Case (OBC) work including recommendations to draw down funding for detailed design and the final business case, were part of CCC, CPCA and FDC meetings in November and December 2021.

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 \(cmis.uk.com\)](#)

In October 2022 a further paper went to CPCA Board. This has secured the drawdown of £962,000 to allow utility and procurement works to commence. This is not new

funding but an accelerated approach for schemes in St Peters Road, Peas Hill and Twenty Foot Road.

The MATS project also includes a Walking and Cycling Strategy. £562,800 was also approved at the October 2022 CPCA Board meeting. This funding allows for schemes in the Walking and Cycling Strategy to be progressed in 3 phases. The phase one schemes which are primarily lining and signing will be constructed and completed in full. Phase 2a schemes require further investigation and design work to determine the solution to be built. Phase 2b schemes require option development work as well as further investigation and design work. This funding will enable 28 projects to be progressed as set out above. Phases 2A and 2B will require further funding in the future for their construction.

A copy of the October 2022 CPCA Board meeting paper setting out more details and information including for the 28 schemes can be found from the link below:

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/2117/Committee/63/SelectedTab/Documents/Default.aspx>

The full technical details and feasibility study work associated with the March Area Transport Strategy 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

This is a CPCA funded project.

The completion and outcome of the latest study work was discussed at the CPCA Transport and Infrastructure Committee in mid-November 2022. This project included a review of the work that have been undertaken so far, option development and consideration of a light rail scheme. The CPCA report include options to take the work forward to the next stage. The Transport and Infrastructure Committee and the Board approved work to Undertake an Options Assessment Report to provide the economic analysis on mode options, including existing information on heavy rail. This will be based on a service operating between Wisbech and March which removes the current dependency on Ely Area Capacity Enhancements whilst still being mindful of the future strategy to link into Cambridge. £80,000 has been drawn down from CPCA Medium Term Financial Plan to undertake this options assessment work.

A link to the papers and information from the November 2022 CPCA meeting with the the relevant reports and papers can be found from the link below:

<https://cambridgeshirepeterboroughcagov.cmis.uk.com/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/2139/Committee/67/SelectedTab/Documents/Default.aspx>

### A47 Dualling (CPCA Project)

#### **There is no specific update on this project.**

It was reported in late 2020 that National Highways (formally Highways England) Road Investment Strategy (RIS2) announcement did not include the A47 dualling project. Discussions between CPCA, National Highways and Government in early 2021 have since continued and negotiations are ongoing. In February 2021 National Highways 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 National Highways 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. We are awaiting the outcome of this project.

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>

### **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.

One notable scheme which has received funding is the new shuttering on the Empress Pool building which received grants from the Renaissance Fund and the Town Council. Not only has it vastly improved the look of the building in Park Street, it has also helped to improve security for the Christmas Lights display equipment.

Any future grants will only be offered up to the end of March 2023. It has been agreed by the Combined Authority that any funds remaining can be transferred to the Museum and Community Space project.

### **Chatteris Skills Development (£36,179)**

All of the ICT equipment is now configured and ready for use. West Suffolk College have started marketing Adult Education courses that will be delivered from the North Cambs Training Centre either on the premises, virtually or remotely, using the equipment. Some of the equipment is already being used and usage will increase in the weeks and months ahead as more courses start. The projects is now complete.

### **Chatteris Museum & Community Space (£771,821)**

Chatteris Town Council have now purchased 2 Park Street (the former Barclays Bank) and building work is well underway. Listed building consents are being applied for on a regular basis so that agreement can be given on suitable works, but these are resulting in project delays. New security, fire alarm and CCTV systems have been installed. Further unexpected works include the replacement of the existing heating/air con system, an increase in the price of required electrical works and additional preparatory work prior to decoration.

Despite a number of delays, it is hoped that the building will be ready for re-occupation on 1 April 2023.

Planning permission to extend and convert 14 Church Lane has been agreed in principle, pending further agreements being approved. A schedule of works for this current location of the Town Council and Museum is being drawn up and a revised estimate for the cost of works has been requested.

The Combined Authority have been very supportive and have offered additional funding to ensure both works to 2 Park Street and 14 Church Lane can be completed.

### **March**

Please click on the link to see the update for [March Future High Street Fund](#) elsewhere in this document **Error! Bookmark not defined..**

### **Whittlesey**

#### **Whittlesey Interactive Highway Signs (£57,500)**

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

#### **Whittlesey Heritage Walk (£218,169)**

The Whittlesey Heritage Walk was officially opened on 20 October. The new interactive walk will help to encourage people to explore the fascinating and often undiscovered history of town. Walkers will be guided by new signage and wayfinding information boards, and they can also use a walk brochure or an interactive app to help them along the route.

The brochure can be [downloaded](#) or printed copies are available from the Museum, the Library and the Town Council in Whittlesey.

The [Love Exploring App](#) includes the Heritage Walk and special Augmented Reality (AR) trails are planned for each school holiday throughout the year. This February will see the launch of a brand new, bespoke AR Straw Bear.

### **Whittlesey Heritage Visitor Centre (£500k)**

Project cancelled.

### **Recycled Whittlesey Heritage Visitor Centre funding (£455,000)**

Following meetings of the Whittlesey Growing Fenland Town Team and a further submission to the CPCA, the following projects have recently been approved:

£260,000	Strategic Outline Business Case – Whittlesey Relief Road
£55,000	Community basketball / tennis / netball, improvements incl. site investment appraisal
£20,000	Market Place improvements
£10,000	Library display, with anticipated match funding from NLHF / Arts Council
£110,000	Additional solar PV on swimming pool building

### **Whittlesey Business Capital Grants Scheme (£124,331)**

A residual amount of budget is being allocated to town centre businesses that meet revised criteria and are successful following an application process.

## **Wisbech**

### **Wisbech Market Place Enhancement Scheme (£200k)**

Project complete. For further details please [click here](#).

### **Wisbech Football Counters (£19,500)**

Project complete.

### **Wisbech Replacement Shopwatch Radio Scheme (£33,800)**

This funding has been received in full by the Town Council but none of the money has yet been spent.

A meeting between the Wisbech Town Council Clerk and representatives of the Chamber of Commerce, for the purpose of developing a Service Level Agreement in relation to the council “handing-over” the radio scheme to the Chamber of Commerce, has taken place. The Town Clerk is in the process of finalising the Service Level Agreement. A representative of the Chamber of Commerce (who is also a member of Wisbech Town Council) has been involved in discussions with the supplier of the equipment regarding some of the pre-installation technical issues. The delay in implementing this scheme is because of the need to secure access to the radio repeater system, which is installed at Exchange Square (the former FDC offices in Wisbech) alongside the CCTV relays. Aaron Locks, the Manager of the joint FDC and Peterborough City Council CCTV service is currently negotiating with the new owners of Exchange Square an agreement to continue to use that space for both the radio repeater system and the CCTV relays. It is understood that that an agreement is close



to being reached. As soon as that situation has been resolved, Wisbech Town Council is ready to procure the equipment and issue it to the Chamber of Commerce. This project has been incorporated within the Safer Wisbech Action Plan.

### **Wisbech Splash Pad (£147,500)**

Project completed. Please click on the link below for further information:

[Wisbech Splashpad Officially Opens - Fenland District Council](#)

### **Wisbech Park Community Hub (£299,200)**

The project is out to tender, with returns expected in February. Following an assessment of these tenders, a Cabinet report will be prepared with works anticipated to commence in May.

### **Wisbech Business Capital Grants Scheme (£200,000)**

Discussions are to be held with the Town Team on the best way to allocate a remaining residual amount of budget.

### **District Wide**

#### **Civil Parking Enforcement (£400k)**

Please click on the link to see the update for [Civil Parking Enforcement](#) elsewhere in this document **Error! Bookmark not defined..**

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

The comments and feedback received from the Local Plan consultation in the Summer / Autumn 2022 are being reviewed to help inform the development of a final Local Plan that will be considered by Full Council during 2023/24 before being considered by an examination in public.

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

#### Manea Station

Work is continuing to get the project completed. Subject to supplier lead times linked to lighting and CCTV it is hoped that the car park will open in winter/Spring 2023.

#### March Station

The platform 1 building project and the refurbished and extended station car park are now complete. The official opening event took place in May 2022.

### Whittlesea Station

Following the completion of the second strategic outline business case and options appraisal work, we are continuing to try and secure funding for the Outline Business Case (OBC) Project. Discussions with CPCA are ongoing.

### **Other Projects:**

#### **Economic Growth Team Activity** (Cllr Ian Benney)

- Shared Prosperity Fund (SPF) – reports to Cabinet re accepting the SPF funding from CPCA and the decision-making process(s) for allocating the funding and role of the North Cambs Place Development Board. Potential for carry over subject to a “robust business case” being approved by the Department for Levelling Up, Housing and Communities (DLUHC).
- Rural England SPF – still awaiting approval from DLUHC
- CPCA – creating an Economic Growth Strategy and the draft will be circulated to CMT, Council Leader & Portfolio Holder for Economic Growth
- Fenland Chamber of Commerce – attended 1<sup>st</sup> meeting of “new” Fenland committee of the Cambridgeshire Chamber of Commerce, a programme of events is planned
- A number of business engagement meetings with local businesses including Metalcraft, North Cambs Training Centre and Aerotron at Chatteris, Del Monte at Wisbech and Fossils Galore, Environmental Science and Calico Cottage at March.
- Women in Business launch event held in Wisbech with presentation from the Business Engagement Manager
- Attended North Cambs Training Centre Careers event
- Cambridge Science Centre – Educational science charity, looking for locations in Chatteris, Wisbech, March and Whittlesey to hold community/stem based events for two months at each location
- Attended Department of Work & Pensions (DWP) Jobs Fair, Wisbech – 30 exhibitors, mainly training organisations. Four businesses, Army, care company, Coveris, Volmary. 200 people attended
- Planning event with Innovate Edge to encourage businesses to apply for grant funding for innovation. April at South Fens Business Centre.
- Attended Local Skills Improvement Plan - Business Representative Organisation meeting. Growth Team to encourage Fenland employers to participate to identify skills gaps/requirements. Delivered by Cambs Chamber, funded by Department of Education (DoE).

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

### **Market Place improvements**

Work commenced on the marketplace on 9 January, with the market being relocated to City Road car park. Works remain on time and on budget.

The relocation of the market has been received very positively by both traders and shoppers alike. The estimated completion date for this work is 23 March.

### **FHSF Broad Street and Riverside transformation project & March Area Transport Study (MATS) road improvements**

The extensive and complex design works for both the public realm that is part of FHSF scheme and the road and roundabout work that forms part of the cross-March wider ranging road improvements has been completed. Procurement is also complete.

The main contractor is expected to be appointed on 13 February, with works commencing in May.

In advance of any MATS or FHSF works, Cadent Gas and Anglian water will be completing utility infrastructure improvements. These should ensure that issues such as the gas mains failures of 2 years ago and the recent water mains failure will not happen at the Northern end of Broad Street. Public consultation was undertaken regarding these works with businesses receiving letters and a session taking place in the leisure centre giving the opportunity for the community to understand what is to take place. Signage regarding these works went up on 31 January in advance of the work commencing on 13 February, with variable signage to then be added as works commence. These utility works will mean traffic lights in Dartford Road initially and then the closure of the southbound lane in Broad Street – with that lane being switched to one of the current north bound lanes.

## **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)**

The Estates Team continue to work with tenants of all sites. All industrial units are fully occupied whilst the Boathouse is at 88.8% occupancy and the South Fens Business Centre is at 71%.

The Boathouse occupancy is lower for this period as two tenants have had funding withdrawn and have therefore vacated. However, new tenants have been identified and ongoing work to secure the new leases is progressing.

The process of reviewing the occupancies of the industrial units continues with officers taking action to renew expired leases across all sites before moving onto rent reviews which have not been actioned. To date the work has resulted in rent increases to the benefit of FDC of 25.87% on the estates actioned as well as the management benefit ensure the properties remain occupied and profitable.

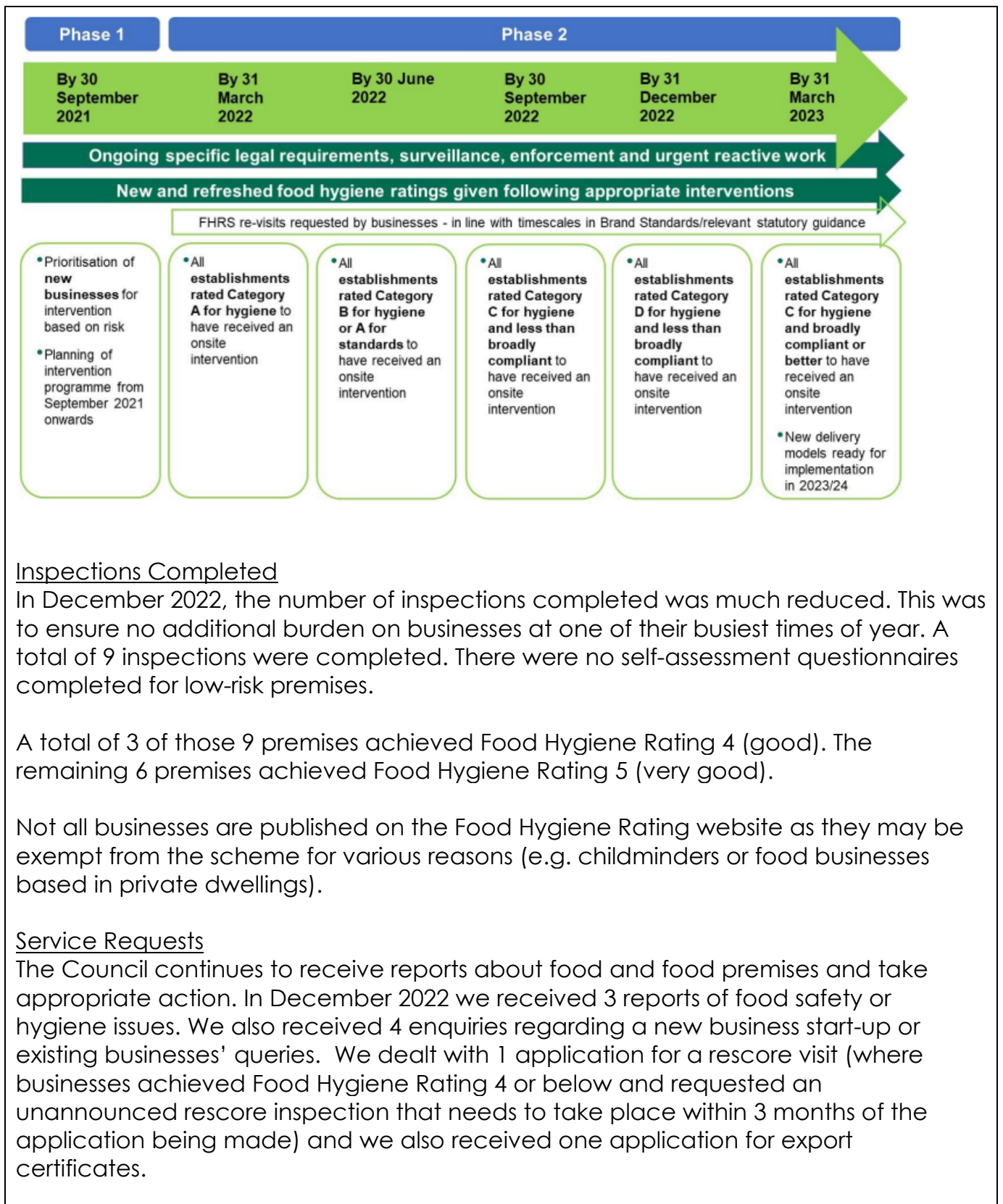
### **Affordable Homes** (Cllr Sam Hoy)

The current forecast is that there is expected to be 60 new affordable homes completed this financial year. A total of 48 of the affordable homes are home ownership products e.g., shared ownership and 12 affordable rented. We have a forecast for 174 affordable homes to be completed in 2023/24. Of these, 43 will be home ownership products and 131 affordable rented.

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

#### Food Safety Service Plan progress

On December 31 2022, another milestone was passed in the Food Standards Agency Recovery Plan which the Council must follow and meet all deadlines. This plan allows some flexibility to the normal inspection programme due to councils continuing to 'catch up' following the COVID-19 pandemic and businesses being closed or restricted in terms of their activities. We continue to meet the requirements and timescales of the plan below:



### Inspections Completed

In December 2022, the number of inspections completed was much reduced. This was to ensure no additional burden on businesses at one of their busiest times of year. A total of 9 inspections were completed. There were no self-assessment questionnaires completed for low-risk premises.

A total of 3 of those 9 premises achieved Food Hygiene Rating 4 (good). The remaining 6 premises achieved Food Hygiene Rating 5 (very good).

Not all businesses are published on the Food Hygiene Rating website as they may be exempt from the scheme for various reasons (e.g. childminders or food businesses based in private dwellings).

### Service Requests

The Council continues to receive reports about food and food premises and take appropriate action. In December 2022 we received 3 reports of food safety or hygiene issues. We also received 4 enquiries regarding a new business start-up or existing businesses' queries. We dealt with 1 application for a rescore visit (where businesses achieved Food Hygiene Rating 4 or below and requested an unannounced rescore inspection that needs to take place within 3 months of the application being made) and we also received one application for export certificates.

**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)	92%	70%	75%	
CELP16	% of minor planning applications determined in 8 weeks (or within extension of time)	72%	70%	62%	
CELP17	% of other planning applications determined in 8 weeks (or within extension of time)	84%	80%	81%	
EGA1	% occupancy of our business estates	91.2%	92%	93.6%	
MS1	% occupancy of Wisbech Yacht Harbour (85 berths)	94%	95%	????	
CELP18	% of businesses who said they were supported and treated fairly	100%	96%	100%	

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

Comments

## Quality Organisation

### Projects from Business Plan:

#### **Commercial Investment Strategy** (Cllr Chris Boden, Cllr Ian Benney & Cllr Tierney)

As part of the Commercial and Investment Strategy, a facility of £25m was granted to the Investment Board to finance capital expenditure to be undertaken in accordance with the aims and objectives of the agreed strategy. At the end of March 2022, £4m of this facility has been utilised to fund the acquisition of a commercial investment in Wisbech and a house in March. These acquisitions were approved at Investment Board meetings held on 16<sup>th</sup> March 2021 and 3<sup>rd</sup> December 2021 respectively. Further utilisation will be needed when the funding position of Fenland Future Ltd is fully agreed and the draft Business Plan for 2023/24 has been circulated to the Investment Board.

The Commercial Investment in Wisbech has delivered a rental income of £230k for the year to March 2022. Rental income continues to be on track for 2022/23. As we used our own funds to acquire this asset there is no external cost of capital and the loss of interest foregone on our funds is minimal at present. This acquisition has enhanced the Councils revenue position and has had a positive impact on the MTFS as presented to Full Council in February 2022.

Fenland Future Ltd has applied for Outline Planning permission on the two Council owned sites identified for development in their Business Plan. Work now progresses on options for the delivery methodology to be utilised in delivering the developments. Financing, SLA and Indemnity agreements were approved by the Investment Board in July 2022.

An update on the work of the Investment Board was presented to Cabinet at its meeting on 30 January 2023.

#### **Deliver the Transformation project to modernise customer service arrangements across the district** (Cllr Steve Tierney)

The Corporate Transformation programme, under the Council for the Future priority, continues to focus on modernising the way we deliver all aspects of services to our customers. The project aim of **“improving customer experience and making it even easier for people to interact with the council”** continues to be at the heart of service design as well as ensuring we exploit the use of technology to increase customer choice regarding accessing services at the same time as working efficiently and effectively, building resilience whilst driving down costs.

- **5** admin services brought together
- **35** staff in new roles
- **342** training sessions completed covering **47** topics
- New ways of working has released **2 days** per week chargeable support to Hunts DC
- **218** process mapped across services
- **48** processes redesigned
- **10** service teams supported by Technical Officers
- **19** customer digital journeys launched since 2021
- **8** new online website forms launched since 2021
- **27042** website forms completed online since 2021
- **157 000 + visits to our FDC website since April 2022.**

### **Current projects include**

**Planning Service** – A workshop with key members was held in November where Phase 1 recommendations and the scope of Phase 2 of the review were agreed. A detailed project plan has been devised to support the implementation of Phase 1, which includes a focus on validation processes and improving use of technology to improve efficiency and releasing capacity which will start in January 2023. Phase 2 will look at processes carried out by Planning officers and will include enforcement.

**Markets and Events forms** – Digital journey was launched providing customers with an end-to-end book and pay service. Capacity has been freed up in the team to support the delivery of key events such as the Christmas markets in March and Wisbech.

**Housing Options** – Process mapping work commenced to review Hostel management, Void turnarounds and Temporary accommodation. Objective to redesign these resource heavy tasks which involve lots of admin, freeing up capacity to focus on work requiring the specialist knowledge of officers within the team.

**Tree Management Software** - Procured ready to be installed early in 2023

**Cemeteries** - Refining process maps, ongoing software development and training for Technical Officers.

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

Please see update included in the Council's Annual report for 2021/22 and on individual projects as detailed elsewhere in this report.



## 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 1 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 2022 moved a further 5650 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 (39,560). As Canvass reform allows, this year for the first time an email was sent to these electors. Individuals residing at these properties need to respond to the email confirming their details otherwise legislation still requires a hard copy Canvass Communication A (CCA) letter to be sent.

A total of 21,337 properties were contacted via initial email. As a direct result, the number of paper forms that were printed and posted out to electors was reduced from 39,560 to 32,339 a reduction of 7,221, leading to cashable savings.

This process also successfully contributed to a reduction of canvass visits to households who have not responded to the annual canvass process. In 2022 there were 3957 canvass visits to households across the District. In 2023 this had reduced to 3086 leading to 871 less canvass visits required, also resulting in cashable savings.

Households of unmatched properties are allocated to Route 2 (6907) and receive a Canvass Communication B (CCB) this route follows a more traditional canvass process.

The Register of Electors was successfully re-published on 1 December 2022.

#### Postal Vote Refresh 2023

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 will be writing to 1900 electors who had initially submitted their postal votes in 2017/2018 inviting them to provide a fresh signature. Reminders will be sent on 17 February 2023.

### 3Cs Update (Cllr Steve Tierney)

October to December 2022

Service Area	Total Received	On Time	% on Time
Correspondence	13	13	100%
<b>Stage 1</b>			
Communities, Environment, Leisure and Port (CELP)	19	17	89%
Growth and Infrastructure (GI)	0	0	0
People, Resources and Customer Services (PRCS)	14	14	100%
<b>Stage 2</b>			
Communities, Environment, Leisure and Port (CELP)	3	2	67%
Growth and Infrastructure (GI)	0	0	0
People, Resources and Customer Services (PRCS)	0	0	0
<b>Stage 3</b>			
Communities, Environment, Leisure and Port (CELP)	1	1	100%
Growth and Infrastructure (GI)	0	0	0
People, Resources and Customer Services (PRCS)	0	0	0

### Communications Update (Cllr Steve Tierney)

#### News update:

The number of news stories added to the FDC website and distributed as press releases to local media in December = 10

#### Monthly update on FDC social media sites:

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

Twitter = 82  
Facebook = 75

We currently have 6,325 followers on Facebook and 8,828 followers on twitter.

**Consultation Summary:**

- Polling District Review - closes 11 November 2022
- Fens Reservoir (Anglian Watch & Cambridge Water) – closes 21 December 2022

**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:

<b>CPCA COMMITTEE</b>	<b>DATE OF MEETING</b>	<b>LINK</b>
Combined Authority Board	25.01.23	<a href="#">CMIS &gt; Meetings</a>
Audit & Governance Committee	27.01.23	<a href="#">CMIS &gt; Meetings</a>
Employment Committee	30.11.22	<a href="#">CMIS &gt; Meetings</a>
Housing & Communities Committee	16.01.23	<a href="#">CMIS &gt; Meetings</a>
Overview & Scrutiny Committee	23.01.23	<a href="#">CMIS &gt; Meetings</a>
Skills Committee	09.01.23	<a href="#">CMIS &gt; Meetings</a>
Employment & Skills Board	06.12.22	<a href="#">CMIS &gt; Meetings</a>
Transport & Infrastructure Committee	18.01.23	<a href="#">CMIS &gt; Meetings</a>
Business Board	09.01.23	<a href="#">CMIS &gt; Meetings</a>

Forthcoming CPCA meetings include:

<b>CPCA COMMITTEE</b>	<b>DATE OF MEETING</b>	<b>LINK</b>
Combined Authority Board	09.02.23	<a href="#">CMIS &gt; Meetings</a>
Combined Authority Board	22.02.23	<a href="#">CMIS &gt; Meetings</a>

Combined Authority Board	22.03.23	<a href="#">CMIS &gt; Meetings</a>
Audit & Governance Committee	TBC	
Employment Committee	08.02.23	<a href="#">CMIS &gt; Meetings</a>
Employment Committee	09.02.23	<a href="#">CMIS &gt; Meetings</a>
Housing & Communities Committee	13.03.23	<a href="#">CMIS &gt; Meetings</a>
Overview & Scrutiny Committee	20.02.23	<a href="#">CMIS &gt; Meetings</a>
Overview & Scrutiny Committee	20.03.23	<a href="#">CMIS &gt; Meetings</a>
Skills Committee	06.03.23	<a href="#">CMIS &gt; Meetings</a>
Employment & Skills Board	21.02.23	<a href="#">CMIS &gt; Meetings</a>
Transport & Infrastructure Committee	15.03.23	<a href="#">CMIS &gt; Meetings</a>
Business Board	13.03.23	<a href="#">CMIS &gt; Meetings</a>

**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%	
PRC2	% of customers satisfied with our service (March 2021)	90%			
PRC3	% of contact centre calls answered within 20 seconds	Rolling monthly target rising to 46.5% by March 2023	40%	52.14%	
PRC4	% of contact centre calls handled	Rolling monthly target rising to 80% by March 2023	70%	90.4%	
ARP1	Days taken to process Council Tax Support new claims and changes	7.00 days		6.67	
ARP 2	Days taken to process Housing Benefit new claims and changes	8.00 days		7.51	
ARP3	In year % of Council Tax collected	95.72%	82.84%	83.57%	
ARP4	Council Tax net collection fund receipts	£64,734,624	£55,170,838	£55,231,245	
ARP5	% of NNDR collected	96.70%	80.27%	80.14%	
ARP6	NNDR net collection fund receipts	£24,017,406	£19,881,273	£19,699,069	
PRC5	Number of online forms submitted via FDC website	22,000		15,754	

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

Comments

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## **QUESTIONS FROM MEMBERS OF THE PUBLIC IN ACCORDANCE WITH PROCEDURE RULE 9A.**

Question from Alan Melton

My question to Councillor Mrs Laws, Portfolio Holder for Planning

'I would like to ask could you please explain Fenland District Council's Section 106 policy regarding contributions to local/parish communities?'

I am asking this question as a parish clerk, in South Cambridgeshire, East Cambridgeshire and Huntingdonshire parish councils receive a S106 windfall whenever a development is completed. Why does that not happen in Fenland?

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**Motion submitted by Councillor Tierney  
Concerning works to a damaged building in Wisbech**

“On 22<sup>nd</sup> April 2022, a building in Wisbech Town Centre, the original Cashino, unfortunately burnt down in a fire. Since then, whilst scaffolding has been erected, the building remains in a burnt-out state and has not yet been brought back in to use. The burnt-out building holds a key location in Wisbech Town Centre and its poor state is having a detrimental effect on the outlook of the town and its ongoing business.

The Council believes:

- (1) It is reasonable to expect that the building should be brought back in to use as soon as possible.
- (2) The effect on the town of this building remaining in its damaged state is significant.
- (3) That some preparation works have been done by the owner and that meetings are forthcoming with Fenland District Council officers to discuss this matter.

Officers have delegated statutory authority to require action to be taken in certain circumstances however to avoid this becoming a requirement, Council requests:

Fenland District Council officers to work with the building owners to expedite the important repairs that will put the building back in good order as early as possible.

Where this is not achievable, Officers are asked to consider exercising their statutory powers and assess the options for enforcement action if a planning application is not forthcoming in the next few months to ensure that the Council has taken all possible action to achieve a positive outcome.”

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<b>Agenda Item No:</b>	11	
<b>Committee:</b>	<b>COUNCIL</b>	
<b>Date:</b>	<b>20th February 2023</b>	
<b>Report Title:</b>	<b>FINAL BUSINESS PLAN 2023-24</b>	

## Cover sheet:

### **1 Purpose / Summary**

For Council to consider and approve the Final Business Plan 2023-2024.

### **2 Key Issues**

- Our Business Plan 2023-24 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.
- Just as the country started to recover from the aftermath of Covid, the war broke out in Ukraine with profound economic consequences. Now the UK is facing a soaring cost-of-living crisis. This, partnered with over a decade of continued public sector austerity, is putting real pressure on local government resourcing. Nevertheless, the Council remains committed to delivering high-quality services and lobbying for appropriate investment to tackle important issues. Millions of pounds 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 16 January 2023. The Panel recommended a change to the wording on the 'Work with partners to promote Fenland through Culture and Heritage' priority, which has been updated and a design change for the Quality Organisation priority. There was also a request for a performance indicator change that will be incorporated into the Task and Finish Group which is looking at Corporate Performance Indicators.

### **3 Recommendations**

For Council to consider and approve the Final Business Plan 2023-24.

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 Carol Pilson, Corporate Director David Wright, Head of Policy & Communications
Contact Officer(s)	Paul Medd, Chief Executive Peter Catchpole, Corporate Director Carol Pilson, Corporate Director David Wright, Head of Policy & Communications
Background Papers	Budget and Medium Term Financial Strategy Draft Business Plan 2023-24

## 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.

### **3 REASONS FOR RECOMMENDATIONS**

- 3.1 Council is being asked to approve the Business Plan 2023-24 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.

## **4 CONSULTATION**

- 4.1 We ran an online public consultation about our Draft Business Plan and Budget 2023-24 between 3 January and 3 February 2023. 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. It was also available in paper format at the South Fens Business Centre, Chatteris, the Boathouse Business Centre, Wisbech, and Fenland Hall, March.

43 people responded to our survey. 67% 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.

## **5 ALTERNATIVE OPTIONS CONSIDERED**

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

## **6 IMPLICATIONS**

### **6.1 Legal Implications**

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

### **6.2 Financial Implications**

- 6.2.1 The Business Plan 2023-24 sets out high level corporate priorities that are reflected in the Council budget.

### **6.3 Equality Implications**

*[Consider whether there are any specific equality implications and if so, how these have been met otherwise put N/A].*

## Draft Business Plan and Budget Feedback 2023

Our consultation survey ran between 3<sup>rd</sup> January – 3<sup>rd</sup> February 2023. The survey was available to complete digitally and in paper format at the South Fens Business Centre, Chatteris, the Boathouse Business Centre, Wisbech and Fenland Hall, March. It was well advertised via a press release, on the front page of our website and through our Twitter and Facebook channels. The press release was also circulated to our news distribution list and to Town and Parish Councils.

We received 43 responses from across the district. Residents were asked:

### **1. Does our Draft Business Plan and Budget clearly explain the services we plan to provide and how we will use our resources over the next 12 months?**

67% of respondents said yes, 33% said no. 11 people left comments, as follows:

- The obsession with trying to avoid a ride means services are being cut.
- Be a lot more honest about what you can no longer provide
- I support bringing new businesses into the community but this should not be detrimental to local residents. The circular economy in Whittlesey Saxon Pit has affected amenity to residents currently matters are improving but the current situation should never have occurred in the first place
- The business plan is easy to read and understand. It would be good if some of the budget information was included so there wasn't 2 documents.
- Make it less jargon!! I've read all of the 37 pages in both documents and I haven't a clue what you are proposing. It reads as an internal document not information for the public. Where is the easy read version?
- Provide an easy to understand version of the budget for people who do not have a very good grasp of the technical , budgetary or accountancy terms
- Both the 'Draft Business Plan & Budget' need to be made more 'reader' friendly. Just the initial look puts one off reading it.
- Try in layman's terms, very confusing for a lot of people, old and young.
- More explanation on how you will meet significant changes that have developed over the last 3 years
- Plainer language

### **2. Whilst being mindful of our financial and resource constraints, do you have any further comments about our Draft Business Plan and Budget?**

26 people left comments, as follows:

- The services Cesar being provided are deteriorating. Maintenance of cemeteries and open spaces needs better funding
- Council tax needs to rise if public services are to be maintained.
- Show some ambition and imagination
- A tiny increase in fdc element of council tax should be included, albeit residence will see it as unnecessary, I believe it should be expected, it won't be as much as police/fire etc.

Fdc are not valued for previously 0 increases so why not give council a chance to improve services by gaining a little extra from council tax.

- It will be as always: Whittlesey itself will miss out to March.
- More money needed to maintain playgrounds, cemeteries and open spaces
- Lower the rates for high street shops
- In current climate you should be looking to reduce costs
- Teachers have received a 5% pay rise during covid and provided a poor service to pupils in Whittlesey during covid. We already have low education in fenland you say I would like to see teaching standards raised also the provision of youth services run and managed by properly qualified professionals
- Would suggest there was more money invested into our roads (pot holes). Is there a need for FDC and Town/Parish councils. Couldn't the all be merged?
- No because I haven't a clue what its actually trying to say
- I think it will be very difficult to balance the books, as it were. There are financial constraints everywhere, costs rising and there are continual reports of "we don't have the money to do A, B, or C." There has to be a recognition that if services are to be maintained, and improved, then Joe Public has to pay for them. If it was just this year that the rate was frozen, I could understand it, but it is proposed to freeze for the fifth successive year.
- Surely, with the pressures of inflation and interest rate rises, this freeze is impossible to maintain without cutting services.
- No
- No Indication of reversing cuts in support that have endangered the continued existence of local museum's etc
- Lack of support to Heritage eg museums
- Why publish a draft version without input from the December 2022 government announcements? Why not wait and incorporate those announcements into the document even if it means putting the document out for public comment is delayed slightly. As it is, this could change completely once this information has been fed into the budgetary process, making any public comments on this current draft document immediately obsolete.
- No
- See comment above....
- Looking forward to the March high street developments and bringing the town into modern times. Let's hope all the local residents support the changes and use the local shops and businesses - there's too much negativity about the changes so far.
- Removing graffiti. This has become a blight to the whole area over the last year.
- Utter madness. You have the council being propped up by a man and a dog, relying on their goodwill to keep the plates spinning. Even a 4.99% increase is less than half the rate of inflation, so would be a real terms cut to your spending power. Google "section 114 notice", read about Northamptonshire County Council's self imposed bankruptcy because it deprived itself of money by not keeping up with inflation, and you will see Fenland's future.

- You should INCREASE the precept for the current rate of inflation plus the lost assets over previous years
- None
- There is no real detail about the future of the Wisbech High Street Project. I am concerned that most of the money being spent on consultancy and subsidising absentee landlords.
- Absolutely brilliant and very well done not to increase the charge

**Demographic information (optional)**

Table 1: Where respondents live

<b>In or near to Chatteris</b>	5%	<b>In or near to March</b>	25%
<b>In or near to Whittlesey</b>	19%	<b>In or near to Wisbech</b>	35%
<b>Village or rural location</b>	14%	<b>Outside of Fenland</b>	2%

Table 2: Answering as a:

<b>Resident</b>	<b>Group or organisational representative</b>	<b>Business representative</b>
98%	2%	0%

Table 3: Respondent age group:

<b>Under 16</b>	2%	<b>16-24</b>	0%	<b>25-44</b>	26%
<b>45-59</b>	23%	<b>60-74</b>	42%	<b>75+</b>	7%



# Fenland District Council Business Plan 2023/24



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# Introduction by the Leader and Chief Executive

## Welcome to Fenland District Council's Business Plan for 2023/24.

When we published our 2022/23 Business Plan last year, setting out our ambitions and priorities for the coming 12 months, little did we know that a health pandemic wouldn't be the only crisis to impact us all so greatly, so quickly.

Just as the country started to get back on its feet in the aftermath of Covid, the war broke out in Ukraine, with profound economic consequences. Energy markets and supply chains have destabilised the world over, leaving the UK and many other European countries facing a soaring cost-of-living crisis.

Inflation is at its highest rate in three decades; fuel, food, gas and electricity prices are rising, and millions of households across the country are in need of help.

We understand that many residents and businesses in Fenland are struggling to cope, especially those in more deprived communities and including those experiencing financial difficulties for the first time, and we are fully committed to doing everything we can to help.

Through our ongoing Cost-of-Living Support Campaign we will ensure that everyone who needs help has access to the support and guidance available to them both in the short-term and long-term as we learn more about how this crisis



Paul Medd  
Chief Executive



Chris Boden  
Leader of the Council

will impact our economy, our health and social wellbeing.

We know the cost-of-living will impact our own finances as it now costs far more to provide the essential services that people rely on.

But while we can't solve the national or international problems, we are on the side of our residents and businesses and will do everything we can with the resources available to help our communities through these difficult times.

As you'll see in this Business Plan, we have set out how we will continue to work in collaboration with partners, businesses and our communities to deliver important services for local people whilst lobbying for appropriate investment to tackle important issues.

We're also emphasising the fundamental and vital importance of transformation of service provision by the Council to achieve a long-term sustainable model of operation.

Times may be challenging but we will continue to seek opportunities to sustainably maximise Fenland's potential and make it a great place to live, work and visit: both now, and for future generations to come.

# About Fenland

Fenland has strong community spirit and pride in its heritage. There are 102,500 people living in the Fenland District (ONS: 2021), which covers 211 square miles within North Cambridgeshire. Over 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 £239,184 (UK HPI May 2022); 23% less than the national average. This, along with plentiful commercial land and proximity to large urban centres such as Cambridge and Peterborough, contributes to Fenland's rapid population growth. By 2041, it is expected that our population will have increased by 23% to 126,160 (ONS: 2020). As outlined within this plan, we have plans in place to maximise the positive opportunities that growth could bring.

Our population is getting older. 30,000 residents (29%) are aged over 60; above average compared to Cambridgeshire and the UK (ONS: 2021). 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) and have England's lowest primary literacy attainment rate at 64.5% (UK Prosperity Index: 2022). Nevertheless, we continue to work closely with other organisations to positively overcome these challenges.

**102,500**  
population



**211**  
square miles  
incorporating  
4 towns  
& 29 villages

House prices  
**23%**  
lower than the  
national average



**135**  
hectares of open  
green spaces



# Our Priorities

Our Business Plan sets out the priorities we aim to deliver over the next 12 months. These priorities have been developed to address the most important needs of 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 87% of staff saying they were proud to work for us in our latest Staff Survey (2022).

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

### Communities

- Support vulnerable members of our community
- Promote health and wellbeing for all
- Work with partners to promote Fenland through Culture and Heritage

### Environment

- 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

- 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

# Council for the Future



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.

## Modernising council services

Cllr Steve Tierney  
Transforming council services to improve customer experience and make it even easier for people to interact with the Council.

## A more commercial outlook

Cllr Chris Boden & Cllr Ian Benney  
Identifying external investment opportunities and developing our own sites and assets in order to generate additional income for our services and help deliver our growth and regeneration aspirations.

## Protecting our environment

Cllr Peter Murphy & Cllr Samantha Hoy  
Delivering and developing a wide range of environmental services to help protect our open green spaces, tackle environmental nuisances and issues, and improve air quality – ensuring a clean, safe, and healthy environment for all.

## Better railways for Fenland

Cllr Chris Seaton  
Delivering on our Fenland Railway Station Masterplans to upgrade and improve facilities at March, Manea and Whittlesea railway stations, on behalf of the Hereward Community Rail Partnership, and pushing forward ambitions for the March to Wisbech railway line.

## Better online services

Cllr Steve Tierney  
Developing the Council's website to provide residents and businesses with even better online services.

## Healthy you

Cllr Sam Clark  
Working with partners to provide sports and physical activity sessions in community settings across Fenland and supporting residents to lead more physically active and healthier lifestyles.

## Putting communities first

Cllr Steve Count  
Delivering the Community Safety Grant Agreement with the Police and Crime Commissioner between January 2022 and March 2025.

## Safer homes for tenants

Cllr Samantha Hoy  
Working with property owners, landlords and letting agents to raise standards within the private rented sector, ensuring that tenants are provided with safe, warm, and healthy homes.

## Clamping down on poor parking

Cllr Jan French  
Developing plans for Civil Parking Enforcement (CPE) in order to assume responsibility from the police and enforce against poor and dangerous parking across the district.

## Competitive trade waste service

Cllr Peter Murphy  
Developing services to better support our commercial waste customers.

## Planning for the future

Cllr Dee Laws  
Developing a new Local Plan for Fenland, which will set out the strategic priorities for development in the future, covering housing, commercial, public and private development, including transport infrastructure, and protection for the local environment.

## Corporate building review

Cllr Chris Boden & Cllr Ian Benney  
Undertake a strategic review of the Council's property portfolio to ensure most effective use; adapting, investing in, and reducing the existing estate where a strong and clear business case exists.

## Bringing empty homes back into use

Cllr Samantha Hoy  
Working with property owners to bring empty properties back into use as much-needed new homes for the district.

# Partnership Investment in Fenland

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.

Our previous policy of applying for any and all funding opportunities will now have to be tempered by any potential financial liability that the Council could face, particularly in respect of rising capital costs and the new requirement upon the s151 Officer to guarantee that the Council will meet any additional unanticipated costs when applying for some Government funding opportunities.

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 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.



# Our Priorities - Communities

## 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 the cost of living
- Use our housing powers to prevent homelessness, reduce rough sleeping, meet housing needs, improve housing conditions and keep homes safe and accessible
- Encourage a range of partners to support the delivery of the Golden Age programme and 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 within the Integrated Care Partnership to tackle local health and wellbeing priorities to give people the information to enable them to make healthier choices
- Create healthier communities through activities developed by Active Fenland

## 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
- Proportionate support and advice for 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



# Our Priorities - Environment

## 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 and market town events

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

- Manage 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
- Deliver the Community Safety Grant Agreement with the Police and Crime Commissioner

## 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

# Our Priorities - Economy

## **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
- 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

# Our Priorities - Quality Organisation

## 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

## 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 online forms submitted via FDC Website

# Our Priorities - Quality Organisation

## 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

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EXCELLENCE<sup>®</sup>






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Agenda Item No:	12	
Committee:	Council	
Date:	20 February 2023	
Report Title:	General Fund Budget Estimates 2023/24 and Medium Term Financial Strategy (MTFS) 2023/24 to 2027/28; Capital Programme 2023 - 2026	

## Cover sheet:

### 1 Purpose / Summary

To consider the Cabinet recommendations in relation to:

- the General Fund Budget Estimates 2023/24 and the Medium Term Financial Strategy 2023/24 to 2027/28;
- the Council Tax levels for 2023/24;
- the Capital Programme 2023-2026;
- the Treasury Management Strategy Statement, Capital Strategy and Annual Treasury Investment Strategy for 2023/24.

### 2 Key issues

- The Final Local Government Finance Settlement was announced on 6 February 2023. This provided £398,995 additional resources (excluding business rates income) compared with what was included in the draft budget report in December 2022.
- As a result of the Business Rates revaluation exercise and the decision to freeze the business rates multiplier, the Business Rates Baseline and Tariff Payments have been amended in 2023/24 (see Table 1).
- 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 shows a 2% reduction in Council Tax for 2023/34 but extends the MTFS period showing 0% increases thereafter to 2027/28.
- Council Tax Referendum limits for 2023/24 have been set at an increase of 3% or £5 whichever is the higher.
- Latest projections for 2022/23 are showing a surplus of £69k.
- Current forecasts for 2023/24 show a surplus of £166k based on the assumptions detailed in Appendix C, before any adjustment to the level of Council Tax and a surplus of £4k after applying a 2% reduction to the level of Council Tax for 2023/24. It is proposed that a contribution of £4k to the Budget Equalisation Reserve be made to achieve a balanced budget. The MTFS projects shortfall increases year on year, reaching £1.918m in 2027/28. Projected shortfalls in the MTFS are usual, both in FDC and in Local Government generally. They represent the challenge to be faced in future years in reaching a balanced budget position each year. Any decision this year to reduce the level of Council Tax necessarily increases the scale of that challenge.

- Although there are currently many uncertainties regarding the budget for 2023/24 and the MTFS, there remains a significant structural deficit which the Council will need to address. The ongoing Transformation 1 programme (of process mapping and internal service realignment) and the incipient Transformation 2 programme (of re-basing the establishment and underlying operation environments of the Council) will be crucial in helping to address that long-standing structural deficit.
- An updated Capital Programme for 2022/23 and for the medium term 2023-26 is proposed.

### 3 Recommendations

- **It is recommended by Cabinet that:**
  - (i) the General Fund revenue budget for 2023/24 as set out in Section 8 and Appendix A be approved;
  - (ii) the Medium Term Financial Strategy as outlined in this report and Appendix B be adopted;
  - (iii) the Capital Programme and funding statement as set out in Appendix D be approved;
  - (iv) the adoption of the additional Business Rates Relief measures as detailed in Section 6 using Discretionary Relief Powers be approved;
  - (v) the expenses detailed in Section 11 be approved to be treated as general expenses for 2023/24;
  - (vi) the Port Health levy for 2023/24 be set as shown in Section 12;
  - (vii) the adoption of the Council Tax Support Fund proposals as detailed in paragraphs 13.16 – 13.22 of this report, using discretionary powers be approved;
  - (viii) the current working age Council Tax Support Scheme be adopted with effect from 1 April 2023 as set out in Section 14, with appropriate changes to the prescribed pensioner scheme as determined by regulations;
  - (ix) that subject to the relevant legislation being passed and as detailed in Section 15:
    - (a) to agree to shorten the period that a 100% Council Tax premium on long term empty dwellings is payable from the current 2 years (empty) to 1 year from 1 April 2024.
    - (b) to agree to implement the 100% Council Tax premium on all second homes from 1 April 2024 (if legislation passed before 31 March 2023).
  - (x) the Treasury Management Strategy Statement, Minimum Revenue Provision, Treasury Investment Strategy, Prudential and Treasury Indicators for 2023/24 and Capital Strategy 2023/24 as set out in Section 15 and Appendix E be approved;
  - (xi) the Band D Council Tax level for Fenland District Council Services for 2023/24 be set at £255.24, a decrease of 2% (£5.22) on the current year.



<b>Wards Affected</b>	All
<b>Portfolio Holder(s)</b>	Cllr Chris Boden, Leader and Portfolio Holder, Finance
<b>Report Originator(s)</b>	Peter Catchpole, Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
<b>Contact Officer(s)</b>	Paul Medd, Chief Executive Peter Catchpole, Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
<b>Background Paper(s)</b>	Final Finance settlement – Department for Levelling Up, Housing & Communities (DLUHC). Autumn Statement 2022 (HM Treasury) Medium Term Financial Strategy working papers. Government announcements since February 2022.

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

## Report:

### 1 INTRODUCTION

- 1.1 This report sets out the financial implications of the council's priorities described in the Business Plan 2023/24. The Revenue budget estimates and the Capital Programme are final at this stage for approval. The draft Business Plan 2023/24 and draft Budget Estimates 2023/24 considered by Cabinet on 12th December 2022 together were subject to a public and stakeholder consultation from 4th January to 31<sup>st</sup> January 2023, prior to final budget and council tax setting for 2023/24 on 20th February 2023. 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 2023/24 and MTFs on 16 January 2023 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 2022/23 and agreed to send the Draft General Fund Budget Estimates 2023/24 and the Draft Medium Term Financial Strategy 2023/24 to 2027/28 for consultation. They also approved the Capital Programme 2023-2026.
- 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 2023/24 was announced on 6 February 2023. In addition, the Business Rates income estimates have been finalised following completion of the 2023/24 NNDR1 return at the end of January 2023, which incorporated the impact of the revaluation exercise effective from 1 April 2023. Equally, some additional costs and income discussed later in this report have been updated since the Draft Budget Estimates were prepared.

### 2 AUTUMN STATEMENT 2022

- 2.1 On 17 November 2022, the Chancellor delivered his Autumn Statement and confirming the Government's spending plans for the next two years, 2023-24 and 2024-25.
- 2.2 The relevant points for this Council from these announcements are as follows:

#### **Council Tax**

- A proposed Council Tax referendum limit of 3% (or £5 whichever is the higher), together with an additional 2% increase for authorities with responsibilities for Adult Social Care;

#### **Business Rates**

- The 2023 Revaluation will go ahead as planned and the following measures are designed to help off-set the impact of the revaluation as well as other financial pressures on businesses;
- **Transitional relief scheme** (government funded) for 2023 Revaluation (£1.2bn in 2023-24). This has no effect on billing authorities, it simply makes the transitional scheme more generous;
- **Retail, Hospitality and Leisure Relief (RHL)** will continue in 2023-24 with the level of relief increasing from 50% to 75% with a maximum of £110,000 per business. Local authorities will be compensated in the usual way through S31 grants;
- **3-year support for small businesses** (scheme for properties losing Small Business Rates Relief or Rural Rates Relief), Again, local authorities will be fully compensated;

- **The business rates multiplier in 2023/24 will be frozen** (normally this would increase in line with inflation as determined by the CPI rate as at September 2022, ie.10.1%). Local authorities will be fully compensated for the decision to freeze the multiplier;
- Local authorities' business rate baseline funding levels will be amended as a result of the impact of the revaluation. This could potentially have either a positive or negative impact on the Council's overall business rates income;

### **Core Spending Power and Other Announcements**

- There will be cash-terms growth in Core Spending Power (CSP) in 2023-24 and 2024-25 because of the increases in social care funding and Band D thresholds. Growth is likely to be less than inflation, however.
  - No change in the allocations from SR21 means that the Settlement Funding Assessment should remain unchanged in 2023-24 and 2024-25. Looking further ahead, unprotected services are likely to reduce by 0.7% in real terms after 2025.
  - Funding provided in 2022-23 for the 1.25% increase in National Insurance Contributions (now reversed) is being clawed back from the additional grant funding provided to Councils, by approximately £200m in 2023-24 and 2024-25. Consequently, we have assumed a reduction in our Services Grant allocation.
  - Full details of the allocation of funding within CSP will be announced later this month in the 2023-24 Finance Settlement. There are still a number of issues remaining to be resolved, even though there is no change in the overall allocations. Decisions will have to be made about Lower Tier Services Grant (LTSG), 2022-23 Services Grant and the New Homes Bonus.
  - Local government funding reforms (Fair Funding Review and business rates retention changes) have been pushed back to at least 2025/26;
  - 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 these have been converted into specific funding allocations for individual local authorities were announced as part of the final local government finance settlement on 6 February 2023.

## **3 LOCAL GOVERNMENT FINANCE SETTLEMENT 2023-24**

- 3.1 The Final Finance Settlement for 2023/24 was announced on 6 February 2023. There were no changes to the overall allocations from the Provisional Finance Settlement.
- 3.2 The Council's Settlement Funding Assessment for 2023/24 is made up of its Business Rates Baseline Funding and a 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 Business Rates revaluation exercise and the decision to freeze the business rates multiplier, the Business Rates Baseline and Tariff Payments have been amended in 2023/24.

**Table 1 – Settlement Funding Assessment (Core Funding)**

	<b>Actual 2022/23 £000</b>	<b>Actual 2023/24 £000</b>	<b>2023/24 % Increase</b>
<b>Settlement Funding Assessment</b>			
<b>Revenue Support Grant</b>	<b>173</b>	<b>173</b>	<b>0.0%</b>
<b>Business Rates income</b>	<b>9,729</b>	<b>11,207</b>	
<b>Tariff Payment to government</b>	<b><u>-6,027</u></b>	<b><u>-7,367</u></b>	
<b>Business Rates Baseline Funding</b>	<b>3,702</b>	<b>3,840</b>	<b>3.7%</b>

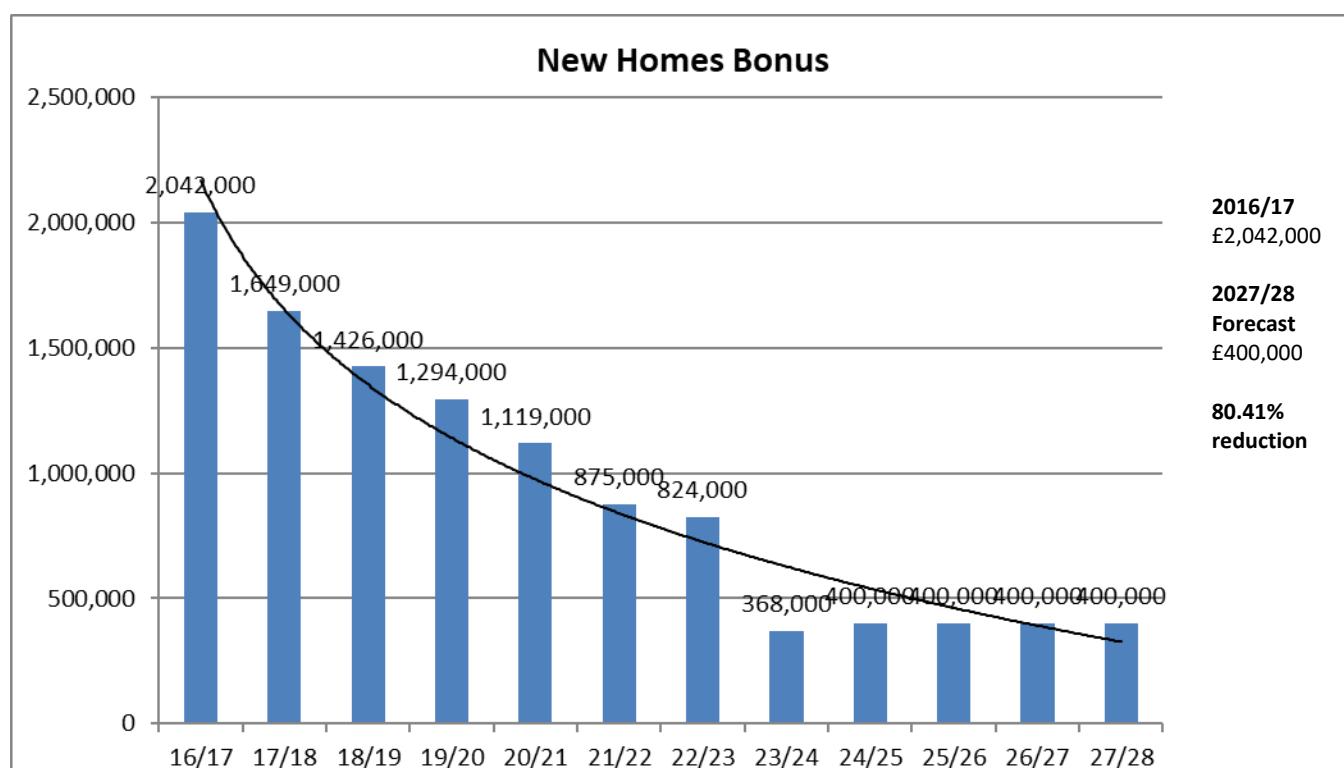
- 3.3 Local authorities will be fully compensated for the decision to freeze the business rates multiplier by way of additional S31 Grant.
- 3.4 Two grants currently included in Service Accounts (Council Tax Family Annexe Grant and the Local Council Tax Support Administration Grant) have now been rolled into Revenue Support Grant (RSG). The overall impact of this is £9,424 higher grant than included in the draft budget report.
- 3.5 **New Homes Bonus (NHB)** payment for 2023/24 will be £369,245 for this Council, £1,245 higher than included in the draft budget report. The government say that they will set out the future position of the NHB ahead of the 2024/25 finance settlement. Consequently, the future of the NHB is a considerable risk to the Medium Term Strategy from 2024/25 onwards.
- 3.6 The **Services Grant** continues in 2023/24 but at a much reduced level (national total reducing from £822m in 2022/23 to £464m in 2023/24) mainly as a result of the removal of funding for the National Insurance Contribution increase (now reversed). FDC's allocation is £149,720 which is £43,280 lower than included in the draft budget.
- 3.7 **The Lower Tier Services Grant** has been abolished from 2023/24 onwards. However, there is a new **3% Funding Guarantee** which ensures that no authority has a Core Spending Power increase of less than 3% without having to increase their Band D council tax. FDC's allocation is £600,957. The net impact is £431,606 higher than included in the draft budget.
- 3.8 **Core Spending Power (CSP)** for local government as whole has increased by 9.4% and for Shire Districts by 5.0%. Our increase in CSP is 4.8%. 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 Services Grant and new CSP Guarantee 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 38% of the increase in CSP and Council Tax is now around 57% 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.
- 3.9 Although the settlement was for 2023/24 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 CSP Guarantee Grant.
- 3.10 In summary, the final settlement (excluding Business Rates income) has provided a total of £398,995 of additional resources compared with what was included in the draft budget report.

## Fair Funding Review

- 3.11 Local government funding reforms (Fair Funding Review and business rates retention changes) have been pushed back to at least 2025/26.

## 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 this Council's allocation. 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.
- 4.2 Actual NHB received in 2020/21 was £1.119m, in 2021/22 it was £875k and in 2022/23 it is £824k. It was announced in last year's finance settlement that no new legacy payments would be made in future. The actual NHB payment for 2023/24 will be £369k which represents the in-year amount only (calculation based on dwelling numbers from October 2021 – October 2022).
- 4.3 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.



- 4.4 The Future of the New Homes Bonus is very uncertain. The current national total of £291m 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 £400k of NHB funding in the MTFs from 2024/25 onwards. These could be replaced by allocations we receive from whatever the new Housing Incentive system will look like
- 4.5 **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 six 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 number of business rates relief schemes and multiplier caps and freezes implemented by the government over the last few years.

### **Business Rates Pooling Arrangement – 2023/24**

- 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, 2021/22 and 2022/23. 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 2022/23, 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 MHCLG of their intention to remain as a pool for 2023/24 as there is still expected to be a net benefit to each authority. For the purposes of the 2023/24 estimates, an amount of £350k has been 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 MHCLG by the end of January 2023.
- 5.7 Following announcements in the SR2021 and subsequently in the Autumn Statement 2022, it is now unlikely that there will be any major changes to the rates retention system until 2025/26. Consequently, assuming the current pooling arrangements continue, an amount of £350k per annum has been included in the MTFs as a pooling benefit to this Council.

### **Business Rates Reform – 2025/26 onwards**

- 5.8 As stated earlier, no major changes will take place until 2025/26 at least. At that time, it is likely that the Baseline Funding Level of all Councils will be reset with all 'growth' income being taken into account nationally and redistributed in the new system. In the estimate for 2023/24 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 2025/26 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 £1.904m in 2023/24) and the benefits from current pooling arrangements (estimated £350k in 2023/24) 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 over the medium term.**

## **6 ADDITIONAL BUSINESS RATES RELIEF MEASURES 2023/24**

### **2023/24 Retail, Hospitality and Leisure Relief Scheme and Supporting Small Business Relief Scheme**

- 6.1 At the Autumn Statement on 17 November 2022, the Chancellor announced a package of business rates support measures for retail, hospitality and leisure properties and small businesses in 2023/24.
- 6.2 The 2023/24 Retail, Hospitality and Leisure (RHL) Business Rates Relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 75% relief (increasing from the current 50% relief), up to a cash limit of £110,000 per business.
- 6.3 A new Supporting Small Business (SSB) relief scheme will ensure that no small business faces a bill increase greater than £50 per month for 2023/24 as a result of losing eligibility for Small Business Rate Relief or Rural Rate Relief due to an increased rateable value following the revaluation exercise.
- 6.4 Guidance about the operation and delivery of these reliefs was provided by government on 21 December 2022. 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.
- 6.5 The reliefs 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 2023/24.

## **7 FORECAST OUTTURN 2022/23**

- 7.1 The approved budget set by Council in February 2022, showed a shortfall of £203k which was to be funded from the Budget Equalisation Reserve to the extent that it was needed at the end of 2022/23.
- 7.2 An updated projection for 2022/23, taking into account the latest estimate of spending and income pressures, was included in the draft budget report presented to Cabinet on 12 December 2022. At that time, a shortfall of £197k was being projected for 2022/23. The reasons for the change in projected shortfall were detailed in the draft budget report.
- 7.3 The latest projected outturn for 2022/23 is set out at Appendix A and show the likelihood of a surplus in the region of £69k by the end of this financial year.
- 7.4 The main reasons for the changes since the draft budget report are additional investment income (-£65k), additional income from the VAT sharing arrangement with Clarion (-£58k), reduced interest payable and MRP charge from reprofiling of capital programme (-£83k), allocation from the national business rates levy account surplus (-£31k) and additional use of the Cambridgeshire Horizons reserve (-£28k).
- 7.5 There are still uncertainties around the final position for 2022/23 and there is no requirement at this time, to formally approve an amount to be transferred to 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 projected surplus at year-end is maintained.

## 8 BUDGET ESTIMATES 2023/24 AND MTFS

- 8.1 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 (2023/24) but for forecast years as well, within a reasonable level of tolerance.
- 8.2 The impact of the Final Local Government Finance Settlement has been incorporated into the figures in this report.
- 8.3 The Council's medium term forecasts are shown at Appendix B and summarised in Table 2 below. The table includes a 2% Council Tax decrease in 2023/24 and a 0% Council Tax increase over the medium term.

**Table 2 - MTFS - 2% decrease in 2023/24; 0% increase in 2024/25 onwards**

	Estimate	Forecast	Forecast	Forecast	Forecast
	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
<b>Expenditure</b>					
Net Service Expenditure	15,926	15,885	16,196	16,366	16,783
Corporate Items	754	1,052	813	929	1,542
Contribution to/from(-) Earmarked Reserves	-740	-131	-42	42	42
Contribution from Business Rates Reserve	-211	0	0	0	0
<b>Net Expenditure (before use of balances)</b>	<b>15,729</b>	<b>16,806</b>	<b>16,967</b>	<b>17,337</b>	<b>18,367</b>
<b>Funding</b>					
Revenue Support Grant	-173	-173	-173	-173	-173
Business Rates Funding <i>(detailed in Appendix B)</i>	-7,756	-7,916	-7,862	-7,891	-7,916
Business Rates Collection Fund Deficit	211	0	0	0	0
Council Tax Collection Fund Surplus(-)	-87	-50	-50	-50	-50
Council Tax <i>(2% decrease in 23/24; increases of 0% in 24/25 onwards)</i>	-7,928	-8,023	-8,119	-8,215	-8,310
<b>Total Funding</b>	<b>-15,733</b>	<b>-16,162</b>	<b>-16,204</b>	<b>-16,329</b>	<b>-16,449</b>
<b>Shortfall(+) before use of balances</b>	<b>-4</b>	<b>+644</b>	<b>+763</b>	<b>+1,008</b>	<b>+1,918</b>
Contribution to Budget Equalisation Reserve	4	0	0	0	0
<b>Shortfall(+) after use of balances</b>	<b>0</b>	<b>+644</b>	<b>+763</b>	<b>+1,008</b>	<b>+1,918</b>

- 8.4 Government support for 2023/24 was confirmed as part of the final finance settlement. This Council will receive retained business rates and a 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 and the Autumn Statement 2022. However, subject to further clarity on the detailed implementation of the announcements, there remains significant uncertainty in these projections.
- 8.5 The figures in Table 2 incorporates the assumptions detailed at Appendix C. With the final funding announcements and a 2% decrease in Council Tax a surplus of £4k is currently forecast for 2023/24. **It is proposed that a contribution of £4k to the Budget Equalisation Reserve be made at this time to achieve a balanced budget for 2023/24.**



- 8.6 The net budget requirement for 2023/24 is currently estimated at **£15.733m** (£15.729m plus £0.004m transfer to reserves) after all identified savings, contingencies and reserve transfers are included.
- 8.7 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.
- 8.8 A nominal allowance of an additional £25k of in-year savings has been made in the 2023/24 budget associated with the My Fenland transformation programme. It is envisaged that a transformation programme to reflect how the Council wishes to deliver services in the future and to address the forecast deficits in the MTFS will be initiated during the course of 2023/24 with an expectation that the associated savings will be delivered over the current MTFS.
- 8.9 Taking into account the proposals in the Table 2 above, the estimated net budget requirement in 2023/24 is detailed in Appendix A. The level of forecast resources available to the Council and the estimated levels of expenditure over the medium term are set out in detail in Appendix B. These show a funding gap of £1.918m by the end of 2027/28.
- 8.10 There is still considerable uncertainty around the estimates for 2023/24 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 Settlements on 2023/24 and the medium term;
- Impact of potential changes to the New Home Bonus methodology and allocations from April 2024;
- Impact of the business rates revaluation from April 2023 and longer-term changes to the Business Rates Retention system from April 2025;
- Impact of potential additional costs and 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 Port Income (sale of Port Sutton Bridge);
- Continuing impact of homelessness temporary accommodation costs in 2023/24 and the medium term and the impact on recovery of housing benefit subsidy;
- Potential for additional support for the Leisure Management contractor in 2023/24, (over and above the provision provided in the estimates) and over the medium term, as a result of the energy costs crisis. A full year's Management Fee income from the Leisure Contractor has currently been included in the 2023/24 estimates and each subsequent year of the MTFS;
- Impact of increases in Fees and Charges (where feasible) on the 2023/24 estimates and MTFS;
- Impact of service developments eg. Car Parking Enforcement (CPE);
- Revenue impact of funding new capital schemes not currently included in the capital programme. There are currently a number of schemes which require consideration with potentially substantial funding needed over the medium term (see Section 16);

- Potential impact of the Council's future transformation programme with associated savings. Further detailed work is required to quantify the scope of this programme and associated savings;
- Review of the recharge of staff time to the LATCO (Fenland Future Ltd) to quantify potential revenue savings. Currently recharges of £125k in 2022/23 onwards have been assumed in the MTFS;
- 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;
- Review of the General Fund Balance and Earmarked Reserves to ensure they align with the future requirements of the Council;
- Potential positive impact over the MTFS of implementing the outcomes from the Accommodation Strategy.

8.11 **Whatever impact the above issues may have however, there will remain a significant structural deficit for the Council to address over the medium term.**

8.12 The forecasts for the years 2024/25 – 2027/28 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 already identified through the My Fenland transformation initiative.

8.13 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 the term of the MTFS. Further to the risks associated with these externally determined funding streams the Council should also ensure that income budgets are achieved and new income streams considered and implemented for medium to long term sustainability in combination with any operational and transformational benefits that the Council realises. The use of general reserves to support revenue expenditure adds to the overall risks to the Council as such reserves can only be used once but the cumulative impact of such use will continue to be felt into the future.

### **Other Risks**

#### **Capital Programme – Future Funding**

8.14 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.

8.15 For example, a £1m scheme with a 20 year life, funded by prudential borrowing, would result in around an additional £90,000 per annum in interest (4%) and repayment costs.

8.16 Consequently, a review of the current capital programme together with potential new schemes (as detailed in Section 16) and the ongoing revenue cost impact will be undertaken to ensure the programme is sustainable within the context of the Council's Medium Term Financial Strategy.

8.17 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 2025/26, NHB reduces from 2025/26

and the impact of an additional £1m per year borrowing associated with new capital schemes.

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

	Estimate	Forecast	Forecast	Forecast	Forecast
	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
<b>MTFS Shortfall - Appendix B</b>	<b>0</b>	<b>644</b>	<b>763</b>	<b>1,008</b>	<b>1,918</b>
<i>(2% CT decrease in 2023/24; 0% increase 24/25 onwards)</i>					
50% loss of NNDR growth income			600	600	600
Increasing NHB threshold by 0.1%			100	150	200
Additional £1m per year borrowing	20	110	200	290	380
<b>Revised Shortfall</b>	<b>20</b>	<b>754</b>	<b>1,663</b>	<b>2,048</b>	<b>3,098</b>

- 8.18 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 or new capital schemes and the potential impact on this Council.

## 9 PARISH PRECEPTS

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

## 10 FEES AND CHARGES

- 10.1 The Overview and Scrutiny Panel reviewed fees and charges for 2023/24 at its meeting on 16 January 2023 and these were subsequently considered by Cabinet on 30 January 2023. All of the recommendations from these meetings have been included in the financial forecasts.

## 11 SPECIAL AND GENERAL EXPENSES

- 11.1 For the purposes of Section 35 of the Local Government Finance Act 1992, the Council needs to pass appropriate resolutions for each financial year to determine how expenses which could legally be regarded as special should be treated.
- 11.2 If expenses are treated as special expenses, then they must be charged against the parts of the Council's area to which they relate.
- 11.3 Parish precepts are special expenses and cannot be treated as general expenses.
- 11.4 Drainage Board and Port Health levies which affect only part of the Council's area are treated as general expenses unless the Council resolves otherwise. These are currently treated as general expenses and it is recommended that this position continues for 2023/24.
- 11.5 Expenses incurred by the Council in performing, in part of its area, a function performed elsewhere by a parish council are special expenses unless the Council determines otherwise. Currently, these are treated as general expenses. To maintain this position, it is recommended that the Council determines that such expenses should not be treated as special expenses for the financial year 2023/24.

## 12 PORT HEALTH

- 12.1 The Port Health levy for 2023/24, based on expected expenditure, is recommended as shown in Table 4 below for Council to approve.

**Table 4: Port Health Levy 2023/24**

Description	£
a) Port Health anticipated expenditure	17,819
b) Port Levy	
Fenland District Council	15,770
South Holland District Council	1,247
King's Lynn and West Norfolk Borough Council	802
Total	17,819

## 13 COUNCIL TAX 2023/24

- 13.1 As part of the 2023/24 Final Local Government Finance Settlement, the government has confirmed that the referendum limit is at 3% or £5, whichever is higher for 2023/24 for District Councils. A 3% increase on the Band D Council Tax equates to £7.74 per annum (a 2.97% increase due to roundings).
- 13.2 Social care authorities, such as Cambridgeshire County Council can also increase their element of council tax by a further 2% (5% in total).
- 13.3 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 shows a 2% reduction in Council Tax for 2023/34 but extends the MTFs period showing 0% increases thereafter to 2027/28. 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 had been exacerbated by Covid-19. A Council Tax reduction of 2% for 2023/24 is, ultimately, a political decision for Full Council to make if it should so decide, just as a continued freeze or even an increase in the Council Tax level for 2023/24 would be for Full Council to decide.
- 13.4 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 medium-term 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 would be a last resort in order to minimise the financial effects of Council Tax on all of Fenland's households.
- 13.5 For information, an additional 1% increase in Council Tax in 2023/24 would have generated in the region of £81,000 of revenue per annum to the Council. Even with this additional revenue included, the estimates by 2027/28 show a significant shortfall (see Table 5 below).

### Council Taxbase

- 13.6 The amount of Council Tax income recognised in the estimates is determined by the Council Taxbase (Band D equivalents) and the level of Band D Council Tax. For 2023/24, the Council Taxbase has been calculated using the number of dwellings (as notified by the Valuation Office Agency), the impact of exemptions and discounts (eg. Single Person discount) and the amount of Council Tax Support awarded.
- 13.7 In addition, an allowance for growth and for non-collection is included to produce the estimated taxbase. For 2023/24, the taxbase has been calculated as 31,059 (Band D equivalents), an increase of 395 (1.29%) on 2022/23.

- 13.8 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 2023/24 for Fenland District Council.
- 13.9 A decrease in Council Tax levels of 2% has been included for 2023/24. In line with the motion agreed by Council on 18 July 2019, assumed Council Tax increases of 0% have been included for the remaining period of the MTFS from 2024/25.
- 13.10 At this level of Council Tax, there will be a deficit to fund by the end of the current MTFS period. Consequently, the Council will need to continually consider its strategy to meet the estimated shortfalls shown at Table 2 and in Appendix B, particularly if there are additional impacts from the funding reforms from 2025/26 onwards together with the impact of new capital schemes.
- 13.11 The implications of not increasing Council Tax over the remainder of the MTFS is that the Council will 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.
- 13.12 Council can of course agree to a higher increase (up to the referendum limit of 3%) and a 1% increase in Council Tax raises around £81,000 revenue per annum. Table 5 shows the implications of increasing the Council Tax in 2023/24 by 2.97% per annum and thereafter compared to reducing the Council Tax by 2% in 2023/24 and freezing it throughout the remainder of the MTFS period.

**Table 5: MTFS Deficits at Differing Council Tax increases in 2023/24 onwards**

Deficits based on different % increases	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000
Deficits at 2% decrease in 23/24 and 0% increase in 24/25 onwards <i>(as shown in Table 2/Appendix B)</i>	0	+644	+763	+1,008	+1,918
Additional CT with 2.97% increase p.a. from 2023/24	-403	-657	-925	-1,209	-1,508
Net position at 2.97% increase	-403	-13	-162	-201	+410

- 13.13 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 are currently being examined. Officers are working through some of the technical challenges involved in implementing this with an expectation that a scheme will be introduced in next year's budget, with Fenland's museums being the currently suggested beneficiaries.

13.14 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 2023/24**

COUNCIL TAX BASE	2023/24 31,059		2022/23 30,664	
	£	Band D £	£	Band D £
Fenland District Council Precept (Appendix A)	<u>7,927,495</u>		<u>7,986,741</u>	
<b>Fenland District Band D Council Tax</b>	<b>-2.00%</b>	<b>255.24</b>	<b>0.00%</b>	<b>260.46</b>
MAJOR PRECEPTORS				
County Council	(4.99%)	1,542.87	(4.99%)	1,469.61
Police & Crime Commissioner	(5.80%)	272.52	(4.03%)	257.58
Fire Authority	(6.60%)	79.92	(1.96%)	74.97
Combined Authority		12.00		0.00
Sub Total BAND D TAX		2,162.55		2,062.62
Parish Councils-average (Appendix F)	(5.55%)	51.17	(0.88%)	48.48
<b>Total average Band D Tax</b>		<b>2,213.72</b>		<b>2,111.10</b>
<b>Total average increase over 2022/23</b>		<b>£102.62 (4.86%)</b>		

13.15 The County Council increase for 2023/24 includes 3% for the Adult Social Care precept (£44.09) and 1.99% on the general council tax (£29.17), giving a total increase of 4.99% (£73.26). For 2023/24, the Police and Crime Commissioner is allowed to increase council tax by up to £15.00 on a Band D property. The actual increase is £14.94 (5.80%). Cambridgeshire and Peterborough Combined Authority has agreed a precept for the first time in 2023/24, resulting in a council tax level of £12.00 on a Band D property.

### **Council Tax Support Fund**

13.16 Alongside the Local Government Finance Settlement, the Government announced £100m of additional funding for local authorities to support the most vulnerable households in England.

13.17 The Government expects local authorities to use the majority of their funding allocations to reduce Council Tax bills for current working age and pension age Local Council Tax Support (LCTS) claimants by up to £25. Councils can then use their remaining allocation as they see fit and determine their own local approach to further support vulnerable households with Council Tax bills.

13.18 The Council is expected to deliver this using their discretionary powers under s13A(1)(c) of the Local Government Finance Act 1992.

13.19 This Council has been allocated £190,482 of funding for this scheme. It is proposed that the following local approach is adopted to utilise this funding:

- a) To apply the required reductions of up to £25 to all current LCTS claimants to their 2023-24 Council Tax bills;
- b) To maximise use of the fund by providing additional top up payments to all current LCTS claimants to their 2023-24 Council Tax bills;
- c) To retain sufficient funding to provide additional s13A(1)(c) Exceptional Hardship Payment (EHP) funding and use this throughout 2023-24 to:

- I. support new LCTS claimants with a similar one-off reduction to their 2023-24 Council Tax bills, AND
- II. provide additional support to vulnerable customers via the existing EHP claim form route.

- 13.20 Support will also continue to be available for those who may be economically vulnerable but just outside of the income threshold for LCTS eligibility through the allocation of s13A(1)(c) awards directly to their Council Tax bills via a separate non-LCTS claim form route.
- 13.21 The Council will monitor expenditure regularly as part of the monitoring requirements and encourage take up of EHP to help maximise use of the funding.
- 13.22 There is no requirement for a separate scheme design under this proposal which utilises the Council's existing s13A(1)(c) process and in accordance with the New Burdens doctrine reasonable administration costs will be funded following a government assessment later in the year.

#### **14 COUNCIL TAX SUPPORT SCHEME 2023/24**

- 14.1 Each year, the Council is required to review and approve its Council Tax Support Scheme (CTSS). The only changes relate to the prescribed pensioner scheme for 2023/24 which are determined by the usual annual regulations and which the Council has no discretion over.
- 14.2 The Council can only determine the working age CTSS and there are no proposals to change the current scheme for 2023/24. The current scheme is set out in the following link: <https://www.fenland.gov.uk/CTSS2022>
- 14.3 Consequently, it is proposed that the current working age CTSS scheme be continued with effect from 1 April 2023 with the prescribed pensioner scheme being updated by the relevant regulations.

#### **15 COUNCIL TAX LONG TERM EMPTY PREMIUMS AND SECOND HOME PREMIUMS**

- 15.1 The Regeneration & Levelling Up Bill (the Bill) is currently passing through Parliament and the Department of Levelling Up, Housing and Communities (DLUHC) is aiming for Royal Assent in Spring 2023. The Bill proposes, amongst other proposals, two important changes to council tax, as follows:
- A change in the application of a council tax premium on 'long term empty' dwellings. Currently, if a property has been unoccupied and unfurnished for 2 years but less than 5 years, then a 100% council tax premium can be applied to the property. The Bill is proposing to shorten that 2 year period to 1 year. 'Long term empty' premiums are applied to encourage owners to bring properties back into use so they are not left empty for extended periods.
  - The implementation of a council tax premium on 'second homes'. 'Second homes' are properties which are unoccupied but furnished. The Bill proposes the local authorities may apply a 100% council tax premium on second homes. This would mean an owner of a second home in the district would pay double the normal council tax charge.
- 15.2 Both of these changes can only come into effect if the Bill receives Royal Assent and even then the earliest that both of these changes can come into effect is 1 April 2024.
- 15.3 The Bill states that to apply these changes, approval to do so must be given at least 12 months before the implementation date. Therefore, approval is being sought now on the basis that should the Bill receive Royal Assent, the Council will have the required 12 months lead in period, in order to apply the premiums from 1 April 2024.

- 15.4 No allowance for the financial implications of the proposed changes has been made in the Medium Term Forecasts from 2024/25 onwards as currently there is no guarantee that the required legislation will be passed in time.
- 15.5 It is therefore proposed, subject to the relevant legislation being passed:
- to agree to shorten the period a 100% premium on long term empty dwellings is payable from the current 2 years (empty) to 1 year from 1 April 2024.
  - to agree to implement the 100% premium on all second homes from 1 April 2024 (subject to legislation being passed before 31 March 2023).
- 15.6 There is no legal requirement to consult on the recommended changes but there is a legal requirement for implementation of the second homes premium to have a 12 month lead period from the decision to the implementation.
- 15.7 There is a legal requirement to publish any changes to the Council Tax regime in at least one newspaper circulating in the Billing Authority's area. This must be done within 21 days of the resolution being agreed by the Council.
- 15.8 Any amendments made to Council Tax premiums or to apply a second home premium are not based on individual circumstances or family characteristics. The recommendations will therefore apply equally to everyone.

## **16 TREASURY MANAGEMENT STATEMENT, ANNUAL TREASURY INVESTMENT STRATEGY AND CAPITAL STRATEGY 2023/24**

- 16.1 Full details of the proposed Treasury Management, Annual Investment Strategy and Capital Strategy for 2023/24 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 6 February 2023.
- 16.2 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 are now fully adopted into the Treasury Management Strategy Statement (TMSS), Annual Investment reports and the risk management framework from 2023/24.
  - 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.
  - Total external interest payments which includes finance lease interest payments; revised estimate for 2022/23 is £486,400 and the estimate for 2023/24 is £617,770. Additionally if the authority were to borrow the full £20.977m, 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 £669,650 by 2025/26.
  - Link Groups forecast for Bank Rate is to continue to increase peaking at around 4.5% in Q2 2023.



- The current Medium Term Financial Strategy assumes that some external borrowing will be required over the four-year period to 31 March 2026.
- 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.
- The council holds £4m in Property Funds which are long term investments. Although the returns from these investments can be higher than short term investments there is an increased risk that capital values will rise and fall.
- Total investment income from temporary investments is estimated at £570,000 for 2022/23 and £550,000 for 2023/2024. Income from pooled property funds is estimated at £125,000 in 2022/23 and £150,000 in 2023/24.

## **17 REVIEW OF GENERAL FUND BALANCE AND EARMARKED RESERVES**

- 17.1 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.
- 17.2 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
- 17.3 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.
- 17.4 Consequently, a review of the level of the General Fund Balance and the number and purpose of the earmarked reserves will be undertaken during 2023/24 and any amendments will be presented to a future meeting of Cabinet and Council. It is envisaged that the level of the General Fund Balance could be reduced and a Transformation Reserve be created from merging several existing earmarked reserves.
- 17.5 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 whilst maintaining a 0% Council tax increase each year. The current balance on this reserve is £1.067m and as part of the budget proposals for 2023/24 detailed in this report an additional transfer of £4k is proposed to this reserve to set a balanced budget, with a further transfer of £69k to the reserve currently being projected for 2022/23. In the debate on the motion proposed by the Leader of the Council on 18th July 2019, he stated that one of the main purposes of the Budget Equalisation Reserve was to facilitate a form of feedback loop to counter what he

described as the Council's systemic outturn surpluses. Table 7, below, demonstrates the point that the Leader was making. It is, ultimately, a matter of political interpretation whether the pattern of repeated outturn surpluses is evidence of taxing residents more than we need to each year, or if it bears a different interpretation. That is entirely a political matter for Full Council to consider. Full Council's decision last year to set a budget requiring a projected deficit of £203k to be met from the Budget Equalisation Reserve does not currently appear, on the basis of the projected 2022/23 outturn estimate in paragraph 7.3 above, to have been successful in creating the feedback loop that the Leader advocated in 2019. At a time of much personal financial pressure for households across Fenland, the Leader proposes that a one-off reduction in Council tax in 2023/24, followed by continuing Council Tax freezes in the following years over the medium term, is a more effective and appropriate way to eliminate the Council's pattern of outturn surpluses, and that the fact that the Budget Equalisation Reserve now stands at over £1m provides the facility to smooth any short term revenue account budget pressures in any year(s) over the term of the MTFs. In that way the Leader proposes that the Council will be able to rebalance its Council Tax take from residents against its spending requirements. That is a political judgment, and it is quite appropriate for Full Council either to accept that judgment or to reach a different political conclusion.

**Table 7: Net Deficit/Surplus(-) transferred from/(to) Reserves/Budget Equalisation Reserve**

	Budget £'000	Outturn £'000	Outturn Transferred to Reserves		
			Capital Reserve	Management of Change	Budget Equalisation
2022/23	203	-69 (estimate)			69
2021/22	842	-584			584
2020/21	0	-167			167
2019/20	151	-115			115
2018/19	73	-200			200
2017/18	0	-935	600	335	

17.6 The analysis of reserves at Appendix G details the projected General Fund and earmarked reserves position at 31 March 2023 and 31 March 2024 taking into account the proposals detailed in this report. The proposed 2% reduction in Council Tax for 2023/24 has no effect on the projected value of the General Fund Balance in 2023/24.

## 18 CAPITAL PROGRAMME

18.1 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.

18.2 In December 2022, Cabinet approved the updated capital programme and resources statement incorporating any changes since the programme was updated and agreed in July 2022.

18.3 Members have continued to receive regular updates on several high profile schemes including Wisbech High Street and the Future High Street Fund, March.

18.4 An updated Capital Programme for 2023-26 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.

18.5 Members will be aware that due to significant cost increases, the scheme to extend South Fens Enterprise Park, Chatteris has been temporarily paused. This has resulted in the CPCA requesting repayment of the balance of their grant (£941k) awarded for this

project. Consequently, the remaining FDC balance of the original scheme funding of £1m remains in the updated programme while officers reassess the options available which could result in a future funding application to the CPCA.

- 18.6 To fulfil the Council's health and safety requirements, short-term repairs to the suspended quay at Wisbech Port, totalling £1m are required in 2023/24 and provision for these repairs is included in the updated programme at Appendix D, subject to Cabinet and Council approval. Further repairs are required within the next 3 years and members will be presented with a separate report on the condition of the suspended quay at the March 2023 Cabinet meeting. No allowance has been included for these further repairs at this stage.
- 18.7 There are a number of projects which will require consideration over the coming months for which no allowance has yet been made and which could potentially significantly impact the Council's capital programme.

#### Accommodation Strategy

- 18.8 Currently members and officers are working closely with the Council's professional advisors to produce an Accommodation Strategy. The decisions taken will inform the level of work required at Fenland Hall and The Base over the life of the capital programme. When decisions are taken regarding members' preferred option/s the capital programme will be adjusted accordingly. On this basis no commitments relating to Fenland Hall and the Base have been included in the current programme.

#### Structural Works – Wisbech Port

- 18.9 Major capital works commenced in the 2020/21 financial year to address health and safety risks identified following a survey of Crab Marsh quay. These works completed within budget in the 2021/22 financial year. During the 2021/22 financial year a further survey was commissioned covering the remaining stretch of operational quay at the Port of Wisbech. Officers working with external consultants have determined the cost of rectifying the structural deficiencies identified and a separate report on this issue will be presented to members at their March 2023 meeting. As detailed above, only the short-term repairs required in 2023/24 have been included in the updated programme at Appendix D. No allowance has been included at this stage for the medium-term repairs required.

#### Commercial and Investment Strategy Schemes

- 18.10 From February 2020 the programme has reflected the Council's decision to allocate £25m to take forward schemes in accordance with the Council's Commercial and Investment Strategy. Around £4m of this allocation has been spent to date and the remaining allocation has been profiled to reflect the anticipating timing of future projects, including those due to be delivered by Fenland Future Limited. However, the Investment Board retains the discretion to vary when the available funds are utilised over the life of the programme.

#### Other Potential Schemes

- 18.11 In addition to the above, there are a number of other schemes which have been identified by officers for funding over the medium term and will require consideration over the coming months including but not limited to:
- Cemeteries – increasing burial plot availability at Mount Pleasant Cemetery, Wisbech
  - Economic Estates – new roof at Longhill Road, Industrial Estate
  - Car Parks – resurfacing of Chapel Road Car Park, Wisbech
  - Moorings renewals at West End Park, March
  - Industrial Land – resurfacing works at Algores Way/Europa Way

- Leisure Centres – future refurbishment and improvement programme
  - Marine Services – refurbishment/replacement of Tug
- 18.12 A comprehensive review of the current capital programme and incorporating the above projects will need to be undertaken together with its ongoing revenue cost impact to ensure the programme is sustainable within the context of the Council's Medium Term Financial Strategy.
- 18.13 It is proposed that a comprehensive review of the programme be undertaken and reported to Cabinet in July 2023.
- 18.14 Should resources from external funding and/or capital receipts not generate the level of receipts forecast, or there is a delay in disposal of assets, then the capital programme will need re-visiting to ensure funding is sufficient to meet proposed expenditure including through borrowing. Reviews of the programme and resources available are carried out regularly during the year.
- 18.15 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 programme detailed at Appendix D are reflected in the medium term forecasts at Appendix B.

## **19 RISK ASSESSMENT**

- 19.1 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.
- 19.2 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.

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

20.1 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.**

20.2 The proposed budget is set against the context of significant economic uncertainty in a post-Covid-19 world, the current cost of living crisis, 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 2024/25 and the medium term is very uncertain.

### **20.3 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 202/24 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 small financial surplus for the financial year 2023/24.

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 proposals decreasing Council Tax by 2% in 2023/24 and not increasing the Council Tax over the remainder of 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 13.12 of this report. In addition, as detailed in paragraph 3.8, 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 2023/24, 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 2023/24 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 17 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 2023/24 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 2022/23 £	Projected Outturn 2022/23 £	Estimate 2023/24 £
<b>Service Summary</b>			
Growth & Infrastructure	1,393,994	1,443,724	1,149,154
Communities, Environment, Leisure & Planning Resources & Customer Services	4,506,914	4,561,575	5,044,350
Pay Award 2022/23 : £1,925 flat rate increase	8,511,540	8,836,910	9,732,920
	700,000	0	0
<b>NET COST OF GENERAL FUND SERVICES</b>	<b>15,112,448</b>	<b>14,842,209</b>	<b>15,926,424</b>
<b>Corporate Items</b>			
Drainage Board Levies	1,707,950	1,707,900	1,877,510
Contributions to/ (from) Earmarked Reserves	-760,410	-522,008	-740,187
Contributions to/(from) Business Rates Reserve	-760,789	-983,656	-211,048
RTB/VAT Sharing Income	-70,000	-128,350	-20,000
Financing Charges - <i>Interest/Minimum Revenue Provision</i>	945,035	864,814	1,015,890
Investment Income and Property Funds Income	-630,000	-695,000	-775,000
New Homes Bonus	-823,959	-823,959	-369,245
Vacancy Factor (1.5%)	0	0	-199,000
Lower Tier Services Grant	-169,351	-169,351	0
Services Grant	-255,198	-255,198	-143,800
Core Spending Power 3% Guarantee Grant	0	0	-606,877
Business Rates Levy Account Surplus allocation	0	-31,046	0
Transformation Programme - additional savings	0	0	-25,000
<b>Corporate Items</b>	<b>-816,722</b>	<b>-1,035,854</b>	<b>-196,757</b>
<b>Net Expenditure</b>	<b>14,295,726</b>	<b>13,806,355</b>	<b>15,729,667</b>
Contribution to/from(-) Budget Equalisation Reserve	0	69,108	3,695
<b>NET EXPENDITURE after use of balances</b>	<b>14,295,726</b>	<b>13,875,463</b>	<b>15,733,362</b>
<b>Core Funding</b>			
Revenue Support Grant	-589	-589	-173,414
<b>Business Rates - Income due in Year</b>			
Business Rates Funding	-9,319,912	-9,319,912	-10,557,996
Tariff Payment to Government	6,027,242	6,027,242	7,367,123
Renewable Energy Rates Retained	-1,954,839	-1,954,839	-1,904,210
Business Rates Pool - FDC Share of Benefit	-300,000	-300,000	-350,000
Business Rates S31 Grants due in year	-2,860,614	-2,860,107	-2,911,969
Business Rates Levy due in year	505,355	727,714	600,615
	<b>-7,902,768</b>	<b>-7,679,902</b>	<b>-7,756,437</b>
<b>Business Rates Collection Fund Deficit(+)</b>	<b>1,835,529</b>	<b>1,835,529</b>	<b>211,048</b>
<b>Council Tax Collection Fund Deficit(+)/Surplus(-)</b>	<b>-43,760</b>	<b>-43,760</b>	<b>-87,064</b>
<b>Council Tax</b>	<b>-7,986,741</b>	<b>-7,986,741</b>	<b>-7,927,495</b>
<b>Business Rates and Council Tax Funding</b>	<b>-14,098,329</b>	<b>-13,875,463</b>	<b>-15,733,362</b>
<b>Surplus(-)/Shortfall(+)</b>	<b>197,397</b>	<b>0</b>	<b>0</b>

<b>GROWTH AND INFRASTRUCTURE</b>			
<b>Service</b>	<b>2022/23 Current Approved Estimate £</b>	<b>2022/23 Projected Outturn £</b>	<b>2023/24 Original Estimate £</b>
<b>Direct Services</b>			
Transport Development	132,690	135,780	105,200
Miscellaneous (Clocks, Monuments)	5,750	5,750	6,000
Drainage (District)	3,000	3,000	3,500
Highways (District)	129,400	155,400	187,500
Car Parks	211,600	211,600	203,000
Marine Services	457,060	530,910	318,950
Economic Estates	-135,500	-134,300	-280,050
Sewage Treatment Works	11,480	16,150	18,220
Parish Council Concurrent Functions	59,834	59,834	55,834
Economic Development	180,440	187,000	195,280
Regeneration	20,830	21,630	-35,580
HLF- High St Wisbech	11,310	11,470	0
<b>Total Direct Services</b>	<b>1,087,894</b>	<b>1,204,224</b>	<b>777,854</b>
<b>Support Services</b>			
Asset & Project Services	376,100	319,500	483,300
<b>Net Cost of Services</b>	<b>1,463,994</b>	<b>1,523,724</b>	<b>1,261,154</b>
<b>Less Support Services Recharges to Capital Schemes</b>	<b>-70,000</b>	<b>-80,000</b>	<b>-112,000</b>
<b>TOTAL GROWTH AND INFRASTRUCTURE</b>	<b>1,393,994</b>	<b>1,443,724</b>	<b>1,149,154</b>

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 2023/24 include the assumptions on pay, expenditure and income detailed at Appendix C. In addition, staff cost allocations to services have been reviewed for 2022/23 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.



<b>COMMUNITIES, ENVIRONMENT, LEISURE &amp; PLANNING</b>			
<b>Service</b>	<b>2022/23 Current Approved Estimate £</b>	<b>2022/23 Projected Outturn £</b>	<b>2023/24 Original Estimate £</b>
<b>Direct Services</b>			
Housing Strategy	154,650	157,540	161,580
Private Sector Renewals	88,180	92,660	90,120
Housing Standards	18,670	29,440	100,070
Care & Repair	39,610	40,080	31,320
CCTV	50,350	58,370	55,680
Safer Fenland	77,310	81,230	105,620
Licensing	-28,380	-29,810	-12,430
Housing Options	257,265	277,900	237,140
Housing Needs and Advice	-50,810	-265,390	90,570
Community Development	122,000	126,250	132,760
Travellers Services	-55,310	-65,590	-76,570
Pollution Reduction	125,930	126,520	135,930
Public Health	468,130	522,450	272,750
Food Safety	143,860	116,890	142,350
Health and Safety	60,550	49,710	74,150
Refuse Collection - Domestic	1,202,860	1,370,640	1,409,530
Garden Waste	-105,750	-111,200	-133,970
Refuse Collection - Trade Waste	-206,360	-229,590	-249,180
Street Cleansing	959,040	1,001,570	1,002,810
Streetscene	213,310	241,500	231,790
Public Conveniences	20,180	20,360	19,820
Arts Development & Culture	24,330	26,880	33,700
Planning Policy	175,830	182,410	177,730
Development Management	-172,450	-169,360	-220,850
Building Control	47,109	47,110	54,110
Conservation	31,530	31,530	41,790
Planning Compliance	91,040	88,610	97,770
Technical Support	221,650	232,200	214,640
Leisure Centres	-199,330	-196,140	-125,210
Sports Development	98,640	54,335	169,535
Parks and Open Spaces	543,340	552,370	612,670
Cemeteries	-7,310	-8,130	39,450
Markets and Fairs	-13,010	-12,030	-12,105
Community Events	76,660	82,690	105,420
Vehicle Workshop	33,600	37,570	33,860
<b>TOTAL COMMUNITIES, ENVIRONMENT, LEISURE &amp; PLANNING</b>	<b>4,506,914</b>	<b>4,561,575</b>	<b>5,044,350</b>

<b>RESOURCES AND CUSTOMER SERVICES</b>			
<b>Service</b>	<b>2022/23 Current Approved Estimate £</b>	<b>2022/23 Projected Outturn £</b>	<b>2023/24 Original Estimate £</b>
<b>Direct Services</b>			
Miscellaneous Central Services	158,540	158,540	158,540
Unfunded Pension Costs/Apprenticeship Levy	1,076,200	1,077,650	1,023,490
Corporate Management	1,059,800	1,134,140	1,040,990
Council Tax Cost of Collection	351,050	370,360	549,080
Business Rates Cost of Collection	-11,910	-8,900	-7,290
Housing Benefits	930,640	1,052,830	1,067,750
ICT Direct Service Costs	746,750	753,880	745,550
Policy	262,820	276,690	290,670
Land Charges	-96,400	-85,150	-27,050
Elections & Electoral Registration	190,450	170,950	351,450
Democratic Services	532,730	548,370	628,690
Emergency Planning	-78,250	-76,820	57,690
<b>Total Direct Services</b>	<b>5,122,420</b>	<b>5,372,540</b>	<b>5,879,560</b>
<b>Support Services</b>			
Accountancy	602,050	631,030	680,120
Information & Communication Technology	535,270	534,490	562,390
Customer Services	953,730	974,630	1,120,730
Post & Reprographics	128,380	132,250	134,360
Internal Audit	114,490	111,320	121,530
Legal Services	233,830	231,860	256,780
Corporate Health & Safety	24,510	24,750	19,910
Human Resources	318,860	338,190	378,290
Fenland Hall	350,500	355,200	424,700
The Base	127,550	130,650	154,550
<b>Total Support Services</b>	<b>3,389,170</b>	<b>3,464,370</b>	<b>3,853,360</b>
<b>TOTAL RESOURCES AND CUSTOMER SERVICES</b>	<b>8,511,590</b>	<b>8,836,910</b>	<b>9,732,920</b>

**APPENDIX B**

(2% reduction in Council Tax in 2023/24 and 0% increase thereafter)

<b>Medium Term Financial Strategy</b>	Projected 2022/23 £000	Estimate 2023/24 £000	Forecast 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000	Forecast 2027/28 £000
<b>Expenditure</b>						
<b>Service Expenditure/Income</b>						
Gross Service Expenditure	26,544	26,768	26,480	26,802	26,983	27,411
Gross Service Income	-11,703	-10,842	-10,595	-10,606	-10,617	-10,629
<b>Total Net Service Expenditure</b>	<b>14,842</b>	<b>15,926</b>	<b>15,885</b>	<b>16,196</b>	<b>16,366</b>	<b>16,783</b>
<b>Corporate Items</b>						
<b>Corporate Expenditure/Savings</b>						
Drainage Board Levies	1,708	1,878	1,924	1,973	2,022	2,072
Financing Charges - Interest on External Borrowing	488	619	772	796	803	809
Financing Charges - Current Capital Programme - MRP	377	397	681	734	748	762
Vacancy Factor (1.5%)	0	-199	-204	-209	-214	-220
Transformation Programme - additional savings	0	-25	0	0	0	0
	2,573	2,669	3,174	3,294	3,358	3,423
<b>Corporate Income Items</b>						
Contribution to(+)/from(-) Earmarked Reserves	-521	-740	-131	-42	42	42
Contribution to(+)/from(-) Business Rates Reserve	-984	-211	0	0	0	0
RTB/VAT Sharing Income	-128	-20	-20	-20	-20	-20
Investment and Property Fund Income	-695	-775	-950	-1,310	-1,260	-710
New Homes Bonus	-824	-369	-400	-400	-400	-400
Lower Tier Services Grant	-169	0	0	0	0	0
CSP Guarantee Grant	0	-601	-601	-601	-601	-601
Services Grant	-255	-150	-150	-150	-150	-150
Business Rates Levy Account Surplus allocation	-31	0	0	0	0	0
Contribution to Budget Equalisation Reserve	69	4	0	0	0	0
	-3,539	-2,862	-2,252	-2,522	-2,388	-1,838
<b>Total Corporate Items</b>	<b>-966</b>	<b>-193</b>	<b>922</b>	<b>771</b>	<b>970</b>	<b>1,585</b>
<b>Gross Service/Corporate Expenditure</b>	<b>29,117</b>	<b>29,438</b>	<b>29,653</b>	<b>30,095</b>	<b>30,341</b>	<b>30,835</b>
<b>Gross Service/Corporate Income</b>	<b>-15,241</b>	<b>-13,704</b>	<b>-12,847</b>	<b>-13,128</b>	<b>-13,005</b>	<b>-12,467</b>
<b>Net Budget Requirement</b>	<b>13,876</b>	<b>15,734</b>	<b>16,807</b>	<b>16,967</b>	<b>17,336</b>	<b>18,368</b>
<b>Funding - RSG, Business Rates &amp; Council Tax</b>						
<b>Revenue Support Grant</b>	<b>-1</b>	<b>-173</b>	<b>-173</b>	<b>-173</b>	<b>-173</b>	<b>-173</b>
<b>Business Rates</b>						
Business Rates Baseline Funding	-9,320	-10,558	-11,854	-11,981	-12,110	-12,235
Tariff Payment to Government	6,027	7,367	7,677	7,753	7,831	7,909
Renewable Energy Rates Retained	-1,955	-1,904	-1,717	-1,599	-1,563	-1,524
Business Rates Pool - FDC Share of Benefit	-300	-350	-350	-350	-350	-350
Business Rates S31 Grants due in year	-2,860	-2,912	-2,379	-2,404	-2,429	-2,455
Business Rates Levy due in year	728	601	708	719	730	739
Business Rates Collection Fund Deficit	1,836	211	0	0	0	0
<b>Total Business Rates Funding</b>	<b>-5,844</b>	<b>-7,545</b>	<b>-7,916</b>	<b>-7,862</b>	<b>-7,891</b>	<b>-7,916</b>
<b>Council Tax</b>						
Council Tax Collection Fund Surplus(-)/Deficit	-44	-87	-50	-50	-50	-50
Council Tax (2% reduction in 2023/24 and 0% in 24/25 onwards)	-7,987	-7,927	-8,023	-8,119	-8,215	-8,310
<b>Total Council Tax Funding</b>	<b>-8,031</b>	<b>-8,015</b>	<b>-8,073</b>	<b>-8,169</b>	<b>-8,265</b>	<b>-8,360</b>
<b>Total Funding - RSG/Business Rates/Council Tax</b>	<b>-13,875</b>	<b>-15,733</b>	<b>-16,162</b>	<b>-16,204</b>	<b>-16,329</b>	<b>-16,450</b>
<b>Surplus(-)/Shortfall(+)</b>	<b>0</b>	<b>0</b>	<b>+644</b>	<b>+763</b>	<b>+1,008</b>	<b>+1,918</b>

## 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 12 of the main report.

The main assumptions are as follows:

- 2% Council Tax reduction for 2023/24 and 0% thereafter (1% increase generates around £81k of resources and 2.97% around £240k of resources).
- 1.29% increase in Council Tax base in 2023/2024 (Tax-base 31,059) and 1.20% thereafter (increase of 375 Band D equivalent properties per annum).
- Inflation increases in Retained Business Rates income from 2024/25 onwards. Future net benefits from Business Rates will be dependent upon the impact of any potential system re-set and other changes from April 2025 onwards.
- Inclusion of this Council's share (£350k) of the potential benefit arising from the continuation of the Cambridgeshire Business Rates Pool in 2023/24 onwards. Potential benefit from the Pool in future years will be dependent on any changes to the Business Rates Retention System from April 2025.
- Continuation of the Services Grant (£144k allocated in 2023/24) and the Core Spending Guarantee Grant (£607k allocated in 2023/24) in 2024/25. 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 (£368k allocated in 2023/24) has been included at £400k per annum from 2024/25 onwards 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.
- 4% pay award in 2023/24 (£460k cost) and 2% 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 31.03.2022, the contribution rate for 2023/24 – 2025/26 is to increase slightly to 17.6% of salary (17.4% in 2022/23) with an additional past deficit lump sum payment of £922k for 2023/24, £884k for 2024/25 and £845k for 2025/26 representing an overall increase of 1% p.a. in total contributions.
- Inclusion of a vacancy factor for 2023/24 onwards, equivalent to a reduction in staff costs of 1.5% (£199,000 in 2023/24).
- Specific allowance for inflation where required eg: employee costs (as detailed above), business rates, external contracts, energy and water, fuel costs, drainage board levies etc. Otherwise, no allowance for inflation has been included.
- Investment interest rates are forecast to increase to a peak of 4.5% in Q2, 2023 before subsequently decreasing back to 2.5% in Q3, 2025 (£550k estimated income in 2023/24).
- Investment income includes the £4m investment in property funds in March 2022 (£150k p.a. income net of costs in 2023/24).

- Forecast income levels from fees and charges in 2023/24 include the agreed fee increases together with a review of activity levels.
- For 2023/24 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. Further support has been agreed in 2022/23 to mitigate the significant impact of rising energy costs. Further support has been requested in 2023/24 and an appropriate contingency has been included in the estimates. This request for further support will be considered by Cabinet at their March 2023 meeting.
- For 2022/23 onwards, 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.
- Recharges to Fenland Future Limited to reflect the use of FDC officer time on the company's behalf has been included (£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 (or costs) 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.
- £25k of in-year savings has been included in 2023/24 for further potential savings from the My Fenland transformation programme. It is envisaged that a new transformation programme will be initiated in 2023/24 with an expectation that associated savings will be achieved over the current MTFS period.

APPENDIX D

**CAPITAL PROGRAMME AND FUNDING 2022 - 2026**

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital Programme (excluding Commercial and Investment Strategy Schemes)	10,436	17,772	2,378	1,550
Commercial and Investment Strategy Schemes	700	2,800	9,300	8,177
<b>CURRENT FORECAST EXPENDITURE</b>	<b>11,136</b>	<b>20,572</b>	<b>11,678</b>	<b>9,727</b>

**FORECAST RESOURCES AVAILABLE**

Capital Grants	8,042	9,600	1,077	950
Usable Capital Receipts - In Year	540	250	250	250
Reserves used in year to fund Capital	106	149	0	0
Section 106s and Other Contributions	197	45	0	0
Borrowing (Internal and Prudential)	1,551	7,728	1,051	350
<b>Forecast Resources - Capital Programme (attached)</b>	<b>10,436</b>	<b>17,772</b>	<b>2,378</b>	<b>1,550</b>
Borrowing (Prudential) - CIS	700	2,800	9,300	8,177
<b>Total Forecast Resources</b>	<b>11,136</b>	<b>20,572</b>	<b>11,678</b>	<b>9,727</b>

**CAPITAL PROGRAMME SUMMARY 2022/23 - 2025/26**

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
<b>Leisure Centres</b>								
1 Condition Survey Improvements	450	1,450	651		2,551	2,551		
<b>Regeneration Programmes</b>								
2 Fenland Renaissance and Place Shaping		16			16	16		
3 Heritage Lottery Fund - Non-FDC Properties	135				135	81	54	£54k HLF Grant.
4 Heritage Lottery Fund - 24 High Street, Wisbech	200	2,800			3,000	2,762	238	£238k HLF Grant.
5 Railway Station Master-Planning	350				350	73	277	£277k CPCA Grant, £40k S106
6 Future High Street Fund, March	750	7,622			8,372	197	8,175	£2,000k CPCA, £6,122k DLUHC Future High Streets, £53k DLUHC 'Changing Places' Grant
7 Growing Fenland - Capital Grants	33				33		33	£33k CPCA Grant
<b>Cemeteries</b>								
8 Cemetery Chapels Condition Survey Works	135	180			315	315		
9 Remedial Works in Closed Cemeteries	85	285	50		420	420		
<b>Highways</b>								
10 Category 2 Street Lights - FDC Lights	20	154			174	174		
11 Street Light Improvements - Parishes (Contribution to Cat 2 Replacements)	6				6	6		£6k Capital Contribution Reserve
12 Growing Fenland - Civil Parking Enforcement	25	200	127		352		352	£352k CPCA Grant
13 Huntingdon Road Improvements, Chatteris	5	85			90	90		
<b>Environment</b>								
14 Replacement and Grant-Funded Additional Litter Bins	53				53	53		
15 Pollution Monitoring Equipment	14				14	14		
<b>Port</b>								
16 Boat/Vessels - Replacement Deck, Hull and Engines	47				47	47		
17 Wisbech Suspended Quay - Structural Concrete Repairs (Short term repair works)		1,000			1,000	1,000		
<b>Sub Total</b>	<b>2,308</b>	<b>13,792</b>	<b>828</b>	<b>0</b>	<b>16,928</b>	<b>7,799</b>	<b>9,129</b>	

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
<b>Brought Forward</b>	<b>2,308</b>	<b>13,792</b>	<b>828</b>	<b>0</b>	<b>16,928</b>	<b>7,799</b>	<b>9,129</b>	
<b>Parks and Open Spaces</b>								
18 Parks, Play Areas and Open Space - Chatteris	40				40	40		£6k S106 money
19 Parks, Play Areas and Open Space - Doddington	75				75	75		£21k S106 money
20 Parks, Play Areas and Open Space - Guyhirn	50				50	50		£48k S106 money
21 Parks, Plays Areas and Open Space - Whittlesey	46				46	46		
22 Wisbech Water Park	255				255	105	150	£148K CPCA Grant, £2K Wisbech Town Council, £41k S106
23 Wisbech Park Pavillion	100	540			640	41	599	£240K Cambs CC Capital Communities Fund Grant, £299K CPCA Grant, £60K DLUHC Changing Places Grant, £41k S106
24 Wisbech Park - Tree Works	20				20		20	£20k DLUHC Levelling Up Parks Fund
25 Wisbech Park - Play Area Refurbishment		122			122	75	47	£47k DLUHC Levelling Up Parks Fund, £45k S106
<b>Vehicles and Plant</b>								
26 Vehicles	364	80	200	200	844	844		
27 CCTV Cameras	40	20			60		60	£60k Safer Fenland Funding
<b>ICT System Replacement Programme &amp; Upgrades</b>								
28 Replacement & Upgrade Programme	100	448	100	100	748	748		£249k Management of Change Reserve
<b>Improvement of Assets</b>								
29 Sewage Treatment Works Refurbishment	280	500	300	300	1,380	1,380		
30 March Moorings Renewals	14	10			24	24		
31 Lattersey Nature Reserve - Capping Layer		40			40	40		
32 Energy Efficiency Improvements to Clarion Properties	5,203				5,203		5,203	£5,203k BEIS 'Wave 1' Funding
33 Nene Waterfront Infrastructure Improvements	20	180			200		200	£200k Brownfield Land Release Fund
<b>Car Parks</b>								
34 Eastwood, Chatteris		150			150	150		
<b>Economic Estates</b>								
35 Replacement of AV Equipment/WiFi at Business Centres	50				50	50		
36 South Fens Business Park Expansion	60	940			1,000	1,000		
<b>Private Sector Housing Support</b>								
37 Private Sector Renewal Grants	240	40	40	40	360		360	£360k Govt Grant
38 Disabled Facilities Grants	1,171	910	910	910	3,901		3,901	£3,901k Govt Grant
<b>Total - Approved Programme</b>	<b>10,436</b>	<b>17,772</b>	<b>2,378</b>	<b>1,550</b>	<b>32,136</b>	<b>12,467</b>	<b>19,669</b>	

Capital Grants	8,042	9,600	1,077	950	19,669		
Usable Capital Receipts - In Year	540	250	250	250	1,290		
Reserves used in year to fund Capital	106	149	0	0	255		
Section 106s and Other Contributions	197	45	0	0	242		
Borrowing (Internal and Prudential)	1,551	7,728	1,051	350	10,680		
	<b>10,436</b>	<b>17,772</b>	<b>2,378</b>	<b>1,550</b>	<b>32,136</b>		



## Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2023/24

### 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 revisions need to be included in the reporting framework from 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 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 These changes are now fully 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 2021 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.

4.4 **Training** - The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

The training needs of treasury management officers and members are periodically reviewed.

**5 Capital Prudential Indicators 2023/24 to 2025/26**

- 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.

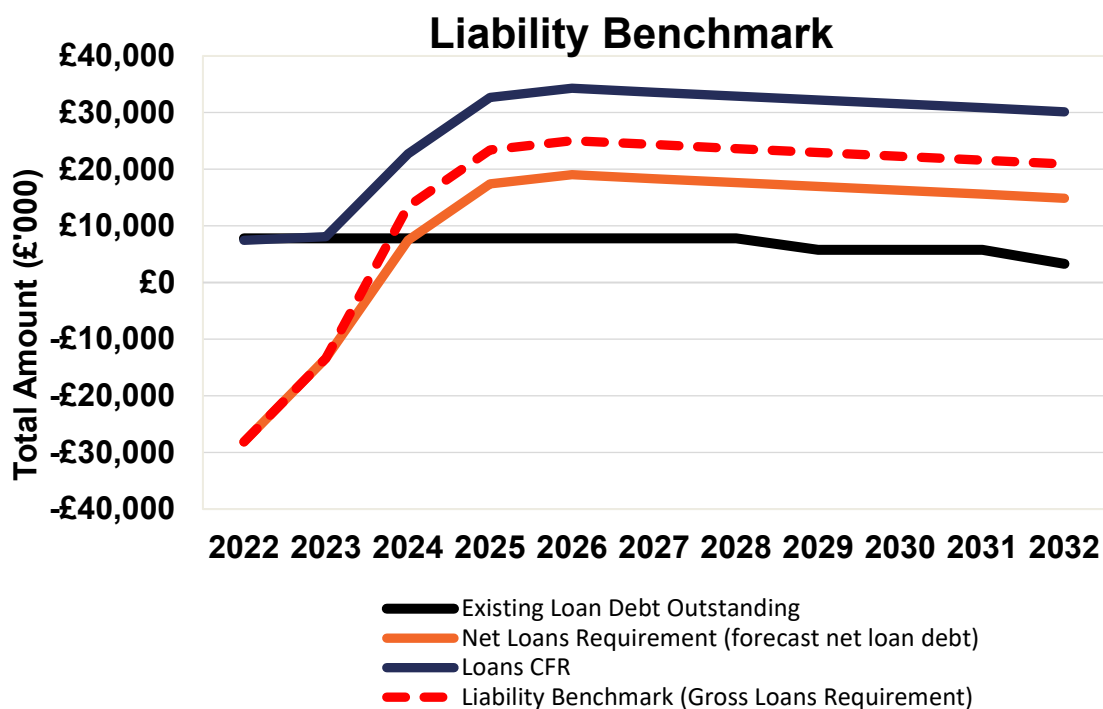
<b>Capital Programme</b>	<b>2022/23 Revised Estimate £000</b>	<b>2023/24 Estimate £000</b>	<b>2024/25 Estimate £000</b>	<b>2025/26 Estimate £000</b>
<b>Forecast Capital Expenditure</b>	<b>10,476</b>	<b>17,732</b>	<b>2,378</b>	<b>1,550</b>
<b>Commercial and Investment Strategy Schemes</b>	<b>700</b>	<b>2,800</b>	<b>9,300</b>	<b>8,177</b>
<b>TOTAL</b>	<b>11,176</b>	<b>20,532</b>	<b>11,678</b>	<b>9,727</b>
Financed by:				
Capital Grants	8,042	9,600	1,077	950
Capital Receipts	540	250	250	250
Reserves used in year to fund Capital	106	149	0	0
Section 106 and Other Contributions	197	45	0	0
<b>Total Financing</b>	<b>8,885</b>	<b>10,044</b>	<b>1,327</b>	<b>1,200</b>
<b>Net Financing Need For The Year (Borrowing)</b>	<b>2,291</b>	<b>10,488</b>	<b>10,351</b>	<b>8,527</b>

- 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 £20.977M 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 and residential property acquired in previous financial years 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.

<b>Capital Financing Requirement (CFR)</b>	<b>2022/23 Revised Estimate £000</b>	<b>2023/24 Estimate £000</b>	<b>2024/25 Estimate £000</b>	<b>2025/26 Estimate £000</b>
<b>CFR – as at 31 March</b>				
<b>Opening CFR</b>	<b>7,456</b>	<b>9,370</b>	<b>19,461</b>	<b>29,083</b>
<b>Movement in CFR</b>	<b>1,914</b>	<b>10,091</b>	<b>9,622</b>	<b>7,745</b>
<b>Closing CFR</b>	<b>9,370</b>	<b>19,461</b>	<b>29,083</b>	<b>36,828</b>
<b>Movement in CFR represented by</b>				
Net financing need for the year	2,291	10,488	10,351	8,527
Less MRP and other Financing Movements	(377)	(397)	(729)	(782)
<b>Movement in CFR</b>	<b>1,914</b>	<b>10,091</b>	<b>9,622</b>	<b>7,745</b>

- 5.10 A third and new prudential indicator for 2023/24 is the Liability Benchmark (LB). The liability benchmark is a measure of how well the existing loans portfolio matches the authority's planned borrowing needs.
- 5.11 The purpose of this prudential indicator is to compare the authority's existing loans outstanding (the black line) against its future need for loan debt, or liability benchmark (the red line).
- 5.12 The liability benchmark below indicates a future borrowing requirement over the life of this strategy.
- 5.13 The timing of actual borrowing arranged may differ from the liability benchmark depending on actual cash balances, the rate at which the capital programme is delivered and actual use of reserves and working capital



## 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. The property funds referred to elsewhere in this document do not 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.

<b>Year End Resources</b>	<b>2022/23 Revised Estimate £000</b>	<b>2023/24 Estimate £000</b>	<b>2024/25 Estimate £000</b>	<b>2025/26 Estimate £000</b>
<b>Fund balances / reserves</b>	<b>18,000</b>	<b>13,600</b>	<b>13,600</b>	<b>13,600</b>
<b>Expected investments</b>	<b>21,000</b>	<b>15,400</b>	<b>16,000</b>	<b>16,700</b>

## 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.

<b>Financing Costs to Net Revenue Stream</b>	<b>2022/23 Revised Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>General Fund</b>	<b>5.65</b>	<b>7.73</b>	<b>11.53</b>	<b>12.98</b>
<b>Net Revenue Stream</b>	<b>£15.347m</b>	<b>£15.537m</b>	<b>£16.390m</b>	<b>£16.623m</b>

- 8.3 Net Income from Commercial and Service Investments as % of net revenue stream. This indicator identifies the authority's reliance on income from Commercial and Service Investments such as rents from the Council's long-standing portfolio of non-operational assets managed to secure rental income and income from fees and charges earned from providing facilities for conferences and meetings ( economic estates) and one commercial investment property.

<b>Ratio of Income From Commercial and Service Investments to net revenue stream</b>	<b>2022/23 Revised Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>General Fund</b>	<b>6.5</b>	<b>6.8</b>	<b>6.4</b>	<b>6.3</b>
<b>Net Revenue Stream</b>	<b>£15.347m</b>	<b>£15.537m</b>	<b>£16.390m</b>	<b>£16.623m</b>

## 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 2022 for borrowing and investments was £7.906m and £35.9m respectively. As of 31 December 2022, investments are £33.188m (see Appendix A attached) and borrowing £7.895m.
- 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).

	<b>2022/23 Revised Estimate £000</b>	<b>2023/24 Estimate £000</b>	<b>2024/25 Estimate £000</b>	<b>2025/26 Estimate £000</b>
<b>Debt at 1 April</b>	<b>7,800</b>	<b>8,523</b>	<b>19,013</b>	<b>29,363</b>
<b>Expected change in debt to fund capital programme (excluding Commercial and Investment Strategy schemes)</b>	<b>0</b>	<b>7,690</b>	<b>1,050</b>	<b>350</b>
<b>Borrowing to fund Commercial and Investment Strategy Schemes</b>	<b>700</b>	<b>2,800</b>	<b>9,300</b>	<b>8,177</b>
<b>Other long term liabilities (OLTL)</b>	<b>106</b>	<b>23</b>	<b>0</b>	<b>0</b>
<b>Expected change in OLTL</b>	<b>(83)</b>	<b>(23)</b>	<b>0</b>	<b>0</b>
<b>Actual gross debt at 31 March</b>	<b>8,523</b>	<b>19,013</b>	<b>29,363</b>	<b>37,890</b>
<b>Capital financing requirement (CFR) at 31 March</b>	<b>9,370</b>	<b>19,461</b>	<b>29,083</b>	<b>36,828</b>
<b>Borrowing less CFR – 31 March</b>	<b>(847)</b>	<b>(448)</b>	<b>280</b>	<b>1,062</b>

- 9.4 At 1 April 2022 the Council's Debt position comprised other long-term liabilities relating to finance leases of £106k 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 2022, will continue to be carried forward due to the current historically low interest rates.
- 9.5 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years but 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.
- 9.6 The Council notes that the Prudential Code published by CIPFA prohibits local authorities from borrowing in advance of need. This prohibition has been recently re-affirmed by 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.

- 9.7 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 £20.977M and borrowing was undertaken over 4 years (see table 9.3 above) funded by a maturity loan at today's rate.

<b>YEARS</b>	<b>INTEREST DUE (EXISTING CAPITAL SCHEMES) £000</b>	<b>INTEREST DUE (FUNDING OF COMMERCIAL AND INVESTMENT STRATEGY) £000</b>	<b>TOTAL  £000</b>
2022/23	486,400	2,630	489,030
2023/24	617,770	105,000	722,770
2024/25	770,700	373,650	1,144,350
2025/26	795,220	669,650	1,464,870

- 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.

<b>Operational Boundary</b>	<b>2022/23 Revised Estimate £000</b>	<b>2023/24 Estimate £000</b>	<b>2024/25 Estimate £000</b>	<b>2025/26 Estimate £000</b>
<b>Debt</b>	<b>7,800</b>	<b>15,500</b>	<b>16,500</b>	<b>17,000</b>
<b>Other long term liabilities</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Commercial Activities / Non Financial Investments</b>	<b>20,977</b>	<b>20,977</b>	<b>20,977</b>	<b>20,977</b>
<b>Total</b>	<b>29,777</b>	<b>37,477</b>	<b>38,477</b>	<b>38,977</b>

- 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.

Authorized Limit	2022/23 Revised Estimate £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000
<b>Debt</b>	<b>12,800</b>	<b>19,500</b>	<b>20,500</b>	<b>21,000</b>
<b>Other long term liabilities</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Commercial Activities / Non Financial Investments</b>	<b>20,977</b>	<b>20,977</b>	<b>20,977</b>	<b>20,977</b>
<b>Total</b>	<b>34,777</b>	<b>41,477</b>	<b>42,477</b>	<b>42,977</b>

## 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.

Link Group Interest Rate View	19.12.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
<b>BANK RATE</b>	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

- 10.2 Links central forecast for interest rates was updated on 19 December and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. Bank Rate stands at 3.5% currently but is expected to reach a peak of 4.5% in Q2, 2023.
- 10.3 Further down the road, Link anticipate that the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures have lessened – but that timing will be one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.
- 10.4 The CPI measure of inflation looks to have peaked at 11.1% in Q4 2022 (currently 10.5%). Despite the cost-of-living squeeze that is still taking shape, the Bank will want to see evidence that wages are not spiralling upwards in what is evidently a very tight labour market
- 10.5 Regarding the plan to sell £10bn of gilts back into the market each quarter (Quantitative Tightening), this has started and will focus on the short, medium and longer end of the curve in equal measure, now that the short-lived effects of the Truss/Kwarteng unfunded dash for growth policy are firmly in the rear-view mirror.
- 10.6 PWLB Rates - The yield curve movements have become less volatile of late and PWLB 5 to 50 years Certainty Rates are, generally, in the range of 4.10% to 4.80%. Link view is that markets have built in, already, nearly all the effects of gilt yields of the likely increases in Bank Rate and the elevated inflation outlook.
- 10.7 Borrowing advice – Links long-term (beyond 10 years) forecast for Bank Rate stands at 2.5%. As all PWLB certainty rates are currently above this level, better value can generally be obtained at the shorter end of the curve and short-dated fixed borrowing should be considered. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive whilst the market waits for inflation, and therein gilt yields, to drop back later in 2023.

- 10.8 Investment returns are expected to improve in early 2023. However, while markets are pricing in a series of Bank Rate hikes, actual economic circumstances may see the MPC fall short of these elevated expectations
- 10.9 The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years.
- 10.10 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 The Council is currently forecasting an under-borrowed position, where the CFR balance is greater than gross debt over part of the strategy.
- 11.3 Where the Council has insufficient internal resources to funds 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 2026. 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 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.

<b>Maturity structure of fixed interest rate borrowing 2023/24</b>	<b>Lower %</b>	<b>Upper %</b>
<b>Under 12 months</b>	<b>0</b>	<b>40</b>
<b>12 months to 2 years</b>	<b>0</b>	<b>50</b>
<b>2 years to 5 years</b>	<b>0</b>	<b>75</b>
<b>5 years to 10 years</b>	<b>0</b>	<b>75</b>
<b>10 years and above</b>	<b>0</b>	<b>100</b>

<b>Maturity structure of variable interest rate borrowing 2023/24</b>	<b>Lower %</b>	<b>Upper %</b>
<b>Under 12 months</b>	<b>0</b>	<b>100</b>
<b>12 months to 2 years</b>	<b>0</b>	<b>100</b>
<b>2 years to 5 years</b>	<b>0</b>	<b>100</b>
<b>5 years to 10 years</b>	<b>0</b>	<b>100</b>
<b>10 years and above</b>	<b>0</b>	<b>100</b>

## **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,
- 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) 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 2021 ("the Code"); and
  - CIPFA Treasury Management Guidance Notes 2021.
- 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 DLUHC launched an 8-week consultation on the future of the IFRS 9 statutory override from 11 August 2022 to 7 October 2022. The aim of this consultation was to collect the views of Authorities and other stakeholders, and to collect additional information needed to understand the financial risks associated with both continuing the statutory override or allowing reversion to the Code of Practice on Local Authority Accounting. The responses to the consultation have now been considered and Ministers have decided to extend the existing IFRS 9 statutory accounting override for a further 2 years until 31 March 2025. DLUHC will publish the Government's full response to the consultation early 2023.

- 13.12 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.
- 13.13 The current forecast shown in paragraph 10.1, includes for bank rate to continue to increase peaking at around 4.5% in Q2 2023.
- 13.14 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	
2022/23 (remainder)	4.00%
2023/24	4.40%
2024/25	3.30%
2025/26	2.60%

- 13.15 Estimated investment income is £570,000 for 2022/23 and £550,000 in 2023/24. These estimates assume that none of the existing cash balances held by the Authority will be utilised to fund schemes approved by the Investment Board.
- 13.16 £4m of the Council's investments are held in externally managed pooled property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability.
- 13.17 As the Council's externally managed funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's medium to long-term investment objectives are regularly reviewed. Although the returns from these investments can be higher than short term investments there is an increased risk that capital values will rise and fall. The 2022/23 projected outturn for property fund income is £125,000 and the estimate for 2023/24 is £150,000.
- 13.18 **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.<sup>20</sup>

	2023/24 £000	2024/25 £000	2025/26 £000
<b>Maximum principal sums invested &gt; 365 days</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>

- 13.19 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.
- 13.20 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.

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 2023/24-2025/26

**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 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 2022/23 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 borrowing is utilised to acquire investment assets this has the potential to increase the Council's overall level of debt by bringing 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.

*Table 1: Year End Investment Balances projected over the period 1 April 2022 – 31 March 2026*

<b>Year End Investments</b>	<b>2022/23 Revised Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Fund balances / reserves</b>	<b>18,000</b>	<b>13,600</b>	<b>13,600</b>	<b>13,600</b>
<b>Expected investments</b>	<b>21,000</b>	<b>15,400</b>	<b>16,000</b>	<b>16,700</b>

*Table 2: Year End Debt and Net Investment projected over the period 1 April 2022– 31 March 2026*

<b>Year-End Debt</b>	<b>2022/23 Revised Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Debt at 1 April</b>	<b>7,800</b>	<b>8,523</b>	<b>19,013</b>	<b>29,363</b>
<b>Expected change in debt to fund capital programme (excluding Commercial and Investment Strategy schemes)</b>	<b>0</b>	<b>7,690</b>	<b>1,050</b>	<b>350</b>
<b>Borrowing to fund Commercial and Investment Strategy schemes</b>	<b>700</b>	<b>2,800</b>	<b>9,300</b>	<b>8,177</b>
<b>Other long term liabilities (OLTL)</b>	<b>106</b>	<b>23</b>	<b>0</b>	<b>0</b>
<b>Expected change in OLT</b>	<b>(83)</b>	<b>(23)</b>	<b>0</b>	<b>0</b>
<b>Actual debt at 31 March</b>	<b>8,523</b>	<b>19,013</b>	<b>29,363</b>	<b>37,890</b>

3.3 At 1 April 2022 the Council's Debt position comprised other long-term liabilities relating to finance leases of £106k 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 2022, 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:

*Table 3: Operational Boundary over the period 1 April 2022 – 31 March 2026*

<b>Operational Boundary</b>	<b>2022/23 Revised Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Debt</b>	<b>7,800</b>	<b>15,500</b>	<b>16,500</b>	<b>17,000</b>
<b>Other long term liabilities</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Commercial Activities/ Non-Financial Investments</b>	<b>20,977</b>	<b>20,977</b>	<b>20,977</b>	<b>20,977</b>
<b>Total</b>	<b>29,777</b>	<b>37,477</b>	<b>38,477</b>	<b>38,977</b>

*Table 4: Authorised Limit over the period 1 April 2022 – 31 March 2026*

<b>Authorised Limit</b>	<b>2022/23 Revised Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Debt</b>	<b>12,800</b>	<b>19,500</b>	<b>20,500</b>	<b>21,000</b>
<b>Other long term liabilities</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Commercial Activities / Non-Financial Investments</b>	<b>20,977</b>	<b>20,977</b>	<b>20,977</b>	<b>20,977</b>
<b>Total</b>	<b>34,777</b>	<b>41,477</b>	<b>42,477</b>	<b>42,977</b>

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:

*Table 5: Projected Minimum Revenue Provision over the period 1 April 2022– 31 March 2026*

	<b>Projected Minimum Revenue Provision (£000)</b>
<b>2022/23</b>	377
<b>2023/24</b>	397
<b>2024/25</b>	729
<b>2025/26</b>	782

- 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 £2.968M per year based on 2022/23 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:

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

<b>Budgeted Income 2022/23 non-operational assets (Economic Estates)</b>	£1.073m
<b>Net Service Expenditure</b>	£14.842M
<b>Commercial Income as a % of Net Service Expenditure</b>	7.2%
<b>Approved Limit</b>	20%

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 £55.66M per year based on 2022/23 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:

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

<b>Gross Debt expected as at 31 March 2023</b>	£7.8M
<b>Net Service Expenditure (2022/23)</b>	£14.842M
<b>Gross Debt as a proportion of Net Service Expenditure</b>	52.6%
<b>Approved Limit</b>	375%



## 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 2021/22 statutory accounts indicated that, as at 31 March 2022, 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 2024/25s, 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 2023/24

<b>TAX BASE (Equated Band D Properties)</b>	<b>PRECEPT 2022/23 £</b>	<b>COUNCIL TAX PER BAND D PROPERTY £</b>	<b>PARISH</b>	<b>TAX BASE (Equated Band D Properties)</b>	<b>PRECEPT 2023/24 £</b>	<b>COUNCIL TAX PER BAND D PROPERTY £</b>	<b>INCREASE FROM 2022/23 %</b>
357	12,852	36.00	BENWICK	362	12,852	35.50	-1.4
3,384	155,000	45.80	CHATTERIS	3,398	170,000	50.03	9.2
281	16,000	56.94	CHRISTCHURCH	290	18,500	63.79	12.0
863	60,000	69.52	DODDINGTON	873	60,000	68.73	-1.2
1,202	30,000	24.96	ELM	1,257	60,000	47.73	91.3
397	20,000	50.38	GOREFIELD	403	20,000	49.63	-1.5
1,160	56,000	48.28	LEVERINGTON	1,166	58,750	50.39	4.4
911	65,055	71.41	MANEA	922	72,000	78.09	9.4
6,726	320,000	47.58	MARCH	6,763	360,000	53.23	11.9
241	10,000	41.49	NEWTON IN THE ISLE	246	10,000	40.65	-2.0
463	20,660	44.62	PARSON DROVE	459	20,011	43.60	-2.3
400	15,000	37.50	TYDD ST GILES	404	15,000	37.13	-1.0
5,736	172,000	29.99	WHITTLESEY	5,860	174,000	29.69	-1.0
839	67,168	80.06	WIMBLINGTON	880	67,168	76.33	-4.7
6,504	389,640	59.91	WISBECH	6,555	392,670	59.90	0.0
1,200	77,074	64.23	WISBECH ST MARY	1,221	78,230	64.07	-0.3
<b>30,664</b>	<b>1,486,449</b>	<b>48.48</b>	<b>GRAND TOTAL</b>	<b>31,059</b>	<b>1,589,181</b>	<b>51.17</b>	<b>5.55</b>

Reserve Name	Balance 01.04.22 £	Capital Funding £	Revenue Contributions to(+)/from(-) 2022/23 £	Revised Balance 31.03.23 £	Capital Funding £	Revenue Contributions to(+)/from(-) 2023/24 £	Estimated Balance 31.03.24 £	Comments / Conditions of Use
Travellers Sites	388,244		42,570	430,814		57,960	488,774	Can only be used for specific future maintenance liabilities.
CCTV - Plant & Equipment	31,128		10,000	41,128		10,000	51,128	Available for future CCTV maintenance & replacement liabilities.
Station Road, Whittlesey - Maintenance	7,600		2,800	10,400		2,800	13,200	Required for future road maintenance.
Management of Change	494,600	-100,000		394,600	-149,000		245,600	Available for the effective management of any organisational changes required to meet the Council's future priorities.
Business Rates Equalisation Reserve	2,016,333		-983,656	1,032,677		-211,048	821,629	Available to assist the Council in smoothing out volatility in the business rates retention system.
Capital Contribution Reserve	134,794	-6,000		128,794			128,794	Available to fund specific spending commitments in future years.
Port - Buoy Maintenance	146,999		-19,000	127,999			127,999	Available for future buoy maintenance to service windfarms.
Repairs and Maintenance	544,706			544,706			544,706	Available to provide funding for one-off schemes, not covered by the normal Repairs and Maintenance revenue budgets.
Heritage Lottery Fund (HLF) - Wisbech	51,682		-11,470	40,212			40,212	To manage the Heritage Lottery Funded scheme in Wisbech.
Highways Street Lighting	46,675		19,230	65,905		19,230	85,135	Available to fund future repairs and maintenance relating to street lighting.
Solid Wall Remediation	100,000			100,000			100,000	Available to fund potential costs linked to solid wall installations in the District.
Investment Strategy Reserve	1,340,168			1,340,168			1,340,168	Established to provide future funding for Commercial and Investment Strategy projects.
Budget Equalisation Reserve	1,066,644			1,066,644			1,066,644	Year-end surpluses are transferred to this reserve. If a deficit is forecast this reserve can be used to offset the expected shortfall.
Planning Reserve	283,117		-100,000	183,117		-100,000	83,117	Available to fund additional planning costs not reflected in the annual budget, including the development of the Local Plan.
Elections Reserve	60,000		46,872	106,872		-106,872	0	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.
Port - Pilots Staff Development Training	24,000			24,000			24,000	Available to fund the training of maritime pilots to fulfill the authority's statutory functions.
Cambridgeshire Horizons - A14 Contribution	1,008,000			1,008,000		-42,000	966,000	Monies received from Cambridgeshire Horizons specifically for contribution to A14 improvements. To be paid over 25 years at £42k per annum.
Cambridgeshire Horizons	2,691,679		-191,430	2,500,249		-182,000	2,318,249	Available for the Council's future use in accordance with the conditions attached to the receipt.
Specific Government Grants (received in previous years)	1,902,720		-319,095	1,583,625		-399,305	1,184,320	Available to fund specific spending commitments in future years.
<b>TOTAL EARMARKED RESERVES</b>	<b>12,339,086</b>	<b>-106,000</b>	<b>-1,503,179</b>	<b>10,729,907</b>	<b>-149,000</b>	<b>-951,235</b>	<b>9,629,672</b>	
General Fund Balance	2,000,000			2,000,000			2,000,000	Unallocated general reserve required for various and unplanned for contingencies, to mitigate risks associated with future financial planning as well as for general day to day cash flow needs.
<b>TOTAL RESERVES</b>	<b>14,339,086</b>	<b>-106,000</b>	<b>-1,503,179</b>	<b>12,729,907</b>	<b>-149,000</b>	<b>-951,235</b>	<b>11,629,672</b>	

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.

## COUNCIL TAX RESOLUTION

### Council Tax 2023/24

Following consideration of the report to this Council on 20 February 2023 and the setting of the Revenue Budget for 2023/24, 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 2023/24 has been calculated in accordance with the Local Government Finance Act 1992 and associated regulations as follows:
- (a) 31,059 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

<b>Parish</b>	<b>Tax Base</b>
Benwick	362
Chatteris	3,398
Christchurch	290
Doddington	873
Elm	1,257
Gorefield	403
Leverington	1,166
Manea	922
March	6,763
Newton	246
Parson Drove	459
Tydd St Giles	404
Whittlesey	5,860
Wimblington	880
Wisbech	6,555
Wisbech St Mary	1,221
<b>TOTAL</b>	<b>31,059</b>

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 2023/24 (excluding Parish precepts) is £7,927,495.

(3) That the following amounts be now calculated by the Council for the year 2023/24 in accordance with Sections 31 to 36 of the Local Government & Finance Act 1992 (as amended):

- (a) 49,743,010 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) 40,226,334 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) 9,516,676 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) 306.41 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) £1,589,181 being the aggregate amount of all special items referred to in Section 35(1) of the Act **[Parish Precepts]**
- (f) 255.24 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:

<b>Parish</b>	<b>Band D</b>
Benwick	290.74
Chatteris	305.27
Christchurch	319.03
Doddington	323.97
Elm	302.97
Gorefield	304.87
Leverington	305.63
Manea	333.33
March	308.47
Newton	295.89
Parson Drove	298.84
Tydd St Giles	292.37
Whittlesey	284.93
Wimblington	331.57
Wisbech	315.14
Wisbech St Mary	319.31

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

Parish of	Valuation Band								
	A	B	C	D	E	F	G	H	
	£	£	£	£	£	£	£	£	£
<b>BENWICK</b>	193.83	226.13	258.44	290.74	355.35	419.96	484.57	581.48	
<b>CHATTERIS</b>	203.51	237.43	271.35	305.27	373.11	440.95	508.78	610.54	
<b>CHRISTCHURCH</b>	212.69	248.13	283.58	319.03	389.93	460.82	531.72	638.06	
<b>DODDINGTON</b>	215.98	251.98	287.97	323.97	395.96	467.96	539.95	647.94	
<b>ELM</b>	201.98	235.64	269.31	302.97	370.30	437.62	504.95	605.94	
<b>GOREFIELD</b>	203.25	237.12	271.00	304.87	372.62	440.37	508.12	609.74	
<b>LEVERINGTON</b>	203.75	237.71	271.67	305.63	373.55	441.47	509.38	611.26	
<b>MANEA</b>	222.22	259.26	296.29	333.33	407.40	481.48	555.55	666.66	
<b>MARCH</b>	205.65	239.92	274.20	308.47	377.02	445.57	514.12	616.94	
<b>NEWTON IN THE ISLE</b>	197.26	230.14	263.01	295.89	361.64	427.40	493.15	591.78	
<b>PARSON DROVE</b>	199.23	232.43	265.64	298.84	365.25	431.66	498.07	597.68	
<b>TYDD ST.GILES</b>	194.91	227.40	259.88	292.37	357.34	422.31	487.28	584.74	
<b>WHITTLESEY</b>	189.95	221.61	253.27	284.93	348.25	411.57	474.88	569.86	
<b>WIMBLINGTON</b>	221.05	257.89	294.73	331.57	405.25	478.93	552.62	663.14	
<b>WISBECH</b>	210.09	245.11	280.12	315.14	385.17	455.20	525.23	630.28	
<b>WISBECH ST. MARY</b>	212.87	248.35	283.83	319.31	390.27	461.23	532.18	638.62	

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 2023/24 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:


Precepting Authority	Valuation Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
<b>Police &amp; Crime Commissioner for Cambridgeshire</b>	181.68	211.96	242.24	272.52	333.08	393.64	454.20	545.04
<b>Cambridgeshire &amp; Peterborough Fire Authority</b>	53.28	62.16	71.04	79.92	97.68	115.44	133.20	159.84
<b>Cambridgeshire &amp; Peterborough Combined Authority</b>	8.00	9.33	10.67	12.00	14.67	17.33	20.00	24.00
<b>Cambridgeshire County Council</b>	1,028.58	1,200.01	1,371.44	1,542.87	1,885.73	2,228.59	2,571.45	3,085.74
<b>Total</b>	<b>1,271.54</b>	<b>1,483.46</b>	<b>1,695.39</b>	<b>1,907.31</b>	<b>2,331.16</b>	<b>2,755.00</b>	<b>3,178.85</b>	<b>3,814.62</b>

- (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 2023/24 for each of the categories of dwellings shown below:

Parish of	Valuation Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
<b>BENWICK</b>	1,465.37	1,709.59	1,953.82	2,198.05	2,686.51	3,174.96	3,663.42	4,396.10
<b>CHATTERIS</b>	1,475.05	1,720.90	1,966.74	2,212.58	2,704.26	3,195.95	3,687.63	4,425.16
<b>CHRISTCHURCH</b>	1,484.23	1,731.60	1,978.97	2,226.34	2,721.08	3,215.82	3,710.57	4,452.68
<b>DODDINGTON</b>	1,487.52	1,735.44	1,983.36	2,231.28	2,727.12	3,222.96	3,718.80	4,462.56
<b>ELM</b>	1,473.52	1,719.11	1,964.69	2,210.28	2,701.45	3,192.63	3,683.80	4,420.56
<b>GOREFIELD</b>	1,474.79	1,720.58	1,966.38	2,212.18	2,703.78	3,195.37	3,686.97	4,424.36
<b>LEVERINGTON</b>	1,475.29	1,721.18	1,967.06	2,212.94	2,704.70	3,196.47	3,688.23	4,425.88
<b>MANEA</b>	1,493.76	1,742.72	1,991.68	2,240.64	2,738.56	3,236.48	3,734.40	4,481.28
<b>MARCH</b>	1,477.19	1,723.38	1,969.58	2,215.78	2,708.18	3,200.57	3,692.97	4,431.56
<b>NEWTON IN THE ISLE</b>	1,468.80	1,713.60	1,958.40	2,203.20	2,692.80	3,182.40	3,672.00	4,406.40
<b>PARSON DROVE</b>	1,470.77	1,715.89	1,961.02	2,206.15	2,696.41	3,186.66	3,676.92	4,412.30
<b>TYDD ST.GILES</b>	1,466.45	1,710.86	1,955.27	2,199.68	2,688.50	3,177.32	3,666.13	4,399.36
<b>WHITTLESEY</b>	1,461.49	1,705.08	1,948.66	2,192.24	2,679.40	3,166.57	3,653.73	4,384.48
<b>WIMBLINGTON</b>	1,492.59	1,741.35	1,990.12	2,238.88	2,736.41	3,233.94	3,731.47	4,477.76
<b>WISBECH</b>	1,481.63	1,728.57	1,975.51	2,222.45	2,716.33	3,210.21	3,704.08	4,444.90
<b>WISBECH ST. MARY</b>	1,484.41	1,731.82	1,979.22	2,226.62	2,721.42	3,216.23	3,711.03	4,453.24

- (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 2023/24 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.



<b>Agenda Item No:</b>	14	
<b>Committee:</b>	<b>Council</b>	
<b>Date:</b>	<b>20 February 2023</b>	
<b>Report Title:</b>	Approval for the Anglian Revenues Partnership (ARP) entering into a Section 113 agreement with Broadland District Council and South Norfolk Council and for ARP to provide Fraud Services.	

## 1 Purpose / Summary

- 1.1 To seek approval that Fenland DC agree that they should enter into a Section 113 partnership with Broadland District Council and South Norfolk Council in order that Anglia Revenues Partnership provides fraud services.
- 1.2 The funding agreed with Broadland and South Norfolk and the resource to be allocated to this work is considered sufficient to provide fraud services to Broadland and South Norfolk Council's in respect of Council tax, including Council Tax Support fraud and other fraud areas, and to contribute to efficiencies across the partnership.
- 1.3 Arrangements to share staff and access to systems will be considered.
- 1.4 Further, providing a fraud service to Broadland District Council and South Norfolk Council's will add social value to the work of the ARP and throughout Norfolk; that, in turn, might lead to other, similar approaches and opportunities

## 2 Key Issues

- 2.1 Broadland District Council and South Norfolk Council's have asked ARP to provide, and will fund, fraud services. This request has been made following ARP providing a consultancy service review with an options appraisal.
- 2.2 This agreement will require an additional resource of two FTE's. The proposal is to recruit these two new posts on a permanent basis.
- 2.3 ARP's Joint Committee has approved this arrangement however agreement is sought with Fenland DC a partner to ARP.

## 3 Recommendations

- 3.1 Fenland DC to agree to the Section 113 partnership agreement with Broadland and South Norfolk District Councils for the provision of Fraud Services.

Wards Affected	N/A
Forward Plan Reference	
Portfolio Holder(s)	Cllr Jan French
Report Originator(s)	Sam Anthony
Contact Officer(s)	Sam Anthony
Background Papers	None

## Report:

### **1 BACKGROUND AND INTENDED OUTCOMES**

- 1.1** The ARP partnership consists of 5 partners and is not actively looking at new, full partners following a review by the Joint Committee & Members on the 7<sup>th</sup> December 2021, focusing on the existing partners performance and customer journey.
- 1.2** The Joint Committee did, however, agree that where it will benefit the five ARP partners, then ARP will enter into separate arrangements to provide services to other Councils regarding specific elements of their Revenues & Benefits function. Such benefits will include creating greater resilience and will generate further efficiencies to meet ARP's Medium Term Financial Strategy.
- 1.3** Section 113 of the Local Government Act 1972 enables Local Authorities to enter into an agreement as follows:
- “a local authority may enter into an agreement with another local authority for the placing at the disposal of the latter for the purposes of their functions, on such terms as may be provided by the agreement, of the services of officers employed by the former, but shall not enter into any such agreement with respect to any officer without consulting him.”

### **2 REASONS FOR RECOMMENDATIONS**

- 2.1** The proposed approach is preferred as it offers the following benefits:
- Broadland and South Norfolk Council's will provide £109,000 per annum in respect of ARP Officers and systems access to provide a fraud service.
  - The additional resource will add resilience within the existing Fraud team.
  - The potential for the provision of other shared services with others.

### **3 CONSULTATION**

- 3.1 Anglia Revenue Partnership Joint Committee and Operations Improvement Board.

### **4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 To do nothing

### **5 IMPLICATIONS**

#### **5.1 Legal Implications**

- 5.2 A legal partnership agreement between parties to be signed.

#### **5.3 Financial Implications**

- 5.4 Broadland and South Norfolk Council's will contribute £109,000 for the cost of providing fraud services, this includes covering the administration and management of the service. An inflationary uplift for staff costs will be reviewed annually.


#### **5.5 Equality Implications**

N/A

### **7 SCHEDULES**

N/A

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<b>Agenda Item No:</b>	15	
<b>Committee:</b>	<b>Council</b>	
<b>Date:</b>	<b>20 February 2023</b>	
<b>Report Title:</b>	Approval for the Anglian Revenues Partnership (ARP) entering into a Section 113 agreement with Lincolnshire County Council (to include Boston Borough Council, City of Lincoln Council, East Lindsey District Council, West Lindsey District Council, South Kesteven District Council, North Kesteven District Council and South Holland District Council) for ARP to provide Single Person Discount Fraud Services.	

## 1 Purpose / Summary

- 1.1 To seek approval that Fenland DC agree that they should enter into a Section 113 partnership with Lincolnshire County Council (to include Boston Borough Council, City of Lincoln Council, East Lindsey District Council, West Lindsey District Council, South Kesteven District Council, North Kesteven District Council and South Holland District Council) for ARP to provide Single Person Discount Fraud Services.
- 1.2 The funding agreed with Lincolnshire County Council and the resource to be allocated to this work is considered sufficient to provide Lincolnshire County Council and 7 Districts the SPD Review in Council tax.
- 1.3 Further, providing a SPD Review Lincolnshire and its Districts will add social value to the work of the ARP that, in turn, might lead to other, similar approaches and opportunities

## 2 Key Issues

- 2.1 Lincolnshire County Council (to include Boston Borough Council, City of Lincoln Council, East Lindsey District Council, West Lindsey District Council, South Kesteven District Council, North Kesteven District Council and South Holland District Council) have asked ARP to provide, and will fund, a Single Person Discount in Council Tax..
- 2.2 This agreement will require an additional resource of five FTE's within ARP. The proposal is to recruit three new posts on a permanent and two on a temporary basis.
- 2.3 ARP's Joint Committee has approved this arrangement however agreement is sought with Fenland DC a partner to ARP.

### 3 Recommendations

- 3.1 Fenland DC to agree to the Section 113 partnership agreement with Lincolnshire County Council (to include Boston Borough Council, City of Lincoln Council, East Lindsey District Council, West Lindsey District Council, South Kesteven District Council, North Kesteven District Council and South Holland District Council) for the provision of Fraud Services.

Wards Affected	N/A
<b>3 Forward Plan Reference</b>	<b>4</b>
Portfolio Holder(s)	Cllr Jan French
Report Originator(s)	Sam Anthony
Contact Officer(s)	Sam Anthony
Background Papers	None

### Report:

#### 1 BACKGROUND AND INTENDED OUTCOMES

- 1.1 The ARP partnership consists of 5 partners (including Fenland) and is not actively looking at new, full partners following a review by the Joint Committee & Members on the 7<sup>th</sup> December 2021, focusing on the existing partners performance and customer journey.
- 1.2 The Joint Committee did, however, agree that where it will benefit the five ARP partners, then ARP will enter into separate arrangements to provide services to other Councils regarding specific elements of their Revenues & Benefits function. Such benefits will include creating greater resilience and will generate further efficiencies to meet ARP's Medium Term Financial Strategy. One such function is the provision of Fraud Services
- 1.3 Section 113 of the Local Government Act 1972 enables Local Authorities to enter into an agreement as follows:
- “a local authority may enter into an agreement with another local authority for the placing at the disposal of the latter for the purposes of their functions, on such terms as may be provided by the agreement, of the services of officers employed by the former, but shall not enter into any such agreement with respect to any officer without consulting him.”

## **2 REASONS FOR RECOMMENDATIONS**

2.1 The proposed approach is preferred as it offers the following benefits:

- will provide **£295,000 per annum** in respect of ARP Officers and systems access to provide a fraud service.
- The additional resource will add resilience within the existing Fraud team.
- The potential for the provision of other shared services with others.

## **3 CONSULTATION**

3.1 Anglia Revenue Partnership Joint Committee and Operations Improvement Board.

## **4 ALTERNATIVE OPTIONS CONSIDERED**

4.1 To do nothing

## **5 IMPLICATIONS**

### **5.1 Legal Implications**

5.2 A legal partnership agreement between parties to be signed.

### **5.3 Financial Implications**

5.4 Lincolnshire County Council (to include Boston Borough Council, City of Lincoln Council, East Lindsey District Council, West Lindsey District Council, South Kesteven District Council, North Kesteven District Council and South Holland District Council) will contribute £295,000 for the cost of providing fraud services, this includes covering the administration and management of the service. An inflationary uplift for staff costs will be reviewed annually.

### **5.5 Equality Implications**


N/A

## **6 SCHEDULES**

N/A

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Agenda Item No.:	<b>16</b>	
Committee:	<b>Council</b>	
Date:	<b>20<sup>th</sup> February 2022</b>	
Report Title:	<b>Political Proportionality Update</b>	

## 1. PURPOSE/SUMMARY

1.1. The purpose of this Report is to update Full Council on the revised overall political balance of Fenland District Council and the associated arrangements for appointments to the Council's committees and Outside Bodies.

## 2. KEY ISSUES

2.1. The overall political composition of Fenland District Council must be reflected in the appointment of members to its committees in accordance with the political proportionality rules set out in the Local Government and Housing Act 1989.

2.2. Following any change in overall political balance, Fenland District Council is required to undertake a review and to consider any implications for representation on those committees and as a matter of local choice, in relation to its Outside Body appointments.

## 3. RECOMMENDATIONS

It is recommended that Council:

- 3.1 Notes the revised political proportionality of Fenland District Council; and
- 3.2 Approves the proposal that the allocations to Committees and Panels and Outside Bodies as set out at Appendix A and B continue for the remainder of the 2022/23 municipal year.

<b>Wards Affected</b>	All
<b>Portfolio Holder(s)</b>	Cllr Boden, Leader of the Council
<b>Report Originator(s)</b>	<p>Carol Pilson – Corporate Director and Monitoring Officer – <a href="mailto:cpilson@fenland.gov.uk">cpilson@fenland.gov.uk</a></p> <p>Peter Catchpole – Corporate Director and Section 151 Officer <a href="mailto:petercatchpole@fenland.gov.uk">petercatchpole@fenland.gov.uk</a></p> <p>Amy Brown, Assistant Director – <a href="mailto:amybrown@fenland.gov.uk">amybrown@fenland.gov.uk</a></p>
<b>Contact Officer(s)</b>	Elaine Cooper, Team Leader – Elections, Land charges and Member Services – <a href="mailto:ecooper@fenland.gov.uk">ecooper@fenland.gov.uk</a>
<b>Background papers</b>	Fenland District Council's Constitution

#### **4. BACKGROUND/INTRODUCTION**

4.1. For each municipal year, Council must agree the Committees and Panels which are to be established. On establishing the Committees and Panels, in accordance with the rules relating to Political Proportionality the seats on each committee and panel together with the position of Chairman and Vice Chairman are then allocated to Political Parties. Council is also required to confirm allocations to Outside Bodies based again on political proportionality.

#### **5. POLITICAL COMPOSITION OF THE COUNCIL**

5.1. The Council is comprised of 39 Councillors in total.

5.2. The previous political composition of the Council is shown below:

Conservative Group – 27 (69%)

Fenland Independent Alliance (to include 2 Liberal Democrats and 1 Green Party) – 12 (31%)

5.3. On 31<sup>st</sup> January 2023 Councillor J Clark resigned from the Conservative Group and joined the Fenland Independent Alliance.

5.4. As a result of the change in membership of the groups, the political composition of the Council is now as follows:

Conservative Group – 26 (67%)

Fenland Independent Alliance (to include 2 Liberal Democrats and 1 Green Party) – 13 (33%)

#### **6. POLITICAL PROPORTIONALITY OF THE COUNCIL'S COMMITTEES**

6.1. There are currently 65 Committee places for allocation on a politically proportionate basis.

6.2. The Committees and Panels of Fenland District Council and the associated allocation of seats as agreed at the Annual General Meeting of Full Council on 12<sup>th</sup> May 2022 are as identified in Appendix A.

6.3. Due to the changes described in paragraph 5 above, 67% of those seats should now be allocated to the Conservative Group and 33% to the Fenland Independent Alliance.

6.4. The Local Government and Housing Act 1989 requires that the political proportionality rules are applied in the following order of priority:

- That the majority of seats are allocated to a particular political group if the number of people belonging to that group is a majority of the authority's membership;
- That the allocation of seats to committees is politically proportionate; and
- That subject to the above, that overall political proportionality is achieved based on the total number of seats available.

6.5. In this instance, achieving political proportionality within each committee results in the allocation of 45 conservative seats and 20 Fenland Independent Alliance seats (the status quo) whereas it should be 44 conservative seats and 21 Fenland Independent Alliance seats based on the overall figures. However, attempting to amend this via the individual committees then means that the allocation of seats to committees is not proportionate and in accordance with legislation, achieving this should take priority over overall proportionality.

6.6. The following meetings are scheduled to take place between now and the end of the municipal year:

- 27.02: Overview and Scrutiny Panel
- 08.03: Planning Committee
- 09.03: Licensing Committee
- 20.03: Audit and Risk Management Committee
- 29.03: Conduct Committee
- 05.04: Planning Committee
- 26.04: Planning Committee

6.7. New allocations will be proposed and agreed at the next Annual General Meeting of Full Council on 22<sup>nd</sup> May 2023 and following the forthcoming local election.

6.8. Having regard to the above and following discussion with the respective Leaders of the Conservative and Fenland Independent Alliance Groups it is recommended that the status quo is maintained and that the allocations remain as set out at Appendix A and as previously agreed. This results in ongoing political proportionality within committees but not overall however, this remains a legally compliant outcome.

## **7. OUTSIDE BODIES**

7.1. Also in accordance with political proportionality requirements, Fenland District Council allocates seats to Outside Bodies where there are 2 or more appointments to be made. The list of Outside Bodies and the allocation of seats is as set out in Appendix B.

7.2. Appointments to these Outside Bodies were made by Cabinet at its meeting on 13<sup>th</sup> June 2022 and again, it is proposed that the status quo is maintained to ensure appropriate consistency and continuity for the remainder of the municipal year.

## **8. COMMITTEE AND OUTSIDE BODY APPOINTMENTS**

8.1. The Constitution provides that Council agrees the appointments to the seats allocated at paragraph 6 above and the Chief Executive then has delegated authority to make an in-year changes as may be required in consultation with the relevant Group Leader. The allocations as they existed prior to the changes described at paragraph 5 were unaffected and will therefore remain as set out at Appendix C.

8.2. The Constitution provides that Cabinet agrees the appointments to the seats allocated at paragraph 7 above and the Monitoring officer then has delegated authority to make in-year changes as may be required in consultation with the relevant Group Leader. Whilst the overall allocation of seats remains unaffected, Cllr J Clark previously attended March East IBD as a Conservative Group representative and will not now do so. There remains a vacant Fenland Independent Alliance Group allocation to that Outside Body which Cllr J Clark could take up and the Conservative Group may equally seek to nominate an alternative representative to their new vacancy. This can be facilitated via the Monitoring Officer in due course.

## **9. REASONS FOR RECOMMENDATIONS**

9.1. To update members on the changes to the political composition of Fenland District Council and to ensure that the allocation of seats to Committees and Outside Bodies for the remainder of the 2022/23 municipal year continues to comply with statutory political proportionality requirements.

## **10. ALTERNATIVE OPTIONS CONSIDERED**

- 10.1. The Council is legally required to achieve political proportionality in the order set out at paragraph 6.4 of this Report. Provided that political proportionality is achieved within committees, there is no requirement for it to also be achieved overall unless it is possible to do that without disrupting the existing allocation of seats. In this instance, political proportionality can be achieved within committees but not overall which as described is a lawful outcome in accordance with the relevant legislation. The only alternative options would be to change the allocation of seats to committees however, there is no legal requirement to do that and would result in a loss of 5 seats across the respective groups.

## **11. CONSULTATION**

- 11.1. There are no formal consultation requirements connected with the proposals set out in this Report however, the arrangements for achieving proportionality and the outcome recommended has been discussed with and supported by the group leaders.

## **12. IMPLICATIONS**

### **12.1. Legal Implications**

The legal implications are as set out in this report and the recommended approach is compliant with the requirements of the Local Government and Housing Act 1989 and the Council's Constitution.

### **12.2. Financial Implications**

There are no specific financial implications connected with the recommendations set out in this Report.

### **12.3. Equality Implications**

There are no specific equality implications connected with the recommendations set out in this Report.

## **13. APPENDICES**

- Appendix A: Allocation of Seats on Committees and Panels
- Appendix B: Allocation of Seats to Outside Bodies
- Appendix C: Appointments to Committees and Panels

## Appendix A - Allocation of Seats on Committees & Panels

Committee	Membership	Political Apportionment
<p>Overview and Scrutiny</p>	<p>Up to 13 members of the Council (none of which may be part of the Cabinet)</p> <p>6 substitute members</p> <p>Appointment:            Chairman                                  Vice Chairman</p>	<p>9 to Conservative Group 4 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>Substitute members 4 to Conservative Group 2 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>To the Conservative Group To the Conservative Group</p>
<p>Planning Committee</p>	<p>Up to 13 members of the Council. No more than four of which can be members of the Cabinet.</p> <p>Each political group can appoint up to 4 substitute members (8 substitute members)</p> <p>Appointment:            Chairman                                  Vice Chairman</p>	<p>9 to Conservative Group 4 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>4 substitute members from each political group</p> <p>To the Conservative Group To the Conservative Group</p>
<p>Licensing Committee (Licensing Act 2003)</p>	<p>Up to 13 members of the Council.</p> <p>The same Members are to be appointed for the Licensing Act 2003 Committee and the Non Licensing Act 2003 Committee.</p> <p>6 substitute members</p> <p>Appointment:            Chairman                                  Vice Chairman</p>	<p>9 to the Conservative Group 4 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>Substitute members 4 to Conservative Group 2 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>To the Conservative Group To the Conservative Group</p>

<p>Audit and Risk Management Committee</p>	<p>Up to 13 members of the Council to be formed from:  Up to 3 members of Cabinet not including the portfolio holder responsible for finance  Up to 3 members drawn from the Overview and Scrutiny panel  7 Backbench members</p> <p>6 substitute members</p> <p>Appointment:           Chairman                                    Vice Chairman</p> <p>The Chairman may not be a member of Cabinet</p> <p>The Audit and Risk Management Determination Sub Committee is no more than 6 members drawn from the Audit and Risk Management Committee</p>	<p>9 to the Conservative Group  4 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>Substitute members  4 to Conservative Group  2 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>To the Conservative Group  To the Conservative Group</p>
<p>Conduct Committee</p>	<p>Up to 6 Members of the Council</p> <p>3 substitute members</p> <p>Appointment:           Chairman                                    Vice Chairman</p> <p>The Committee may also appoint itself up to two members of Town or Parish Councils to assist its work.</p> <p>Independent Person:  Deputy Independent Person:</p>	<p>4 to Conservative Group  2 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>Substitute members  2 to Conservative Group  1 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>To the Conservative Group  To the Conservative Group</p> <p>Currently:  Councillor Andrew Donnelly  Vacancy</p> <p>Stuart Webster  Claire Hawden-Beal</p>

<p>Appointments Panel</p>	<p>Up to 7 members and not less than 3 nominated by the Leader to reflect political proportionality</p> <p>3 substitute members</p> <p>Appointment:            Chairman    Vice Chairman</p>	<p>5 to the Conservative Group 2 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>Substitute members 2 to Conservative Group 1 to The Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)</p> <p>To the Conservative Group To the Conservative Group</p>
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## Appendix B - Allocation of Seats to Outside Bodies

Ref No	Outside Body	Number of representatives required	Current nominated representatives 2022/23	Proportionality
1	Anglia Revenue Partnership	1 + 2 substitutes	Cllr Jan French Substitute members Cllr Connor Cllr Kim French	Conservative Party representation
2	Benwick Internal Drainage Board (IDB)	4	Cllr Laws Cllr Miscandlon Cllr Mrs Mayor Cllr Wicks	3 Conservatives 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
3	Cambridgeshire Horizons Board	1	Cllr Boden	Conservative Party representation
4	Cambridgeshire Military Community Covenant Board	1	Cllr Tierney	Conservative Party Representation
5	Cambridgeshire Police and Crime Panel	1 + 1 substitute	Cllr Lynn substitute member Cllr Connor	Conservative Party Representation
6	Cambridgeshire Health and Wellbeing Board + District Lead Members Group	1	Cllr Clark	Conservative Party Representation
7	Chatteris Community Centre Association	2	Cllr Murphy or Cllr Benney TBC Cllr Divine	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)



<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
8	College of West Anglia Governing Body	1	Cllr Topgood	Conservative Party Representation
9	Community Learning and Skills Partnership	1	Cllr Benney	Conservative Party Representation
10	Curf and Wimblington Combined IDB	1	Cllr Davis	Conservative Party Representation
11	Feldale IDB	7	Cllr Laws Cllr Boden Cllr Miscandlon Cllr Mrs Mayor Cllr Wicks	5 Conservatives (1 Conservative vacancy) 2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party) (1 FIA Vacancy)
12	Fenland Association of Community Transport	1	Cllr Seaton	Conservative Party Representation
13	Fenland Diverse Communities Forum	1	Cllr Tierney	Conservative Party Representation
14	Fenland Health and Care Forum	Open meeting		Open meeting available for elected members and members of the public wishing to attend
15	Fenland Tension Monitoring Group	1	Cllr Hoy	Conservative Party Representation
16	Fenland Transport and Access Partnership	1	Cllr Topgood	Conservative Party Representation

<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
17	Fenland Transport Strategy	2	Cllr Seaton or Cllr Connor TBC Cllr Wicks	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
18	Fenland Twinning Association	4	Cllr Mrs Hay Cllr Mrs Mayor Cllr Topgood Cllr Cornwell	3 Conservatives 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
19	Hanson, Fletton Brickworks Industry	1	Cllr Boden	Conservative Party Representation
20	Health Committee	1 + 1 substitute	Cllr Clark Substitute Member Cllr Topgood	Conservative Party Representation
21	Hundred of Wisbech IDB	15	Cllr Topgood Cllr Wallwork Cllr Lynn Cllr Hoy Cllr Rackley Cllr Sutton Cllr Booth Cllr Tanfield	10 Conservatives (5 Conservative vacancies) 5 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party) (2 FIA Vacancies)
22	Kings Lynn IDB	1	Cllr Rackley with effect Feb 21	Conservative Party Representation
23	LGA/ LGA Rural Commission/ LGA	1 + 1 Substitute	Cllr Boden Substitute member	Conservative Party Representation

<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
	Urban Commission		Cllr Tierney  Substitute Changed to Councillor Mrs French as of April 2022	
24	Manea and Welney Drainage Commissioners	3	Cllr Marks  Cllr Sutton	2 Conservative  (1 Conservative vacancy)  1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)  Councillor Sutton takes 1 Conservative seat
25	March Area Transport Study	2	Cllr Count or  Cllr Skoulding TBC  Cllr Cornwell	1 Conservative  1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
26	March West and White Fen Internal Drainage Board (Previously known as March and Whittlesey IDB)	6	Cllr Cornwell  Cllr Wicks	4 Conservatives  (4 Conservative vacancies)  2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)

<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
27	March East IDB	11	Cllr Purser Cllr Topgood Cllr Cornwell Cllr Marks Cllr Yeulett	7 Conservatives (5 Conservative vacancies) 4 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party) (1 FIA vacancy)
28	March Education Foundation	1	Cllr Purser	Conservative Party Representation
29	March Fifth District Drainage Commissioners	8	Cllr Cornwell Cllr Jan French Cllr Yeulett	5 Conservatives (4 Conservative vacancies) 3 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party) (1 FIA vacancy)
30	March Sixth District Drainage Commissioners	4	Cllr Cornwell Cllr Jan French	3 Conservatives (2 Conservative vacancies) 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)

<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
31	March Third IDB	5	Cllr Cornwell Cllr Jan French Cllr Yeulett	3 Conservatives (2 Conservative vacancies)  2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
32	Middle Level Commissioners	3	Cllr Laws Cllr Miscandlon Cllr Sutton	2 Conservatives  1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
33	Needham and Laddus IDB	1	Cllr Sutton	Conservative Party Representation  FIA has Conservative seat
34	Nightlayer IDB	10	Cllr Benney Cllr Mrs French Cllr Hay Cllr Murphy Cllr Divine	7 Conservatives (3 Conservative vacancies)  3 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)  (2 FIA vacancies)

<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
35	North Level District IDB	7	Cllr Humphrey Cllr Sam Clark Cllr Laws Cllr Mrs Mayor Cllr Miscandlon Cllr Booth Cllr Wicks	5 Conservatives 2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
36	Wisbech Community Development Trust (Oasis Village Centre)	1	Cllr Rackley was the nominated representative but stood down in June 2020.	Conservative Party Representation
37	Ransonmoor District Drainage Commissioners	2	Cllr Connor Cllr Wicks	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
38	RECAP	1 +1 Substitute member	Cllr Murphy Substitute member Cllr Tierney	Conservative Party Representation
39	Rural Cambs CAB	3	Cllr Miscandlon Cllr Booth	2 Conservatives (1 Conservative vacancy) 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)

<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
40	Safer Fenland Partnership	1	Cllr Lynn	Conservative Party Representation
41	The Wash and North Norfolk Marine Partnership	1	Cllr Rackley	Conservative Party Representation
42	The Combined Authority	1 + 1 Substitute	Cllr Boden Substitute member Cllr Jan French	Conservative Party Representation
43	The Combined Authority Overview and Scrutiny Committee	2 + 2 Substitutes	Cllr Hay Cllr Miscandlon Substitute members Cllr Tierney 1 vacancy	Conservative Party Representation
44	The Combined Authority Audit and Governance Committee	1 + 1 Substitute	Cllr Benney Substitute member Cllr Hoy	Conservative Party Representation
45	The Combined Authority Employment Committee	1 +1 sub	Cllr Miss French Cllr Mrs Davis (substitute)	Conservative Party Representation
46	The Combined Authority Housing and Communities Committee	1+1 Sub	Cllr Boden Cllr Mrs Laws (substitute)	Conservative Party Representation
47	The Combined Authority Transport and Infrastructure Committee	1+1 Sub	Cllr Seaton Cllr Boden (substitute)	Conservative Party Representation
48	The Combined Authority Skills Committee	1+1 Sub	Cllr Seaton Cllr Mason (substitute)	Conservative Party Representation

<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
49	Upwell IDB	2	Cllr Rackley Cllr Sutton	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
50	Waldersey IDB	2	Cllr Rackley Cllr Sutton	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)
51	Warboys, Somersham and Pidley IDB	1	No nominated representative	Conservative Party Representation (1 Conservative vacancy)
52	Whittlesey & District IDB	5	Cllr Mason Cllr Laws Cllr Mrs Mayor Cllr Wicks	3 Conservatives 2 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party) (1 FIA vacancy)
53	Wisbech Access Strategy Member Steering Group	2	Cllr Lynn or Cllr Rackley TBC Cllr Booth	1 Conservative 1 Fenland Independents Alliance (including 2 Liberal Democrats and 1 Member of The Green Party)



<b>Ref No</b>	<b>Outside Body</b>	<b>Number of representatives required</b>	<b>Current nominated representatives 2022/23</b>	<b>Proportionality</b>
54	Young People March	1	Cllr Purser	Conservative Party Representation
55.	Water Resources East (WRE) Strategic Advisory Group	1	Cllr Laws	Conservative Party Representation

## Appendix C - Appointments to Committees and Panels

### Cabinet (10)

Councillor Ian Benney	Councillor Miss Sam Hoy
Councillor Chris Boden (C)	Councillor Mrs Dee Laws
Councillor Sam Clark	Councillor Peter Murphy
Councillor Steve Count	Councillor Chris Seaton
Councillor Mrs Jan French (VC)	Councillor Steve Tierney

### Overview and Scrutiny Panel (13)

Councillor Gavin Booth	Councillor Robert Skoulding
Councillor David Connor	Councillor David Topgood
Councillor Anne Hay	Councillor Bob Wicks
Councillor Michael Humphrey	Councillor Fred Yeulett
Councillor David Mason (C)	Vacancy
Councillor Alex Miscandlon (VC)	Vacancy
Councillor Mark Purser	

**Substitutes:**

Cllr Sarah Bligh, Cllr Andy Maul, Cllr Michelle Tanfield, Cllr Simon Wilkes  
Cllr Maureen Davis, Cllr Mrs Kay Mayor + 2 vacancies

### Planning Committee (13)

Councillor Ian Benney	Councillor Nick Meekins
Councillor Mike Cornwell	Councillor Peter Murphy
Councillor David Connor (C)	Councillor Mark Purser
Councillor Mrs Maureen Davis (VC)	Councillor Rob Skoulding
Councillor Mrs Jan French	Councillor Will Sutton
Councillor Charlie Marks	Vacancy
Councillor Mrs Kay Mayor	

**Substitutes:**

Cllr Gavin Booth, Cllr Daniel Divine, Cllr David Patrick, Cllr Michelle Tanfield  
Cllr Michael Humphrey, Cllr Alex Miscandlon, Cllr Sam Clark, Vacancy

### Licensing Committee (13)

Councillor David Connor	Councillor Alex Miscandlon
Councillor Miss Sam Hoy	Councillor Billy Rackley
Councillor Michael Humphrey (C)	Councillor Robert Skoulding (VC)
Councillor Charlie Marks	Councillor David Topgood
Councillor Andy Maul	Councillor Simon Wilkes
Councillor Mrs Kay Mayor	Vacancy
Councillor Nick Meekins	

<b>Substitutes:</b> Cllr Bob Wicks, Cllr David Patrick Cllr Ian Benney, Cllr Peter Murphy, Cllr Mark Purser, Vacancy	
<b><u>Audit and Risk Management Committee (13)</u></b>	
Councillor Ian Benney	Councillor Jason Mockett
Councillor Gavin Booth	Councillor Mark Purser
Councillor Maureen Davis (VC)	Councillor Robert Skoulding
Councillor Kim French (C)	Councillor Steve Tierney
Councillor Jan French	Councillor Bob Wicks
Councillor Nick Meekins	Councillor Fred Yeulett
	Vacancy
<b>Substitutes:</b> 4 vacancies Cllr David Connor, Cllr Sam Hoy, Cllr Michael Humphrey, Cllr Dee Laws	
<b><u>Audit and Risk Management Determination Sub-Committee (6)</u></b>	
6 members of the Audit and Risk Management Committee including either the Chair or Vice-Chair but no more than 2 Cabinet members.	
<b><u>Conduct Committee (6)</u></b>	
Councillor Andy Maul	
Councillor Jason Mockett	Councillor David Topgood (VC)
Councillor David Patrick	Councillor Mrs Susan Wallwork (C)
Councillor Mark Purser	
<b>Substitutes:</b> Cllr Simon Wilkes Cllr Sam Hoy, Cllr David Connor	
<b>Independent People</b> Independent Person: Stuart Webster Deputy Independent Person: Claire Hawden-Beal	<b>Town/Parish Reps</b> Councillor Andrew Donnelly Vacancy
<b><u>Appointments Panel (7)</u></b>	
Councillor Chris Boden	
Councillor Steve Count	Councillor Robert Skoulding
Councillor Mrs Jan French	Councillor Will Sutton
Councillor Andy Maul	Councillor Steve Tierney
<b>Substitutes:</b> Cllr Fred Yeulett Cllr Kim French, Cllr Sam Hoy	

**Investment Board (3)**


Councillor Ian Benney

Councillor Steve Tierney

Councillor Chris Boden

**Substitutes:**

CLLr Sam Hoy, CLLr Chris Seaton

<b>Agenda Item No:</b>	17	
<b>Committee:</b>	<b>COUNCIL</b>	
<b>Date:</b>	<b>20 February 2023</b>	
<b>Report Title:</b>	<b>Senior Manager Pay Policy Statement</b>	

Cover sheet:

**1 Purpose / Summary**

The purpose of this report is for Council to adopt the Senior Manager Pay Policy Statement for 2022-2023 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 24<sup>th</sup> February 2022. The act also states that this must be reapproved every year by the 31<sup>st</sup> March.
- The statement has been updated for 2022-2023 to reflect national pay awards.
- The policy must include pay and remuneration for chief officers and other employees, including the lowest paid.
- This statement does not change any policies regarding remuneration and is a set of principles and does not concern data relating to a particular individual.

**3 Recommendations**

It is recommended that Council adopts the Senior Managers Pay Policy Statement for 2022/2023 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 2021/22 statement last year as set out in the act and the 2022/23 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.
- 4.5 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.

- 4.6 A number of reviews have taken place since 2010 which has seen the Corporate Management Team reduce from 11 to 6 members and further restructuring which has reduced the number of Heads of Services and Managers.
- 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 2022/23, 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 2022/23 at Appendix 1 as required by the Localism Act 2011.

## **6 CONSULTATION**

All changes to terms and conditions of employment are subject to consultation with the trade unions.

## **7 ALTERNATIVE OPTIONS CONSIDERED**

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



 <p>Broad Horizons · Clear Vision <b>PEOPLE POLICIES</b></p>	<b>APPENDIX 1</b>  <b>PEOPLE POLICY:</b> <b>SENIOR MANAGER'S PAY</b> <b>POLICY STATEMENT</b>

## 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 six posts that fall within this category which include the Chief Officer posts set out in 2.1.

### 2.3 Heads of Service

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

## 3.0 Remuneration

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

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### 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 £71,652 and ends at £94,434.

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	£47,575	£65,173
Corporate Management Team	£71,652	£94,434
Chief Executive	£125,000	£154,229

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).

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## 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-imbusement of travel and subsistence – Any excess travelling allowance that is paid will be in accordance with the Council's established policies, and any subsistence allowance that is paid will normally be no higher than the current rates set by Her Majesty's Revenues and Customs (HMRC). All rail travel for officers will be second class unless there are exceptional circumstances.
- Vouchers are issued in accordance with the Councils' Eye Test Policy.
- The employees within the scope of this policy are entitled to participate in the Council's Salary Sacrifice Scheme. Such schemes are exempt from income tax or National Insurance contributions and therefore represent a saving for employees who then use them to purchase childcare, bicycles or technological products.
- Professional fees for employees, including Chief Officers, Corporate Managers and Heads of Service are paid in accordance with the Council's established process for the payment of professional fees for those employees whose role requires professional qualification and continued professional development.

There are no bonus arrangements payable to the Chief Executive, the Corporate Management Team or Heads of Service.

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## 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 £20,258, and therefore lowest pay point on the council's pay scale is currently £20,258 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 – 1:7.6

The current ratio between the actual lowest pay grade and actual Chief Executives salary is – 1:7.5


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.

The Council will not re-employ an individual, who was previously employed by the Council and, on ceasing to be employed, was in receipt of a severance payment or a voluntary redundancy payment. The Council will not engage such an individual under a contract for services, unless there are exceptional circumstances, and/or there is a sufficient business need.

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## **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.***

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Author	Human Resources
Date	February 2023
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, February 2023
Date agreed	February 2012
Date for revision	February 2024
Links to other People Policies	N/A

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