

A meeting of the **OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND CUSTOMERS)** will be held in **CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29 3TN** on **WEDNESDAY, 1ST FEBRUARY 2017** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact  
(01480)**

### **APOLOGIES**

**1. MINUTES** (Pages 5 - 10)

To approve as a correct record the Minutes of the meeting held on 11th January 2017.

**A Green  
388008**

**2. MEMBERS' INTERESTS**

To receive from Members declarations as to disclosable pecuniary and other interests in relation to any Agenda item.

**3. NOTICE OF KEY EXECUTIVE DECISIONS** (Pages 11 - 16)

A copy of the current Notice of Key Executive Decisions is attached. Members are invited to note the Plan and to comment as appropriate on any items contained therein.

**M Sage  
388007**

**4. 3C SHARED SERVICES UPDATE** (Pages 17 - 36)

The 3C Shared Services Update is to be presented to the Panel.

**A Kemp  
388103**

**5. LOCAL LETTINGS PLAN FOR BEARSCROFT FARM** (Pages 37 - 44)

The Panel are to consider the Local Lettings Plan for Bearscroft Farm.

**J Collen  
388220**

**6. DISCRETIONARY RATE RELIEF POLICY** (Pages 45 - 52)

The Discretionary Rate Relief Policy is to be presented to the Panel.

**I Sims  
388138**

**7. CORPORATE RISK REGISTER** (Pages 53 - 70)

The Panel are to consider a report on the Corporate Risk Register.

**D Harwood  
388115**

**8. INTEGRATED PERFORMANCE REPORT 2016/17 - QUARTER 3**  
(Pages 71 - 112)

The Integrated Performance Report 2016/17 – Quarter 3 is to be presented to the Panel.

**A Dobbyne 388100 /  
C Mason 388157**

**9. FINAL REVENUE BUDGET 2017/18 AND MEDIUM TERM PLAN FINANCIAL STRATEGY 2018/19 TO 2021/22** (Pages 113 - 196)

The Panel are to consider the Final Revenue Budget 2017/18 and the Medium Term Plan Financial Strategy 2018/19 to 2021/22.

**C Mason  
388157**

**10. TREASURY MANAGEMENT STRATEGY 2017/18** (Pages 197 - 234)

The Treasury Management Strategy 2017/18 is to be presented to the Panel.

**C Mason  
388157**

**11. REPRESENTATION ON EXTERNAL ORGANISATIONS - QUARTERLY UPDATE REPORT** (Pages 235 - 236)

The Panel is to receive a quarterly update report from the Council's representatives on external organisations.

**A Green  
388008**

**12. WORK PLAN STUDIES** (Pages 237 - 240)

To consider the work programmes of the Communities and Environment and Economy and Growth Overview and Scrutiny Panels.

**A Green  
388008**

**13. OVERVIEW AND SCRUTINY PROGRESS** (Pages 241 - 242)

To consider a report on the Panel's activities.

**A Green  
388008**

Dated this 24th day of January 2017



Head of Paid Service

**Notes**

**1. Disclosable Pecuniary Interests**

(1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*

(2) *A Member has a disclosable pecuniary interest if it -*

*(a) relates to you, or*

*(b) is an interest of -*

*(i) your spouse or civil partner; or*

*(ii) a person with whom you are living as husband and wife; or*

*(iii) a person with whom you are living as if you were civil partners*

*and you are aware that the other person has the interest.*

(3) *Disclosable pecuniary interests includes -*

- (a) any employment or profession carried out for profit or gain;
- (b) any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);
- (c) any current contracts with the Council;
- (d) any beneficial interest in land/property within the Council's area;
- (e) any licence for a month or longer to occupy land in the Council's area;
- (f) any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or
- (g) a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.

### **Non-Statutory Disclosable Interests**

- (4) If a Member has a non-statutory disclosable interest then you are required to declare that interest, but may remain to discuss and vote providing you do not breach the overall Nolan principles.
- (5) A Member has a non-statutory disclosable interest where -
  - (a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or
  - (b) it relates to or is likely to affect a disclosable pecuniary interest, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association, or
  - (c) it relates to or is likely to affect any body –
    - (i) exercising functions of a public nature; or
    - (ii) directed to charitable purposes; or
    - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member or in a position of control or management.

and that interest is not a disclosable pecuniary interest.

## **2. Filming, Photography and Recording at Council Meetings**

The District Council supports the principles of openness and transparency in its decision making and permits filming, recording and the taking of photographs at its meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening at meetings. Arrangements for these activities should operate in accordance with guidelines agreed by the Council and available via the following link [filming, photography and recording at council meetings.pdf](#) or on request from the Democratic Services Team. The Council understands that some members of the public attending its meetings may not wish to be filmed. The Chairman of the meeting will facilitate this preference by ensuring that any such request not to be recorded is respected.

**Please contact Mr Adam Green, Democratic Services Officer (Scrutiny), Tel No. 01480 388008/e-mail Adam.Green@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.**

**Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.**

**Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.**

Agenda and enclosures can be viewed on the District Council's website –  
[www.huntingdonshire.gov.uk](http://www.huntingdonshire.gov.uk) (*under Councils and Democracy*).

If you would like a translation of Agenda/Minutes/Reports or would like a large text version or an audio version please contact the Elections & Democratic Services Manager and we will try to accommodate your needs.

***Emergency Procedure***

*In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.*

## HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND CUSTOMERS) held in Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Wednesday, 11th January 2017.

PRESENT: Councillor M F Shellens – Chairman.

Councillors P L E Bucknell, R C Carter,  
Mrs L A Duffy, S Greenall, Mrs R E Mathews,  
Mrs D C Reynolds, Mrs S L Taylor,  
D M Tysoe and R J West.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors Mrs B E Boddington and R G Tuplin.

IN ATTENDANCE: Councillors J A Gray and R B Howe.

### **45. MINUTES**

The Minutes of the meetings held on 2nd November 2016 and 5th December 2016 were approved as a correct record and signed by the Chairman.

### **46. MEMBERS' INTERESTS**

No declarations of interest were received.

### **47. NOTICE OF KEY EXECUTIVE DECISIONS**

The Panel received and noted the current Notice of Key Executive Decisions (a copy of which is appended in the Minute Book) which has been prepared by the Executive Leader for the period 1st January 2017 to 30th April 2017.

### **48. DRAFT REVENUE BUDGET 2017/18 AND MEDIUM TERM PLAN FINANCIAL STRATEGY 2018/19 TO 2021/22**

With the aid of a report by the Head of Resources (a copy of which is appended in the Minute Book) the Draft Revenue Budget 2017/18 and Medium Term Plan Financial Strategy (MTFS) 2018/19 to 2021/22 was presented to the Panel.

By way of introduction the Head of Resources reminded Members that the report shows Members to the exact pound what the budget of the Council will be in 2017/18 as well as the MTFS for 2018/19 to 2021/22. The key points highlighted include: a line by line review of the budget, options for growth, non-realisation of previously approved Zero Based Budgeting and a 2% Council Tax rise in 2017/18.

The Panel were informed that the Council has an aspiration to be self-financing by 2019/20 in order that it is less reliant on Government funding. Members were supportive of the Council's aim to become

self-financing and recognise that the Commercial Investment Strategy is an essential part in achieving the objective.

The Executive Councillor for Strategic Resources stated that he believes the Council should maximise efficiency before asking residents to pay more Council Tax however the Council has now maximised efficiency so in order to close the funding gap over the course of the MTFS Council Tax would have to rise.

The Chairman reminded the Panel of the priorities they had identified at their meeting in December 2016 and to bear them in mind when considering the draft budget.

The services cost within the supplies and services section of the overall Council budget is increasing next year however the Panel was informed that this was primarily due to the cost of shared services.

In response to a question regarding the contract hire and operating leases under the transport section of the overall Council budget and the higher than anticipated costs this financial year, the Head of Resources informed Members he did not know the reasons why but would find out.

The cost of hired staff to the Council was raised as around £429k was budgeted for 2016/17 however the Council has spent £1.2m. The Panel was informed that the report on hired staff and consultants is reported to the Employment Committee and all the details on the necessity for hired staff is contained within the report.

A Member noted that the rents cost in the buildings section of the overall Council budget is reducing and when asked how this was going to be achieved, the Panel were informed there is an ongoing review of the building the Council rents.

Regarding the repairs and maintenance of buildings the Council owns, a Member was concerned that the Council has not budgeted for the repairs and maintenance of all Council owned buildings including the bus stations. Members were informed that the topic of town centres was being reviewed and this would include bus stations however any big redevelopments would be a capital project and therefore wouldn't come out of the general budget.

Concern was expressed that Members did not understand what the budget means in terms of services and the suggestion was made that Heads of Service and Portfolio Holders should attend a Panel meeting and explain to Members what services aren't going to be provided.

The Panel turned their attention to the budget of Community Services. In doing so it was noted that the income from fees and charges is not expected to increase over the period of the MTFS and speculated whether it was because they were being suppressed.

Following a query regarding the increase of salaries, particularly considering that the service has had a restructure and has lost staff, the Panel were informed that vacant posts are being held and have been budgeted for.

A Member expressed concern that in 2016/17 £36,075 had been spent on other staff costs despite only £440 being budgeted for it.

Members were informed that previously approved bus departure levy, which was identified through the ZBB process, was not going to be implemented.

Whilst discussing the Customer Services' budget, a Member questioned the lack of provision for severance payments, however the Panel was informed that the funding for severance payments would come from any underspend.

Queries were raised regarding the cost effectiveness of pool cars however the Panel were informed that a cost benefit analysis was completed and that the Council is saving money through staff using pool cars for work as opposed to their own vehicles. In addition, the Managing Director added that the Council has now got the optimum number of pool cars.

When questioned why the Council spend money on public transport, the Panel were informed that staff are required to attend training courses, conferences and hearings and that in order to attend such events staff use public transport.

Following a question regarding bad debt provision it was explained that when residents become homeless they are liable to pay costs however some residents won't be able to make any payments.

The Panel turned their attention to the 3C ICT Shared Service budget and in doing so a Member questioned how accurate the overall budget is. In response the Panel were informed that the budget is the best estimate and that all the service budgets have been signed off by the Head of Service.

Reflecting on the Development budget, a query was raised regarding the lack of a training budget to which the Panel were informed that all training budgets have been centralised and are managed by the Corporate Team.

Members raised the cost on catering and rents for supplies and services, however were informed that the cost is incurred when the service presents planning applications and plans to parish councils.

In reflecting the budget of Leisure and Health, a Member questioned the lack of growth in fees and charges over the course of the MTFs. In response the Executive Leader stated that it was a modest increase but the team are required to work hard to sustain the current income level from fees and charges.

Although it was noted that the service was forecast to make a loss of £3,238 at the end of 2016/17, Members were informed that the service is expected to be in surplus in each year of the MTFs. Subscriptions have decreased this year however it is expected that they will recover in upcoming years. In addition, the service is more susceptible to national minimum wage adjustments as there are a number of lower paid officers in the service.

A Member questioned the proposal to add an Executive Assistant for the Executive Leader and Cabinet. However it was argued that the position was necessary to give administration and research support to the Executive Leader and Cabinet as workloads have increased over the last year.

Following a question regarding the decrease of the amount spent on hired staff, in regards to the Operations budget, it was confirmed that this is due to hired staff becoming permanent staff. Members were informed that there will always be a requirement for agency staff at the Council to cover seasonal work and periods of leave and sickness however wherever possible the use of agency staff would be minimised.

In regards to the amount spent on other staff costs, the Panel was informed that the costs refer to overtime and call out costs for refuse collection officers. The spend has come about due to the refuse collection officers working on bank holidays in order to minimise the disruption to the waste collection service. The only disruption to the service would now be at Christmas when work depends on when the tips are open. Members welcomed the spend as it means residents are receiving a better standard of service.

A Member was surprised to see that the income from car parks will decrease by around £20k between 2017/18 and 2021/22.

The Panel expects that an element of growth should be included in the budget of the Operations service due to the building of new homes and the costs associated with that.

In turning their attention to the Directors and Corporate Management budget, the Panel questioned the amount spent on hired staff. In response Members were informed that with the introduction of individual electoral registration this has meant an increase in canvassers.

Following a question regarding the amount spent on rents, the Panel was informed that the cost is the cost of hiring out village halls for elections. Members noted that the majority of the money is recoverable from the government.

The Panel turned their attention to the Capital Spend budget in which a Member expressed concern at the amount of funding allocated to the Civic Suite Audio Equipment. It was explained that the project aims to improve the audio equipment in the Civic Suite but the Member remained concerned.

A question was raised in regards to intangible assets and Members were informed this mainly relates to software licensing. As there isn't anything budgeted for intangible assets from 2019/20 Members were concerned that renewal of the software licensing had not been taken into account.

The removal of unauthorised posters from Cambridgeshire County Council street furniture was raised and this proposal is for the Council to make available some resources; it was noted that this should not



be as an alternative to allowing Members and residents to remove unauthorised posters as and when they see it.

Following a question regarding generating income for the Council, Members were informed that the Council is committed to diversifying the income stream and are identifying more ways at generating income through the transformation programme.

A Member stated that the Council should advance the Bus Departure Levy, the Panel should work on Making Assets Count via a task and finish group and that the 2% increase in Council Tax is not excessive. In response, some Members of the Panel held differing opinions on the Bus Departure Levy and the increase in Council Tax.

In regards to the Bus Departure Levy, a Member stated their concern that if the Levy was to be implemented then the bus companies would not use the bus stations and would use the streets surrounding the stations instead therefore leading to traffic congestion.

In relation to the increase in Council Tax, a Member stated that residents are struggling and that a Council Tax rise won't help. In addition, they raised the question could the Council reduce reserves from 15% to 10% in order to postpone any Council Tax rise. The Executive Councillor for Strategic Resources stated that it seemed prudent to him for the Council's reserves to remain at 15%.

The Panel asked if more guidance could be sent earlier to Town and Parish Councils regarding the Tax Base Calculation. Members explained that the Tax Base Calculation affects the budgets of Town and Parish Councils and the sooner they receive the calculation the better informed they would be before setting their budgets.

*(At 8.23pm, during the discussion of this item, Councillor Mrs D C Reynolds left the meeting and did not return.)*

*(At 9.18pm, during the discussion of this item, Councillor L A Duffy left the meeting.)*

*(At 9.19pm, during the discussion of this item, Councillor L A Duffy entered the meeting.)*

#### **49. WORK PLAN STUDIES**

The Panel received and noted a report by the Democratic Services Officer (Scrutiny) (a copy of which is appended in the Minute Book) which contained details of studies being undertaken by the Overview and Scrutiny Panels for Communities and Environment and Economy and Growth.

#### **50. OVERVIEW AND SCRUTINY PROGRESS**

With the aid of a report by the Democratic Services Officer (Scrutiny) (a copy of which is appended in the Minute Book) the Panel reviewed the progress of its activities since the last meeting.

*(At 9.30pm, during the discussion of this item, Councillor R B Howe left the meeting and did not return.)*

*(At 9.31pm, during the discussion of this item, Councillor J A Gray left the meeting and did not return.)*

Chairman

**NOTICE OF EXECUTIVE KEY DECISIONS INCLUDING THOSE TO BE CONSIDERED IN PRIVATE**

**Prepared by** Councillor R B Howe, Executive Leader of the Council  
**Date of Publication:** 11 January 2017  
**For Period:** 1 February 2017 to 31 May 2017

Membership of the Cabinet is as follows:-

Councillor R B Howe	Executive Leader of the Council	The Old Barn High Street Upwood Huntingdon PE26 2QE  Tel: 01487 814393 E-mail: <a href="mailto:Robin.Howe@huntingdonshire.gov.uk">Robin.Howe@huntingdonshire.gov.uk</a>
→ Councillor D Brown	Executive Councillor for Commercialisation and Shared Services	Haycroft Porch Farm Barns Warboys Road Old Hurst PE28 3AA  Tel: 07970 462048 E-mail: <a href="mailto:Daryl.Brown@huntingdonshire.gov.uk">Daryl.Brown@huntingdonshire.gov.uk</a>
Councillor G J Bull	Deputy Executive Leader	2 Lancaster Close Old Hurst Huntingdon PE28 3BB  Tel: 07780 511928 E-mail:- <a href="mailto:Graham.Bull@huntingdonshire.gov.uk">Graham.Bull@huntingdonshire.gov.uk</a>
Councillor S Cawley	Executive Councillor for Transformation and Customers	6 Levers Water Huntingdon PE29 6TH  Tel: 01480 435188 E-mail: <a href="mailto:Stephen.Cawley@huntingdonshire.gov.uk">Stephen.Cawley@huntingdonshire.gov.uk</a>
Councillor Mrs A Dickinson	Executive Councillor for Community Resilience	Priory Holme Priory Road St Ives Cambs PE28 3DJ Tel: 01480 495445 E-mail: <a href="mailto:Angie.Dickinson@huntingdonshire.gov.uk">Angie.Dickinson@huntingdonshire.gov.uk</a>

Councillor R Fuller	Executive Councillor for Housing and Regulatory Services	19 Pettis Road St Ives Huntingdon Cambridgeshire PE27 6SR E-mail: <a href="mailto:Ryan.Fuller@huntingdonshire.gov.uk">Ryan.Fuller@huntingdonshire.gov.uk</a>  Tel: 01480 388311
Councillor J A Gray	Executive Councillor for Strategic Resources	Vine Cottage 2 Station Road Catworth PE28 OPE Tel: 01832 710799 E-mail: <a href="mailto:Jonathan.Gray@huntingdonshire.gov.uk">Jonathan.Gray@huntingdonshire.gov.uk</a>
Councillor R Harrison	Executive Councillor for Growth	55 Bushmead Road Eaton Socon St Neots PE19 8GC Tel: 01480 406664 E-mail: <a href="mailto:Roger.Harrison@huntingdonshire.gov.uk">Roger.Harrison@huntingdonshire.gov.uk</a>
Councillor J M Palmer	Executive Councillor for Health and Well-Being	149 Great Whyte Ramsey Huntingdon Cambridgeshire PE26 1HP Tel: 01487 814063 E-mail: <a href="mailto:John.Palmer@huntingdonshire.gov.uk">John.Palmer@huntingdonshire.gov.uk</a>
Councillor J White	Executive Councillor for Operations	49 High Street Spaldwick Huntingdon PE28 OTD Tel: 01480 890451 E-mail: <a href="mailto:Jim.White@huntingdonshire.gov.uk">Jim.White@huntingdonshire.gov.uk</a>

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Notice is hereby given of:

- Key decisions that will be taken by the Cabinet (or other decision maker)
- Confidential or exempt executive decisions that will be taken in a meeting from which the public will be excluded (for whole or part).

A notice/agenda together with reports and supporting documents for each meeting will be published at least five working days before the date of the meeting. In order to enquire about the availability of documents and subject to any restrictions on their disclosure, copies may be requested by contacting the Democratic Services Team on 01480 388169 or E-mail [Democratic.Services@huntingdonshire.gov.uk](mailto:Democratic.Services@huntingdonshire.gov.uk).

Agendas may be accessed electronically at [www.huntingdonshire.gov.uk](http://www.huntingdonshire.gov.uk).

Formal notice is hereby given under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that, where indicated part of the meetings listed in this notice will be held in private because the agenda and reports for the meeting will contain confidential or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. See the relevant paragraphs below.

Any person who wishes to make representations to the decision maker about a decision which is to be made or wishes to object to an item being considered in private may do so by emailing [Democratic.Services@huntingdonshire.gov.uk](mailto:Democratic.Services@huntingdonshire.gov.uk) or by contacting the Democratic Services Team. If representations are received at least eight working days before the date of the meeting, they will be published with the agenda together with a statement of the District Council's response. Any representations received after this time will be verbally reported and considered at the meeting.

**Paragraphs of Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) (Reason for the report to be considered in private)**

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the Financial and Business Affairs of any particular person (including the Authority holding that information)
4. Information relating to any consultations or negotiations or contemplated consultations or negotiations in connection with any labour relations that are arising between the Authority or a Minister of the Crown and employees of or office holders under the Authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the Authority proposes:-
  - (a) To give under any announcement a notice under or by virtue of which requirements are imposed on a person; or
  - (b) To make an Order or Direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Huntingdonshire District Council  
 Pathfinder House  
 St Mary's Street  
 Huntingdon PE29 3TN.

- Notes:- (i) Additions changes from the previous Forward Plan are annotated \*\*\*  
 (ii) Part II confidential items which will be considered in private are annotated ## and shown in italic.

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private.	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Final 2017/18 Revenue Budget and Medium Term Plan Financial Strategy 2018/19 to 2021/22	Cabinet	9 Feb 2017		Clive Mason, Head of Resources Tel No. 01480 388157 or email: Clive.Mason@huntingdonshire.gov.uk		J A Gray	Performance and Customers

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Treasury Management Strategy 2017/18	Cabinet	9 Feb 2017		Clive Mason, Head of Resources Tel No. 01480 388157 or email: Clive.Mason@huntingdonshire.gov.uk		J A Gray	Performance and Customers
Local Lettings Plan for Bearscroft Farm Development	Cabinet	9 Feb 2017		Jon Collen, Housing Needs and Resources Manager Tel No. 01480 388220 or Email: Jon.Collen@huntingdonshire.gov.uk		R Fuller	Performance and Customers
Memoranda of Understanding with the Local Enterprise Partnership	Cabinet	9 Feb 2017		Andy Moffat, Head of Development Tel No. 01480 388400 or Email:andy.moffat@huntingdonshire.gov.uk		R Harrison	Economy and Growth
Discretionary Rate Relief Policy	Cabinet	9 Feb 2017		Ian Sims, Local Taxation Manager, Local Taxation Manager Tel No. 01480 388138 or email: Ian.Sims@huntingdonshire.gov.uk		J A Gray	Performance and Customers
New Cambridgeshire Housing Adaptations Agreement and Refreshed Huntingdonshire Housing Renewal Assistance Policy	Cabinet	16 Mar 2017		Caroline Hannon, Housing Strategy Manager Tel No. 01480 388203 or email: caroline.hannon@huntingdonshire.gov.uk		R Fuller	Communities and Environment
Corporate Plan - Refresh ***	Cabinet	16 Mar 2017		Adrian Dobbyne, Corporate Team Manager, Corporate Team Manager Tel No. 01480 388100 or Email: Adrian.Dobbyne@huntingdonshire.gov.uk		R Howe	Performance and Customers

<b>Subject/Matter for Decision</b>	<b>Decision/ recommendation to be made by</b>	<b>Date decision to be taken</b>	<b>Documents Available</b>	<b>How relevant Officer can be contacted</b>	<b>Reasons for the report to be considered in private</b>	<b>Relevant Executive Councillor</b>	<b>Relevant Overview &amp; Scrutiny Panel</b>
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**Public**  
**Key Decision – No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title:</b>	3C Shared Services Update
<b>Meeting/Date:</b>	Overview and Scrutiny Panel (Performance and Customers) 1st February 2017
<b>Executive Portfolio:</b>	Executive Councillor for Commercialisation and Shared Services, Councillor D Brown
<b>Report by:</b>	Corporate Director (Services)
<b>Wards affected:</b>	All

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### **Executive Summary:**

This report provides an overview of what have we achieved in terms of realised benefits from Quarter 3 2016/17 of 3C Shared Services in terms of savings and other benefits identified in the business case in year 1 of operation

There are some issues regarding the delivery of savings set out in the business cases particularly with the ICT and Building Control services. The report finds the prospects of the 3C Shared Services achieving its targeted 15% savings for 2016/17 are not positive.

Issues have been identified with demand management in all services. The historic information regarding demand on services that was available at time of writing the business cases was not comprehensive and accurate enough.

It is recognised that it has taken longer to establish staffing arrangements for a range of reasons discussed in the report and this has impacted on the stability and performance of the operations. Quarter 3 has seen an improvement in recruitment with a permanent Head of Service now in place for 3C Legal and ICT.

**The Panel** is requested to note the report which is for information and comment.

## **1. INTRODUCTION**

The attached report in Appendix 1 is joint report across the 3C Shared Services between Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council.

The same report will be presented to each Council.

## **2. LIST OF APPENDICES INCLUDED**

Appendix 1 – 3C Shared Services 2016/17 Quarter 3 Update Report

Appendix 2 – 3C Legal Report

Appendix 3 – 3C ICT Report

Appendix 4 – 3C Building Control Report



# 3C Shared Service 2016/17 Q3 Update Report

26 January 2017

To: Overview and Scrutiny Committee

Author: Brian O'Sullivan – 3C Shared Service Programme Manager

26 January 2017

## Executive Summary

This report provides an overview of what have we achieved in terms of realised benefits from Q3 2016/17 of 3C Shared Services in terms of savings and other benefits identified in the business case in year 1 of operation.

Overall there has been significant progress in the past quarter in service delivery and reporting arrangements for the shared services. All services are finalising their 2017/18 business cases and these will be presented to the relevant committees in the March cycle. These business case will include details on a move to a consumption based recharging and improved scrutiny on performance measures as the services move out of transition and into a business as usual state.

Over £534k (excluding shared waste service) is predicted to have been saved this year, although the original 15% saving targets have not yet been achieved on any of the 3 way services. In the main this has been due to higher costs for temporary staff to maintain service delivery through the period of transition. All services expect to deliver the required savings in 2017/18. Performance measures for 2017/18 are being refined.

Q3 has seen an improvement in recruitment with a permanent Head of ICT, Paul Sumpter, now in place. 3C Legal have been successful in recruiting to all vacant senior roles and all services have reduced their use of temporary/agency staff..

Issues have been identified with demand management in all services. The historic information regarding demand on services that was available at time of writing the business cases was not comprehensive and accurate enough.

Q3 detailed performance reports for 3C Legal (Appendix 1), 3C ICT (Appendix 2) and 3C Building Control) are attached to the report.



3C Shared Services is a strategic partnership between Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council

## Shared Service Reporting Form

<b>Shared Service:</b>	3C Legal
<b>Date of reporting:</b>	26 January 2016
<b>Completed by:</b>	Tom Lewis – Head of Practice

<b>General update</b>	
Please provide in the space below a general update on the shared service.	
<p>Tom Lewis is now in place as permanent Head of Service, with all Principal Lawyer posts also filled. The successful recruitment of a Principal and Senior Planning Lawyer in Q3 has also filled some critical positions within the service. Locum staff are still being used but these are now in place at the discretion of the service and are meeting fluctuating business needs. A full review of all staff has been completed after consultation.</p> <p>2017/18 business plans and budgets are currently being finalised and will be approved by the relevant committees at each of the authorities. The service has gone through an office accommodation review and Cambourne will become the main office with hubs operating in the Guildhall and Pathfinder House. The move is scheduled for late February 2017.</p>	

<b>Budget position</b>	
What is the budget for the service area for the current financial year?	£ 1,377,440
What is the projected budget spend for the service for the current financial year?	£ 1,432,440.
If a budget overspend is predicted, please provide a commentary below on the situation, and what is being done to recover it.	
<p>Forecasted savings of £124k against 2015/16 budgets are forecasted for year end 2016/17, this is £55k short of the budgeted 2016/17 savings target. Issues around delays in recruitment, restructuring and one off costs have led to this shortfall. There is confidence with these issues now resolved that the service will meet its savings target for 2017/18.</p>	

Performance indicators				
How many are currently green (on track)?				3
How many are currently amber (within 5% of target)?				1
How many are red (more than 5% adrift of target)?				1
Please provide a commentary below on the PI's, what is being done to recover it, and a prediction of when performance will be back on target.				
PI				Commentary
<b>Q3 Target Fee Earners Hours Recorded</b>				Further training on Iken required to bring the actual hours recorded on track in place
<b>Fee Earner</b>	<b>Target Hours for quarter</b>	<b>Actual Hours</b>	<b>%</b>	
Total	3694	3415	92	
<b>Q3 Complaints Received</b> 2 complaints received in period from internal customers regarding service delivery.				Internal resolution received in both incidents
<b>Time Efficiency</b> New templates developed during Q3 <ul style="list-style-type: none"> <li>- Contract Instruction Form</li> <li>- Client Care Letters</li> <li>- Model Contract for Sale</li> <li>- Case Plan - Shared Ownership Purchase</li> </ul>				These allow the fee earners to respond to and manage cases more quickly
<b>Q3 Cases Load</b> Total cases in Q3 were 612 for CCC (46%of total), 259 for SCDC (19%) and 438 for HDC(33%). Average days cases are opened – 3 days Current Open Case - 748				

Project update	
How many projects have been identified for implementation for this service for this year?	3
(a) Procurement – work across the 3 authorities to synchronize process and procedures	Green

(b) Lexcel Accreditation	Green
(c) Consumption Recharging Model	Green
How many are currently green (on track)?	3
How many are currently amber (some slippage, but not significant)?	0
How many are red (significant slippage)?	0
For each red project, please provide a commentary below on the situation, what is being done to recover it, and a prediction of when progress will be back on target.	
<b>Project</b>	<b>Commentary</b>
N/A	

<b>Update on any other targets and objectives</b>
Please provide in the space below updates against any other targets or objectives that have been included in the business plan for the current year.

<b>Risk management</b>	
Does the service area have a risk register?	No – high risk matters are identified via IKEN (Practice Management System). Legal would feed into risk registers for partner authorities
Please provide an update in the space below on any key risks and progress in managing and/or reducing them.	
<b>Risk</b>	<b>Commentary</b>
Lexcel Accreditation – Capacity to deliver project	Stephanie Kaloo, Practice Business Manager, has been identified as project lead. Head of Practice to monitor progress monthly and release workload if slippage is occurring

**Any matters to raise with or requests of the councils?**

Please provide in the space below the details of any matters you wish to raise with the councils, or any requests that you wish to make.

For the next financial year the 3C Shared Legal Service wishes to extend and formalise its commitment to excellent service provision. In addition to the measures outlined in the appended report the Practice will be making a commitment to each and every client (which will be carried at the bottom of every client communication) as follows:

**3C Legal Practice – Our Commitment to our Clients:-**

- We will endeavour to return telephone calls within 1 working day.
- We will acknowledge correspondence (including Emails) within 2 working days of receipt.
- We will make sure our clients are aware of the Practice’s complaints procedure.
- We will agree key deadlines/operational requirements with clients within 5 working days.
- We will regularly update our clients on progress (weekly unless no movement on a particular matter)

Clients will be able to feed back any failures against these service standards to the fee earner and Practice Manager in order to enhance and improve the performance of the Practice. Principal Solicitors’ will also be expected to monitor their team’s performance with monthly spot checks to ensure delivery.

**Consumption Recharging Model**

By identifying total number of fee earners (including Business Practice Manager and staff) x productive hours (1,200 hours quoted in original Business Case) = Total Productive Hours.

Monitoring of case work has started in Q4 and formal reporting will commence from the 1 April in line with the following process.

Convert Total Productive Hours to Partner Authority Hours (using the Business Case percentages i.e. the original investment into the Shared Service). This would effectively become each authority’s budgeted hours. The example below assumes 20 fee-earning staff @1,200 hours.

	<b>Business Case %</b>	<b>Partner Authority Hours</b>
CCC	57.21	13,730
HDC	14.05	3,370
SCDC	28.74	6,900
<b>Total</b>	<b>100.00</b>	<b>24,000</b>



3CLSS staff would time record all case work against a unique Iken reference which would include a specific client and authority reference. This would enable monitoring at authority level and comparison against the Partner Authority Hours and also the ability to see the detail below that level by individual case. It is proposed that quarterly monitoring reports would be submitted to the Board, alongside the normal financial and performance data. The Head of Legal Practice will review consumption on a monthly basis and liaise with clients as necessary.

The monitoring report will include the total number of hours consumed by each client. Each partner authority will have the opportunity to review the hours consumed and sign it off. It is not proposed to generate individual invoices for each Iken case throughout the year, but look to move to quarterly billing based on the agreed total hours of consumption, when appropriate.

This arrangement is meant to be transparent and fair to all parties, so that each partner authority is aware of their level of consumption at all times. The quarterly monitoring should also establish if current consumption is significantly different from the Partner Authority Hours and allow opportunity for each authority to feed into their respective financial processes. Working on this model a move to individual matter invoicing allowing greater efficiency and understanding of client need may be possible.

There will be a need to establish the total cost of the service, so this links to the current work to review overheads including reflecting changing accommodation from the Guildhall to Cambourne.

There will remain the need for specialist external advice to be obtained where the in-house resource cannot cover client need and particularly where work is one-off/bespoke in nature. This work would need to be funded directly from partner authority budgets and would be outside of the recharging process described above.

Once the office move to Cambourne is complete, the service will be able to properly test the reports that Iken produces, with a proposed 1 April 2017 go-live date.

## Legal Practice – Performance – 1<sup>st</sup> April 2016 to date

### 1. Number of New Cases Received by the Practice

2016	CCC					SCDC					HDC				
	<u>Contracts</u>	<u>Property</u>	<u>Governance</u>	<u>Litigation</u>	<u>Planning</u>	<u>Contracts</u>	<u>Property</u>	<u>Governance</u>	<u>Litigation</u>	<u>Planning</u>	<u>Contracts</u>	<u>Property</u>	<u>Governance</u>	<u>Litigation</u>	<u>Planning</u>
Apr 151	4	30	0	23	6	0	6	6	5	13	0	9	11	35	3
May 127	0	36	2	20	6	0	10	4	4	9	1	6	3	26	0
June 149	7	26	0	18	2	2	17	0	7	26	3	4	2	31	4
July 134	11	30	0	18	9	0	4	0	7	4	2	11	0	34	4
Aug 166	3	31	0	47	1	0	9	0	7	15	2	5	0	37	9
Sept 155	1	27	0	38	2	0	14	0	3	13	0	6	0	43	8
Oct 141	2	29	0	40	2	0	13	1	5	7	0	5	0	33	4
Nov 149	7	26	0	31	4	0	11	3	6	10	0	15	0	32	4
Dec 137	7	34	5	23	4	1	10	0	1	6	0	6	8	30	2
Total	42	269	7	258	36	3	94	14	45	103	8	67	24	301	38

- Total cases were 612 for CCC (46%of total), 259 for SCDC (19%) and 438 for HDC(33%). This does not reflect complexity of cases/potential work involved.

#### **Any other comments**

Please provide in the space below any other comments you wish to make.

A full client satisfaction survey will be sent out to all clients by the end of February 2017 to ascertain their views on how they feel the Practice is serving them.

A review of the service will be carried out in Q2 of 2017/18 as agreed in the original business case for a shared legal service. The outcome of this will be feedback to the board in the Q3 cycle of meetings.

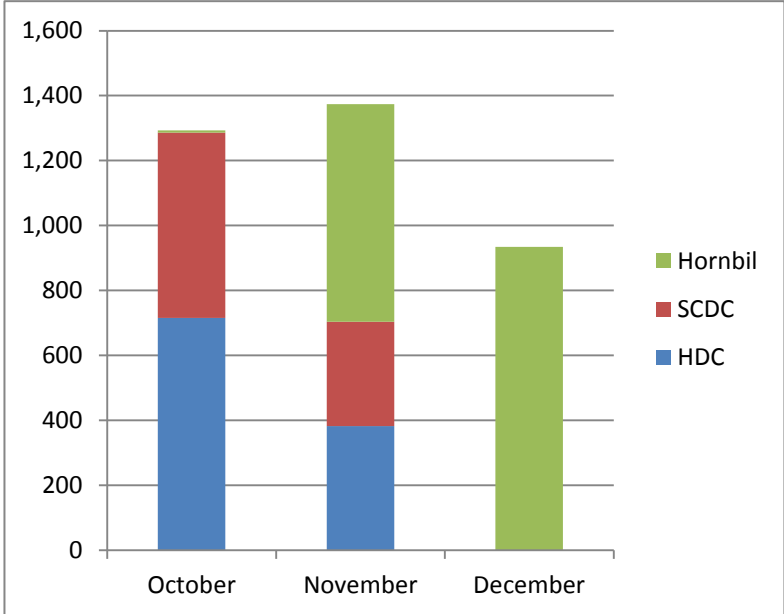
## Shared Service Reporting Form

<b>Shared Service:</b>	3C ICT
<b>Date of reporting:</b>	26 Jan 2017
<b>Completed by:</b>	Paul Sumpter - Head of 3C ICT

<b>General update</b>
Please provide in the space below a general update on the shared service.
<p>The new permanent Head of Service, Paul Sumpter, is now in place and this will provide fresh impetus on the overall 3C ICT strategy and operations. His immediate focus is customer service and project delivery. Generally there are no recruitment issues with a limited number of temporary staff in place but these are being used for business reasons as opposed to being unable to recruit to positions.</p> <p>Service levels have improved as the service develops, but with the occasional service interruption. There is a backlog of calls imported from existing systems and there is a plan in place to address this.</p> <p>A couple of key projects have completed in recent weeks:</p> <ul style="list-style-type: none"> <li>• Single Service Desk – unified portal and system for HDC and SCDC providing consistent view and service to councils. Benefits include holistic view of service activities, ability to adopt structured service processes, and ease of incorporating new communities.</li> <li>• Unified communications for Cambridge City – new Unify-based digital telephony solution deployed to City staff. Benefits include single communication platform for voice and data, state-of-the-art user functionality and improved control metrics.</li> </ul> <p>A general Service Improvement project is ongoing to add more resilience and robustness to the service, especially with the integration of the City/Northgate contract and service. This project includes, for example, the adoption of Information Technology Infrastructure Library service framework (ITIL) and more automated monitoring.</p> <p>There are a lot of projects and BAU work ongoing, and the challenge is to ensure all activities can be completed to expectations. It is planned to add to the team headcount once the Northgate migration project is fully signed off.</p>

<b>Budget position</b>	
What is the budget for the service area for the current financial year?	£5,028,000
What is the projected budget spend for the service for the current financial year?	£5,444,636 (Dec)
If a budget overspend is predicted, please provide a commentary below on the situation, and what is being done to recover it.	
<p>Forecasted savings of £470k against 2015/16 budgets are forecasted for year end 2016/17, this is £416k short of the budgeted 2016/17 savings target.</p> <p>The newly appointed Head of Service is looking at how the budget is managed and looking to build the budgets up for a baseline service delivery.</p> <p>This shortfall is due to the significant increase in hired staff costs to cover additional resources needed to develop the service which is the largest contributing factor to the overall overspend. These costs are not anticipated to carry into the next financial year therefore enabling the service to achieve budgeted savings.</p>	

<b>Performance indicators</b>	
How many performance indicator targets have been set for this service?	5
How many are currently green (on track)?	3
How many are currently amber (within 5% of target)?	3
How many are red (more than 5% adrift of target)?	1
For each PI, please provide a commentary below on the situation	

PI	Commentary																												
<p data-bbox="198 310 539 342"><b>Customer Satisfaction</b></p> <p data-bbox="198 415 782 447"><u>Total Call Resolved by 3C ICT per Month</u></p>  <table border="1" data-bbox="198 466 977 1075"> <caption>Total Call Resolved by 3C ICT per Month</caption> <thead> <tr> <th>Month</th> <th>HDC</th> <th>SCDC</th> <th>Hornbil</th> </tr> </thead> <tbody> <tr> <td>October</td> <td>720</td> <td>580</td> <td>0</td> </tr> <tr> <td>November</td> <td>380</td> <td>320</td> <td>680</td> </tr> <tr> <td>December</td> <td>0</td> <td>0</td> <td>930</td> </tr> </tbody> </table> <p data-bbox="198 1255 571 1287"><u>Current Outstanding Calls</u></p> <p data-bbox="198 1308 1123 1413">As of 03/01/17 there were a total of 396 open calls raised with the Service Desk, 187 of which are assigned to the Service Desk to action.</p> <p data-bbox="198 1470 511 1501"><u>Change Management</u></p> <p data-bbox="198 1522 1123 1732">The new Change Management process went live on the 18<sup>th</sup> October 2016 and new requests are now being logged via our Hornbill Service Manager system. This also records requests managed by Northgate for Cambridge City changes along with notifications from Virgin Media Business for changes affecting the CPSN network.</p> <table border="1" data-bbox="198 1795 982 1942"> <thead> <tr> <th>Change Requests</th> <th>October</th> <th>November</th> <th>December</th> </tr> </thead> <tbody> <tr> <td>Logged</td> <td>63</td> <td>83</td> <td>50</td> </tr> <tr> <td>Closed</td> <td>17</td> <td>28</td> <td>65</td> </tr> </tbody> </table>	Month	HDC	SCDC	Hornbil	October	720	580	0	November	380	320	680	December	0	0	930	Change Requests	October	November	December	Logged	63	83	50	Closed	17	28	65	<p data-bbox="1156 415 1432 636">HDC and SCDC have transferred to a consolidated service desk (Hornbill) in November</p> <p data-bbox="1156 1276 1432 1423">Extra resource has been allocated to reduce this backlog</p>
Month	HDC	SCDC	Hornbil																										
October	720	580	0																										
November	380	320	680																										
December	0	0	930																										
Change Requests	October	November	December																										
Logged	63	83	50																										
Closed	17	28	65																										

<p><b>Budget Savings Achieved</b></p> <p>The service is due to deliver savings of £470k in 2016/17 against 2015/16 budget which is shortfall of £416k against the target in the business case</p>	<p>Action plan in place to identify and delivered full savings for 2017/18</p>
<p><b>Organisational Structure populated</b></p> <p>All staffing restructures have been completed</p>	<p>Recruitment is on plan with limited use of agency staff</p>
<p><b>Service Catalogue Performance Indicators met</b></p> <p>The service catalogue is being developed by the newly appointed Head of Service</p>	<p>Work is on-going in this area</p>

Project update	
<p>How many projects have been identified for implementation for this service for this year?</p> <p><b>Major Projects</b></p> <p>(a) Northgate Migration – Amber (new transition PM in place and detailed plan in progress)</p> <p>(b) Public Services Network (PSN) compliance – Amber (Northgate being actively managed to execute actions detailed to support remediation plan)</p> <p>(c) Server Room Consolidation - Green</p> <p>(d) Single Service Desk - Green</p> <p>(e) 3C Building Control ICT Revamp – about to start</p> <p>(f) Technical Strategy – waiting sign off</p>	<p>RAG Status</p>
<p>How many are currently green (on track)?</p>	<p>5</p>
<p>How many are currently amber (some slippage, but not significant)?</p>	<p>0</p>
<p>How many are red (significant slippage)?</p>	<p>0</p>
<p>For each red project, please provide a commentary below on the situation, what is being done to recover it, and a prediction of when progress will be back on target.</p>	
Project	Commentary
<p>N/A</p>	

**Update on any other targets and objectives**

Please provide in the space below updates against any other targets or objectives that have been included in the business plan for the current year.

For completeness the following Performance Indicators are being tracked:

- Allow people to work flexibly – Amber – more work required here to provide consistent service, options and management to council staff and stakeholders – part of Technical Strategy
- Provide a fit-for-purpose and agile website – Green
- Delivery high levels of systems availability - Green
- Safeguard and protect information - Green
- Support and Develop our IT systems – Amber – more work required to lead customers on technology direction – Technical Strategy is draft
- Put our customers first – Red – The focus for the new Head of Service is to improve the customer experience and increase customer satisfaction. An action plan is being developed
- Open the door for others to follow – Amber – 3C ICT are working on providing increased leadership in technology use and provide expertise to service departments

**Risk management**

Does the service area have a risk register? Yes

Please provide an update in the space below on any key risks and progress in managing and/or reducing them.

Risk		Commentary
Risk	Mitigation	
The lack of consistent call logging and management across the Application Support Teams results in a lack of management of workload	The Single Service Desk system will mean that all three Application Support teams, the Database team and the Spatial Team will record calls logged. This will ensure that workload management is improved	3C ICT manage risks at a service level and only elevate significant risks to the corporate register if they had an impact on corporate as a whole
A lack of an awareness of work and planned maintenance/upgrades results in poor management of resources and customer service	A managed Forward Schedule for the Application Support teams will ensure that work and planned maintenance/upgrades are proactively managed	
There are too many applications being used	An application management strategy is being developed to	

across 3C	consolidate and rationalise where possible	
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<b>Any matters to raise with or requests of the councils?</b>
Please provide in the space below the details of any matters you wish to raise with the councils, or any requests that you wish to make.
As part of overall PSN compliance and flexible working we will need to alter staff and member access to Council data, such as emails and file stores. We would appreciate Council stakeholder assistance to ensure any changes are understood and supported.

<b>Any other comments</b>
Please provide in the space below any other comments you wish to make.
2017/18 business plan is being finalised and will be shared with the various committees in the March/April cycle. The transfer of Cambridge City Councils existing contract with Northgate is due to take place from 27 April 2017 after being approved by Members at Cambridge City Council on 23 January.



## Shared Service Reporting Form

<b>Shared Service:</b>	Building Control
<b>Date of reporting:</b>	26 January 2017
<b>Completed by:</b>	John Leney - Interim Head of Service

<b>General update</b>
Please provide in the space below a general update on the shared service.
<p>Since the date of the last report the service has fully reviewed its temporary staffing requirements, securing financial savings for the next three months. An Action Plan has been produced for the remainder of the financial year and the service has started to compile Business Management data. The Business Plan has been fully reviewed and rewritten.</p> <p>The Planned Outputs for the remainder of 2016/17 are:</p> <ul style="list-style-type: none"> <li>• Continually review the need for temporary contract staff and ensure sufficient resources for the remainder of the financial year.</li> <li>• Recruit into vacant permanent posts (interviews are arranged for 30 Jan 17)</li> <li>• Procure Executive Recruitment support and recruit into the Head of Service post</li> <li>• Carry out a skills analysis of the permanent staff, identify training needs and produce personal development plans</li> <li>• Produce a Staff Resource, Recruitment and Retention Strategy for 3Cs Building Control</li> <li>• Ensure that appraisals are fully up to date by the end of the financial year</li> <li>• Develop an effective benchmarking and performance management system</li> <li>• Produce a preliminary plan for maximising the commercial potential of the service.</li> <li>• Ensure that Elected Members at the Partner Councils are fully informed of progress and future strategies.</li> </ul>

<b>Budget position</b>	
What is the budget for the service area for the current financial year?	Total Expenditure £1,778,690 Total External Income £1,326,430
What is the projected budget spend for the service for the current financial year?	The projected overspend for 2016/17 is anticipated to be c£200k This £200k overspend is split 70%/30% between Fee-Earning and Non Fee-Earning activity Fee-Earning 70% (£140k) met from Building Control Earmarked Reserves Non Fee-Earning 30% (£60k) shared between Partners
If a budget overspend is predicted, please provide a commentary below on the situation, and what is being done to recover it.	
<p>The overspend is accounted for in the most part by the need to recruit temporary agency staff to cover vacancies in the permanent establishment. These costs are now under control and the predicted out-turn position is likely to improve by the end of the financial year. Some of this may be counter-balanced by increased revenue and the Business Development Team is currently verifying the remaining fee income that can legitimately be invoiced in the current financial year.</p> <p>In line with previous practice any overspend at year end would be allocated between the Fee Earning and Non-Fee accounts using the agreed 70%-30% split.</p>	

<b>Performance indicators</b>	
How many performance indicator targets have been set for this service?	3
How many are currently green (on track)?	1
How many are currently amber (within 5% of target)?	0
How many are red (more than 5% adrift of target)?	2
Please provide a commentary below on the PI's, what is being done to recover it, and a prediction of when performance will be back on target.	

PI	Commentary
<b>Q3 Plan checking within 5 weeks</b>  This target has been missed by 20%	Action plan in place to bring this on target
<b>Q3 Applications Registered within 2 Days</b>  Actual – 4 days	Action plan in place to bring this on target
<b>Number of applications submitted to national quality awards</b>  Cambridge won one national award	

Project update	
How many projects have been identified for implementation for this service for this year?  One – Merging the UNIFORM management system at the three partner Councils  Implement action plan	RAG Status  Complete  Green
How many are currently green (on track)?	2
How many are currently amber (some slippage, but not significant)?	n/a
How many are red (significant slippage)?	n/a
For each red project, please provide a commentary below on the situation, what is being done to recover it, and a prediction of when progress will be back on target.	
Project	Commentary

Update on any other targets and objectives
Please provide in the space below updates against any other targets or objectives that have been included in the business plan for the current year.
There are no other targets, although the service has a short term Action Plan as outlined above.

<b>Risk management</b>	
Does the service area have a risk register?	No
Please provide an update in the space below on any key risks and progress in managing and/or reducing them.	
<b>Risk</b>	<b>Commentary</b>

<b>Any matters to raise with or requests of the councils?</b>
Please provide in the space below the details of any matters you wish to raise with the councils, or any requests that you wish to make.
The new Business Plan anticipates improvements in the financial position of the service in 2017/18, when it is anticipated to achieve a Cost Neutral position or better.
A surplus of 10% of direct expenditure is considered feasible by the year 2020.

<b>Any other comments</b>
Please provide in the space below any other comments you wish to make.
The current Interim management arrangements will end early in the new financial year, when it is hoped that a permanent service head will be in place. This should provide long-term continuity to the service
The 3C Building Control service has maintained to hold its market share through the transition period which gives confidence in the success of the service once the current action plan is delivered.

**Public**  
**Key Decision - Yes**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Bearscroft Farm Local Lettings Plan

**Meeting/Date:** Overview & Scrutiny – Performance & Customers –  
1st February 2017  
Cabinet – 9th February 2017

**Executive Portfolio:** Cllr R Fuller

**Report by:** Head of Customer Services

**Ward(s) affected:** All

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### **Executive Summary:**

The Council's Lettings Policy provides the legal framework as to who may be accepted onto the Council's housing register and how those households are prioritised for the available socially rented housing within the district. Local lettings plans may be adopted as an appendix to the Lettings Policy as a means of varying the lettings scheme to create more mixed communities by setting aside a proportion of vacancies for applicants who are in employment. They are often used on the initial lettings on new build estates to ensure a new site does not have a concentration of households with similar needs.

This proposed local lettings policy follows good practice guidelines aiming to create a balanced and mixed community within the socially rented new build properties on the Bearscroft Farm development site. There are 51 affordable rented properties being delivered on the site by Cross Keys Homes. It is proposed the initial lettings of these properties be apportioned equally between households in the various priority bands on the housing register with the shortlisting for properties also ensuring that properties are apportioned between households both in and out of employment.

Any subsequent letting of these properties would then be in line with the Lettings Policy at that time.

### **Recommendation(s):**

The Overview and Scrutiny Panel is invited to comment on the proposed local lettings plan prior to consideration and adoption by Cabinet.

## **1. PURPOSE OF THE REPORT**

- 1.1 To adopt a local lettings plan for the initial letting of the 51 affordable rented properties on the Bearscroft Farm development site.

## **2. WHY IS THIS REPORT NECESSARY**

- 2.1 The Council's Lettings Policy forms the allocation scheme - a legal framework that defines how properties are allocated. A local lettings plan must be adopted to allow a small number of defined properties to be allocated in a different way to the legal framework.
- 2.2 The Council and Cross Keys Homes, the housing association developing the affordable rented properties on this site, are keen to create a mixed and balanced community on this new housing estate. To this aim it is proposed the initial 51 lettings will be made as follows:

**Band A** - 17 Applicants of which 8 to be allocated to applicants where one tenant is working. No more than 8 households moving from homelessness temporary accommodation.

**Band B** - 17 Applicants of which 8 to be allocated to applicants where one tenant is working

**Band C** - 17 Applicants of which 8 to be allocated to applicants where one tenant is working

## **3. KEY IMPACTS / RISKS**

- 3.1 Where a number of new build properties are delivered in quick succession in one location there is a risk through the normal lettings process that there may be a concentration of households with similar issues. This may include things such as a higher proportion of households not in employment, and this local lettings plan aims to minimise these risks thereby delivering a more balanced and mixed community.

## **4. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVE**

- 4.1 The delivery of affordable housing on this site contributes to the Council's strategic priorities by enabling sustainable growth and delivering new and appropriate housing. The delivery of new and affordable housing to meet future needs is a key objective of the Council.

## **5. LEGAL IMPLICATIONS**

- 5.1 Section 166A(6)(b) of the 1996 Housing Act enables local authorities to allocate particular accommodation to people of a particular description, whether or not they fall within the reasonable preference categories, provided that overall the authority is able to demonstrate compliance with the requirements of s. 166A(3). This is the statutory basis that allows local authorities to adopt local lettings policies for certain parts of the social rented stock within their area. The proposed local lettings plan is compliant with the legislation and statutory guidance in this area.

## **6. REASONS FOR THE RECOMMENDED DECISIONS**

- 6.1 It is recommended that the local lettings plan be adopted to assist with the creation of a new balanced and mixed community on this development site.

## **7. LIST OF APPENDICES INCLUDED**

Appendix 1 – Local Lettings Plan – Bearscroft Farm, Godmanchester.

## **BACKGROUND PAPERS**

### **CONTACT OFFICER**

Name/Job Title	Jon Collen – Housing Needs & Resources Manager
Tel No:	01480 388220
Email:	Jon.Collen@huntingdonshire.gov.uk

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## LOCAL LETTINGS PLAN

### BEARSCROFT FARM, GODMANCHESTER

Between Huntingdonshire District Council and Cross Keys Homes,  
Peterborough

#### **Purpose of the Local Lettings Plan**

This Local Lettings Plan has been prepared to assist in the initial letting of **51** general needs affordable rent properties by Cross Keys Homes at xxxxx Bearscroft Farm, Godmanchester through the Choice Based Lettings scheme.

The content of this document will be used to prepare the advert for promoting the development under Home-Link CBL, and will assist with the final selection of the successful applicants.

#### **Objectives of the Local Lettings Plan**

The objectives of this Local Lettings Plan for the new development are:

- i) Promoting a balanced and sustainable community.
- ii) Ensuring that the needs of the local and wider community are reflected within the new development.
- iii) Preference to applicants who are working and are therefore making a contribution to the local economy.
- iv) Helping to create a socially cohesive mixed tenure and mixed income community

#### **Breakdown of property types**

The new development consists of 51 general needs properties. A breakdown of property types is listed below:

- 16 x one bed two person flats
- 11 x two bed four person flats
- 1 x two bed four person flat over garage
- 16 x two bed four person houses
- 5 x three bed 5 person houses
- 2 x four bed 6 person houses
- \*All to be let on affordable rent*

In addition the following 22 property types will be offered via shared ownership and **do not** form part of this local letting plan

- 6 x one bed two person flats
- 6 x two bed four person flats
- 6 x two bed four person houses
- 4 x three bed 5 person houses

## **Allocation Process**

An advert will be prepared for submission to Home-Link CBL with the specified criteria as detailed under. Applicants will be permitted to bid for these properties through the normal CBL route.

Upon closure of the bidding process applicants will be shortlisted by band and date order as normal in accordance with the Huntingdonshire District Council Lettings Policy.

The final selection of the successful applicants to be verified (and potentially offered the property) will depend upon their band status and the length of application, and their ability to meet the overall aims of the letting plan for the development.

## **The main aims of this Local Letting Plan**

The initial letting of large scale developments through the Home-Link CBL scheme can cause challenges in terms of community mix. This local letting plan aims to provide a balance to the community and reflect all the communities' needs. This is to be achieved through a number of means:

### **Housing Register**

The 51 general needs units will be allocated through choice based lettings, but in order to achieve a stable community environment from the outset will be allocated in such a way that there will not be a large number of households moving from a crisis situation. Allocations will be split as follows:

**Band A - 17** Applicants of which **8** to be allocated to applicants where one tenant is working. No more than **8** households moving from homelessness temporary accommodation.

**Band B - 17** Applicants of which **8** to be allocated to applicants where one tenant is working

**Band C - 17** Applicants of which **8** to be allocated to applicants where one tenant is working

### **Transfer Applicants**

Tenants of Home-Link Partner organisations shortlisted for transfer in any of the above Bands should meet the following criteria:

- Clear rent account, maintained for six weeks
- Anti-social behaviour – no current open case
- Current property and garden kept in a good condition

### Working households

Working households are defined as households where at least one adult member is in employment. Prior to being offered the property, the applicant's details will be rechecked by Cross Keys Homes to confirm that they still meet the criteria. Proof of employment will be required e.g. wage slip, contract, etc.

### Single applicants under 35

Single applicants under 35 years old claiming housing benefit / Universal Credit who do not have any dependent children living with them will be affected by the Local Housing Allowance from 1 April 2018 resulting in the eligible rent being capped to a shared accommodation rate. Prior to being offered a property a financial assessment will be undertaken by Cross Keys Homes to evidence if the applicant can cover the shortfall. Applicants may not be offered a property depending on the outcome of this assessment.

In the event that full allocation is not achieved via the above criteria Cross Keys Homes will liaise with the Home-Link manager to agree any reasonable variations.

### **Future Lettings**

All future vacancies will resort to the existing Home-Link CBL banding and labelling principles and Cross Keys Homes will be responsible for preparing properties that become void for advertising in accordance with the existing work processes. Cross Keys Homes retains the right to amend or extinguish this local letting plan if this is found to be having a negative impact on the ability to let the properties.

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**Public**  
**Key Decision - Yes**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title:</b>	National Non-Domestic Rates Discretionary Rate Relief Policy effective from 1st April 2017
<b>Meeting:</b>	Overview and Scrutiny Panel (Performance and Customers) – 1st February 2017 Cabinet – 9th February 2017
<b>Executive Portfolio:</b>	Executive Councillor for Strategic Resources, Councillor J A Gray
<b>Report by:</b>	Local Taxation Manager
<b>Ward(s) affected:</b>	All

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### **Executive Summary:**

The Council, in its role as Billing Authority, has the power to set its own discretionary rate relief policy in accordance with Section 47 (as amended) of the Local Government Finance Act 1988.

Every rating assessment (legally referred to as a “Hereditament” in the legislation which are allocated a “rateable value”) is undergoing a revaluation by the Valuation Office Agency, in its statutory duty of compiling and maintaining “Local Lists” which billing authorities must bill according to, with the new list becoming effective from 1 April 2017 (the last such revaluation was 1 April 2010, as the Government postponed the 5-yearly revaluation due in 2015).

The revaluation can cause significant changes in rateable values, especially after a period of 7 years, and with the Government (as announced in the Chancellor’s Autumn Statement) changing other mandatory reliefs from 2017/18, it is essential that the council takes the opportunity to review its discretionary rate relief policy to ensure against inequalities, anomalies, and unintended consequences- including financial cost to the collection fund.

### **RECOMMENDED**

- To approve the Discretionary Rate Relief Policy as prescribed in Appendix 1 (Charities, Community Amateur Sports Clubs, and Non-Profit Making Organisations), and Appendix 2 (Section 44a “Part-Occupation” Relief and Section 49 “Hardship” Relief)
- To approve the Discretionary Rate Relief Policy of awarding relief under Government Proposals in all instances where the Council is 100% reimbursed by Section 31 “Burden Grant” e.g. Rural Rate Relief in 2017 pending the required change in primary legislation.
- To approve the granting of Discretionary Rate Relief for qualifying ratepayers (subject to state aid rules) in the Alconbury Weald Enterprise Zone.
- To approve the award of Section 47 “Localism Reliefs” only in highly

exceptional cases where no other alternative relief is applicable, and the ratepayer aids benefit to the amenities of the community and/or to the aims of the Council's Corporate Plan

- To approve the delegated powers to award Discretionary Rate Relief to the Head of Customer Service and the Local Taxation Manager.
- To approve the delegated power to deal with appeals against Discretionary Rate Relief decisions to the Corporate Director.

## **1. PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to set the Council's Discretionary Rate Relief Policy for the term of the new Local Rating List which is currently expected to be (for 5 years) until 31 March 2022.

## **2. BACKGROUND**

- 2.1 Section 47, and certain other minor provisions (i.e. S44a and S49) of the Local Government Finance Act 1988 enables the "Billing Authority" (Huntingdonshire District Council) to grant, under its own policy, certain discretionary rate relief to local ratepayers where qualifying criteria are met.
- 2.2 At its meeting of 11 February 2010 Cabinet approved the current discretionary rate relief policy for the duration of the current (1 April 2010) Local Rating List.

## **3. KEY IMPACTS**

- 3.1 The Legislation states certain "thresholds" for rated properties to be eligible of discretionary rate relief i.e. most pertinently for Rural Rate Relief where mandatory rate relief (provided for under S43) will be increased from 50% to 100% with a different threshold limit for Post Offices and Rural Shops, Public Houses, and Petrol Filling Stations .
- 3.2 Without careful analysis of the impact of the new rateable values, combined with the "knock on" effect of the new mandatory reliefs some ratepayers could be unfairly penalised by the resultant changes. The review of the discretionary rate relief policy seeks to address these issues, and to sooth any immediate change in rating liabilities to assist local/rural businesses.
- 3.3 An analysis and forecast on the effect on the both the Council and the individual ratepayer has also been carried out to ensure that the revised cost to the both are not significantly higher, when mitigated by the proposed change in policy. The reimbursement of the 100% Rural Rate Relief in 2017 will actually mean that the final cost to the District, County, and Fire will be less for that particular element.

## **4. TIMETABLE FOR IMPLEMENTATION**

- 4.1 The annual bills for Non-Domestic Rates will be processed and issued immediately after the Council Tax around 20 March 2016, and the intention is that wherever possible the bills will reflect the discretionary rate relief applicable. However, the delay in Government legislation, and the subsequent requirement for ratepayers to make applications which then need to assessed mean that this is going to be difficult to achieve in all cases. There are other changes such the increased threshold for mandatory Small Business Rate Relief which will also require new applications from eligible ratepayers.
- 4.2 The Government have actually stated that whilst they intend to amend the relevant primary legislation to increase mandatory rural rate relief to 100%, they "expect local authorities to use their local discount powers to grant 100% rural rate relief to eligible ratepayers from 1 April 2017". It is for this continuing purpose that the recommendation is that the Council maintains its current policy of awarding 100% relief in all cases where the Council is fully reimbursed by way of Section 31 (Burden) Grant.

4.3 Once the policy is approved suitable application forms will be re-designed, and new applications invited from potential qualifying ratepayers to ensure awards are made as soon as reasonably practicable.

**5. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES**

5.1 Through the use of discretionary rate relief the Council will contribute to its started aims of developing stronger and more resilient communities, and in its work programme of supporting economic growth in rural communities.

**6. CONSULTATION**

6.1 There is no legal requirement for consultation and the aforementioned time constraints would not make this possible in practice.

**7. LEGAL IMPLICATIONS**

7.1 There is no legal implication other than for the policy to be formally determined in accordance with the legislation, to enable delegated officers to assess and grant discretionary rate relief as appropriate to assist qualifying local ratepayers.

7.2 Under current European Union (EU) State Aid rules the Council- in its capacity as the authorised body- must ensure that, amongst other things , it complies with the De Minimis Regulation i.e. not to award more than 200,000 Euros in State Aid (deemed to include Discretionary Rate Relief) over any period of three fiscal years. These rules relate more particularly to relief given to in the Enterprise Zone (and the De Minimis limit is reduced to 100,000 Euros for businesses in the Road Transport Sector).

7.3 If, however, Article 50 is activated and the United Kingdom leave the EU during the life of this policy, then the EU State Aid De Minimis would not, in the absence of new and similar UK legislation, be applicable and so the level of the awards might be “uncapped”.

**8. RESOURCE IMPLICATIONS**

8.1 The current discretionary rate relief awards and associated costs in 2016/17 (at 31 December 2016) are:

Type of Award (and No.)	Total Value £	Cost (Loss) To HDC (40%) £	Cost to County (9%) £	Cost to Fire (1%) £	Cost to Central Gov. (50%) £
Rural Rate Relief – Post Offices	15,966	6,386	1,437	160	7,983
Rural Rate Relief-Shops	5,278	2,111	475	53	2,639
Rural Rate Relief-Pubs	0	0	0	0	0
Rural Rate Relief-Fuel Stations	0	0	0	0	0
“Non-Profit Organisations”- Making Recreational, Sports Clubs etc	45,263	18,105	4,074	453	22,631



Charitable "Top Ups"	0	0	0	0	0
Community Amateur Sports Clubs "Top Ups"	0	0	0	0	0
Section 44a- Part Occupation Relief	0	0	0	0	0
Section 49- "Hardship Relief"	13,570	5,428	1,221	136	6,785
HDC "Localism Relief"	0	0	N/A	N/A	N/A
<b>TOTAL</b>	<b>80,077</b>	<b>32,030</b>	<b>7,207</b>	<b>802</b>	<b>40,038</b>

## 9. OTHER IMPLICATIONS

- 9.1 The resource implications above are costed according to the current business rate retention regime (which came in to being from 1 April 2013- after the current "2010" scheme was adopted), but as with all other reliefs and administration costs etc it could be significantly changed with the introduction of 100% local retention (currently proposed from 2020) depending upon the final determination of those funding arrangements.
- 9.2 Similarly since 1 April 2013 under the banner of "Localism" the Council (as the billing authority) can under Section 47 (as amended) grant any other relief as it may decide in its policy, but with such power comes the responsibility to fund 100% of the cost of "Localism Relief". This is why this recommendation has been specifically worded to limit this financial impact whenever possible.

## 10. REASONS FOR THE RECOMMENDED DECISIONS

- 10.1 The recommendations are based on ensuring continuing support and fairness to qualifying local ratepayers following the revaluation of the rating list, and taking into account other proposed legislative changes from 1 April 2017 whilst soothing the financial effects of any changes for both the ratepayer and Council.
- 10.2 The explanation, in 9.2 above, of the 100% cost to the Council in funding "Localism Reliefs" is the reason why it is specifically recommended that these awards are granted only in highly exceptional circumstances based on the individual merits of an applicant where no other relief is possible, the ratepayer contributes to the amenities of the community and/or the Council's corporate objectives, and it is in the interests of local council taxpayers to do so.

## 11. LIST OF APPENDICES INCLUDED

- Appendix 1 – Discretionary Rate Relief Policy: Charities, Community Amateur Sports Clubs, and Non-Profit Making Organisations.
- Appendix 2 – Discretionary Rate Relief Policy: Section 44a (Part Occupation) and Section 49 (Hardship) Relief.

## BACKGROUND PAPERS

- Working Papers and Spreadsheets held in the Local Taxation Section
- Local Government Finance Act 1988 (as amended).
- Business Rate Information Letters (No.3 of 2016 and No.1 of 2017) issued by DCLG on 20 December 2016 and 24 January 2017 respectively.

## CONTACT OFFICER:

Ian Sims  
Local Taxation Manager  
Tel: 01480 388138

## **Appendix 1: Discretionary Rates Relief Policy – Charities, Community Amateur Sports Clubs and Non Profit Making Organisations**

1. This policy is to be used to calculate Discretionary Rates Relief for charities and Kindred organisations as prescribed in Section 47 of the Local Government Finance Act 1988 (as amended). The Rateable Values mentioned relate to values in the 2017 Local Rating List for Huntingdonshire
2. Approval of up to 20% discretionary Rates Relief to top up mandatory charitable relief shall be considered for local charities, taking into consideration:
  - the extent to which their activities meet the Council's corporate objectives e.g. encouraging active participation in sports and healthy life- styles.
  - the extent to which Huntingdonshire residents benefit from their activities
  - the financial position of the applicant
  - the financial position of the District council
  - the extent to which the organisation facilitates and encourages participation and membership from all sectors of the local community e.g. with Equalities firmly in mind.
3. Non-Profit Making Organisations which may qualify for mandatory relief under the Small Business Rates Relief scheme but have not applied for it shall be deemed to have up to 100% mandatory relief in accordance with their entitlement under that scheme, and shall have their Discretionary Rates Relief calculated accordingly.
  - Qualifying organisations in occupation of premises with a Rateable Value of under £18,000 shall receive 80% discretionary relief.
  - Qualifying organisations in occupation of premises with a Rateable Value of £18,000 or more but below £25,000 shall receive 50% discretionary relief.
  - Qualifying organisations in occupation of premises with a Rateable Value of £25,000 or more shall not receive discretionary relief.
  - Unoccupied premises shall not qualify for Discretionary Rate Relief (except where provided for under the S44a provisions of the Act)
  - All applications will be considered on the merits of the individual case, and relief may be granted in exceptional cases where the rateable values exceed the above amounts.
4. Non-Profit Making Organisations established for "Recreational" purposes shall only meet the Council's qualifying criteria if they encourage active participation in sports from all areas of the community (in keeping with the Council's Corporate Objectives), and are not limited to exclusive interests or limited accessibility.
5. The award of discretionary rate relief is delegated to the Head of Customer Service or Local Taxation Manager; Appeals by ratepayers must be made, in writing, within 28 days to the Corporate Director.

## **Appendix 2: Discretionary Rates Relief Policy – Other Sections**

### **Section 44a (part-occupation) Relief**

1. The Council has discretion under Section 44a of the Local Government Finance Act 1988 to request that the Valuation Office Agency (VOA) provide a certificate with a split valuation where part of a property is unoccupied “for a short time only”. The amount of the reduction is determined by statute, and is calculated by reference to the rateable value of ascribed to the unoccupied area in the VOA certificate.
2. Applications will only be considered in respect of unoccupied parts of a property that can be clearly defined and are reasonably segregated from the occupied part; no award shall be made where it appears to the Council that the reason for the part-occupation is for the sole purpose of applying for Section 44a relief, or where the part-occupation is considered to arise as part of the ordinary day to day operations of the business e.g. operation of a warehouse.
3. A ratepayer making an application shall provide a plan clearly showing the dimensions of the occupied and unoccupied area of suitable quality for the VOA to apportion the rateable value(s), and for the Council to monitor any change in the unoccupied area. Applications will not be considered until such time as the plan is provided, and will not be awarded retrospectively where no opportunity has existed for a Council Officer to verify the part-occupation.
4. In the absence of a statutory definition of “short time only” relief will only be awarded in line with normal empty property limits i.e. up to 6 months for commercially assessed properties and 3 months for all others.
5. Section 44a relief will not normally be awarded in respect of different “operative periods” that contain the same area of unoccupied property that existed in preceding operative periods, thus avoiding repeated or multiple applications.
6. Awards of Section 44a relief shall at the earliest occurrence of one of the following:
  - The end of the statutory period for which empty property relief may be allowed (See 4 above).
  - The end of the financial year i.e. 31 March in any year.
  - All or part of the unoccupied area becoming occupied.
  - The whole of the property becoming unoccupied (exemption can then apply instead of discretionary rate relief).
  - The ratepayer ceasing to be the liable party for the property.
  - The Council is unable to verify, following reasonable notice, that the area remains unoccupied.
7. The ratepayer must allow a Council Officer access to the property by appointment during normal working hours within 2 weeks of the application being made in order to verify the occupation of the property, and to allow subsequent ad hoc inspections as is thought necessary. In the event that access is not allowed promptly without good reason the award of Section 44a relief may be withdrawn.

## **Section 49 (Hardship) Relief**

1. The Council has discretion under Section 49 of the Local Government Finance Act 1998 to grant relief in full, or part, on the grounds of “Hardship” but must first be satisfied that:
  - The ratepayer would sustain hardship if the authority did not do so and
  - It is reasonable for the authority to do so, having regard to the interests of persons liable to pay council tax set by it.
2. The ratepayer must submit a comprehensive application, together with all possible financial accounts, to enable the Council to make an objective decision taking into account all relevant details and based on the merits of the individual case having strict regard to the statutory qualifying conditions above.
3. Where an application is considered to meet all the relevant criteria and the Council considers that the ratepayer has suffered hardship then a retrospective award may be given.
4. The duration of any award will not normally exceed one year (and in any case not beyond the expiry of one financial year), but in exceptional circumstances, and in cases of clear merit to local taxpayers, a new comprehensive application may be considered.
5. Whilst technically there is no statutory right of appeal against a decision not to award discretionary rate relief, there have been occasions of the Valuation Tribunal for England deciding to hear such cases, and it is considered transparent and prudent that award is decided by the Local Taxation Manager in consultation with the Head of Customer Service. Any subsequent appeal must be made, in writing, within 28 days of the original decision to the Corporate Director.

**Public**  
**Key Decision – No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Corporate Risk Register
<b>Meeting/Date:</b>	Overview & Scrutiny Panel (Performance & Customers) – 1st February 2017 Cabinet – 9th February 2017
<b>Executive Portfolio:</b>	Executive Councillor for Strategic Resources, Councillor J A Gray
<b>Report by:</b>	Internal Audit & Risk Manager
<b>Wards affected:</b>	All Wards

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### **Executive Summary**

This report provides Cabinet with details of the corporate risks faced by the Council and summarises operational risks as at 9 February 2017.

The risk register is reviewed frequently by Heads of Service to ensure that it remains fit for purpose and captures the significant risks to the achievement of the Council's objectives.

Since the Cabinet received the last report on risk management in July 2016, they have approved a new risk management strategy. The strategy broke the automatic link that existed between the Corporate/Operational risk levels and the 13 risk areas (the general headings against which risks were allocated). Senior Management Team have taken the opportunity to review the full risk register against the new risk management strategy. Four risks have been added and 52 risks removed, resulting in the total number of risks reducing from 114 to 66.

Corporate risks have reduced from 28 to 9. Operational risks have reduced from 86 to 57. Risk that have been omitted fall into the following categories.

- 36 Business as usual
- 3 Amalgamation of risks
- 13 Risk no longer exists or classified as significant

There are no very high residual risks at the current time.

It was explained to Cabinet in June, that future risk reports would be presented on a more regular basis and show risks by risk appetite category. Over the course of a municipal year this would allow Cabinet to review the whole register. Due to the large number of changes that have been made, it is felt appropriate that Cabinet have the opportunity to review all the changes that have been made along with the current Corporate risks.

### **Recommendation:**

The Overview and Scrutiny Panel is invited to comment on the report.

The Cabinet is

**RECOMMENDED**

1. To note the changes made to the risk register since it was last considered in July 2016; and
2. Review and scrutinise the corporate risk register and then consider what, if any, further risks should be included in it.

## 1. PURPOSE OF THE REPORT

- 1.1 This report provides Cabinet with information about the risk register as at 9 January 2017 and the changes that have occurred since they considered the register in July 2016 (in respect of the register entries as at 24 May 2016).

## 2. BACKGROUND

- 2.1 The risk management strategy gives responsibility to the Cabinet for ensuring effective risk management procedures are in place across the Council.

## 3. ANALYSIS

- 3.1 Risks contained within the register are in the main identified by Heads of Service and Team Managers and reflect the risks associated with the delivery of the themes and aims contained in the Corporate Plan and individual Service Plans.
- 3.2 The total number of corporate and operational risks and their 'risk scores' (the sum of likelihood and impact) at both the inherent (without controls) and residual (with controls) levels are summarised in Appendix 1 and 2. The full corporate risk register is attached at Appendix 3.
- 3.3 Corporate risks are those that are likely to affect the medium to longer term priorities of the Council. Operational risks are those that are encountered in the day-to-day provision of services.
- 3.4 Cabinet approved a new risk management strategy in September 2016. The automatic link that existed between the Corporate/Operational risk levels and the 13 risk areas (the general headings against which risks were allocated) was removed. This meant that managers could assign risks freely to either risk level. Senior Management Team (SMT) have reviewed the full risk register against the new risk management strategy. This resulted in seven risk being moved from the Corporate to Operational level. One risk (No. 73) was also entered in both categories, but has now been classed as a Corporate risk.
- 3.5 Four risks have been added to the register. These are listed in Appendix 4 together with the 52 risks that have been closed. Risks have been closed by SMT members for a variety of reasons. For ease of reporting these have been categorised as either being considered as managed through normal day to day service activity so have become business as usual, amalgamated with other risks, or either determined to be no longer present or classified as being significant. Closed risks have been reviewed by the Internal Audit & Risk Manager and decisions challenged if necessary. Managers make the final decision as to the status of their risks.
- 3.6 In respect of corporate risks, there are three risks that exceed their risk appetite category target levels. In accordance with the risk management strategy further treatment of these risks is the responsibility of Corporate Management Team (CMT). The current risk levels have been tolerated.

No.	Risk	Target	Actual
		Risk Appetite level	
14	High levels of sickness absence affect the ability of the council to deliver the full range of services to meet targets	Low	Medium
141	The Council does not provide effective	Low/Med	High

No.	Risk	Target	Actual
		Risk Appetite level	
	community leadership and engagement opportunities leading to the reduced inclusion of key sections of the community.		
237	Fundamental changes in Government Policy could undermine Council's ability to enable new affordable homes to be built.	Med	High

3.7 There are 15 operational risks that exceed their risk appetite category levels. Responsibility for taking decisions on further treatment rests with individual Heads of Service or CMT collectively. The current risk levels have been tolerated.

<b>Risk</b>	<b>Description</b>	<b>Risk category</b>
15 58	IT security is breached Information Security Policy is not followed	Compliance & Regulation
17 57	A member of the public is injured Plant and equipment used by staff is not properly maintained	Health & Safety
147 168	Safeguarding procedures are inadequate Insurers unwilling to accept liability for historic claims	
186	Assets used by the public are not maintained	
72 190 194 254	In appropriate contract terms & conditions Emergency housing need Reducing active lifestyle services Disabled facilities grants funding is lost to the County Council	Operational / Service
264 266	Noise compliance Non-compliance with external funding agreements	
29 40	Deficiencies in the election process Planning policy insufficient	Reputation

#### 4. COMMENTS OF OVERVIEW & SCRUTINY PANEL

4.1 To be inserted following the 1 February meeting of the Overview and Scrutiny Panel (Performance and Customers).

#### 5. KEY IMPACTS

5.1 The significant corporate and operational risks that have the potential to affect the delivery of the Corporate Plan need to be identified, controlled and monitored. If effective risk management (as set out in the risk management strategy) does not take place, there is the possibility that inappropriately informed decision-making may take place and the Corporate Plan outcomes may not be achieved. Maintaining an adequate and effective risk register and risk management process is a key management control.



## **6. WHAT ACTIONS WILL BE TAKEN**

- 6.1 The risk register is a dynamic document and is subject to regular review. Depending on the decisions taken by Cabinet, updates to the register may be required.

## **7. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND CORPORATE OBJECTIVES**

- 7.1 Risk management is one of the six core principles within the Council's Code of Governance – managing risks and performance through robust internal control and strong public financial management.
- 7.2 Good risk management practice contributes to the overall delivery of the Corporate Plan. It improves the performance of the Council by identifying and assessing current and emerging risks and opportunities and how they are to be treated.

## **8. RESOURCE IMPLICATIONS**

- 8.1 Risk management is a business as usual activity and as such the cost of risk mitigation is controlled within individual service budgets. Additional resources may be required to further mitigate any risk that exceeds its risk appetite, but these will not be known until the mitigation has been identified.
- 8.2 The cost of any risk materialising also needs to be considered. Whilst an individual residual risk score may be below its risk appetite level the failure of any control may result in unknown levels of financial costs being incurred.

## **9 REASONS FOR THE RECOMMENDED DECISIONS**

- 9.1 Cabinet need to ensure that the risk management process is robust and that the corporate risk register reflects their understanding of the significant corporate risks faced by the Council. In addition, they also need to be satisfied that risks have been mitigated to an appropriate level.

## **10. LIST OF APPENDICES INCLUDED**

### Appendix

- 1 Risk matrix – inherent to residual scoring: Corporate risks
- 2 Risk matrix – inherent to residual scoring: Operational risks
- 3 Corporate risk register
- 4 Summary of risk register amendments

## **BACKGROUND PAPERS**

Risk register.  
Risk management strategy.

## **CONTACT OFFICER**

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**Inherent Risks  
before controls**  
January 2017

Likelihood	5			1		
	4			3	1	
	3			1	2	1
	2					
	1					
		1	2	3	4	5
		Impact				

*Residual risk scores rely on the identified controls working effectively.*

*CMT rely on internal audit and managers' 'assurance' statements to judge whether this is the case.*

**Residual Risks  
after controls**  
January 2017

Likelihood	5					
	4			1		
	3		1	2		
	2		1	2	1	
	1			1		
		1	2	3	4	5
		Impact				

total  
**9**

**May 2016**

Likelihood	5					
	4			1		1
	3		2	4		
	2		3	13	3	
	1			1		
		1	2	3	4	5
		Impact				

total  
**28**

-19

**Key Descriptions as per RM Strategy**

Very High
High
Medium
Low

**Inherent Risks  
before controls  
January 2017**

Likelihood	5			1	1	1
	4		4	10	4	1
	3		2	10	12	1
	2		1	4	2	2
	1			1		
		1	2	3	4	5
		Impact				

*Residual risk scores rely on the identified controls working effectively.*

*CMT rely on internal audit and managers' 'assurance' statements to judge whether this is the case.*

**Residual Risks  
after controls  
January 2017**

Likelihood	5					
	4		1			
	3		12	5		
	2	1	6	23	4	
	1		1	1	2	1
		1	2	3	4	5
		Impact				

total  
**57**

**May 2016**

Likelihood	5					
	4	1	3	4		
	3	3	11	6		
	2	1	16	28	6	1
	1		1	1	3	1
		1	2	3	4	5
		Impact				

Total  
**86**



No.	Risk	Cause & Effect	Inherent Risk	Risk Controls	Residual Risk
6	Corporate Business Continuity plans are inadequate resulting, over both the short and medium term, in the Council's inability to provide an appropriate service.	<p>Cause:</p> <p>Loss of utilities / power for substantial amount of time. Loss of core systems. Flu pandemic. Staffing and resourcing. Severe weather. Major accident.</p> <p>Effect:</p> <p>Inability to deliver core services. Inability to fulfil statutory obligations. Reputation damage. Loss of income. Payments not made. Lack of leadership &amp; effect on staff morale.</p>	High	<p>BCP is reviewed and, if necessary, revised annually. This is then considered by SMT and CGC.</p> <p>IT recovery agreement in place; data is backed up for each site and is stored off site on a weekly basis; physical environment - air conditioning</p> <p>UPS - allows 10 mins closing down time.</p> <p>Server suite at Eastfield House in addition to Pathfinder House.</p> <p>Virtualisation of servers is complete. This capability is being incorporated in the IMD BCP which allows greater resilience should either PFH or EFH inoperable.</p>	Medium
14	High levels of sickness absence affect the ability of the council to deliver the full range of services to meet targets.	<p>Health &amp; Safety protocols: Updated work programme in place to check adherence.</p> <p>Adherence to corporate policies - varying protocols &amp; operational guidance.</p>	Very High	<p>Activity Managers are all trained in their responsibilities to manage sickness</p> <p>New starters attend a half day corporate induction and a staff handbook which offers directions on all of our policies</p> <p>IOSH supervising safely</p> <p>SMT/CMT have over sight of sickness and health and safety data as part of the management of the organisation.</p>	Medium

No.	Risk	Cause & Effect	Inherent Risk	Risk Controls	Residual Risk
73	National government places additional burdens on council services which lead to reprioritisation of the planned business of the council to meet local need.	Changing national policies Effect: Staffing impacts. Overspends. Priority need remains unmet. Changing targets. Inability of the Council to achieve in all areas.	Very High	Corporate Training Programme in place. Professionally trained staff undertake CPD and so would become aware of new legislation affecting their own profession.  MTFS process in place to plan for future pressures and bid for additional resources. Ongoing monitoring of impact of external and internal economic forces to allow prompt reactions / early intervention programmes.	Low
74	Robust Partnerships agreement are not effectively secured with relevant organisation and as a consequence the delivery of key objectives is not achieved	Breakdown in relationship with partners.  Targets not achieved.  New initiatives unsuccessful.	Very High	Current review of all Partnerships to ensure alignment with our corporate priorities, delivering value for money and are fit for purpose.	Medium
141	The Council does not provide effective community leadership and engagement opportunities leading to the reduced inclusion of key sections of the community.	Increased Community tensions. Public dissatisfaction. Potential legal challenges in respect of diversity and equality. Reputation. Financial. Inequality of service delivery.	High	Bring partners together to discuss and work together on community issues in Huntingdonshire.	High

No.	Risk	Cause & Effect	Inherent Risk	Risk Controls	Residual Risk
237	Fundamental changes in Government Policy could undermine Council's ability to enable new affordable homes to be built.	This includes an increase in the threshold of sites on which affordable housing can be sought. This means that less new affordable homes will be built in rural areas. In addition, changes to the rules governing section 106 obligations as they relate to new affordable housing. Where a development is unviable, the affordable housing obligation could be reduced or waived in the future resulting in fewer new affordable homes being built. HCA no longer generally funds s106 developments and the cumulative impact of these policies is likely to lead to fewer priority needs households (including homeless) being accommodated. People would have longer stays in temporary accommodation and increased use of B&B at a higher cost to the Council with detrimental impact on vulnerable people in the district.	High	<p>Adopt a new Housing Strategy and Action Plan.</p> <p>If a developer contends that their affordable housing requirement (Section 106) is not economically viable for them to fulfil we would scrutinise the inputs to the development to assess overall site viability. If proven, we would renegotiate a lower percentage of affordable housing, or we would revise the tenure split of the site to enable a viable development to proceed.</p> <p>Maximise new affordable housing opportunities on S106, rural exception sites and others.</p> <p>Review and increase provision of temporary accommodation as an alternative to B&amp;B.</p>	High

No.	Risk	Cause & Effect	Inherent Risk	Risk Controls	Residual Risk
262	Failure in the governance of shared services which results in non-delivery of vision of shared services leading to inability to deliver the required efficiency savings	<p>Cause Destabilising of partnership as local priorities change.</p> <p>Effect Lack of buy in from partners and staff - benefits of shared working not communicated. Perception that efficiencies to be gained will be insufficient. Incompatible cultures.</p>	High	<p>Forward plan of future phases to be built around review of phase one and business cases for next round.</p> <p>Regular board meetings to oversee roll out of projects across the three work streams and three Councils.</p> <p>Robust risk management now embedded in the programme.</p>	Medium
270	LPA cannot demonstrate a 5 year housing land supply	Higher benchmark to justify refusal of planning applications. Appeal decisions that would not otherwise be granted are granted to increase housing supply i.e. loss of local control, increase in speculative applications.	High	Annual monitoring report produced. Light touch report on current position provided to CMT on a quarterly basis. Housing land supply is a material consideration in planning decisions. Action Plan agreed at October 2016 PDG meeting.	High
271	Failure to adequately resource and influence the priorities for the devolution programme	<p>Cause The pace of the programme is dictated by central government.</p> <p>Effect Loss of funding. Breakdown in countywide commitment and partnership. Reputational damage. Impact on relations with other partners and agencies.</p>	High	Robust governance structures and programme management arrangements.	High

	<b>Additions</b>	<b>Closed</b>	<b>Category Change</b>	<b>Net result</b>
<b>Corporate</b>	<b>+ 2</b>	<b>- 14</b>	<b>-7</b>	<b>- 19</b>

<b>Risk</b>	<b>Risk Title</b>	<b>Inherent Risk Priority</b>	<b>Residual Risk Priority</b>	<b>Narrative</b>
<b>Additions (2)</b>				
270	Local Planning Authority cannot demonstrate a 5 year housing land supply.	<b>High</b>	<b>High</b>	Risk created 02/08/16
271	Failure to adequately resource and influence the priorities for the devolution programme.	<b>High</b>	<b>High</b>	Risk created 05/12/16

<b>Risk</b>	<b>Risk Title</b>	<b>Narrative</b>
<b>Closed (14)</b>		
2	The Council does not invest in or develop its staff leading to motivational problems and service developments not being delivered on time or within budget.	Business as Usual (BAU).
47	Council's funds not invested appropriately leading to losses or poor returns resulting in unexpected service cuts.	BAU.
54	Managers discriminate against certain service users by not considering the needs of all service users when delivering or developing services.	BAU.
104	Delays to the construction of the new A14 may lead to a failure to achieve the longer term development/regeneration strategy for Huntingdon.	No longer considered a significant risk. Work has started.
130	Reductions in government funding leading to the need for additional savings in future years.	BAU.
157	Reduction in income streams would reduce the available revenue base leading to either the requirement for additional revenue support to maintain service levels, or a reduction in operating cost by reducing service provision (and staffing levels)	BAU. All service level agreements with third parties reviewed as part of ZBB and realigned at market rates to ensure full recovery of costs.
204	Service developments and new/amended policies introduced without due consideration of their equalities impact resulting in legal challenge in respect of equality and diversity.	BAU.



Risk	Risk Title	Narrative
239	Town centre development does not progress as agreement anticipates	No longer considered a significant risk. Multi-storey car park complete and open. Churchmanor started work on redevelopment of Chequers Court. Alternative plans to be considered for redevelopment of Hunts West.
248	Non achievement of actions set out in the MTFS leading to a failure to ensure financial sustainability.	BAU.
251	Social media activity operates inconsistently leading to inappropriate and unauthorised use of social media by service.	No longer considered a significant risk.
260	The Council does not meet its obligations under the 2014 Data Transparency Code leading to complaints from the public and a judicial review.	BAU.
261	Shared service provision fails to deliver the required service leading to potential deterioration in service delivery, loss of control, loss of reputation and potentially increased costs.	BAU.
267	Delivery of the Building Control service via the Shared Service arrangements is not adequately managed leading to poor performance and dissatisfaction of its customers.	BAU.
268	Inadequate performance of Legal Shared Service resulting in legal challenge. Inadequate performance of Legal Shared Service resulting in legal challenge.	BAU.

	<b>Additions</b>	<b>Closed</b>	<b>Category Change</b>	<b>Net result</b>
<b>Operational</b>	<b>+ 2</b>	<b>- 38</b>	<b>+7</b>	<b>- 29</b>

<b>Risk</b>	<b>Risk Title</b>	<b>Inherent Risk Priority</b>	<b>Residual Risk Priority</b>	<b>Narrative</b>
<b>Additions (2)</b>				
217	Personal data is not processed in accordance with the rights of data subjects and the Council's Notification of processing purposes to the Information Commissioner under the Data Protection Act, resulting in complaints or litigation against the Council	<b>Very High</b>	<b>Medium</b>	Re-opened 11/08/2016
269	Closure of OL Centres due to security of tenure not being formalised	<b>High</b>	<b>Medium</b>	Risk created 02/08/16

<b>Risk</b>	<b>Risk Title</b>	<b>Narrative</b>
<b>Closed (38)</b>		
7	Localised flooding occurs after periods of heavy rainfall and due to inadequate planning and/or funding, property damage occurs and the economic life in the District is disrupted.	No longer considered a significant risk. Planning permission will not be granted contrary to Environment Agency advice.
18	The Council, as a partner to the Leisure Centre Joint Agreements, does not ensure that agreements are regularly reviewed resulting in reduced income to the Council.	No longer considered a significant risk. Superseded by lease/use agreements.
20	An incident or accident occurs at a Leisure Centre which requires services to be halted or dramatically reduced.	BAU.
22	Users of the Leisure Centres are put at risk by staff and/or other users who are unsuitable to have access to young and/or vulnerable people	Risk amalgamated with 147 which deals with safeguarding procedures.
31	Bailiffs are subject to violence & aggression resulting in injury and/or the non-collection of debts.	BAU – risk sits with the enforcement agency.
43	Development Management decisions are challenged requiring staff and financial resources to be directed at defending the challenge resulting in a reduction in service.	BAU - ongoing risk that relates to individual proposals and would not prevent wider Corporate objectives being met.
45	The procedures for the implementing of licensing activities are not robust, resulting in the Council being unable to perform its statutory duties.	BAU.
51	Deficiencies in Housing policy / strategy	No longer considered a significant risk.

Risk	Risk Title	Narrative
64	Despite receiving adequate training, employees make unintentional mistakes leading to incorrect levels of services being provided to customers.	BAU.
69	Arrangements for the management of land charges are not robust leading to the provision of inaccurate land charges information.	BAU.
71	The Council is unable to secure sufficient external funding and grants to deliver new projects.	Risk no longer exists. Council no longer promoting large projects.
102	Customer Service Centre and Call Centre are not informed of service issues (e.g. Council Tax bills are delivered earlier than anticipated), resulting in peaks in telephone enquiries and visits.	BAU.
123	Freedom of Information Act and Environmental Information Regulations Request are not successfully responded to.	BAU.
160	Exceptionally inclement weather causes extended closure of OL facilities.	BAU.
161	Possibility of OL Centres being taken over as rest centre resulting in loss of income / admissions.	No longer considered a significant risk. Managed via emergency planning process.
171	Inadequate consultation with Customer Services prior to changes/improvements in individual services resulting in reduced time for implementing the changes and subsequent failure to meet the expectations of customers.	BAU.
173	Staffing levels (within Customer Services) are inadequate leading to reduction in customer service levels.	BAU.
174	Customer Service Centre is not informed of changes to services/events advertised as available at the centre leading to customer dissatisfaction with quality of service provided.	BAU.
175	Housing Benefits and/or Benefits Fraud Visiting Officers are subject to violence & aggression resulting in illness and/or injury.	BAU.
176	Loss of telephony at the Call Centre results in customer dissatisfaction and service targets not being met.	BAU.
184	Disruption in services provided by the Document Centre result in Annual Bills and other statutory documents not being issued correctly or on time.	BAU.
191	Government Connect – Code of Connection (CoCo). Sensitive benefits information is sent by unsecure channels leading to a breach of the CoCo and data protection regulations.	BAU.
193	Food hygiene inspection program not completed within statutory time limits resulting in a potential increase in community ill-health and the subsequent risk of civil action against the Council if we fail to discharge our statutory duties.	BAU.
195	Failure to plan for exceptional or unforeseen increase in demand for planning applications results in insufficient resources and planning applications not dealt with on time.	BAU.
197	The internal H&S inspection & accident investigation	BAU.

Risk	Risk Title	Narrative
	program is not completed on time resulting in potential increase in workplace accidents & occupational ill health and the Council facing legal action for failure to discharge its statutory duties.	
198	Failure to secure core funding to operate the Community Transport schemes leading to a loss of services available from Community Transport Operators and a reduction in community access to services and facilities for Huntingdonshire residents.	No longer considered a significant risk.
199	Insufficient resources (staff, equipment, systems, information) resulting in failure to fulfil key areas of statutory responsibility relating to air quality and noise nuisance.	BAU.
206	Localism Act 2011 - Insufficient resources to deal with new standards regime, maintenance of register and investigation of complaints .	No longer considered a significant risk.
207	Failure to promote local democracy sufficiently resulting in local people not taking an active part in their communities and being involved in the decisions that affect them.	No longer considered a significant risk.
213	Prolonged periods of increased average temperatures, leading to summer heatwaves impacting upon people and the environment.	BAU.
214	Warmer, wetter winters and hotter summers with reduced rainfall resulting in an increased likelihood of subsidence and ground heave.	BAU.
215	Warmer summer weather and outdoor lifestyle increases the scope for outdoor activity leading to an increase in tourism and increased opportunity for leisure.	BAU.
227	Skills and expertise may be lost following staff and licensing panel member changes, which may result in adverse impacts on the service delivered and licensing decisions made.	BAU.
228	Personal search companies claim refund of fees following admission by government that charging for personal searches was incompatible with the Environmental Information Regulations resulting in detrimental effect to Council budget.	Risk no longer exists.
232	Delivery of the Home Improvement Agency via shared service arrangements is not adequately managed leading to poor performance and the dissatisfaction of its customers.	Risk amalgamated with risk 262 which deals with failure of shared services.
234	Employees of the Council who act in isolation or conjunction with a colleague accept an inducement/bribe leading to them acting outside of agreed policies and procedures and bringing the Council into disrepute.	Risk amalgamated with risk 75 which deals with fraud and similar irregularity risks.
249	S106 funding for grounds maintenance reduces resulting in fall in revenue.	BAU. Needs analysis work of open space and play area requirements against provision completed. Core assets and development requirements identified to be delivered within existing resources.

<b>Risk</b>	<b>Risk Title</b>	<b>Narrative</b>
258	Members make grant awards to people who do not meet the criteria of the award scheme.	No longer considered a significant risk.

End

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**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Integrated Performance Report, 2016/17 Quarter 3

**Meeting/Date:** Overview and Scrutiny (Performance and Customers)  
Panel, 1 February 2017  
Cabinet, 9 February 2017

**Executive Portfolio:** Councillor Jonathan Gray, Executive Councillor for Strategic Resources  
Councillor Stephen Cawley, Executive Councillor for Transformation and Customers

**Report by:** Corporate Team Manager and Head of Resources

**Ward(s) affected:** All

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### **Executive Summary:**

The purpose of this report is to brief Members on progress against the Key Actions and Corporate Indicators listed in the Council's Corporate Plan for 2016-18 for the period 1 October 2016 to 31 December 2016. The report also incorporates progress reporting for current projects being undertaken and Financial Performance Monitoring Suite information at the end of December.

An update on the Commercial Investment Strategy includes details of the investments to date and the level of returns these are expected to generate.

A progress report on achievement of the Peer Challenge action plan is now included following Cabinet approval of the action plan in November 2016.

### **Recommendations:**

The Panel is invited to consider and comment on progress made against Key Activities and Corporate Indicators in the Corporate Plan and current projects, as summarised in Appendix A and detailed in Appendices B and C.

The Panel is also invited to consider and comment on the Council's financial performance at the end of December, as detailed in Appendices D and E.

## 1. PURPOSE

- 1.1 The purpose of this report is to present performance management information on the Council's Corporate Plan for 2016/17 and progress updates for current projects.

## 2. BACKGROUND

- 2.1 The Council's Corporate Plan 2016-18 was adopted as a two-year plan in 2016, setting out what the Council aims to achieve in addition to its core statutory services. The information in the summary at Appendix A and the performance report at Appendix B relates to the Key Actions and Corporate Indicators listed for 2016/17.
- 2.2 As recommended by the Project Management Select Committee, project updates are included in this performance report at Appendix C. There are currently 33 open, pending approval or pending closure projects and 1 closed project logged on the SharePoint site across all programmes. This report covers all of these projects, including all Capital Projects.
- 2.3 This report also incorporates financial performance to the end of December. Performance is summarised in sections 4-6 below and details are listed in the Financial Performance Monitoring Suite at Appendix D. A review of the position of Zero Based Budgeting (ZBB) savings to date has been carried out and a RAG (Red, Amber or Green) rating for each item is listed in the table at Appendix E.

## 3. PERFORMANCE MANAGEMENT

- 3.1 Members of the Overview and Scrutiny (Performance and Customers) Panel have an important role in the Council's Performance Management Framework and a process of regular review of performance data has been established. The focus is on the strategic priorities and associated objectives to enable Scrutiny to maintain a strategic overview. Their comments on performance in Quarter 3 will be added to section 6 of the Cabinet report.
- 3.2 Progress against Corporate Plan objectives is reported quarterly. The report at Appendix B includes details of all Key Actions and Corporate Indicators which had a 'Red' status at the end of Quarter 3. Appendix C provides information about projects with a 'Red' status, including the purpose of the project and comments from the Programme Office as to the current status of each project's SharePoint site as part of the new governance arrangements.
- 3.3 Performance Indicator data has been collected in accordance with standardised procedures. Targets for Corporate Indicators and target dates for Key Actions have been set by the relevant Head of Service after discussion with the appropriate Portfolio Holder.
- 3.4 The table below summarises Quarter 3 progress in delivering Key Actions for 2016/17:

Status of Key Actions	Number	%
Green (on track)	29	78%
Amber (within acceptable variance)	8	22%
Red (behind schedule)	0	0%
Awaiting progress update	0	0%
Not applicable	1	n/a

Over three-quarters of the Key Actions were on track at the end of Quarter 3. Eight were listed as Amber, meaning they were within acceptable variance. None of the Key Actions had a Red status indicating that they were behind schedule.

- 3.5 Quarter 3 results for 2016/17 Corporate Indicators are shown in the following table:



<b>Corporate Indicator results</b>	<b>Number</b>	<b>%</b>
<b>Green (achieved)</b>	23	66%
<b>Amber (within acceptable variance)</b>	10	29%
<b>Red (below acceptable variance)</b>	2	6%
<b>Awaiting progress update</b>	0	0%
<b>Not applicable (annual/data unavailable)</b>	11	n/a

Excluding the indicators with no results available, this shows that the Council achieved nearly two-thirds of its targets at the end of Quarter 3. Targets were missed by more than acceptable levels of variance for only two indicators.

Our target to reduce staff sickness absence was missed mainly due to a high level of long-term absence throughout the year but the recent direction of travel is positive. At the end of Quarter 3, our sickness absence rate was lower than at the same point last year and the year-end outturn is expected to show significant improvement compared with the 2015/16 result. The Council remains committed to reducing sickness absence and the adoption of a new Sickness Absence and Attendance Policy in November appears to have already had a positive impact on attendance rates. Further information will be included in the Workforce Report due to be considered by the Employment Committee in February.

The percentage of CCTV cameras operational was below target at 86%. We are in the process of replacing one camera in Huntingdon which was damaged as a result of a road traffic collision. Two further cameras are being investigated as they are attached to buildings which have become vacant with power being lost. The camera network is getting towards the end of its realistic life and procurement activity has commenced to look at the replacement of the ageing camera network.

3.6 The status of corporate projects at the end of December is shown below:

<b>Corporate project status</b>	<b>Number</b>	<b>%</b>
<b>Green (progress on track)</b>	15	45%
<b>Amber (progress behind schedule, project is recoverable)</b>	5	15%
<b>Red (significantly behind schedule, serious risks/issues)</b>	6	18%
<b>Pending closure</b>	6	18%
<b>Closed (completed)</b>	1	3%

One project has recently been closed down following sign-off of close-down reports by the Project Management Governance Board, with another six projects currently in the close-down stage. Business cases for a further four projects have not yet been approved by the Board.

Of the projects currently in the delivery stage, six were Red at the end of Quarter 3 as they were either significantly behind schedule, had serious risks or issues identified or had a lack of governance documentation. Four of these had been rated as Red at the end of September. The Door Access Card Reader project was previously Amber and the Financial Management System project was previously Green. Details of all Red projects can be found in Appendix C.

Two projects which were previously Red at the end of Quarter 2 had progressed to a Green status by the end of Quarter 3. These were the Refit energy efficiency project and the Waste and Recycling Reconfiguration project.

#### **4. FINANCIAL PERFORMANCE**

4.1 Attached at **Appendix D** is the Quarter 3 Financial Performance Monitoring Suite (FMPS). With regard to the Quarter 3 forecast outturn for 2016/17, key highlights are shown in paragraphs 4.2 to 4.5 below. Other aspects of the FMPS are shown at paragraphs 4.6 to 4.13.

## Approved Revenue Budget

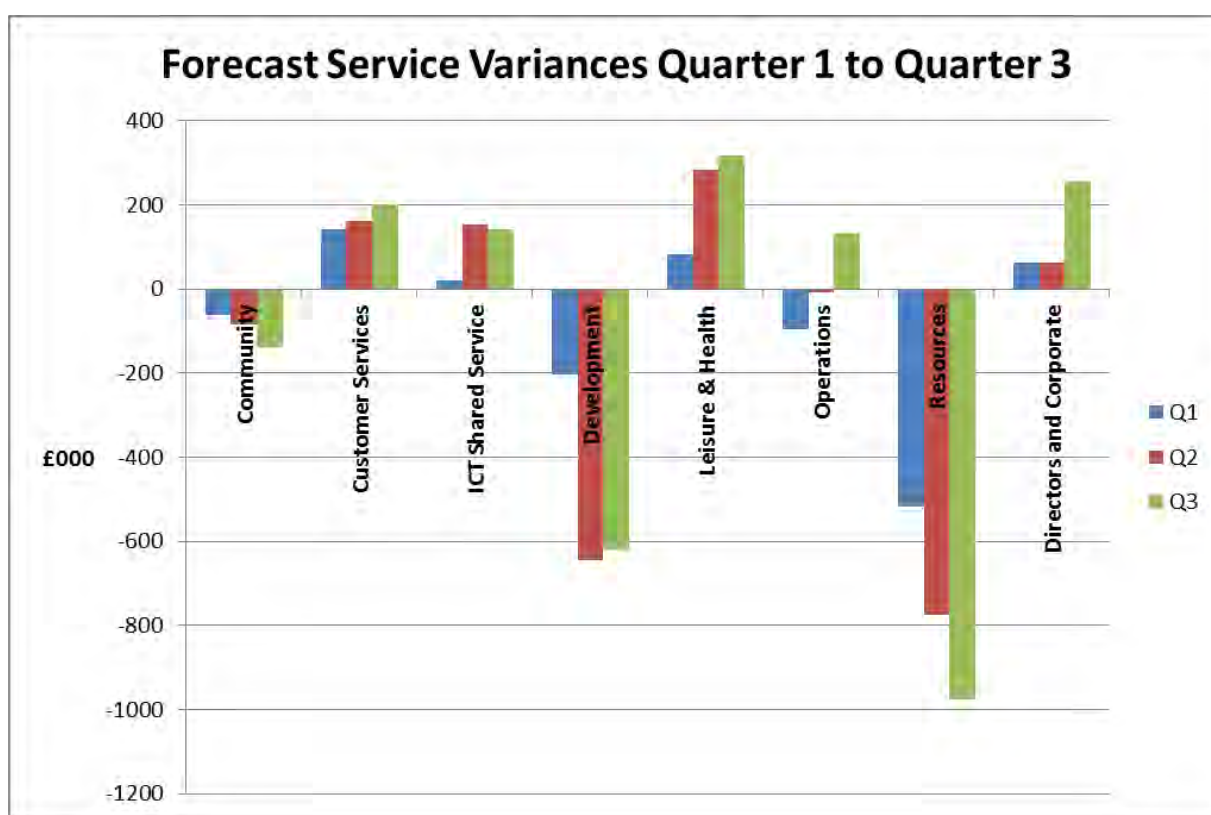
4.2 Following the approval of the Councils budget in February 2016, the Councils budget for 2016/17 was:

- Net revenue expenditure budget of £17.9m
- Contribution to reserves of £2.3m, and
- Budget Requirement of £20.2m

## Revenue Forecast Outturn and Variations in Revenue Spend

4.3 As shown in Section 2 of **Appendix D**, the year end forecast outturn revenue position for 2016/17 is a net revenue spend of £17.2m; resulting in a saving against budget of £687,000. Appendix D contains explanations for the main variances across all services.

4.4 The graph below shows how the forecast outturn variances have moved from Quarter 1 through to Quarter 3 (negative numbers indicate a forecast underspend).



4.5 Explanations for the key movements on the above graph are:

- ICT Shared Service – the gross overspend on the service is £412,000 but a proportion of this will be recharged to our partners. The HDC element is £141,000 and is as a result in additional hired staff over and above the current establishment and to date being able to identify savings that were required as part of the establishment of shared services. This position is under constant review and it is anticipated the current position will improve during the year as further savings are identified.
- Development Services – The increased underspend is as a result of additional CIL admin fees (£289k) and additional planning application fees (£321k). The additional CIL admin fees will be moved to an earmarked reserve at year end.
- Leisure and Health – The difference between forecasted surplus out-turn and budget is primarily due to a reduced Impressions direct debit line. The full effect of changing Impressions memberships and additional competition was not apparent at the time of

budget setting, however there is a recovery action plan in place to pull back the loss of income within year

- Operational Services – The overspend is primarily as a result of ZBB savings targets for additional income from Car Parking and the County Council for grass cutting not being achieved this year.
- Resources – The increased underspend is primarily a result of an additional income for CIS and an underspend in the budget for the new Financial Management System (FMS).

### ZBB Savings Progress

4.6 As part of the budget setting process for 2016/17 £2.3m of new ZBB savings were approved. A review of the position of these savings to date has been carried out and a RAG (Red, Amber, Green) rating given. There are 2 sets of RAG reporting:

- A RAG status on the implementation plan:
  - Green started and on track or not yet started but will be commenced in line with original timescales,
  - Amber timescales slippage,
  - Red Saving not being implemented in 2016/17
- A RAG status on the achievement of the savings:
  - Green savings will be achieved in full,
  - Amber reduced savings achievable in 2016/17,
  - Red saving not achievable in 2016/17 and possibly future years)

4.7 **Appendix E** shows the RAG status for all individual projects and these are summarised in the table below:

	Achievement of Savings £'000	Achievement of Savings (%)	Achievement of Savings (Numbers)	Implementation	Implementation (%)
<b>Red</b>	282 [372]	12 [16]	6 [3]	6 [1]	13 [3]
<b>Amber</b>	428 [410]	19 [18]	7 [5]	7 [3]	15 [8]
<b>Green</b>	1,550 [1,478]	69 [65]	35 [32]	35 [36]	73 [90]

Figures in brackets are the 2nd quarter's comparators

### Risks - Homelessness

4.8 In Quarter 3, homelessness continues to be an issue for the Council and its customers, with levels of Temporary Accommodation and B&B running at levels seen in Quarter 2. A number of actions are in hand to try to deal with this, from short term tactical solutions through to longer term strategic planning. This work sits within an action plan that is overseen by the Executive Councillor for Operational Resources and the Executive Councillor for Planning Policy, Housing and Infrastructure, and they meet regularly with Officers to monitor progress. Agreed measures will be included in the new Housing Strategy which will be considered by an Overview and Scrutiny Panel prior to adoption at Cabinet (see KA24).

4.9 For example, officers are:

1. Accelerating occupation of properties by homeless clients by using 'direct lets' outside of the normal bidding/placement cycle
2. Ensuring HDC is accepting homeless cases appropriately, including asking other Councils to review some of our cases as a 'critical friend'
3. Working to maintain current levels of Temporary Accommodation in the District at a time when providers are reviewing their business models. Specific discussions are being held with Metropolitan Housing Association regarding the ongoing use of Coneygear Court.

4. Exploring opportunities with Housing Associations to bring more Temporary Accommodation into the available stock
5. Talking with partners such as MoD, CCC and others to identify potential sites for suitable development, the Council is also looking for development opportunities directly
6. Robustly challenging developers to ensure that they deliver the maximum amount of affordable housing that is viable on sites.

4.10 These actions are tackling an issue that is affecting the Country as a whole. The continued pressures of rented properties becoming less affordable, welfare reform and low levels of supply of new affordable rented homes are all long term strategic factors the Council will continue to deal with.

#### **Capital Forecast Outturn and Variations in Capital Spend**

4.11 Following the approval of the Councils "net" capital programme in February 2016 of £9.5m and Cabinet approval of slippage of £1.5m in June 2016, the Council's final 2016/17 "net" capital programme is £11.0m. This is now increased to £12.187m for the Investment in General Trading Company, Huntingdon Town Council loan and a payment for Medway Centre.

4.12 **Appendix D** shows the detailed Capital Programme budget, spend to date and projected outturn position. Spend to date is £3.892m and the projected outturn is £9.095m, an underspend of £3.092m. Of this, £2.558m is anticipated delays in the implementation of schemes and other variations of £534,000.

4.13 It should be noted that for the past few years the Capital Programme has had substantial scheme slippage in the final Quarter resulting in underspends occurring. The implication of this was less borrowing was required and is resulting in an underspend in the current year on MRP in the revenue budget (the current years MRP budget is underspending by £180,000). There is a high risk that this will incur in 2016/17 and will again result in a MRP budget for 2017/18 being set at a level higher than is required.

#### **General Fund Reserve**

4.14 Members will recall that in December 2015 Cabinet approved that the minimum level of the General Fund was to be maintained at 15% of net expenditure.

4.15 The 2016/17 opening General Fund balance was £2.5m and is budgeted to increase to £2.7m. As a result of the projected underspend on net revenue expenditure the minimum level requirement has dropped to £2.6m, with the reduced requirement (£100,000) to be transferred into the Budget Surplus Reserve.

#### **Non Domestic Rates (NDR) and Council Tax Income**

4.16 Page 14 of **Appendix D** shows the current level of bills raised for NDR (£60.5m) and Council Tax (£97.6m) and the expected level of collection. These represent the total bills raised but the Council's share of this, and any subsequent bad debt, is 40% and 13% respectively.

#### **New Homes Bonus**

4.17 Page 15 of **Appendix D** shows the current position in relation to New Homes Bonus. The revised target for the number of new homes in the year October 2015 to September 2016 is 541. The number of new homes as at the end of September 2016 is 577, 36 above the target growth.

## Miscellaneous Debt

- 4.18 Page 15 shows the current position of outstanding miscellaneous debt. As at 31 December 2016, the total overdue debt is £1.011m. Of this, £0.797m relates to prior years – a reduction of £1.797m on the figure as at 31 March 2016.

## 5. UPDATE ON THE COMMERCIAL INVESTMENT STRATEGY

- 5.1 The Commercial Investment Strategy (CIS) was approved by Cabinet in September 2015 and the CIS Business Plan in December 2015. The implementation of the CIS is seen as a key means by which the Council can generate income to assist it in meeting the forecast gap in the revenue budget, by 2021/22 it will have in part contributed in reducing this to £1.2m.

- 5.2 At the end of Quarter 3 the financial projections for the CIS are:

Budget Heading	Budget (£'000)	Forecast Outturn (£'000)	Variance (£'000)
CCLA Property Fund	0	(104)	(104)
Property Rental Income	(875)	(514)	361
Management Charge	144	20	(124)
MRP	885	0	(885)
<b>Total</b>	<b>154</b>	<b>(598)</b>	<b>(752)</b>

## 5.3 INVESTMENTS

Between April and December 2016, 59 properties have been investigated as potential CIS investment opportunities. The Council has invested in 2 of the properties and the details of these investments are shown below. The reasons for rejecting the other 57 properties are summarised in **Appendix F**.

A further investment into the CCLA property fund is being considered, the decision whether to invest will depend on what other property investments emerge.

### **Property: 80 Wilbury Way, Hitchin.**

- Property Type: Office Block
- Purchased on 8 July 2016
- Purchase Cost (excluding completion costs) £2.2m
- Modelled rate of return 7.4%
- Rent reserved £0.175m pa
- Earmarked reserves have been used to finance the purchase of this investment, which means there is no requirement for the council to set aside funds to provides for the future debt repayments (MRP)

### **Property: Shawlands Retail Park, Sudbury.**

- Property Type: Retail Park
- Purchased on 13 September 2016
- Purchase Price (excluding completion costs) £6.5m
- Modelled rate of return 6.9%
- Rent reserved £0.483m pa
- Earmarked reserves have been used to finance the purchase of this investment, which means there is no requirement for the council to set aside funds to provides for the future debt repayments (MRP)

The approval for this purchase was in line with delegated powers.

5.4 To date all of the Council's investments have been funded from the earmarked reserves and no new borrowing has been required and it is currently anticipated that this will remain the case for any further investments that are made during 2016/17. The result of this will be a saving in the 2017/18 Budget of MRP.

## **6. COMMENTS OF OVERVIEW & SCRUTINY PANELS**

6.1 Due to the timing of meetings, comments from the Overview and Scrutiny (Performance and Customers) Panel meeting on 1 February 2017 will follow the report to Cabinet.

## **7. RECOMMENDATIONS**

7.1 The Panel is invited to consider and comment on progress made against Key Activities and Corporate Indicators in the Corporate Plan and current projects, as summarised in Appendix A and detailed in Appendices B and C.

7.2 The Panel is also invited to consider and comment on financial performance at the end of December, as detailed in Appendices D and E.

## **8. LIST OF APPENDICES INCLUDED**

Appendix A - Performance Summary Quarter 3, 2016/17

Appendix B – Corporate Plan Performance Report

Appendix C – Project Performance

Appendix D – Financial Performance Monitoring Suite, December 2016

Appendix E – ZBB Savings Agreed 2016/17 Budget Setting - RAG Status

Appendix F – Reasons for rejecting CIS investment opportunities

Appendix G – Peer Challenge Action Plan Progress Report

## **CONTACT OFFICERS**

### **Corporate Plan Performance Monitoring (Appendices A and B)**

Daniel Buckridge, Policy, Performance & Transformation Manager (Scrutiny) ☎ (01480) 388065

### **Projects and Peer Challenge Action Plan (Appendix C and G)**

Adrian Dobbyne, Corporate Team Manager ☎ (01480) 388100

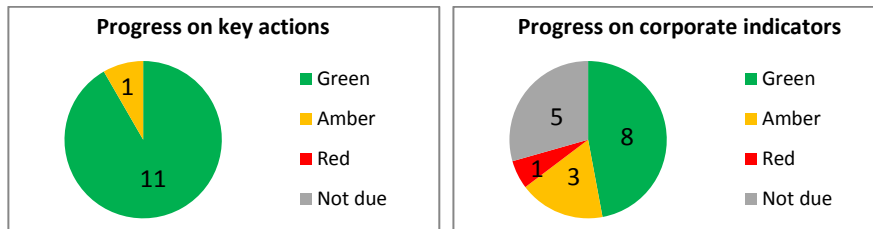
### **Financial Performance (Appendices D, E and F)**

Adrian Forth, Finance Manager ☎ (01480) 388605

## Performance Summary Quarter 3, 2016/17

### Enabling communities

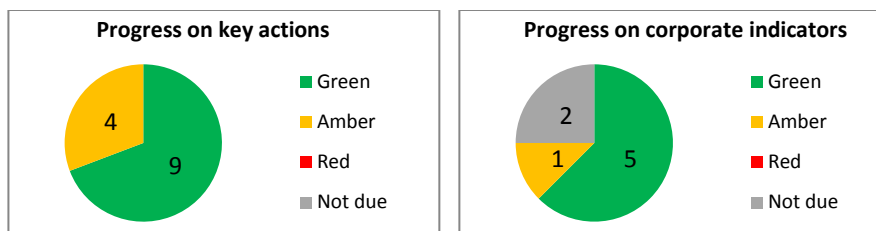
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include a reduction in the average length of stay of all households placed in B&B accommodation.

### Delivering sustainable growth

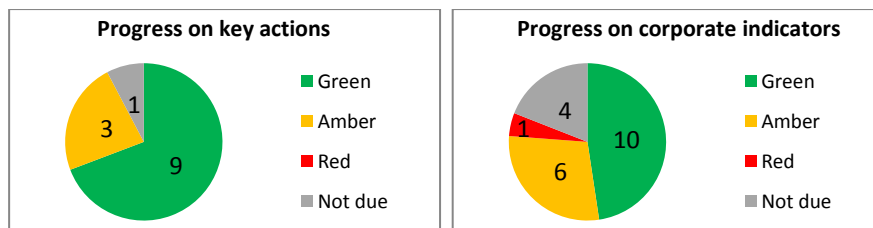
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include completion of 108 affordable homes up to the end of December, compared to 53 for the whole of 2015/16.

### Becoming a more efficient and effective council

We want to continue to deliver value for money services



Highlights include further improvements to the average time taken to process both new claims and changes of circumstances for Housing Benefit and Council Tax Support.

**STRATEGIC THEME – ENABLING COMMUNITIES**

Period October to December 2016

**Summary of progress for Key Actions**

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
	11		1		0		0		0

**Summary of progress for Corporate Indicators**

<b>G</b>	Performance is on track	<b>A</b>	Performance is within acceptable variance	<b>R</b>	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
	8		3		1		0		5

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**Red Corporate Performance and Contextual Indicators**

Performance Indicator	Full Year 2015/16 Performance	Q3 2015/16 Performance	Q3 2016/17 Target	Q3 2016/17 Performance	Q3 2016/17 Status	Annual 2016/17 Target	Forecast Outturn 2016/17 Performance	Predicted Outturn 2016/17 Status
PI13. Percentage of CCTV cameras operational Aim to maximise	99%	n/a	95%	86%	<b>R</b>	95%	90%	<b>A</b>
Comments: (Community) We are in the process of replacing one camera in Huntingdon having been damaged as a result of a road traffic collision, two further cameras are being investigated as they are attached to buildings which have become vacant and the power has been lost. The camera network is getting towards the end of its realistic life and procurement activity has commenced to look at the replacement of the ageing camera network. Further work has commenced to ensure that this performance indicator is reporting the true position of the camera network across Huntingdonshire, and to seek to ensure that further commentary on improvements in performance can be reported.								



**STRATEGIC THEME – DELIVERING SUSTAINABLE GROWTH**

**Period October to December 2016**

**Summary of progress for Key Actions**

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
	<b>9</b>		<b>4</b>		<b>0</b>		<b>0</b>		<b>0</b>

**Summary of progress for Corporate Indicators**

<b>G</b>	Performance is on track	<b>A</b>	Performance is within acceptable variance	<b>R</b>	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
	<b>5</b>		<b>1</b>		<b>0</b>		<b>0</b>		<b>2</b>

**STRATEGIC THEME – BECOMING A MORE EFFICIENT AND EFFECTIVE COUNCIL**

**Period October to December 2016**

**Summary of progress for Key Actions**

<b>G</b>	Progress is on track	<b>A</b>	Progress is within acceptable variance	<b>R</b>	Progress is behind schedule	?	Awaiting progress update	n/a	Not applicable to state progress
9		3		0		0		1	

**Summary of progress for Corporate Indicators**

<b>G</b>	Performance is on track	<b>A</b>	Performance is within acceptable variance	<b>R</b>	Performance is below acceptable variance	?	Awaiting performance update	n/a	Not applicable to assess performance
10		6		1		0		4	

**Red Corporate Performance and Contextual Indicators**

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Performance Indicator	Full Year 2015/16 Performance	Q3 2015/16 Performance	Q3 2016/17 Target	Q3 2016/17 Performance	Q3 2016/17 Status	Annual 2016/17 Target	Forecast Outturn 2016/17 Performance	Predicted Outturn 2016/17 Status
PI37. Staff sickness days lost per full time employee Aim to minimise	11.7 days/FTE	8.8 days/FTE	6.5 days/FTE	8.3 days/FTE	<b>R</b>	9.0 days/FTE	10.8 days/FTE	<b>R</b>
Comments: (Corporate Team) While the cumulative result at the end of Quarter 3 is below target, the Quarter 3 result of 2.6 days/FTE was better than both Q1 and Q2 (2.9 and 2.7 respectively), with further improvement expected. It is highly unlikely that year end results will be low enough for the challenging annual target to be achieved but the introduction of a new Sickness Absence and Attendance Policy in November 2016 appears to have had a positive impact on attendance already. Managing sickness absence is a key priority for our Senior Management Team, with management, HR and Occupational Health actions all being monitored closely in order to ensure that appropriate steps are being taken to facilitate prompt return to work wherever this is possible.								

## Appendix C – Project Performance

<b>Red =</b> Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation	<b>Amber =</b> Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable	<b>Green =</b> Progress is on track with no impact to delivery	<b>Pending Closure =</b> In close-down stage	<b>Pending Approval =</b> Business Case to be approved	<b>Closed =</b> Project is closed. Closedown report approved by Project Board and Project Management Governance Board.
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3	Title and purpose of project	Programme	PM	Target End Date	Expected End Date	Programme Office comments	RAG Status	Latest Update Date
	<b>Phoenix Industrial Unit Roof</b> Replace industrial roofs to address H & S and fulfil Council obligations.	Capital 2015/16	Golby, Jackie (Estates)	31/05/16	30/06/17	Project has been handed over to a new PM who is looking towards a best solution outcome; recruiting an external PM and building surveyor for all three roofs.  Tenders being appointed in January, Specifications and Contractors Tenders to go out February with an aim for works to start before 1 <sup>st</sup> April.  Project has a RED status as classified by the PM and Programme Office for multiple delays.	Red	Within last month
	<b>In Cab Systems</b> The project will replace the existing manual process for logging waste collection issues and involve delivery of that information in a timely manner from the refuse collection vehicle to the call centre. This will involve the purchase of a new bespoke system including hardware devices for the refuse collection vehicles.	Capital 2016/17	Connor, Sharon (Operations)	31/01/17	31/10/17	Project has a RED status as classified by the PM due to significant delay arriving from the decision to take a wider corporate approach and consider provision as part of the existing 3C Shared Service.  The user requirements for operations back office and in-cab technology is currently being established by 3C IT across South Cambridgeshire, Cambridge City and Huntingdonshire District Council. Workshops are complete and the requirements are due to be concluded end March 2017 to allow authorities to consider best	Red	Within last month

<b>Red =</b> Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation	<b>Amber =</b> Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable	<b>Green =</b> Progress is on track with no impact to delivery	<b>Pending Closure =</b> In close-down stage	<b>Pending Approval =</b> Business Case to be approved	<b>Closed =</b> Project is closed. Closedown report approved by Project Board and Project Management Governance Board.
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Title and purpose of project	Programme	PM	Target End Date	Expected End Date	Programme Office comments	RAG Status	Latest Update Date
					solution to requirements. This project will not continue in isolation to the back office system and a new business case will need to be put forward for a proposed solution.		
<b>Door Access Card Reader Replacement</b> The change to Proximity Card reader from Magnetic Readers at CCC and configure or replace Card Readers at SCDC and HDC. This will improve the security at CCC and provide one card access solution for the three council sites.	3C Shared Services	Solanki, Raj (3C ICT)	31/07/16	16/12/16	Arranged for OpenView engineers to go to work with Northgate to make sure the rest of Door access units (ACU's) can be communicated via the server. Meeting with OpenView to discuss revised go live date.  During testing at HDC the suppliers encountered some technical issues with the readers recognising the cards. The suppliers are working on the issue, due to this we have decided to halt roll out of the card readers at HDC until the supplier has successfully resolved this. Once further testing is completed we can revisit the roll out plan.  Project has a RED status as classified by the PM due to project having ongoing issues with external partners and slippage to project end date.	Red	Within last month
<b>Clifton Road Roofs</b> The capital bid is for funds to replace the roofs at the Clifton Road Industrial Estate, to make weather proof.	Capital 2016/17	Golby, Jackie (Estates)	28/02/17	30/06/17	Project has been handed over to a new PM who is looking towards a best solution outcome; recruiting an external PM and building surveyor for all three roofs.	Red	Within last month

<p>Red = Project is significantly behind schedule, serious risks/issues have been identified or there is a lack of governance documentation</p>	<p>Amber = Progress is behind schedule, some risks/issues have been identified or some documentation is missing. The project may be recoverable</p>	<p>Green = Progress is on track with no impact to delivery</p>	<p>Pending Closure = In close-down stage</p>	<p>Pending Approval = Business Case to be approved</p>	<p>Closed = Project is closed. Closedown report approved by Project Board and Project Management Governance Board.</p>
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Title and purpose of project	Programme	PM	Target End Date	Expected End Date	Programme Office comments	RAG Status	Latest Update Date
					<p>Tenders being appointed in January, Specifications and Contractors Tenders to go out February with an aim for works to start before 1<sup>st</sup> April.</p> <p>Project has a RED status as classified by the PM and Programme Office for multiple delays.</p>		
<p><b>Levellers Lane</b> Replace industrial roofs to address H &amp; S and fulfil Council obligations.</p>	Capital 2016/17	Golby, Jackie (Estates)	28/02/17	30/06/17	<p>Project has been handed over to a new PM who is looking towards a best solution outcome; recruiting an external PM and building surveyor for all three roofs. Tenders being appointed in January, Specifications and Contractors Tenders to go out February with an aim for works to start before 1<sup>st</sup> April.</p> <p>Project has a RED status as classified by the PM and Programme Office for multiple delays.</p>	Red	Within last month
<p><b>Implementation of Financial Management System</b> To introduce a new Financial Management System across the council.</p>	3C Shared Services	Buckell, Andrew (3C ICT)	31/05/17	31/10/17	<p>The project manager is in the process of producing a revised project plan for agreement by the project board on 26 January, along with approval of the final Solution Design. Project has RED status as classified by the PM and Programme Office as Technology One confirming delay in AR/C&amp;B and resources needed to develop.</p>	Red	Within last month

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## Financial Performance Monitoring Suite December 2016

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3.	Revenue and Reserve Forecast	3
4.	Service Commentary	4
5.	Capital programme	8
6.	Financial Dashboard	12

### Prepared By:

Sue Martin, Principal Accountant

Oliver Colbert, Principal Accountant (Technical)

## 1. Financial Performance Headlines

**Revenue** The Forecast Net spend for November is £17.2m which is an underspend of £0.7m (£0.6m for November) compared to the Budget. The financing income for November is improved by £1.073m due to additional business rates receipts for renewable energy schemes and enterprise zone reliefs that were not budgeted for.

**Capital** The Forecast capital spend for December is £9.1m and compared to the Budget of £11.0m is an underspend of £1.9m (£1.6m for November).

**Reserves** **Total forecast contribution to reserves £2.9m is as follows:**

- The Budget Surplus Reserve is currently £3.5m – this is the excess of the 15% minimum threshold set for the General Fund reserve and will be held to cover future years budget deficits.
- CIL Reserve £0.2m – this represents the additional 5% of CIL receipts.
- The Collection Fund Reserve has increased for November by £1.073m in relation to the additional NDR receipts.
- Adjustments have been made to Earmarked Reserves for the FMS budget underspend (£65,000) which will be utilised in 2017/18 and the financing the asset transfer between HDC and HTC (£300,000) and the new company set up costs (£100,000).

## Summary Revenue Forecast variances by Service

The table below shows the total variances for each Service and the main reasons. Further analysis by Service are shown in the following pages.

	<b>Forecast (underspend) / overspend £000</b>	<b>Main reasons for variance</b>
Community	(140)	One-off vacancies in Commercial, Environmental Protection and Environmental Health Teams partly offset by a redundancy payment
Customer Services	200	Mainly due to previously reported impact of increased B & B and Temporary Accommodation costs for homelessness. Variation also due to reduced Document Centre income with plans in place to look at an alternative commercial model.
ICT	140	Various, but mainly additional agency costs and plans to bring about full expected savings within the service still being implemented.
Development	(619)	Additional CIL income and additional planning application income. The CIL additional income has been transferred to the earmarked reserve.
Leisure and Health	318	One Leisure is not forecasting the surplus as per the Budget. This is primarily due to the membership income not achieving the level predicted as part of the Budget setting process. The impact of membership package changes had not been fully realised which would lead to reduced membership sales and cancellations.
Operations	132	Mainly due to car park income down due to decisions not to increase car parking charges.
Resources	(977)	Additional income from CIS and an underspend in the budget for the new FMS implementation due to the slippage of the implementation date (this is transferred to an earmarked reserve to meet these costs in the next financial year).
Directors and Corporate	257	Re-invigoration and Transformation Manager team costs which will be met from reserves.
<b>Total</b>	<b>(687)</b>	

## 2. Revenue and Reserve Forecast

Revenue Forecast Outturn	2015/16		2016/17		
	Outturn £'000	Budget £'000	Forecast £'000	Forecast Variation £'000	%
<b>Revenue by Service:</b>					
Community	1,676	1,911	1,772	(139)	-7.3
Customer Services	3,628	2,355	2,555	200	8.5
ICT Shared Service	494	1,796	1,938	142	7.9
Development	1,204	1,370	751	(619)	-45.2
Leisure & Health	(141)	(270)	48	318	-117.8
Operations	4,173	3,968	4,100	132	3.3
Resources	4,153	4,492	3,515	(977)	-21.7
Directors and Corporate	2,112	2,291	2,547	256	11.2
Technical Adjustments	(177)	0	0	0	0.0
<b>Net Revenue Expenditure</b>	<b>17,122</b>	<b>17,913</b>	<b>17,226</b>	<b>(687)</b>	<b>-3.8</b>
Contributions from Earmarked Reserves	0	0	(255)	(255)	0.0
Contribution to Earmarked Reserve (CIL)	0	0	272	272	0.0
Service Contribution to Reserves	2,555	2,276	2,947	671	29.5
<b>Budget Requirement (Services)</b>	<b>19,677</b>	<b>20,189</b>	<b>20,190</b>		
<b>Financing:-</b>					
NDR & Council Tax surplus	(2,750)	(3,933)	(5,006)	(1,073)	27.3
Government Grant (Non-specific)	(7,668)	(8,351)	(8,351)	0	0.0
Contribution from Collection Fund Reserve	(1,492)	0	1,073	1,073	0.0
<b>Council Tax for Huntingdonshire DC</b>	<b>(7,767)</b>	<b>(7,905)</b>	<b>(7,906)</b>		
<b>General Fund Reserve</b>					
	2015/16		2016/17		
	Outturn £'000	Budget £'000	Forecast £'000	Forecast Variation £'000	%
<b>Balance as at 1st April</b>	<b>9,287</b>	<b>2,537</b>	<b>2,537</b>	0	0.0
Service Contribution to Reserves	2,555	2,276	2,947	671	29.5
Contribution to/(from) Collection Fund Reserv	(1,492)	0	1,073	1,073	0.0
Transfers to/from Other Reserves	1,055	0	272	272	0.0
Transfer to NDR Reliefs Reserve	(300)	0	0	0	0.0
Transfer to Earmarked Reserve	(805)	(2,126)	(4,245)	(2,119)	99.7
Transfer to Commercial Investment Reserve	(7,763)	0	0	0	0.0
<b>Outturn forecast as at 31 March (15% of Net Revenue Expenditure)</b>	<b>2,537</b>	<b>2,687</b>	<b>2,584</b>	<b>(103)</b>	<b>-3.8</b>
<b>Earmarked Reserves</b>					
	2015/16		2016/17		Commentary
	Outturn £'000	Addition £'000	Deduction £'000	Forecast £'000	
S106 agreements	1,233			1,233	To be held to meet future years budget deficit  To Transformation Reserve From Special Reserve
Commutated S106 payments	1,725			1,725	
Repairs and Renewals Funds	981			981	
Collection Fund	2,702	1,317		4,019	
Commercial Investment	12,390	40	(9,200)	3,230	
Budget Surplus	805	3,172	(499)	3,478	
NDR Reliefs	300			300	
Special Reserve	2,325		(1,000)	1,325	
Transformation Reserve	0	1,000		1,000	
Other Reserves	1,549			1,549	
<b>Total Earmarked Reserves</b>	<b>24,010</b>	<b>5,529</b>	<b>(10,699)</b>	<b>18,840</b>	

### Definitions

2016/17 Budget  
2015/16 Outturn

As approved by Council, February 2016

Final figures for 2015/16, so these may vary slightly to the Provisional Outturn figures reported to Cabinet in June 2016.



### 3. Service Commentary

The following table provides the variances by service and where variances are greater than +/- £10,000 comments have been provided by the budget managers/Head of Service. Where there are adverse variances the budget managers have provided details of the actions they are undertaking to address the overspend.

Service Forecasts as at 31st December 2016				
Service	2016/17 Updated Budget	2016/17 Forecast Outturn	Variance	Comments on Variance +/- £10,000
	£	£	£	
<b>Head of Community</b>				
Head Of Community	79,602	82,573	2,971	
Community Team	706,813	676,578	(30,235)	Combination of overspends on building rental of £13k and provision of new electricity apply £5k. Saving from vacant post in the establishment £45k Reduced demand on pest control service giving a £3k shortfall in income along with the Priory Centre income of £5k not being realised. Legal Service saving of £5k and balancing of KP21 showing saving of £9k.
Commercial Team	349,121	282,811	(66,310)	Vacancy post 41k. £kk savings on legal services. £7k materials savings. £3k laboratory services savings. Other small savings £9k
Environmental Protection Team	411,550	346,912	(64,638)	Vacancy post 44k. £5k savings on legal services. £7k materials savings. £3k laboratory services savings. Other small savings £9k
Environmental Health Admin	143,779	110,178	(33,601)	Vacant post 22k, plus additional income from licence fees £8k
Projects And Assets	140,022	245,958	105,936	Pay projected to 28.11.16, includes redundancy etc £99k <b>Action on Overspend</b> - To be covered from underspending across the service
C C T V	(71,000)	(66,636)	4,364	
C C T V Shared Service	212,244	212,726	482	
Licencing	(161,246)	(214,614)	(53,368)	Increased demand on the licencing service giving higher than expected income at this point in the year
Corporate Health & Safety	100,608	95,296	(5,312)	
	<b>1,911,493</b>	<b>1,771,781</b>	<b>(139,712)</b>	
<b>Head of Customer Services</b>				
Head of Customer Services	96,477	99,909	3,432	
Local Tax Collection	140,286	121,935	(18,351)	Restructure underway, some vacancies held open pending outcome
Housing Benefits	403,556	569,149	165,593	Higher than planned use of B&B to deal with homelessness has resulted in an overspend <b>Action on Overspend</b> - Working on options across the short, medium and long-term - but in 16/17 an overspend is likely
Council Tax Support	(122,950)	(158,348)	(35,398)	Grant funding provided by DCLG to HDC, amount not known at the time the budget is set. Forecasting a larger grant than originally expected
Housing Needs	777,737	814,113	36,376	Additional expenditure in year to maintain Coneygear Court temporary accommodation <b>Action on Overspend</b> - This will be an overspend at year-end - this site provides 30% of HDC Temporary Accommodation - the alternative is more costly B&B for homeless clients
Customer Services	829,303	839,330	10,027	£220k saving in 16/17 from restructure implemented at start of year. Staffing changes meant some use of temporary resource to maintain front-line service <b>Action on Overspend</b> - Posts filled and structure complete. Budget will be met in future years
Document Centre	230,803	263,597	32,794	Less income than forecast in MTFs and work looking at potential commercial partnership is progressing. Business case to be presented in Feb-17 <b>Action on Overspend</b> - Work looking at potential commercial partnership progressing, and new clients being sought
Information Management	0	5,108	5,108	2015/16 items not accrued at year end, not an ICT Shared Service item
	<b>2,355,212</b>	<b>2,554,793</b>	<b>199,581</b>	

Service	2016/17 Updated Budget £	2016/17 Forecast Outturn £	Variance £	Comments on Variance +/- £10,000
<b>Head of ICT Shared Service</b>				
ICT Shared Service	1,796,334	1,937,540	141,206	<p>This is a combined figure based on several budget codes, as such this needs multiple explanations. There has been accurate forecasting for budget code 240/248 however this forecast was based on incomplete budget information provided by one partner, once the correct budget details were understood we were able to adjust the forecast incurring a projected overspend. The budget code 203 for IT hardware has had several purchases made against it which are yet to be recharged to the purchasing partner. Work is continuing to confirm and process the recharges which will bring this component of the budget down and hopefully within tolerance.</p> <p>Budget code 511 for maintenance has seen an increase due to maintenance on aging infrastructure and due to contract costs being higher due to USD/GBP fluctuations. There has been 50% of this component cost already identified as rechargeable and therefore following recharge the figure will reduce. <b>Action on Overspend</b> - Work has always been in place to challenge and validate the budget figures on the original transferred budgets, unfortunately until a full year cycle has completed the full accurate picture was never going to show itself. This test and challenge continues but once the year end is out the full picture for 17/18 will be set.</p> <p>The process for recharge needs to be more robust as when the budget was set and transferred (some items where inadvertently omitted) but it was never anticipated that anything other than basic inflation would impact the cost of maintenance and software. In the ICT world the Brexit fallout has impacted significantly many purchases and licencing prices in some cases to the tune of 20% uplift. We continue to work hard with suppliers and the market in general to demonstrate and receive best value for the authorities' purchases.</p>
	<b>1,796,334</b>	<b>1,937,540</b>	<b>141,206</b>	
<b>Head of Development</b>				
Head of Development	77,802	80,712	2,910	
Building Control	91,600	114,500	22,900	Anticipated increase in charge from shared service.
Economic Development	182,062	183,466	1,404	
Planning Policy	904,715	529,495	(375,220)	Due to increased CIL forecast of £289K against budget. £25.5K for S106 monitoring fees; £20k additional NP income. £35K staff savings resulting from time taken to fill vacancies following restructure & as staff leave.
Transportation Strategy	65,020	54,325	(10,695)	Balances to zero when adding variance to Public Transport
Public Transport	19,200	29,895	10,695	Balances to zero when adding variance to Transportation Strategy
Development Management	(192,510)	(454,537)	(262,027)	£32K due to compensation payment in relation to TPO'd tree. £321K variance is due to increase in planning application income. £73k overspent on consultants (St Ives West Legal and Wintringham Park Consultants) and £5605 credit budget against 799 taken out to reduce to zero, plus £22k overspend on consultant, £7k overspend on postage, £8k overspend on photocopying and scanning. £88K salary savings resulting from time taken to fill vacancies following restructure and as staff leave.
Housing Strategy	222,047	212,680	(9,367)	
	<b>1,369,936</b>	<b>750,536</b>	<b>(619,400)</b>	

Service	2016/17 Updated Budget	2016/17 Forecast Outturn	Variance	Comments on Variance +/- £10,000
	£	£	£	
<b>Head of Leisure &amp; Health</b>				
Head of Leisure & Health	77,822	80,095	2,273	
One Leisure Active Lifestyles	222,879	212,400	(10,479)	Additional funding from Public Health
One Leisure	(570,764)	(244,414)	326,350	Current forecast represents worst case scenario. Evidence from Impressions DD collections shows that the monthly collection is slowly improving. We plan to project this to the year end for next month's report. <b>Action on Overspend</b> - Improvement plan as previously reported. However, December has not shown any improvement due to the time of year and as predicted.
	<b>(270,063)</b>	<b>48,081</b>	<b>318,144</b>	
<b>Head of Operations</b>				
Head of Operations	78,302	120,036	41,734	£35k HoS interim consultant; £7k Recruitment costs <b>Action on Overspend</b> - Covered by one off in year service savings
Environmental & Energy Mgt	97,332	53,664	(43,668)	(£26k) Sustainability advice for SCDC; (£14k) County one off energy efficiency grant
Street Cleansing	826,877	788,223	(38,654)	(£12k) Litter Bin saving; (£32k) Weed spraying contract saving; £8k Mini Sweepers
Green Spaces	1,071,021	1,024,551	(46,470)	(£122k) One off in year savings; £22k to recover hedge cutting to standard; £26k Underachievement of ZBB target for CCC income; £20k Play equipment (Paint ramps)
Public Conveniences	13,400	11,210	(2,190)	
Waste Management	2,104,683	2,252,842	148,159	£200k Start of round rescheduling reprofiled; (£20k) insurance settlement relating to 2015/16; (£16k) Recycling credits c/f from 2015/16; (£34k) Recycling credit increase; (£34k) Trade waste income increased; (£29k) one off in year saving; (£23k) fuel price maintained low; (£14k) increased 2nd Green Bin income; (£11k) pension saving; £53k Round config Communications Costs <b>Action on Overspend</b> - Introduction of the revised round schedule is anticipated on 01st March. Although delayed this will then start to realise the savings.
Operations Mangement	28,891	4,785	(24,106)	(£25k) One off in year savings
Facilities Management	1,041,289	975,788	(65,501)	(£9k) EFH rent to CAB; (£31k) rent top floor of PFH; (£12.8k) rent top floor for 2015/16; (£16k) NNDR saving; £35k NNDR new costs for subletting PFH
Fleet Management	249,228	272,026	22,798	£20k for pressure washer <b>Action on Overspend</b> - Funded by savings from vehicle cleaning in other budgets
Markets	(47,885)	(61,778)	(13,893)	(£8k) increased Market income
Car Parks	(1,495,224)	(1,341,738)	153,486	£110k Fee increase delayed until 01st Apr; £10k ZBB Free after 3 reintroduced; £30k Excess charge shortfall; £20k shortfall in season tickets; (£33k) increase in casual income volume; £20k specialist consultancy to inform car parking strategy in 2017/18 <b>Action on Overspend</b> - Introduction of revised fees and charges anticipated 01st Apr
	<b>3,967,914</b>	<b>4,099,609</b>	<b>131,695</b>	

Service	2016/17 Updated Budget	2016/17 Forecast Outturn	Variance	Comments on Variance +/- £10,000
	£	£	£	
<b>Head of Resources</b>				
Head of Resources	88,022	92,341	4,319	
Corporate Finance	4,413,876	3,950,085	(463,791)	Apprentice Levy not required in 16/17 (73k), additional income from RSL investments (43k) and CIS investments (104k). Capital programme forecast underspend resulting in reduced MRP (180k) and less external borrowing (62k).
Legal	211,838	207,087	(4,751)	
Audit & Risk Management	611,141	572,241	(38,900)	Insurance retender lower premiums
Procurement	64,431	65,480	1,049	
Finance	658,934	708,576	49,642	Additional 2 interims, partly offset by vacancies (115k). Delay in the implementation of the new FMS (-66k); however, the saving on the FMS will be earmarked and carried forward to 2017/18. <b>Action on Overspend</b> - The overspend on the Finance Manager interim appointment can be covered from reserves as it is budget development work. However, this is not being used as overall underspends within Resources are off-setting these overspends
Commercial Estates	(1,556,757)	(2,081,021)	(524,264)	Net saving of £62k for additional estate management costs (insurance, lost NDR income, repairs and general management). Lost income from Voids and Rent Reviews (£73k) and as a consequence of not acquiring as many properties as planned but also not undertaking external finance to fund the acquisitions made, there is a net increase in the CIS surplus of £535k (MRP -885k less reduced income of £350k).
	<b>4,491,485</b>	<b>3,514,789</b>	<b>(976,696)</b>	
<b>Corporate Team Manager</b>				
Democratic & Elections	733,932	702,742	(31,190)	Final accounts reconciliation for PCC Elections showed more favourable variance than budgeted. Final accounts due next month on Referendum
Directors	468,855	723,145	254,290	£35k excess of AK over salary budget; £13k Recruitment costs; £174k Reinvigoration & Transformation; £20k Devolution <b>Action on Overspend</b> - Devolution and Transformation costs to be funded from reserves
Corporate Team	1,087,688	1,121,395	33,707	£29k Tupe consultancy; £11k OH increase due to Sick policy; (£29k) general savings; £22k Resourcelink additional modules
	<b>2,290,475</b>	<b>2,547,281</b>	<b>256,806</b>	
<b>HDC Totals</b>	<b>17,912,786</b>	<b>17,224,410</b>	<b>(688,376)</b>	

#### 4. Capital Programme

The table below shows the position on the capital programme as at quarter 3. As can be seen the spend to date is only £3.892m (32% of budget) but the capital programme is forecast to only have an underspend and rephase this year of £3.092m. There is a risk that this spend will not happen as the majority of schemes are still waiting to be started, even though plans are in place, contracts let etc. with a number of these.

The net spend on the Council's capital programme is financed via borrowing which has a revenue implication through the Minimum revenue Provision (MRP) the MRP budget will be set based on the period 8 forecast outturn, therefore any significant further slippage will result in a higher budget for the 2017/18 MRP being set.

<b>Budget Summary</b>	<b>Budget</b>	<b>Actual</b>	<b>Committed</b>	<b>Forecast Outturn</b>	<b>Variance</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
<b>Services</b>					
Community Services	330	0	0	0	(330)
Development Services	1,164	780	685	1,218	54
Leisure and Health	1,547	238	58	657	(890)
Resources	5,057	1,949	1,044	4,257	(800)
Customer Services	161	28	4	31	(130)
ICT	370	1	470	580	210
Operational Services	3,558	896	1,308	2,352	(1,206)
<b>Total</b>	<b>12,187</b>	<b>3,892</b>	<b>3,569</b>	<b>9,095</b>	<b>(3,092)</b>
<b>Reasons for Variances</b>					
Potential Rephase to 2017/18					(2,558)
Overspend					246
Underspend					(265)
Cancelled					(117)
Other					(293)
Increased Grants & Contributions					(105)
					<b>(3,092)</b>

Variation Commentary		£000s
1	<b>Rephasing to 2017/18</b>	
	<b>CCTV Schemes (Camera Replacement, PFH Resilience, Wi-Fi, Lone Worker)</b> The CCTV commercialisation programme is still being formulated, as a result the CCTV schemes are not deliverable in 2016-17.	(320)
	<b>Alconbury Weald Remediation – Expenditure</b> The planned project will not now proceed, and a new partner is being sought. The most likely partner is Urban and Civic and the expenditure will probably be in the form of a loan. In this instance capital sum repayments would still be governed by the grant determination letter. <b>Alconbury Weald Remediation – Grant</b> The planned project will not now proceed, and a new partner is being sought.	(0)
	<b>One Leisure Huntingdon Development</b> Lease negotiations with regard to the Leisure centre site have delayed the start of the project until the end of 2016 or the start of 2017. With the result that although some of the planning and design stage will be undertaken in 2016-17 the building works cannot commence until 2017-18.	(779)
	<b>One Leisure Improvements</b> Bookings for Burgess Hall mean work cannot be undertaken in 2017/18, and in addition works at St Neots Pool are delayed due to programming issues.	(96)
	<b>Building Efficiencies – Salix</b> Savings to the fund have been at a reduced rate, as a result the amount available to spend has been reduced in this year.	(36)
	<b>Retro-Fitting Buildings</b> Delays to the installation of the energy saving equipment have resulted from protracted lease negotiations at One Leisure buildings, so some expenditure has been delayed to 2017-18. The sites to be completed in 2016-17 are OL St Ives, Huntingdon, and Sawtry. An exclusion clause is to be included in the contract to deal with unresolved site lease issues.	(94)
	<b>Bridge Place Car Park</b> An analysis of the requirements for parking in Huntingdon is complete, this analysis shows that there is insufficient existing capacity without a replacement car park. Whilst some initial works will commence in 2016-17, the majority of the works will not take place until 2017-18.	(313)
	<b>In-cab Technology</b> This scheme is now part of a larger back office system for Operations, as a result it is unlikely to commence until Summer/Autumn of 2017.	(75)
	<b>Industrial Unit Roofs</b> An external project manager is due to be appointed to manage these schemes, however although the schemes may be started in 2016-17, it is likely that the schemes cannot be completed this year. In particular because the schemes will be dependent on good weather.	(262)
	<b>VAT Partial Exemption</b> The One Leisure and roof replacement schemes which are resulting in costs that cannot be claimed back have been delayed and as a result the VAT cost have also been rephased.	(29)
	<b>Vehicle Replacements</b> Refuse vehicles have been moved to next financial year as the	(542)

	order is not likely to be placed because of the need to evaluate the impact of the round reshuffling. In addition 13 vehicles that were expected in before the end of the financial year, have been delayed by the supplier until May 2017 due to issues relating to Euro6C legislation.	
	<b>Financial Management System Replacement</b> The implementaiton of the new financial management system (Technology One) has been delayed until October 2017.	(12)
	<b>Total</b>	<b>(2,558)</b>
<b>2</b>	<b>Overspends</b>	
	<b>One Leisure St Ives String Bowling</b> The whole life costs of the scheme have been assessed, there is a cost benefit in spending more on the equipment which will result in lower on-going revenue costs.	6
	<b>Virtual Server</b> Tenders have been received and have been assessed, the costs indicated in the tender are higher than the budget, and it has been decided that due to resilience issue and cost effectiveness that the implementation of the server upgrade would be in 2016-17 rather than across two years. It has been agreed by the Finance and Procurement Governance Board that the additional expenditure could be met from savings elsewhere in the programme.	175
	<b>Telephone System</b> The capital programme includes a scheme to replace the telephony switches and infrastructure. This was split £0.1m in 2016-17 and £0.1m in 2017-18. Now the procurement process has been undertaken, it is evident there would be significant savings if the purchase of equipment were phased across two years. The total Expenditure will be £0.165m as opposed to £0.2m budgeted. If the expenditure were phased across two years it would total £0.187m. Underspending in 2016-17 has been utilised to gain this saving.	65
	<b>Total</b>	<b>246</b>
<b>3</b>	<b>Underspends</b>	
	<b>Eforms</b> The contract with the supplier is now agreed and is less than that estimated.	(13)
	<b>One Leisure Replacement Equipment</b> This scheme is now complete, the equipment cost less than was anticipated.	(20)
	<b>CCTV Camera Replacements</b> The expected expenditure has been reduced because, there has been no need to replace cameras so far this year.	(10)
	<b>Wheeled Bins</b> Increase use of returned bins, smaller bins for trade waste customers, and less demand as a result of a reduced number of new developments, have reduced expenditure.	(54)
	<b>Vehicle Fleet Replacement</b> A saving as a result of the cost of various vehicles being less than originally estimated.	(126)
	<b>Play Equipment</b> The condition of the equipment has been assessed, and as a result the need for replacements has been reduced.	(5)
	<b>Flexible Working</b>	(30)

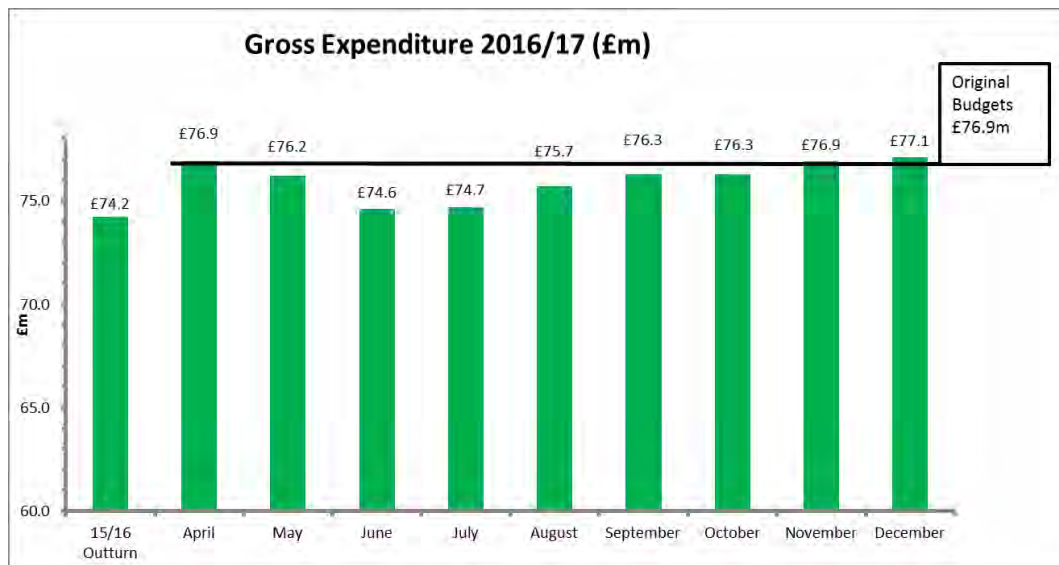
	The procurement of this software has been on a cost model that has a higher revenue cost but as a result reduces the upfront capital costs.	
	<b>VAT Partial Exemption Costs</b> A recalculation of the costs associated with VAT partial exemption has led to a small saving.	(7)
		<b>(265)</b>
<b>4</b>	<b>Cancelled Schemes</b>	
	<b>CRM Software Upgrade</b> The upgrade to this software has been postponed to allow consideration to a scheme covering the 3Cs partnership.	(117)
	<b>Total</b>	<b>(117)</b>
<b>5</b>	<b>Other</b>	
	<b>Private Sector Grants (Housing)</b> This scheme of grants is now complete, the expenditure for the remaining commitments exceeds the budget. Whilst there was an underspend in 2015-16 this was not rephased due the small amount.	6
	<b>Community Infrastructure Levy</b> The CIL payment for the Hunts West relief road has increased, this will be funded from the CIL reserve.	48
	<b>Capita Software Upgrade</b> Extra work has been identified in addition to the Capita upgrade. This work is required to move interfaces from an in-house system to Capita AIM, and make more efficient use of this software. In addition Capita will train up in-house staff so that they are able to carry out future works.	23
	<b>Doorstep Greens and Neighbourhood Gardens</b> Funds were allocated in accordance with a supplementary planning agreement to provide neighbourhood gardens as a result of the Oxmoor Estate action plan which finished in 2010. Whilst some of the scheme has been funded from an earmarked reserve the remainder of the cost need to be funded from the capital programme. This expenditure will be added to £25,000 set aside in a reserve	22
	<b>Loan to Luminus</b> When the Loan to Luminus was approved by Cabinet, a facility was provided up to £5.5m, the forecast for the loan is that it will be only now be up to a total of £5m.	(500)
	<b>Audio Visual Equipment – Civic Suite</b> The audio visual equipment in the Civic Suite has proved to be unreliable and prone to failures, a quote has now been received to replace the equipment, with the additional expectation that the new equipment will be capable of recording video for broadcast.	108
	<b>Total</b>	<b>(293)</b>
	<b>Total Expenditure Variations</b>	<b>(2,987)</b>
<b>6</b>	<b>Contributions and Grants</b>	
	<b>Increased contributions from developers for wheeled bins.</b> Receipts from developers are exceeding that expected.	(54)
	<b>Land Sales</b> The pieces of land identified for sale have achieved higher selling prices than expected.	(12)
	<b>Loves Farm Community Centre</b> Additional s106 contributions have been received for the construction of this facility.	(39)



	<b>Total</b>	<b>(105)</b>
	<b>Net Variations</b>	<b>(3,092)</b>
	<b>The following schemes have been added to the Updated Budget</b>	
	<b>Investment in General Trading Company</b> Cabinet on the 17 <sup>th</sup> November agreed the principle of the setting up of a trading company to encompass the Council's commercial activities. It was in addition agreed by Cabinet that an investment of £0.1m would be made, to purchase one ordinary share in the company.	100
	<b>Huntingdon Town Council – Loan</b> At Cabinet on the 17 <sup>th</sup> November it was agreed that as part of the asset exchange of the Medway Centre and One Leisure Huntingdon that a loan facility of £0.8m would be made available to Huntingdon Town Council. As this will be repaid on a regular basis no MRP will be set aside.	800
	<b>Huntingdon Town Council – Payment Relating to Medway Centre</b> At Cabinet on the 17 <sup>th</sup> November it was agreed that as part of the asset exchange of the Medway Centre and One Leisure Huntingdon that a cash payment of £0.3m would be made to Huntingdon Town Council. This cash payment will be financed from either the forecast underspend or from the special earmarked reserve.	300
		<b>1,200</b>

# Financial Dashboard

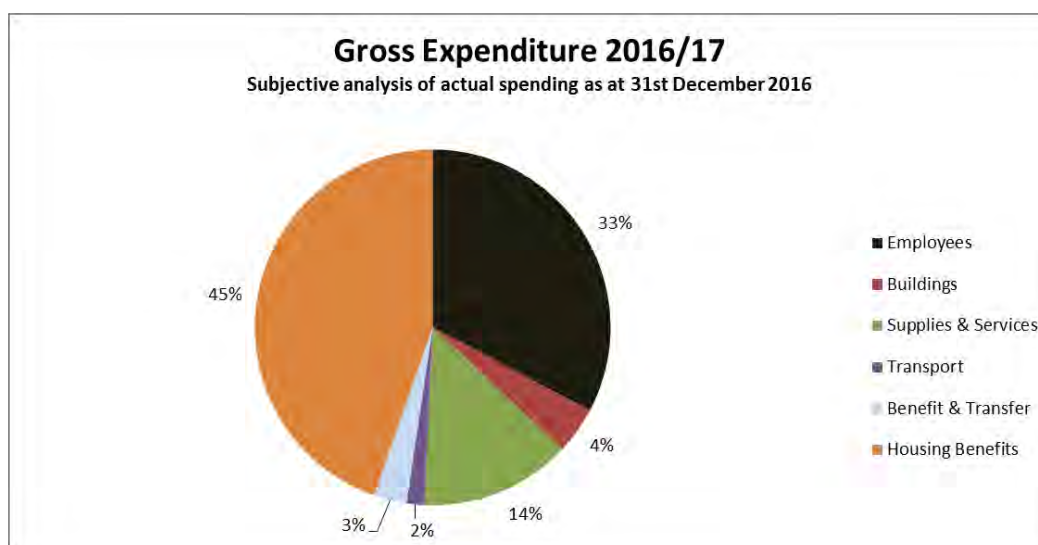
## Revenue Expenditure



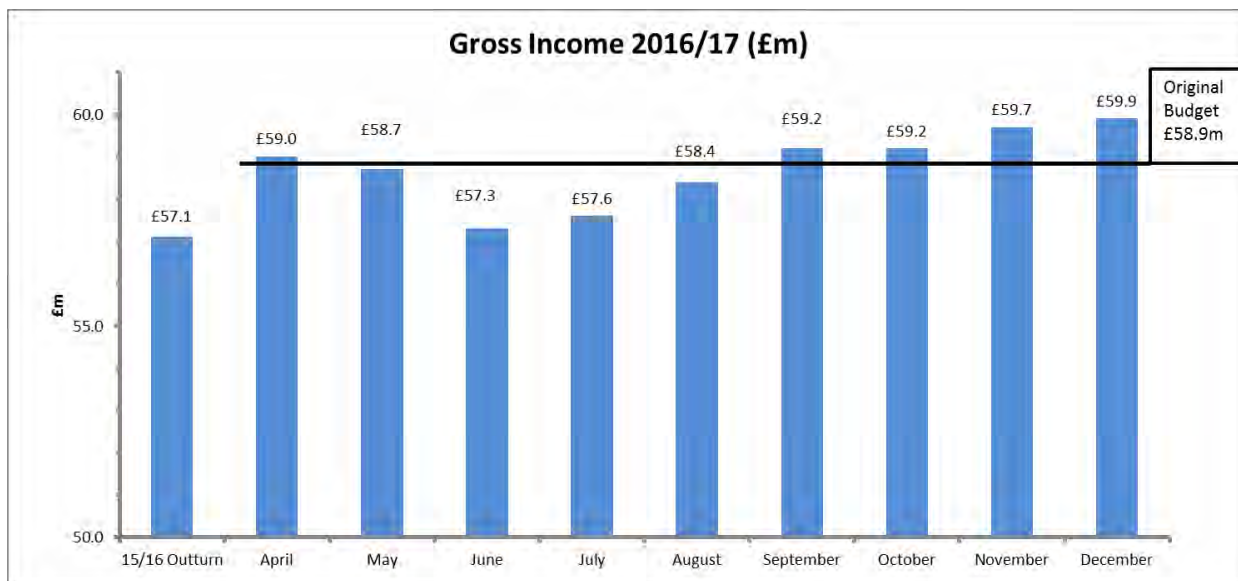
The 2016/17 gross revenue expenditure budget is £76.9m, which is £2.7m above the outturn for 2015/16. Most of this increase is explained by the impact of shared services, (HDC is hosting the ICT Shared Service which increases expenditure by £2.4m when compared to the 2015/16 outturn) and the budgeted increase to the Minimum Revenue Provision (£1m) mainly due to the Commercial Investment Strategy. These increases have been off-set by savings that services are expected to generate following service reviews.

Forecasting the ICT Shared Service expenditure remains difficult. Work is still being undertaken to identify on-going commitments and further fluctuations to their figures may arise over the next few months.

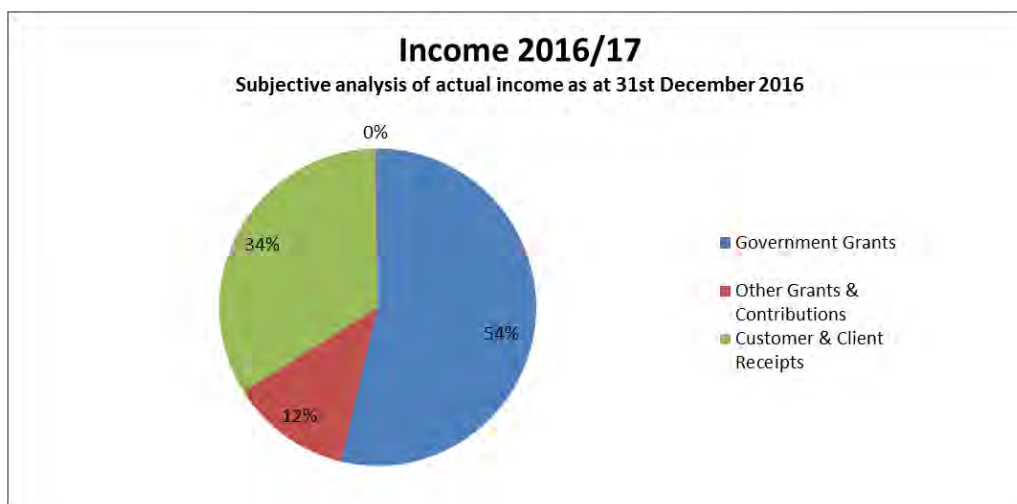
As shown below the main area of expenditure is Housing Benefits and employees.



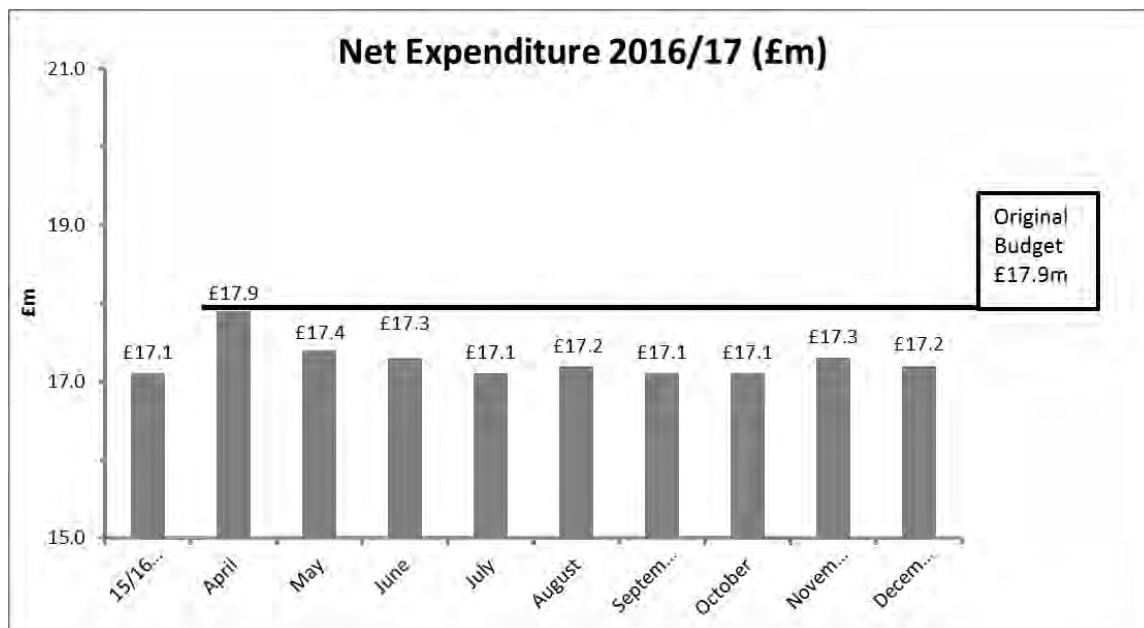
## Revenue Income



The gross revenue income budget as approved in February 2016 is £58.9m, £1.8m above the outturn for 2015/16. The main reason for this increase is due to the impact of shared services, HDC will receive £2.4m for the ICT shared service but £0.3m of Building Control income will now go to Cambridge City Council. Additional Income will also be generated by the CIS acquisitions but some one-off income items in 2015/16 have not been budgeted for in 2016/17.



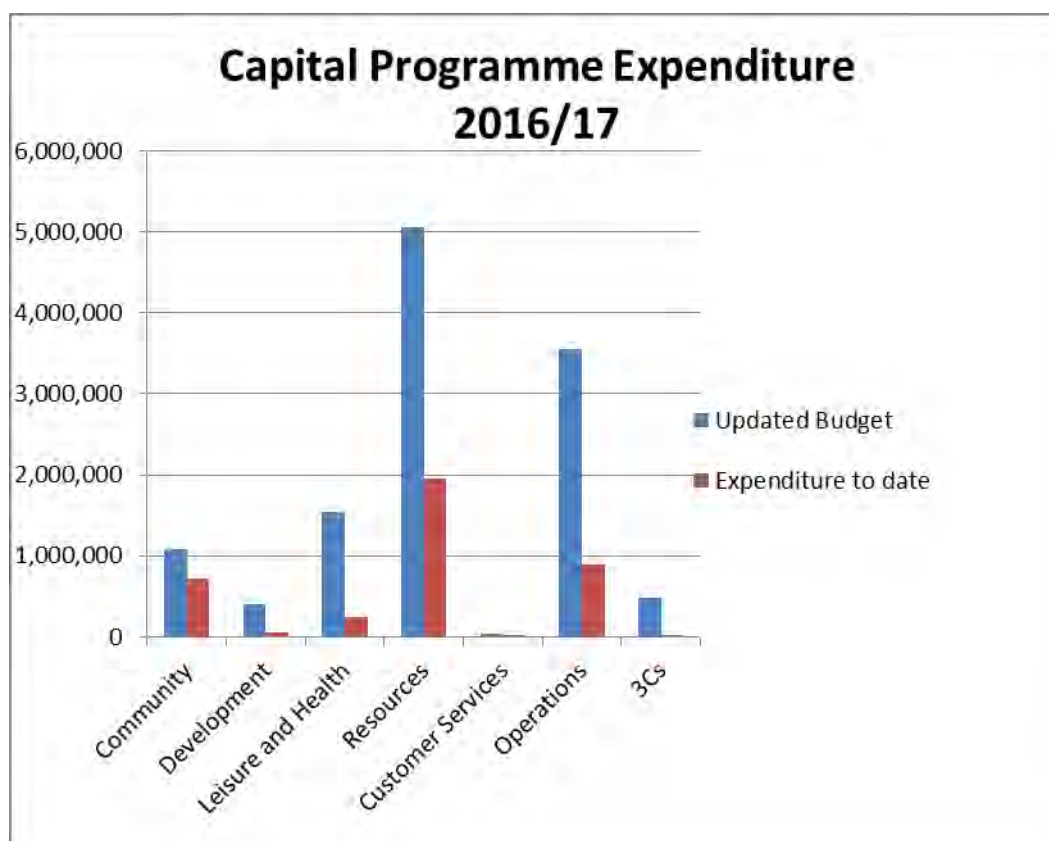
## Revenue Net Position



At the end of December 2016 the net revenue expenditure is forecast to be at £17.2m, £0.7m below the net budget of £17.9m. Taking into account the budgeted contribution to reserves, the overall service related surplus is expected to be £2.9m by the year end.

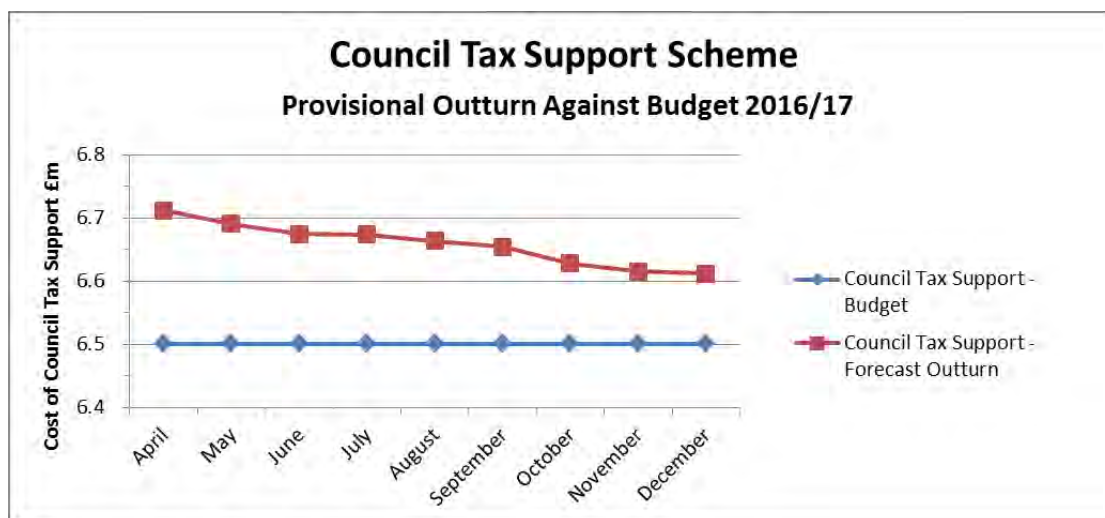
## Capital Programme

### Budget and Expenditure Update



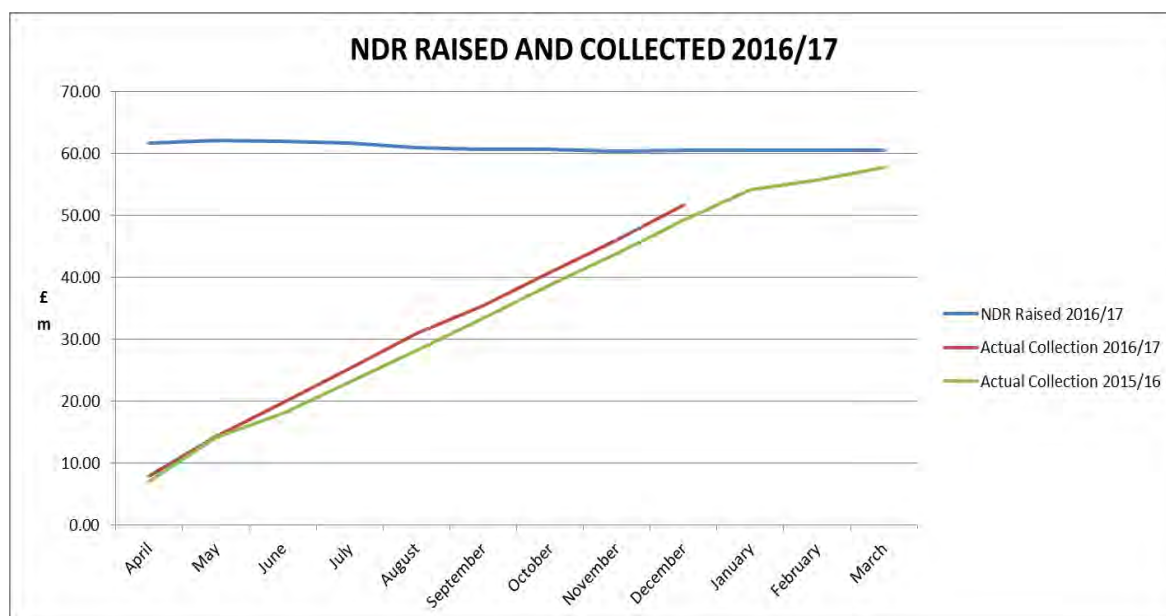
## Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.1m above the budgeted £6.5m. Any 2016/17 increase in Council Tax Support will impact in 2017/18.



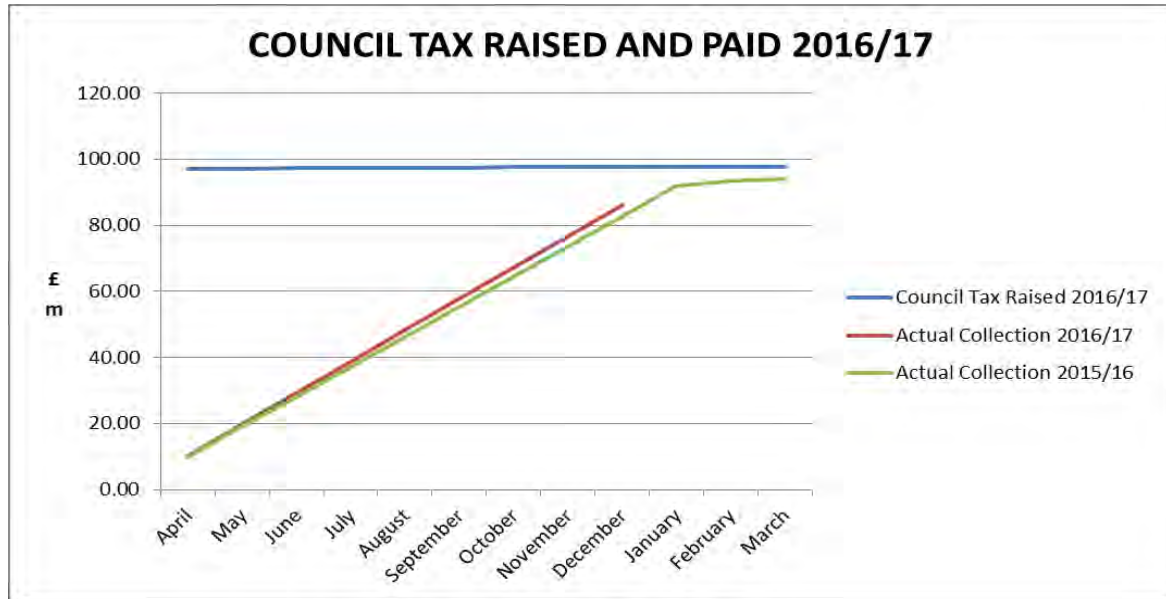
The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.8% for HDC including parishes).

## Collection of NDR



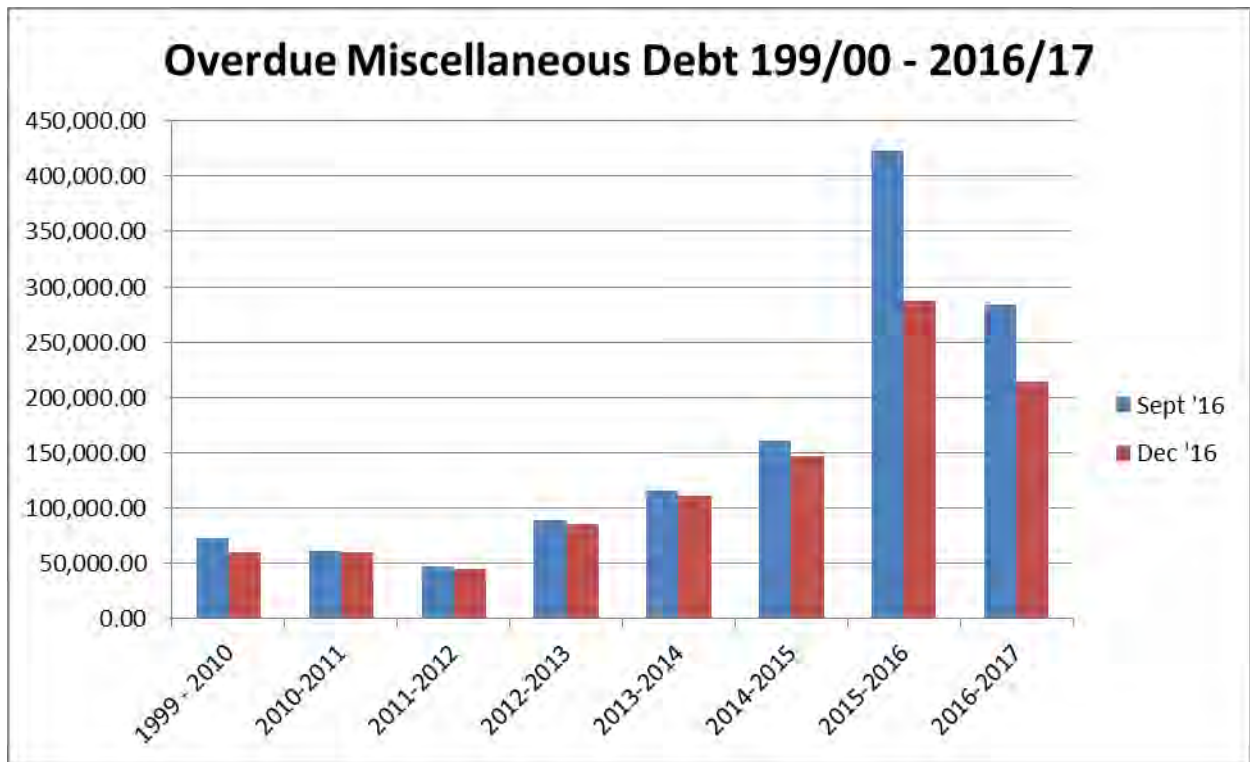
The graph above shows the total amount of NDR bills raised in 2016/17 and the actual receipts received up to end of December, with a forecast for receipts through to the end of the year, based on historical collection rates. The estimated NDR raised is £60.51m.

## Collection of Council Tax



The graph above shows the total amount of Council Tax bills raised in 2016/17 and the actual receipts received up to end of December, with a forecast for receipts through to the end of the year, based on historical collection rates. The estimated Council Tax raised is £97.55m.

## Miscellaneous Debt



The total outstanding debt as at 31 December 2016 is £1.011m (£1.351m September 2016) of which £0.797m is prior year debt (£0.970m September 2016), down from £1.797m as at 31 March 2016.



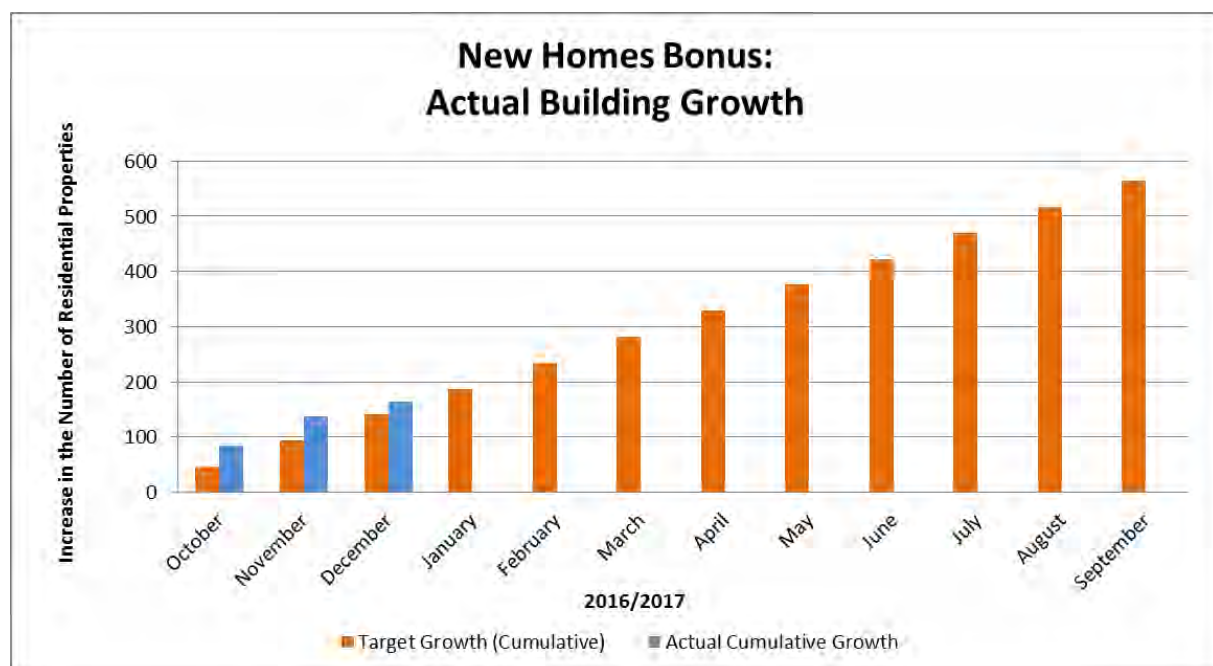
The graph shows the level of overdue miscellaneous income debt (debt is overdue when it is older than 21 days). Even though the 2015/16 debt position is currently showing a large outstanding amount the majority of this (£166k) is being collected via direct debit and will be paid by the end of the current financial year.

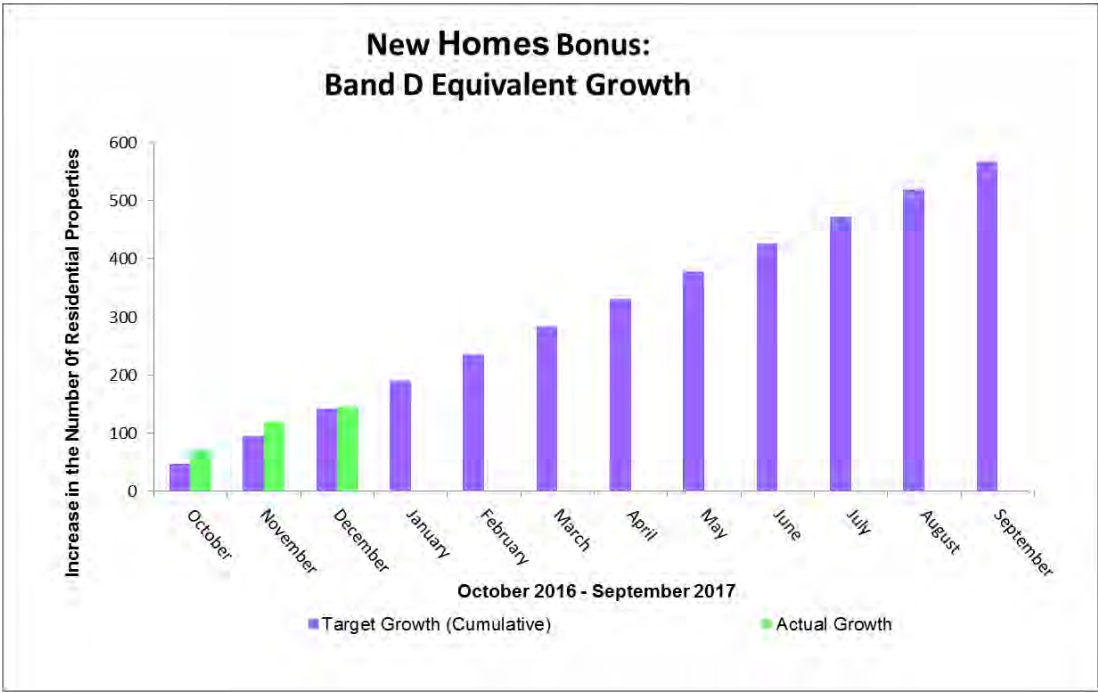
### New Homes Bonus

The 2015/16 reporting cycle (October 2015 to September 2016) is now complete, and we were 96 units ahead of the target with 637 new homes completed compared to the target of 541. The impact of these additional units will come through in 2017/18 however any growth may be tempered by potential changes to the New Homes Bonus scheme that the Government will be introducing.

The new reporting cycle has just started and the target number of completions for 2016/17 (October 2016 to September 2017) in the Planning Annual Monitoring Report (December 2015) is 940. The draft Planning Annual Monitoring Report (December 2016) is showing a reduced completions target for 2016/17 of 567. This lower figure has been used to assess the impact actual completions will have on NHB receipts.

As part of the Local Government Financial Settlement 2016/17 issued in December 2016 the Government announced changes to the New Homes Bonus Scheme. The number of years over which NHB will be paid has reduced from six to four and a new 'deadweight' factor of 0.4% is now being applied meaning the first 0.4% growth above the base does not attract NHB. The impact of these new factors, particularly the deadweight, on the NHB receipts beyond 2017/18 is currently being assessed.







Service	Recommendation	2016/17 (£'000)	RAG Status (Savings)	RAG Status (Implementation)	Comments
<b>Operational Services</b>					
Waste Management	Reconfiguration of rounds for residual waste, green waste & recycling to bring about more efficient collection	(207)	AMBER	AMBER	Reprofiled implementation to ensure accuracy of new models of collection revised start date 27 February
Whole Service	Staff Restructuring	(300)	GREEN	GREEN	
Whole Service	- Parking Services - Increased Fees	(110)	RED	RED	Proposal withdrawn by Members
	- Parking Services - Stop "Free after 3 at Xmas"	(10)	RED	RED	Proposal withdrawn by Members
	- Parking Services - MSCP 3rd Flr Licence	(10)	AMBER	AMBER	Due to complexity of negotiation, expected to achieve in February 2017
	- Parking Services - Increased ECN Productivity	(20)	RED	RED	Long term sickness has meant that this has been missed
	- Trade Waste	(20)	GREEN	GREEN	Target over achieved in year one. Target for 2019/20 already achieved
	- Grounds Maintenance - County	(70)	RED	RED	Proposal withdrawn by Members
	- Grounds Maintenance - Luminus	(30)	GREEN	GREEN	All OK
	- Street Cleansing - County				
	- Street Cleansing - Luminus				
	- Street Cleansing - Regime change and fully charge services to Parishes				
	- Countryside Service	(30)	AMBER	AMBER	Income target achieved, however increased costs have reduced the net position to £12k in 2016/17
Grounds Maintenance	Operational efficiencies in the provision of the grounds maintenance service	(50)	GREEN	GREEN	
Facilities	Additional income from external lettings at PFH and EFH	(3)	GREEN	GREEN	Muir in place £31,500, CAB in EFH £8,000, DWP 2017/18 £35,000, Interaction 2017/18 £30,000; currently only £20k short of 2019/20 target
<b>TOTAL OPERATIONAL SERVICES</b>		<b>(860)</b>			
<b>Customer Services</b>					
Customer Services	Reductions in Service offer	(39)	GREEN	GREEN	
	Restructure of Customer Services and relocation of Call Centre to Pathfinder House	(183)	GREEN	GREEN	
	Creation of Multi-Agency Customer Service HUB at Pathfinder House	(17)	GREEN	GREEN	
	Review the costs and benefits of the CSC's at Yaxley, St Neots & Ramsey	0	GREEN	GREEN	
Document Centre	Re-procurement and rationalisation of print and postage services	(31)	GREEN	GREEN	
	Increased income generation from external customers	(60)	AMBER	AMBER	Work looking at potential commercial partnership progressing. MTFs is proposed for adjustment in the budget papers going to Members in Q4
Housing Needs	Re-procurement of Information Technology Systems	(10)	GREEN	GREEN	
	Reduction in Homelessness Prevention Budget	(20)	GREEN	GREEN	
	Reduce Homelessness related Housing Benefits due to reduced use of temporary accommodation	(60)	RED	RED	2016/17 has seen an increase in homelessness and use of temporary accommodation. MTFs is proposed for adjustment in the budget papers going to Members in Q4
Local Taxation	Changes to billing - single bills with HB and e-billing	(2)	GREEN	GREEN	
	Online self service for customers	(21)	GREEN	GREEN	
	Changes to telephone answering standards	(21)	GREEN	GREEN	
Housing Benefits & Fraud	Online self service for customers	(55)	GREEN	GREEN	
	Send single annual bill and benefit entitlement	(12)	GREEN	GREEN	
	Review of benefits surgery in St Ives	(5)	GREEN	GREEN	
	Increased recovery of HB Overpayments	(7)	GREEN	GREEN	
<b>TOTAL CUSTOMER SERVICES</b>		<b>(543)</b>			
<b>Leisure &amp; Health - Phase 3</b>					
	Budget realignment of prior year budget error	(51)	GREEN	GREEN	
Sports & Leisure	Income generation from activities	(8)	GREEN	GREEN	
	Staffing efficiencies through better balance of permanent and casual staffing	(21)	GREEN	GREEN	
	General efficiency savings and savings following ending of DAS project	(22)	GREEN	GREEN	
<b>TOTAL LEISURE &amp; HEALTH SERVICES</b>		<b>(102)</b>			
<b>Community Services</b>					
Strategic Assets & Projects	Restructuring	(88)	AMBER	AMBER	Amber - slippage in delivery, project completion 28th November 2016; £10k reserve to Development Management from 2016/17 (£5k) and 2017/18 (£5k); and 0.5 FTE Grade G permanent post being created in Operations (£18.5k)
	Reductions in Environmental Improvement Budgets	(10)	GREEN	GREEN	Green - £10k removed in 2016/17 budget compared to 2015/16 (£E90); further £5k to be removed 2017/18 - but this is now under the control of Operations
Licensing	Removal of vacant post	(12)	RED	RED	Red - this will not be delivered, £12k funded from elsewhere in Community salary budgets as part of restructure
	Wireless CCTV cameras	(25)	AMBER	AMBER	Amber
<b>TOTAL COMMUNITY SERVICES</b>		<b>(135)</b>			

Service	Recommendation	2016/17 (£'000)	RAG Status (Savings)	RAG Status (Implementation)	Comments
<b>Development Services</b>					
Economic Development	Various Grants	(30)	GREEN	GREEN	
Development Management & Planning	Changes to working practices	(80)	GREEN	GREEN	
Policy	Pre-Planning Application fee increases	(10)	GREEN	GREEN	
	Reduction in Consultants budgets for redevelopment proposals	(140)	GREEN	GREEN	
Housing Strategy	Changes to working practices	(34)	GREEN	GREEN	
	Procurement Savings	(20)	GREEN	GREEN	
<b>TOTAL DEVELOPMENT SERVICES</b>		<b>(314)</b>			
<b>Resources</b>					
Estates	Reduced Repairs & Maintenance	(8)	AMBER	AMBER	Not expecting to achieve due to the removal of the reserve budgets. Works that were originally earmarked to spend against reserves will now need to be funded alternatively. One of the alternatives will be the revenue budget
	Increased and new fees and charges	(77)	GREEN	GREEN	
<b>TOTAL RESOURCES</b>		<b>(85)</b>			
<b>Corporate Services</b>					
	Improved efficiencies within team, through deleting vacant posts and realignment of duties.	(127)	GREEN	GREEN	
	Miscellaneous savings across supplies and services	(30)	GREEN	GREEN	
	Review of LGSS Contract	(4)	GREEN	GREEN	
	Efficiencies through the centralisation of training across the Council.	(60)	GREEN	GREEN	
<b>TOTAL CORPORATE SERVICES</b>		<b>(221)</b>			
<b>TOTAL SAVINGS</b>		<b>(2,260)</b>			

# Appendix F

## CIS Investment Investigations

The following table is a summary of the reasons for rejecting investment opportunities that arose between April and December 2016:-

<b>Rejected because;</b>	
Already under offer	10
Yield too low	7
Leasehold and not freehold	4
Distance too great	4
Risk too high	10
Lack of diversity against current portfolio	3
Too management intensive	2
Concerns about condition	2
Concerns about flats above	1
Concerns about the tenant's business model	2
Too geographically diverse	4
Joint venture do not materialise	1
Other	7
<b>Total</b>	<b>57</b>

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
1. Develop a long term narrative of the future of Huntingdonshire to inform place shaping, direct decision making and future forms of partnership working. This should make use of local evidence and context, along with national data of future trends and projections, to underpin this.	1a. Give further consideration to this recommendation once a decision on devolution is made by Council in October 2016.	Jan-17	Jo Lancaster	Cabinet, O&S, Local Stakeholders	Cambridgeshire and Peterborough Devolution Agreement (Cllr Howe)	G	
	1b. Statutory consultation on proposed Local Plan to 2036 submission.	May-July 2017	Andy Moffat	Planning Policy, Cambridgeshire County Council Transport	Local Plan to 2036 (Cllr Harrison)	A	
	1c. Analyse a range of data, including Economic, Health, Demography and housing trends to identify future trends and areas of concern that may present barriers to achieving our long term vision for Huntingdonshire.	Apr-17	Adrian Dobbyne	Dan Buckridge	Local Plan to 2036, Housing Strategy (Cllr Bull) and Skills and Enterprise Policy (Cllr Harrison)	G	
	1d. Work with Cabinet to ensure decisions are made based on the evidence and for them to proactively work to inform residents and partners on the vision for Huntingdonshire. For example, providing report writing training for senior officers.	Year end	Jo Lancaster	Cabinet	Cllr Cawley	G	
2. Ensure the Corporate Plan drives the budget and delivery - this will mean changing the footprint of existing service delivery to focus on new priorities.	2a. Involve Members in reviewing the Corporate Plan and deciding what our key actions and performance indicators should be.	Mar-17	Adrian Dobbyne	O&S/Cabinet	Plan on a Page, Budget and MTFS (Cllr Gray)	G	
	2b. Make clear decisions on what our services standards should be based on cost and customer need, to include reviewing the provision of non-statutory services.	Feb-17	HoS / PFH	Council	Plan on a Page, Budget and MTFS (Cllr Gray)	G	
	2c. Quantify the workstreams on the reworked Plan on a Page to better link finances and delivery.	Oct-17	Clive Mason / Jo Lancaster	PFH Resources	Plan on a Page, Budget and MTFS (Cllr Gray)	G	✓
	2d. Introduce charging options for higher levels of service.	Dec-17	HoS / PFH	O&S/Council	Review of Parking Fees and Charges (Cllr Tysoe)	G	
	2e. Use benchmarking data to ensure resources are achieving maximum value within 2017/18 service plans.	Feb-17	HoS / PFH	HoS	Cllr Cawley	A	
	2f. Use the budget challenge process to focus budgets on achieving Corporate Plan priorities.	Nov-16	Anthony Kemp	O&S/Council	Plan on a Page, Budget and MTFS (Cllr Gray)	G	✓

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
3. Recast the approach to working in partnership, recognising that this means not always leading, to secure benefits for the wider area and the community.	3a. Build on the decision to award two contracts, one for advice based services and the other for infrastructure services, to the voluntary sector in order to ensure the sector is in the best possible position to support the community.	Mar-17	Nigel McCurdy	Third sector/O&S	Community Resilience Plan (Cllr Dickinson)	A	
	3b. Ensure formal contracts with partners are written to protect the interests of the Council and its residents.	Year end	Clive Mason	Corporate Governance Committee	Cllr Brown	G	Where the Council has contractual relationships with contractors, 3rd Sector and other partners, all such contracts will adhere to the Councils Code of Procurement".
	3c. Develop an asset disposal/asset management plan for HDC land and property.	Year end	Clive Mason	Cabinet	Use of Council Assets (Cllrs Gray and Howe)	G	✓
	3d. Use the Making Assets Count programme to maximise benefits from colocation or better use of existing assets.	Year end	Nigel McCurdy	County / Districts / Public Sector	Use of Council Assets (Cllrs Gray and Howe) and County Council Land Swap and Maintenance (Cllrs White and Gray)	A	
4. Use all Members' democratic position, as ambassadors of the Council, to engage and influence partners and forms of partnership working.	4a. All Members appointed as representatives on organisations to be responsible for reporting to O&S on a quarterly basis.	Apr-17	Adrian Dobbyne	Group Leaders	Cllr Cawley	G	
	4b. Introduce a Council Champion approach and ask all members to sign up to the principle of acting as an ambassador of the Council.	Apr-17	Adrian Dobbyne	Group Leaders	Relationships with County, Town and Parish Councils (Cllr Dickinson)	G	
	4c. Encourage all members to keep themselves up to date on HDC decisions via existing mechanisms.	Apr-17	Adrian Dobbyne	Group Leaders	Cllr Howe	G	
	4d. Remind officers of the need to ensure Members are aware of key decisions on service provision in their wards.	Jan-17	Adrian Dobbyne	All Councillors	Cllr Howe	G	
5. Improve the relationship, the Council offer and partnership working with the business sector.	5a. Work with the LEP to improve insight and intelligence into the local economy and businesses based in Huntingdonshire	Apr-17	Jo Lancaster	Leader/ PFH	Skills and Enterprise Policy (Cllr Harrison)	A	
	5b. Through our connections, work with Town Councils and small businesses to improve insight and intelligence into local economy and small business sector	Apr-17	Jo Lancaster		Cllr Howe/ Cllr Dickinson	A	

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
6. Retain the Council's focus on continued growth, including meeting the full range of housing need. Growth will be contingent upon increased housing.	6a. Present details of progress indicated in the Annual Monitoring Report to O&S and Cabinet.	Jan-17	Andy Moffat	O&S / Cabinet	5 Year Housing Land Supply and Housing Strategy (Cllrs Harrison and Bull)	G	✓
	6b. Undertake a longer term assessment of options to generate more affordable housing and temporary accommodation in the district.	Dec-16	Andy Moffat / Jon Collen	O&S E28/ Cabinet	Homelessness Accommodation (Coneygear Court) (Cllr Fuller) and Housing Strategy (Cllr Bull)	G	Reports considered at Nov 16 and due to be considered at Jan 17 PDG meetings
7. Conduct further work on refining the organisational understanding of efficiency that extends beyond just financial savings. This should link efficiency with the other two Council priorities of growth and enabling communities. New ways of working can lead to outcomes that include redefining models of delivery, service improvement and improved satisfaction.	7a. Commence a programme of work relating to continuous improvement to enable the business to work smarter and achieve more with less.	Dec-16	CMT	SMT / Cabinet	Commercialisation (Cllrs Brown), improvement (Cllr Cawley)	G	
	7b. Develop measures to monitor customer satisfaction and implement the Customer Service Strategy.	Mar-17	Adrian Dobbyne / John Taylor	O&S / Cabinet	Cllr Cawley	A	All HoS have actions in their service plans to deliver the Customer Service Strategy. In addition work will be happening in the transformation programme to develop measures that suit a new delivery model
8. Extend benchmarking activity so that the Council can benefit from understanding the 'value for money' of its services compared with other councils. This would assist the Council in its decision making on service cost, quality and performance.	Related actions already listed under 2e, 7a and 7b.					N/A	

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
9. Enhance and develop the organisational understanding of demand management to form the cornerstone of the enabling communities and community resilience priority. Initiate an internal and external debate on what an enabling communities programme might look like and use this to inform the production of an Enabling Communities Strategy. This would guide Council activity on this priority with greater assurance and understanding of resources required.  → → →	9a. Engage with internal and external stakeholders to develop a Community Resilience Plan.	Mar-17	Chris Stopford	Cllr Criswell	Community Resilience Plan (Cllr Dickinson)	A	
	9b. Create an action plan to deliver the plan.	Apr-17	Chris Stopford	Cllr Criswell	Community Resilience Plan (Cllr Dickinson) and Relationships with County, Town and Parish Councils (Cllr Dickinson) and updated / expanded Community Planning Guide (Cllrs Dickinson and Bull)	A	
10. Continue to develop the model of Commercial Investment Strategy to produce future income streams. As part of this evaluate how the Strategy could both deliver economic growth and housing priorities within the area while also generating important income streams.	10a. Review options for investment in housing and any savings that could be achieved against housing support costs.	Feb-17	Clive Mason / Andy Moffat	Cllr Gray / Cllr Bull	Homelessness Accommodation (Coneygear Court) (Cllr Fuller) and Use of Council Assets (Cllrs Gray and Howe)	G	This is ongoing. DISPOSALS 10 property disposal programme is being reviewed for temp / affordable housing / planning considerations. Other disposals will be reviewed on an as-and-when basis.  ACQUISITIONS Where commercial acquisitions can be made, housing opportunities are included in the mix of propositions. Where specific housing needs can be addressed by "investment", these will be looked at on their own merit. The forthcoming Housing Strategy will address this issue.

Recommendation	Actions	Deadline	Responsible Person	Key Contributors and Partners	Link to Policy and/or responsible Executive Member	RAG Status	Commentary (Completed)
	10b. Start to consider the impact of changes to NNDR retention when making commercial property investment decisions, along with the employment opportunities that may be presented.	Apr-17	Clive Mason / John Taylor	Cllr Tysoe	Use of Council Assets (Cllrs Gray and Howe)	G	The CIS is aimed at propositions both inside and outside the Councils boundary. Where investments can be made inside the boundary, including development / build, such propositions will be looked at on their merits.
	10c. Services to review their commercialisation and income generation opportunities.	Feb-17	HoS	Cabinet	Commercialisation (Cllrs Palmer and Brown)	A	
11. The relationship with the Local Enterprise Partnership needs to be 'reset' and built afresh, taking a different approach from that to date, recognising the constraints both organisations are under.	11a. Use devolution as a catalyst to reset the relationship with the LEP.	Year end	Nigel McCurdy / Jo Lancaster	LEP / Cllr Harrison	Cambridgeshire and Peterborough Devolution Agreement (Cllr Howe)	A	
N2. Produce a formal transformation strategy and implementation plan.	12a. Produce a formal transformation strategy and implementation plan.	Dec-17	Anthony Kemp	Cabinet / E29SMT	Cllr Cawley	G	
	Related action already listed under 7a.					N/A	



**Public**  
**Key Decision - Yes**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Final Revenue Budget 2017/18 and Medium Term Plan Financial Strategy 2018/19 to 2021/22
<b>Meeting/Date:</b>	Overview and Scrutiny Panel (Performance and Customers) – 1st February 2017 Cabinet – 9th February 2017
<b>Executive Portfolio:</b>	Resources: Councillor J A Gray
<b>Report by:</b>	Head of Resources
<b>Wards affected:</b>	All Wards

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### **Executive Summary:**

#### Revenue Budget

The Council is required to set an annual budget for the forthcoming year, in order to set the Council Tax for the area, and approve its Medium Term Financial Strategy (MTFS) covering the following four years. This report sets out the final budget for 2017/18, detail of the service budgets and the revised MTFS for the period 2018/19 to 2021/22 for Cabinet approval.

The draft Budget and MTFS was approved by Cabinet on 19 January 2017 which included the savings and growth proposals, the removal of Zero Based Budgeting (ZBB) savings and the planned increase in Council Tax of 2% for 2017/18 and for the duration of the MTFS. The draft Capital Programme 2017/18 to 2021/22 was also approved.

This report outlines the changes that have occurred since then, as well as discussing any significant risks associated with the Budget and asking Cabinet to approve Fees and Charges for 2017/18.

The Final Budget 2017/18 (the Net Service Expenditure Budget) is £17.2m and the detailed Final Budget 2017/18 and MTFS is shown at **Appendix 1**. This is an increase of £445k on the Draft Budget 2017/18 that was reported in January 2017. The main reasons for the change are summarised below and are detailed in **Appendix 2**:

- Services: £307k
- Transformation: £157k
- Recharges and technical adjustments: £22k
- Final Allocations (Grants) announced: (£41k)

The net impact of the above changes for the Final Budget 2017/18 is a reduced contribution to General Reserves of £445k and a £0.897m increase in the budget gap to £1.2m by 2021/22. The 'Plan on a Page' at **Appendix 3** has now been updated to reflect the final budget.

**Recommendations:**

It is recommended that Overview and Scrutiny Panel (Performance and Customers) reviews this report and provides comments to Cabinet in respect of the:

1. overall budget 2017/18 and MTFS 2018/19 to 2021/22 (**Appendix 1**, this includes Revenue at Section 2 and the Capital Programme at Section 3; **Appendix 2**, growth).
2. fees and charges for 2017/18 (**Appendix 1**, Section 7 and Annex A).
3. The new "Plan-on-a-Page" (**Appendix 3**)

## 1. WHAT IS THIS REPORT ABOUT?

1.1 To provide Overview and Scrutiny Panel (Performance and Customers) with an update on the 2017/18 Budget and Medium Term Financial Strategy 2018/19 to 2021/22 and provide comments to Cabinet. The draft Revenue Budget was approved by Cabinet on 19 January and this report sets out:

- any changes that have occurred subsequently.
- impacts on reserves.
- level of Council Tax.
- consideration of the Resolution that will be presented to Full Council on the 22 February 2017.
- risks associated with the budget and relevant sensitivity analysis.

## 2. BACKGROUND

2.1 At the 19 January 2017 Cabinet meeting, Cabinet approved a:

- Budget Requirement of £16.7m for 2017/18 and an MTFS that has a profiled increase to £16.9m by 2021/22.
- Capital Programme of £9.5m for 2017/18, that reduces to £3.0m by 2021/22.

2.2 This included:

- savings from a detailed line by line Budget reviews £700k.
- growth of £1.5m (inflation, £227k; employee pay, £453k and other growth, £775k).
- non-realisation of previously approved Zero Based Budgeting (ZBB) savings of £430k.
- increased income from the Commercial Investment Strategy of £1.0m.
- grant settlement relating to New Homes Bonus and funding estimates for Revenue Support Grant, New Homes Bonus and Business Rates.
- the new Four Year Settlement from Government.

## 3. CHANGES TO THE BUDGET 2017/18 AND MEDIUM TERM FINANCIAL STRATEGY 2018/19 TO 2021/22

3.1 Since the January Cabinet, a summary of the changes to the budget is shown in **Table 1** (and paragraphs 3.2 and 3.3) below, with the detail shown in **Appendix 2**.

<b>Table 1</b>		<b>Medium Term Financial Strategy</b>			
	<b>Budget 2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>
<b>Cabinet January Draft Budget – contribution to / (from) General Reserves</b>	<b>3,476</b>	<b>2,495</b>	<b>(695)</b>	<b>(518)</b>	<b>(349)</b>
Services	(306)	(352)	(389)	(402)	(409)
Transformation	(157)	(120)	(112)	(113)	(115)
Recharges and technical adjustments	(22)	(158)	(129)	(273)	(414)
Final Grant Allocations	41	41	41	41	41
<b>Additional Growth</b>	<b>(445)</b>	<b>(590)</b>	<b>(589)</b>	<b>(747)</b>	<b>(897)</b>
<b>Cabinet January Draft Budget – contribution to / (from) General Reserves</b>	<b>3,032</b>	<b>1,906</b>	<b>(1,284)</b>	<b>(1,265)</b>	<b>(1,246)</b>

NB. A negative number = expense

### **Summary of the Main Changes 2017/18 to 2019/20**

3.2 With regard to the changes in 2017/18 through to 2019/20, these are shown in paragraphs (i) to (iv) below:

i. **Services**

This primarily relates to the Council wide Apprentice scheme of 12 apprentices (£221k) and additional economic development resources (£60k) required to increase capacity of the service.

ii. **Transformation**

There is an additional £0.2m in respect of transformational work that is occurring across the Council. £65k of this additional cost is the result of the delay in the new Financial Management System (FMS) implementation, but is to be funded by a consequential underspend in 2016/17 that will be transferred to an earmarked reserve.

iii. **Recharges and technical adjustments**

The three main adjustments relate to an increased cost of building control (£50k), increased business rates for Pathfinder House (£20k) and a reduction in the MRP costs as a result of the final Capital Programme changes (-£80k).

iv. **Final Grant Allocations**

The Government has announced its allocations to the Council for a number of grants which have resulted in increased grant income of £40k.

### **Summary of the Main Changes 2020/21 to 2021/22**

3.3 The main increases in the final two years of the MTFS are due to:

- Pension contributions – a prudent approach has been taken after the triennial review period where inflation has been added resulting in an increase in contributions £161k for 2020/21 and £324k for 2021/22.
- Apprentice scheme – the costs in 2017/18 of £221k increase to £331k in 2019/20 and thereafter pay inflation has been added.

## **4. SUMMARY BUDGET 2017/18 and MEDIUM TERM FINANCIAL STRATEGY 2018/19 TO 2021/22**

4.1 Reflecting the assumptions and changes noted in Section 2 and 3 respectively, the Final 2017/18 Budget and Medium Term Financial Strategy is shown in **Table 2**.

	Forecast	Original Budget	Budget	Medium Term Financial Strategy			
	2016/17	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000	£000	£000
<b>Services Provided:</b>							
Community Services	1,829	1,911	1,690	1,648	1,648	1,690	1,724
Customer Services	2,524	2,355	2,659	2,591	2,615	2,677	2,734
Development Services	725	1,370	1,355	1,408	1,467	1,514	1,561
Operational Services	3,961	3,968	4,029	3,811	3,817	3,922	4,029
Leisure and Health	3	(280)	(160)	(284)	(298)	(236)	(153)
Corporate Team and Directors	2,364	2,300	1,711	1,650	1,662	1,687	1,704
ICT	1,986	1,796	1,721	1,730	1,738	1,753	1,769
Resources	(720)	(308)	(737)	(914)	(986)	(969)	(951)
Corporate Finance	4,408	4,799	4,942	5,232	5,376	5,390	5,383
<b>TOTAL</b>	<b>17,081</b>	<b>17,913</b>	<b>17,211</b>	<b>16,872</b>	<b>17,039</b>	<b>17,427</b>	<b>17,800</b>

- Expenditure	76,175	76,806	78,133	78,132	78,440	78,871	79,287
- Income	(59,095)	(58,893)	(60,923)	(61,260)	(61,401)	(61,444)	(61,487)
<b>- Net Expenditure</b>	<b>17,081</b>	<b>17,913</b>	<b>17,211</b>	<b>16,872</b>	<b>17,039</b>	<b>17,427</b>	<b>17,800</b>

	Forecast	Original Budget	Budget	Medium Term Financial Strategy			
	2016/17	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Net Expenditure</b>	<b>17,081</b>	<b>17,913</b>	<b>17,211</b>	<b>16,872</b>	<b>17,039</b>	<b>17,427</b>	<b>17,800</b>
Contribution to/(from) Earmarked Reserves:	0	0	(65)	0	0	0	0
- Commercial Investment Strategy	0	0	0	0	2,674	2,674	2,674
- Other	(257)	(257)	0	0	0	0	0
General Reserves	3,107	2,276	3,032	1,906	(1,284)	(1,265)	(1,246)
<b>Budget Requirement</b>	<b>19,931</b>	<b>19,931</b>	<b>20,177</b>	<b>18,777</b>	<b>18,429</b>	<b>18,837</b>	<b>19,228</b>
Non-Domestic Rates	(4,190)	(4,190)	(4,622)	(5,961)	(6,059)	(6,158)	(6,260)
S31 Grant	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)
Revenue Support Grant (RSG)	(2,110)	(2,110)	(1,182)	(604)	0	0	0
New Homes Bonus	(4,965)	(4,965)	(3,656)	(2,787)	(2,674)	(2,674)	(2,674)
Collection Fund Surplus	0	0	(1,534)	0	0	0	0
<b>Council Tax Requirement</b>	<b>(12,026)</b>	<b>7,905</b>	<b>8,166</b>	<b>8,407</b>	<b>8,678</b>	<b>8,986</b>	<b>9,276</b>
- Base (*)	<b>59,358</b>	<b>59,358</b>	<b>60,111</b>	<b>60,675</b>	<b>61,403</b>	<b>62,338</b>	<b>63,085</b>
- Per Band D		<b>133.18</b>	<b>135.84</b>	<b>138.56</b>	<b>141.33</b>	<b>144.16</b>	<b>147.04</b>

### Impact on Reserves

- 4.2 Surpluses (or deficits) in funding are adjusted via contributions to/from reserves; in the Council's Funding Statement (**Table 2**) this is shown against the line entitled "General Reserves". For the Final 2017/18 budget there is a budgeted surplus of £3m. However by 2019/20 there is a funding gap of £1.2m which remains through the remaining life of the MTFS to 2021/22.
- 4.3 As shown in **Table 3** below, the funding gap from 2019/20 can be met from the Budget Surplus Reserve whilst at the same time ensuring that the General Fund Reserve stays at a level of 15% of the Council's Net Service Expenditure.

	Council General Fund and Earmarked Reserves					
	Forecast 2016/17 £'000	Budget 2017/18 £'000	Medium Term Financial Strategy			
			2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
<b>GENERAL FUND</b>						
<b>Brought forward</b>	<b>2,537</b>	<b>2,568</b>	<b>2,582</b>	<b>2,531</b>	<b>2,556</b>	<b>2,614</b>
Contribution to Reserve	31	3,032	1,906			
Contribution (from) Reserve				(1,284)	(1,265)	(1,246)
Contribution to/(from) Budget Surplus Reserve		(3,018)	(1,957)	1,309	1,323	1,302
<b>Carried forward</b>	<b>2,568</b>	<b>2,582</b>	<b>2,531</b>	<b>2,556</b>	<b>2,614</b>	<b>2,670</b>
<i>Minimum Level of Reserves</i>	<i>2,568</i>	<i>2,582</i>	<i>2,531</i>	<i>2,556</i>	<i>2,614</i>	<i>2,670</i>
<b>EARMARKED RESERVES</b>						
<b>Commercial Investment Reserve</b>						
<b>Brought forward</b>	<b>12,390</b>	<b>3,230</b>	<b>3,230</b>	<b>3,230</b>	<b>5,904</b>	<b>8,578</b>
Contribution to Reserve	40	0	0	2,674	2,674	2,674
Contribution (from) Reserve	(9,200)	0	0	0	0	0
<b>Carried forward</b>	<b>3,230</b>	<b>3,230</b>	<b>3,230</b>	<b>5,904</b>	<b>8,578</b>	<b>11,253</b>
<b>Budget Surplus Reserve</b>						
<b>Brought Forward</b>	<b>805</b>	<b>3,425</b>	<b>6,443</b>	<b>8,400</b>	<b>7,091</b>	<b>5,768</b>
Contribution to Reserve	2,909					
Contribution (from) Reserve	(289)					
Contribution from/(to) General Fund	0	3,018	1,957	(1,309)	(1,323)	(1,302)
<b>Carried forward</b>	<b>3,425</b>	<b>6,443</b>	<b>8,400</b>	<b>7,091</b>	<b>5,768</b>	<b>4,466</b>

## 5 2017/18 BUDGET AND MTFS COMPARED TO 4-YEAR EFFICIENCY PLAN

5.1 In October 2016 the Council published its 4-Year Efficiency Plan (2017/18 to 2020/21) in response to the Governments offer of a four year settlement. The efficiency plan reduced the Council's budget gap from £3.6m, as per the MTFS 2017/18 to 2020/21, to £0.7m. **Table 4** below shows the comparison between the efficiency plan and the new MTFS:

Table 4	Efficiency Plan v Budget and MTFS			
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Efficiency Plan – contribution to/(from) Reserves	3,158	1,773	413	(705)
Final Budget/MTFS – contribution to/(from) Reserves	3,032	1,906	(1,284)	(1,265)
<b>Variance</b>	<b>(127)</b>	<b>133</b>	<b>(1,697)</b>	<b>(560)</b>

## 6 PLAN ON A PAGE 2017/18 TO 2021/22

6.1 Since 2015/16 the Council has adopted a strategy known as 'Plan on a Page' which sets out the Council's financial strategy. Section 4 has shown that the Council continues to face challenges over the medium term in its obligations to provide cost-effective services. **Appendix 3** shows the 2017/18 "Plan-on-a-Page" and the strategic resource plan that will be followed in order to achieve the Council's financial objectives. The result is the budget gap is now £1.2m by 2021/22, a significant reduction from £3.6m which was reported last year.

## 7. FEES AND CHARGES

7.1 Fees and Charges are a key income stream for all of local government and for 2017/18 for the Council it will represent 27% of total income (including government grants). In the main, it is only “discretionary” services that can be subject to a Council levied fee or charge and for some services there are some statutory controls on the amount that can be charged.

7.2 It is important that these fees and charges are reviewed each year to ensure that they are at the correct level to both maximise income generation and achieve the policy objectives required. The charges are shown in section 7 within **Appendix 1** and these charges are the basis upon which service income lines for the Final 2017/18 Budget is based.

## 8. ROBUSTNESS OF THE 2017/18 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2018/19 TO 2021/22

8.1 The Council’s Responsible Financial Officer (S.151) has to make a statutory statement in respect of the Budget and reserves.

8.2 Section 8 of **Appendix 1** provides considerable discussion in respect of Risks that both the Council and the wider local government community face at this time of continued public sector austerity. In addition, sensitivity analysis is applied against these risks and their impact on General Fund reserves is assessed. In summary, the key findings are:

- 2017/18 to 2021/21 the minimal level of General Fund Reserve can be maintained (15% of Net Revenue Expenditure).
- In 2017/18 and 2018/19 excess budget requirements are put into the Budget Surplus Reserve, but
- For the final three years of the MTFs there is an annual contribution from the Budget Surplus Reserve of £1.3m (£3.9m over the three years)

8.3 Considering all the factors noted within the “Robustness” statement in respect of the 2017/18 Budget, it is considered that the combination of the:

- Councils commitment to continue to find service efficiencies,
- the direction of travel in relation to governance,
- the clear indication to invest in services, and
- its prudent position relating to income recognition (including raising Council Tax).

8.4 The budget proposed for 2017/18 should not give Members any significant concerns over the Council’s financial position.

8.5 With regard to the MTFs (2018/19 to 2021/22) which includes the anticipated removal of RSG as core funding by 2019/20 and changes to NHB, there are inevitably risks. However, over the past few years the Council has taken proactive action to address its budgetary concerns and with the planned continuation of its Transformation programme and further commercialisation the Council has a sound financial base.

## **9. WHY IS THIS REPORT NECESSARY/BACKGROUND**

- 9.1 It is a requirement of the Council to set an annual budget and to have a Medium Term Financial Strategy.

## **10. OPTIONS CONSIDERED/ANALYSIS**

- 10.1 The Budget was prepared by the Council and funding options were considered including an increase of 2% on Council Tax. The Council also considered options on some growth items and these are detailed within the report.

## **11. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?**

- 11.1 There are a number of key savings initiatives that must be delivered in a timely fashion to secure the required savings. The delivery of the 2017/18 Final Budget, when approved will be managed via the Council's budget monitoring processes throughout the year.

## **12. COMMENTS OF OVERVIEW & SCRUTINY PANEL**

- 12.1 To be circulated after the Overview & Scrutiny Panel (Performance and Customers).

## **13. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION**

- 13.1 The 2017/18 Final Budget forms an integral part of service plans for 2017/18 and, therefore, actions and timescales required to ensure savings are achieved and service spending is in line with the approved budget, will be contained within the final service plans.

## **14. LINK TO THE CORPORATE PLAN**

- 14.1 The Budget is the financial interpretation of the Council's strategic and operational priorities that are included within the entire Corporate Plan. However, the budget process (i.e. ZBB, monitoring etc) itself meets the following specific aims and objectives of the Corporate Plan:

- Ensuring we are a customer focused and service led council, delivering value for money services.

- 14.2 This will assist the Council in:

- "becoming more business-like and efficient in the way we deliver services".

## **15. CONSULTATION**

- 15.1 The Council is currently consulting with the Business and Voluntary Community and the results of this consultation will be available for the February Cabinet meeting.

## **16. LEGAL IMPLICATIONS**

- 16.1 As per the Sections 31A and 42A of the Local Government Finance Act 1992, the Council is required to set a balanced budget. This is achieved for 2017/18 so the setting of the Council Tax at the level mentioned within the report is appropriate.



- 16.2 However, by 2021/22 the MTFS is forecasting a negative general fund which means that there will be an unbalanced budget because there will be insufficient funds within reserves to meet the difference between Net Expenditure and Funding. If such a scenario was faced by the Council, the Local Government Finance Act 1988 would require the Council's Responsible Financial Officer to issue a S.114 report.

## **17. RESOURCE IMPLICATIONS**

- 17.1 The resource implications have been shown within the main body of this report.

## **18. OTHER IMPLICATIONS**

- 18.1 All implications are contained within the body of the report.

## **19 REASONS FOR THE RECOMMENDED DECISIONS**

- 19.1 To enable Cabinet to approve and understand:
- the changes to the Draft 2017/18 Budget and MTFS as approved by Cabinet on 19 January 2017.
  - The risks and impacts of these, on the 2017/18 Final Budget and MTFS.

## **20. LIST OF APPENDICES INCLUDED**

**Appendix 1:** 2017/18 Final Budget & Medium Term Financial Strategy 2018/19 to 2021/22

**Appendix 2:** Changes to the Draft Budget 2017/18


**Appendix 3:** Plan on a Page

## **BACKGROUND PAPERS**


Working papers in Resources; Accountancy Services

## **CONTACT OFFICER**

Clive Mason, Head of Resources

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Adrian Forth, Finance Manager

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**FINAL**  
**Budget 2017/18**  
**&**  
**Medium Term Financial**  
**Strategy**  
**2018/19**  
**To**  
**2021/22**

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## 1.0 STRATEGIC BUDGET SUMMARY

### 1.1 Savings and Growth

- **Line by Line Review**

1.1.1 In October 2016 senior officers undertook a line by line budget challenge process, comparing the year to date budget variances and, where significant underspends were occurring, challenging as to whether these could be removed. Further savings were identified by Heads of Services during the subsequent detailed budget setting. The results of this review are budget reductions of £700,000 as detailed in **Table 1** below.

<b>Table 1 Line by Line Review Savings</b>	
	<b>2017/18</b>
	<b>£000</b>
Community Services	(55)
Customer Services	(26)
Development Services	(223)
Operational Services	(246)
Leisure & Health	0
Corporate Team	(36)
ICT	0
Directors	0
Resources	(114)
<b>TOTAL</b>	<b>(700)</b>

- **Capital**

1.1.2 The revenue budget contains any implications from the proposed capital programme for 2017/18 and the MTFs, whether that will be savings as a result of investment, additional running costs or the cost of borrowing and Minimum Revenue Provisions.

- **Growth**

1.1.3 Growth as appeared within the budget for one of 4 reasons:

- Inflation on employee costs and business rate changes
- Employees increment related growth
- non-employee budgets non-controllable growth
- Controllable growth

1.1.4 **Table 2** below shows the total growth for 2017/18 in each of these categories

	Unavoidable			Optional Growth	TOTAL
	Inflation	Employee Related Growth	Other Growth		
	£'000	£'000	£'000	£'000	£'000
Community Services	19	48	0	0	67
Customer Services	34	29	278	0	341
Development Services	22	11	0	281	314
Operational Services	74	120	0	25	219
Leisure and Health	21	231	0	148	400
ICT	24	16	0	0	40
Resources	21	(2)	0	0	19
Corporate Team	7	0	0	17	24
Directors	5	0	0	26	31
<b>TOTAL</b>	<b>227</b>	<b>453</b>	<b>278</b>	<b>497</b>	<b>1,455</b>

- Commercial Investment Strategy

1.1.5 A key part of the Council's overall Budget strategy is the Commercial Investment Strategy (CIS), as approved by the Council in 2015. It is anticipated that the investments from the CIS will increase in 2017/18 and then stabilise for the following years. As a result there is an increase in the net income budget for CIS of £0.5m to give an annual net income stream of £1m.

- **Summary Impact of all budget changes**

1.1.6 Overall, line by line reviews, Capital and Growth have resulted in a net reduction in the Council's budget of £0.7m (4%) when compared to the 2016/17 Original Budget and an increase of £0.1m (1%) when compared to the 2016/17 Forecast Outturn. A service by service summary is shown in **Table 3** below.

Service	2016/17		2017/18							Variance	
	Forecast Outturn	Original Budget	ZBB Savings	Line by Line Review	Capital	Inflation	New Initiatives	Other (Incl Growth Items)	Proposed Budget	To 2016/17 Forecast	To 2016/17 Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	%
Directors & Corporate Team	1,691	1,662	(102)	(36)		12	72	85	1,693	0%	2%
Resources	(30)	343	(62)	(53)	(54)	21	(38)	(883)	(726)	96%	147%
Customer Services	2,524	2,355	(188)	(26)	(12)	34	0	496	2,659	5%	11%
Operations	4,206	4,093	(394)	(247)	(41)	74	416	120	4,021	(5%)	(2%)
Development	725	1,370		(223)		22	112	75	1,356	47%	(1%)
Community	1,567	1,775	(34)	(55)	0	19	(26)	27	1,706	8%	(4%)
Leisure & Health	3	(280)	(54)		(43)	21	30	166	(160)	102%	(75%)
Corporate Finance	4,408	4,799		(61)	291			(88)	4,941	11%	3%
ICT Shared Service	1,986	1,796	(1)			24		(98)	1,721	(15%)	(4%)
<b>Net Expenditure</b>	<b>17,081</b>	<b>17,913</b>	<b>(835)</b>	<b>(701)</b>	<b>141</b>	<b>227</b>	<b>566</b>	<b>(100)</b>	<b>17,211</b>		

Forecast Outturn                      17,081                      →                      130                      ←                      17,211                      1%

Budget    17,913                      →                      (702)                      ←                      17,211                      (4%)

## 1.2 Revenue spending and sources of income

### Income

- 1.2.1 The Council generates a considerable proportion of its own funding from the various services it provides. These range from income from One Leisure and Car Parking through to charging for the use of the Document Centre and Licensing and Planning Services. Service specific income is shown later in this report within the service budget pages.
- 1.2.2 In addition the Council also generates income from corporate activity; this mainly focuses on Treasury Management. However, this is considerably less than in recent years because of the current extremely low interest rate environment.

### Government Grant

- 1.2.3 The government provides a fair proportion of the core funding of the Council. Some of this funding is in relation to specific services e.g. Housing Benefit, but some of the funding is in support of general activity with regard to:
- New Homes Bonus (NHB), on the 15 December the Government made an announcement in respect of New Homes Bonus and that the 2017/18 settlement would be £3.7m. At this time the Council continues to rely on NHB as part of the base budget.
  - On the 15 December the Government announced the Revenue Support Grant (RSG) 2017/18 provisional settlement for the Council of £1.2m.

### Council Tax and Business Rates

- 1.2.4 There is an assumption within the Budget 2017/18 and over the term of the MTFS of a Council Tax increase of 2% per annum. Therefore the Council Tax for 2017/18 will be £135.84 per Band D equivalent property.
- 1.2.5 The Council receives 40% of the Business rates collected and, after allowing for the tariff payment, it estimates this to be £4.6m in 2017/18. An increase of 2% is allowed year on year over the MTFS period to reflect the annual inflation increases to the business rates multiplier.

### Collection Fund Surplus/Deficit

- 1.2.6 The Collection Fund is the statutory account for the Council Tax and Business Rates income and the payments to preceptors of their respective shares. Any surplus or deficit on the Collection Fund at year end is distributed to the preceptors, as per legislation. The Council is required to make an estimate of the projected surplus or deficit of each component of the Collection Fund at year end in order for the preceptors to bring their share of the surplus or deficit into the budget setting process.
- 1.2.6 The estimated year end position of the Collection Fund is shown in **Table 4** below along with the share that is apportioned to the Council.

<b>Collection Fund Estimated Surplus 2016/17</b>		
<b>Table 4</b>	<b>(Surplus)/Deficit (£'000)</b>	<b>HDC Share (£'000)</b>
Council Tax	(389)	(53)
Business Rates	(3,702)	(1,481)
<b>TOTAL</b>	<b>(4,091)</b>	<b>(1,534)</b>

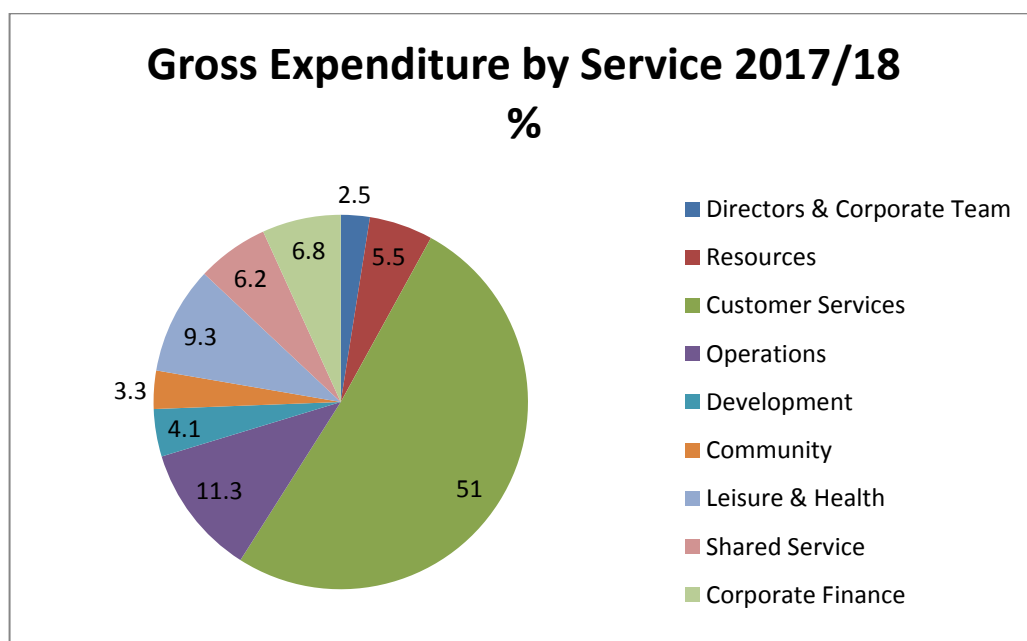
### 1.3 Summary Budget

1.3.1 Considering the 2% increase in Council Tax for 2017/18 and the MTFS period and the Budget setting process, this results in the funding statement shown in **Table 5** and **Table 6** below.

<b>Table 5 Council Services Net Expenditure Budget and MTFS</b>							
	<b>Forecast</b>	<b>Original Budget</b>	<b>Budget</b>	<b>Medium Term Financial Strategy</b>			
	<b>2016/17 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>
<b>Services Provided:</b>							
Community Services	1,829	1,911	1,690	1,648	1,648	1,690	1,724
Customer Services	2,524	2,355	2,659	2,591	2,615	2,677	2,734
Development Services	725	1,370	1,355	1,408	1,467	1,514	1,561
Operational Services	3,961	3,968	4,029	3,811	3,817	3,922	4,029
Leisure and Health	3	(280)	(160)	(284)	(298)	(236)	(153)
Corporate Team and Directors	2,364	2,300	1,711	1,650	1,662	1,687	1,704
ICT	1,986	1,796	1,721	1,730	1,738	1,753	1,769
Resources	(720)	(308)	(737)	(914)	(986)	(969)	(951)
Corporate Finance	4,408	4,799	4,942	5,232	5,376	5,390	5,383
<b>TOTAL</b>	<b>17,081</b>	<b>17,913</b>	<b>17,211</b>	<b>16,872</b>	<b>17,039</b>	<b>17,427</b>	<b>17,800</b>
- Expenditure	76,175	76,806	78,133	78,132	78,440	78,871	79,287
- Income	(59,095)	(58,893)	(60,923)	(61,260)	(61,401)	(61,444)	(61,487)
<b>- Net Expenditure</b>	<b>17,081</b>	<b>17,913</b>	<b>17,211</b>	<b>16,872</b>	<b>17,039</b>	<b>17,427</b>	<b>17,800</b>

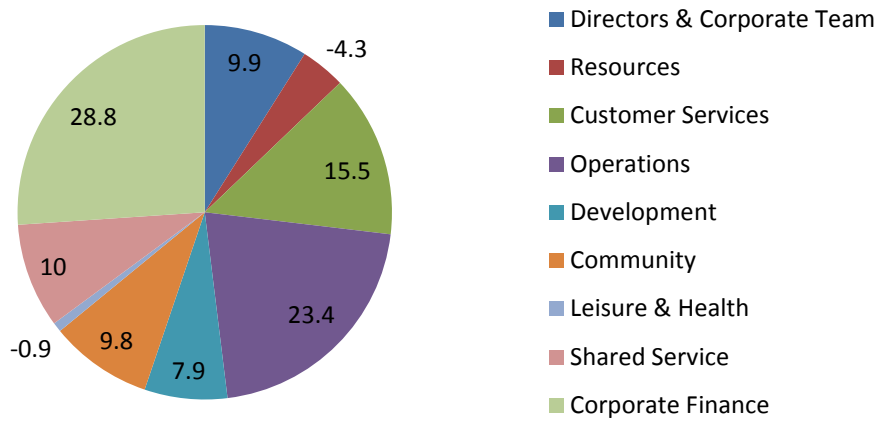


Table 6				2% Council Tax Increase			
	Forecast	Original Budget	Budget	Medium Term Financial Strategy			
				2018/19	2019/20	2020/21	2021/22
	2016/17	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Net Expenditure</b>	<b>17,081</b>	<b>17,913</b>	<b>17,211</b>	<b>16,872</b>	<b>17,039</b>	<b>17,427</b>	<b>17,800</b>
Contribution to/(from)	0	0	(65)	0	0	0	0
Earmarked Reserves:							
- Commercial Investment Strategy	0	0	0	0	2,674	2,674	2,674
- Other	(257)	(257)	0	0	0	0	0
General Reserves	3,107	2,276	3,032	1,906	(1,284)	(1,265)	(1,246)
<b>Budget Requirement</b>	<b>19,931</b>	<b>19,931</b>	<b>20,177</b>	<b>18,777</b>	<b>18,429</b>	<b>18,837</b>	<b>19,228</b>
Non-Domestic Rates	(4,190)	(4,190)	(4,622)	(5,961)	(6,059)	(6,158)	(6,260)
S31 Grant	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)	(1,018)
Revenue Support Grant (RSG)	(2,110)	(2,110)	(1,182)	(604)	0	0	0
New Homes Bonus	(4,965)	(4,965)	(3,656)	(2,787)	(2,674)	(2,674)	(2,674)
Collection Fund Surplus	0	0	(1,534)	0	0	0	0
<b>Council Tax Requirement</b>	<b>(12,026)</b>	<b>7,905</b>	<b>8,166</b>	<b>8,407</b>	<b>8,678</b>	<b>8,986</b>	<b>9,276</b>
- Base (*)	<b>59,358</b>	<b>59,358</b>	<b>60,111</b>	<b>60,675</b>	<b>61,403</b>	<b>62,338</b>	<b>63,085</b>
- Per Band D		<b>133.18</b>	<b>135.84</b>	<b>138.56</b>	<b>141.33</b>	<b>144.16</b>	<b>147.04</b>



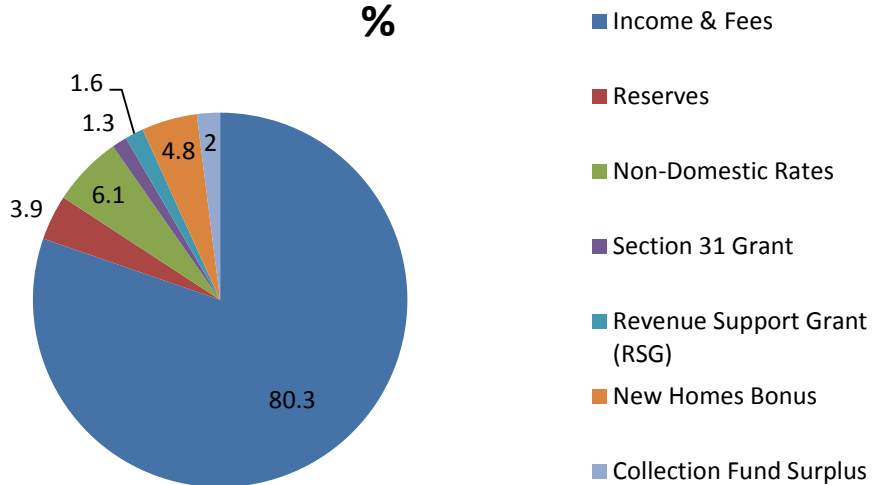
### Net Expenditure by Service 2017/18

%



### How Services are Paid for in 2017/18

%



## 1.4 Revenue Reserves

1.4.1 The impact on the General Fund Reserve of the grant settlement from Government, the Council's policy to increase Council Tax and the savings and growth built into the budget 2017/18 and MTFS is shown in **Table 7** below.

<b>Table 7 Council General Fund and Earmarked Reserves</b>						
	<b>Forecast</b>	<b>Budget</b>	<b>Medium Term Financial Strategy</b>			
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>GENERAL FUND</b>						
<b>Brought forward</b>	<b>2,537</b>	<b>2,568</b>	<b>2,582</b>	<b>2,531</b>	<b>2,556</b>	<b>2,614</b>
Contribution to Reserve	31	3,032	1,906			
Contribution (from) Reserve				(1,284)	(1,265)	(1,246)
Contribution to/(from) Budget Surplus Reserve		(3,018)	(1,957)	1,309	1,323	1,302
<b>Carried forward</b>	<b>2,568</b>	<b>2,582</b>	<b>2,531</b>	<b>2,556</b>	<b>2,614</b>	<b>2,670</b>
<i>Minimum Level of Reserves</i>	<i>2,568</i>	<i>2,582</i>	<i>2,531</i>	<i>2,556</i>	<i>2,614</i>	<i>2,670</i>
<b>EARMARKED RESERVES</b>						
<b>Commercial Investment Reserve</b>						
<b>Brought forward</b>	<b>12,390</b>	<b>3,230</b>	<b>3,230</b>	<b>3,230</b>	<b>5,904</b>	<b>8,578</b>
Contribution to Reserve	40	0	0	2,674	2,674	2,674
Contribution (from) Reserve	(9,200)	0	0	0	0	0
<b>Carried forward</b>	<b>3,230</b>	<b>3,230</b>	<b>3,230</b>	<b>5,904</b>	<b>8,578</b>	<b>11,253</b>
<b>Budget Surplus Reserve</b>						
<b>Brought Forward</b>	<b>805</b>	<b>3,425</b>	<b>6,443</b>	<b>8,400</b>	<b>7,091</b>	<b>5,768</b>
Contribution to Reserve	2,909					
Contribution (from) Reserve	(289)					
Contribution from/(to) General Fund	0	3,018	1,957	(1,309)	(1,323)	(1,302)
<b>Carried forward</b>	<b>3,425</b>	<b>6,443</b>	<b>8,400</b>	<b>7,091</b>	<b>5,768</b>	<b>4,466</b>

# 2.0 REVENUE OPERATIONAL BUDGETS AND MEDIUM TERM FINANCIAL STRATEGY

## 2.1 Subjective Analysis of Spend and Income

Huntingdonshire District Council									
Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(16,369,887)	<b>Income &amp; Fees</b>	Fees & charges	(16,834,712)	(16,098,105)	(16,716,433)	(16,918,193)	(16,969,413)	(16,982,956)	(16,998,817)
(998,495)		Sales	(1,156,004)	(1,173,579)	(1,132,373)	(1,154,763)	(1,172,463)	(1,184,463)	(1,193,463)
(2,018,099)		Rent	(2,599,680)	(3,024,904)	(5,245,835)	(5,388,735)	(5,450,735)	(5,450,735)	(5,450,735)
135,242		Bad Debts Provision	148,050	113,050	135,046	135,046	135,046	135,046	135,046
(36,885,493)		Government grants	(35,671,707)	(36,056,144)	(35,228,598)	(35,208,598)	(35,208,598)	(35,208,598)	(35,208,598)
(610,981)		Other grants and contributions	(2,519,756)	(2,296,392)	(2,215,661)	(2,205,613)	(2,215,664)	(2,233,488)	(2,251,518)
(118,819)		Communted sums	(151,331)	(151,331)	(151,331)	(151,331)	(151,331)	(151,331)	(151,331)
(160,114)		Interest	(309,699)	(205,715)	(367,715)	(367,715)	(367,715)	(367,715)	(367,715)
<b>(57,026,645)</b>	<b>Income &amp; Fees Total</b>		<b>(59,094,839)</b>	<b>(58,893,120)</b>	<b>(60,922,900)</b>	<b>(61,259,902)</b>	<b>(61,400,873)</b>	<b>(61,444,240)</b>	<b>(61,487,131)</b>
15,967,546	<b>Employees</b>	Salary	16,503,186	16,701,154	17,680,629	17,662,624	17,809,327	17,987,317	18,167,017
1,044,181		National Insurance	1,396,452	1,466,892	1,536,251	1,543,639	1,556,486	1,572,049	1,587,767
3,558,472		Pension	3,946,874	4,243,738	4,374,363	4,383,565	4,406,433	4,615,271	4,827,848
1,217,560		Hired Staff	1,202,678	429,665	187,142	135,330	136,770	136,770	136,770
161,505		Employee Insurance	173,554	168,764	172,907	187,016	205,717	226,289	248,918
16,674		Recruitment	42,102	2,930	7,850	7,850	7,850	7,850	7,850
163,994		Training	182,672	178,287	178,787	178,787	178,787	178,787	178,787
36,823		Uniform & laundry	59,692	57,247	48,622	54,773	52,273	54,773	52,273
247,115		Other staff costs	213,718	165,190	209,675	208,025	206,375	206,375	206,375
688,054		Severance Payments	278,362	207,000	207,000	207,000	207,000	207,000	207,000
<b>23,101,926</b>	<b>Employees Total</b>		<b>23,999,291</b>	<b>23,620,867</b>	<b>24,603,226</b>	<b>24,568,609</b>	<b>24,767,018</b>	<b>25,192,481</b>	<b>25,620,605</b>
218,311	<b>Buildings</b>	Rents	225,112	188,136	173,512	149,914	149,914	149,914	149,914
970,749		Rates	1,103,592	1,112,533	1,134,570	1,152,664	1,175,586	1,198,968	1,222,816
633,032		Repairs & Maintenance	681,092	688,859	670,654	649,754	649,754	649,754	664,554
0		Fixtures & Fittings	897	1,656	656	656	656	656	656
764,874		Energy Costs	778,276	781,954	762,257	727,020	691,424	691,424	691,424
107,712		Water Services	149,087	142,791	147,291	147,091	147,091	147,091	147,091
220,172		Premises Cleaning	222,358	223,993	239,429	237,421	237,501	237,621	237,701
76,583		Premises Insurance	51,025	55,287	47,773	51,353	55,201	59,338	63,786
26,433		Ground Maintenance Costs	8,429	12,345	21,345	21,345	21,345	21,345	21,345
<b>3,017,864</b>		<b>Buildings Total</b>		<b>3,219,868</b>	<b>3,207,554</b>	<b>3,197,487</b>	<b>3,137,218</b>	<b>3,128,472</b>	<b>3,156,111</b>
38,759	<b>Supplies &amp; Services</b>	Catering	34,772	25,930	29,421	29,421	29,421	29,421	29,421
382,928		Members Allowances	384,945	386,775	404,864	404,864	404,864	404,864	404,864
654,209		Office expenses	593,122	514,466	541,190	535,505	535,280	535,280	535,280
683,425		Communication and computing	926,234	939,412	761,977	718,977	708,977	708,977	708,977
4,398,104		Services	4,634,693	5,005,224	6,078,523	6,296,683	6,413,543	6,383,103	6,321,663
1,998,599		Equipment, furniture & materials	3,604,998	3,555,957	3,536,851	3,459,560	3,459,160	3,460,660	3,459,160
98,278		Rents	174,795	249,149	249,471	249,471	249,471	249,471	249,471
411		Uniform & laundry	355	700	380	380	380	380	380
351		Expenses	610	1,020	0	0	0	0	0
183,674		Insurance - service related	78,429	121,976	81,442	83,041	84,755	86,658	88,707
<b>8,438,737</b>	<b>Supplies &amp; Services Total</b>		<b>10,432,953</b>	<b>10,800,609</b>	<b>11,684,119</b>	<b>11,777,902</b>	<b>11,885,851</b>	<b>11,858,814</b>	<b>11,797,923</b>
72,995	<b>Transport</b>	Mileage Allowance	62,799	91,996	63,849	63,524	63,524	63,524	63,524
36,886		Pool Car	36,851	33,482	33,981	33,981	33,981	33,981	33,981
86,660		Vehicle Insurance	76,596	85,118	76,888	81,637	86,683	92,045	97,045
24,027		Public Transport	25,001	23,151	21,011	21,011	21,011	21,011	21,011
896,224		Operating Costs	893,653	985,432	851,816	845,316	850,816	850,816	850,816
33,684		Contract Hire & operating leases	53,088	16,485	18,807	18,807	18,807	18,807	18,807
7,450	Car Allowance	0	0	0	0	0	0	0	
<b>1,157,925</b>	<b>Transport Total</b>		<b>1,147,987</b>	<b>1,235,664</b>	<b>1,066,352</b>	<b>1,064,276</b>	<b>1,074,822</b>	<b>1,080,184</b>	<b>1,085,184</b>
35,830,955	<b>Benefit &amp; Transfer Payments</b>	Benefits	35,151,297	35,980,000	35,295,832	35,295,832	35,295,832	35,295,832	35,295,832
118,553		Irrecoverable V A T	116,200	116,200	116,500	116,500	116,500	116,500	116,500
388,393		Levies	391,291	389,356	391,016	392,467	392,467	392,467	392,467
10,364		Services	39,702	7,700	6,900	6,900	6,900	6,900	6,900
1,620,749		Contributions paid	1,341,556	1,105,724	1,487,799	1,487,799	1,487,799	1,487,799	1,487,799
316,915	Grants	301,975	309,000	251,000	251,000	251,000	251,000	251,000	
<b>38,285,929</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>37,342,021</b>	<b>37,907,980</b>	<b>37,549,047</b>	<b>37,550,498</b>	<b>37,550,498</b>	<b>37,550,498</b>	<b>37,550,498</b>
30,852	<b>Renewals Fund Contribution</b>	Renewals Fund Contribution	33,232	33,232	33,232	33,232	33,232	33,232	33,232
<b>30,852</b>	<b>Renewals Fund Contribution Total</b>		<b>33,232</b>	<b>33,232</b>	<b>33,232</b>	<b>33,232</b>	<b>33,232</b>	<b>33,232</b>	<b>33,232</b>
<b>17,006,588</b>	<b>Net Expenditure</b>		<b>17,080,513</b>	<b>17,912,786</b>	<b>17,210,562</b>	<b>16,871,833</b>	<b>17,039,020</b>	<b>17,427,080</b>	<b>17,799,598</b>

74,033,233	<b>Gross Service Expenditure</b>	76,175,352	76,805,906	78,133,463	78,131,735	78,439,893	78,871,320	79,286,729
(57,026,645)	<b>Gross Service Income</b>	(59,094,839)	(58,893,120)	(60,922,900)	(61,259,902)	(61,400,873)	(61,444,240)	(61,487,131)
<b>17,006,588</b>	<b>Net Service Expenditure</b>	<b>17,080,513</b>	<b>17,912,786</b>	<b>17,210,562</b>	<b>16,871,833</b>	<b>17,039,020</b>	<b>17,427,080</b>	<b>17,799,598</b>

Budget Totals By Head of Service								
1,678,523	Head of Community	1,828,794	1,911,493	1,689,734	1,647,617	1,648,474	1,689,519	1,723,859
2,595,974	Head of Customer Services	2,523,575	2,355,212	2,659,305	2,591,390	2,614,965	2,676,652	2,734,193
844,974	Head of Development	724,925	1,369,936	1,355,439	1,408,298	1,467,268	1,513,940	1,561,287
(140,701)	Head of Leisure & Health	3,238	(280,081)	(159,982)	(284,295)	(298,022)	(235,881)	(152,861)
4,172,803	Head of Operations	3,961,061	3,967,914	4,029,492	3,811,077	3,816,760	3,921,913	4,028,662
2,481,856	Directors & Corporate Team	2,364,375	2,300,493	1,710,707	1,650,054	1,661,855	1,686,876	1,704,198
1,466,809	Head of ICT Shared Service	1,986,470	1,796,334	1,721,333	1,729,737	1,738,225	1,753,321	1,768,712
(472,032)	Head of Resources	(720,302)	(307,824)	(737,477)	(913,544)	(986,313)	(968,882)	(951,198)
4,378,382	Head of Resources (Corporate Budgets)	4,408,377	4,799,309	4,942,012	5,231,500	5,375,809	5,389,623	5,382,747
<b>17,006,588</b>	<b>Net Service Expenditure</b>	<b>17,080,513</b>	<b>17,912,786</b>	<b>17,210,562</b>	<b>16,871,833</b>	<b>17,039,020</b>	<b>17,427,080</b>	<b>17,799,598</b>

**Analysis of Budget Movements:-**

	HDC Budget				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£
<b>Original Budget for 2016/17 Approved February 2016</b>	<b>17,912,784</b>	<b>17,912,784</b>	<b>17,912,784</b>	<b>17,912,784</b>	<b>17,912,784</b>
Impact of Inflation on Pay, NI and Pensions	208,387	427,700	647,041	883,304	1,121,950
Impact of Inflation on NDR	17,339	39,520	62,053	85,038	108,482
Savings identified during Line by Line review meetings	(701,141)	(701,141)	(701,141)	(701,141)	(701,141)
Previous ZBB savings identified	(835,100)	(1,397,000)	(1,727,000)	(1,727,000)	(1,727,000)
Delay to achievement of ZBB savings	53,633	15,596	20,000	20,000	20,000
Impact of Service Initiatives	(95,138)	(120,138)	(120,138)	(120,138)	(120,138)
Impact of Corporate Initiatives	173,788	173,788	173,788	173,788	173,788
Impact of Capital Schemes	(149,483)	(221,334)	(282,134)	(301,834)	(316,634)
Pension Rate Change	(77,756)	(77,769)	(77,784)	86,578	254,078
Increase in Pension Lump Sum Amount	74,000	74,000	74,000	74,740	75,487
Payroll Adjustments					
Community Services	45,726	19,184	17,724	17,724	17,724
Customer Services	29,416	10,076	10,076	10,076	10,076
Development	14,727	20,390	20,390	20,390	20,390
Leisure & Health	230,685	230,685	230,685	230,685	230,685
Operations	191,073	191,073	191,073	191,073	191,073
Directors & Corporate Team	61,686	61,686	61,686	61,686	61,686
ICT Shared Service	15,738	15,738	15,738	15,738	15,738
Resources	(2,167)	(2,167)	(2,167)	(2,167)	(2,167)
Other Budget Adjustments					
Community Services	(191,500)	(198,835)	(215,480)	(209,635)	(211,002)
Customer Services	480,321	531,578	679,378	681,878	679,378
Development	348,942	397,299	431,380	432,287	433,209
Leisure & Health	(57,328)	(180,553)	(181,533)	(182,519)	(168,710)
Operations	193,960	184,076	197,010	197,962	198,934
Directors & Corporate Team	(584,488)	(590,794)	(591,104)	(587,663)	(592,230)
ICT Shared Service	(104,847)	(120,383)	(136,073)	(163,855)	(191,836)
Resources	(172,398)	(242,417)	(234,732)	(234,173)	(233,606)
Corporate Finance	129,703	419,191	563,500	561,474	538,600
<b>Budget Awaiting Approval February 2017</b>	<b>17,210,562</b>	<b>16,871,833</b>	<b>17,039,020</b>	<b>17,427,080</b>	<b>17,799,598</b>

*\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.*

## 2.2 Service Budgets by Head of Service

Head of Community									
Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(850,807)	<b>Income &amp; Fees</b>	Fees & charges	(826,030)	(759,817)	(792,516)	(791,816)	(797,416)	(792,516)	(791,816)
(300)		Sales	(493)	0	(600)	(600)	(600)	(600)	(600)
(5,450)		Rent	(5,550)	(5,650)	0	0	0	0	0
(1,596)		Government grants	0	0	0	0	0	0	0
(28,884)		Other grants and contributions	(97,212)	(99,737)	(95,155)	(95,155)	(95,155)	(95,155)	(95,155)
(795)		Commuted Sums	0	0	0	0	0	0	0
<b>(887,832)</b>	<b>Income &amp; Fees Total</b>		<b>(929,285)</b>	<b>(865,204)</b>	<b>(888,271)</b>	<b>(887,571)</b>	<b>(893,171)</b>	<b>(888,271)</b>	<b>(887,571)</b>
1,357,807	<b>Employees</b>	Salary	1,384,518	1,477,299	1,516,571	1,531,735	1,547,052	1,562,524	1,578,148
103,799		National Insurance	138,909	146,801	153,484	155,020	156,570	158,135	159,717
222,494		Pension	234,110	242,563	252,423	254,948	257,498	275,106	293,040
24,324		Hired Staff	19,051	7,000	2,263	(26,279)	(27,739)	(27,739)	(27,739)
13,465		Training	3,220	3,050	2,550	2,550	2,550	2,550	2,550
182		Uniform & laundry	958	1,900	425	425	425	425	425
13,696		Other staff costs	36,075	440	1,130	1,130	1,130	1,130	1,130
0		Severance Payments	43,821	0	0	0	0	0	0
<b>1,735,767</b>	<b>Employees Total</b>		<b>1,860,662</b>	<b>1,879,053</b>	<b>1,928,846</b>	<b>1,919,529</b>	<b>1,937,486</b>	<b>1,972,131</b>	<b>2,007,271</b>
(1,136)	<b>Buildings</b>	Rents	14,350	550	780	780	780	780	780
26,376		Rates	27,081	26,842	0	0	0	0	0
68,018		Repairs & Maintenance	86,817	80,200	2,500	2,500	2,500	2,500	2,500
14,469		Energy Costs	14,657	13,200	4,000	4,000	4,000	4,000	4,000
27,318		Premises Cleaning	28,150	22,626	0	0	0	0	0
2,473		Water Services	2,411	660	0	0	0	0	0
<b>137,518</b>	<b>Buildings Total</b>		<b>173,466</b>	<b>144,078</b>	<b>7,280</b>	<b>7,280</b>	<b>7,280</b>	<b>7,280</b>	<b>7,280</b>
344	<b>Supplies &amp; Services</b>	Catering	1,116	880	521	521	521	521	521
118,311		Communication and computing	103,316	98,535	100,681	65,681	55,681	55,681	55,681
55,585		Services	50,816	67,255	68,442	68,442	68,442	68,442	68,442
183,053		Equipment, furniture & materia	132,030	128,943	121,807	123,307	121,807	123,307	121,807
18,682		Office expenses	17,673	18,220	16,272	16,272	16,272	16,272	16,272
330		Uniform & laundry	355	500	380	380	380	380	380
99		Expenses	100	0	0	0	0	0	0
<b>376,404</b>	<b>Supplies &amp; Services Total</b>		<b>305,406</b>	<b>314,333</b>	<b>308,103</b>	<b>274,603</b>	<b>263,103</b>	<b>264,603</b>	<b>263,103</b>
14,817	<b>Transport</b>	Mileage Allowance	17,065	27,850	19,801	19,801	19,801	19,801	19,801
23,146		Operating Costs	22,874	32,711	22,877	22,877	22,877	22,877	22,877
5,282		Pool Car	6,467	7,200	6,850	6,850	6,850	6,850	6,850
2,869		Public Transport	1,494	4,250	1,111	1,111	1,111	1,111	1,111
<b>46,114</b>	<b>Transport Total</b>		<b>47,900</b>	<b>72,011</b>	<b>50,639</b>	<b>50,639</b>	<b>50,639</b>	<b>50,639</b>	<b>50,639</b>
(59,404)	<b>Benefit &amp; Transfer Payments</b>	Contributions paid	74,558	71,010	38,525	38,525	38,525	38,525	38,525
323,015		Grants	284,875	285,000	238,000	238,000	238,000	238,000	238,000
329		Irrecoverable V A T	4,600	4,600	0	0	0	0	0
<b>263,940</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>364,033</b>	<b>360,610</b>	<b>276,525</b>	<b>276,525</b>	<b>276,525</b>	<b>276,525</b>	<b>276,525</b>
6,612	<b>Renewals Fund Contribution</b>	Renewals Fund Contribution	6,612	6,612	6,612	6,612	6,612	6,612	6,612
<b>6,612</b>	<b>Renewals Fund Contribution Total</b>		<b>6,612</b>	<b>6,612</b>	<b>6,612</b>	<b>6,612</b>	<b>6,612</b>	<b>6,612</b>	<b>6,612</b>
<b>1,678,523</b>	<b>Grand Total</b>		<b>1,828,794</b>	<b>1,911,493</b>	<b>1,689,734</b>	<b>1,647,617</b>	<b>1,648,474</b>	<b>1,689,519</b>	<b>1,723,859</b>

2,566,355	<b>Gross Service Expenditure</b>	2,758,079	2,776,697	2,578,005	2,535,188	2,541,645	2,577,790	2,611,430
(887,832)	<b>Gross Service Income</b>	(929,285)	(865,204)	(888,271)	(887,571)	(893,171)	(888,271)	(887,571)
<b>1,678,523</b>	<b>Net Service Expenditure</b>	<b>1,828,794</b>	<b>1,911,493</b>	<b>1,689,734</b>	<b>1,647,617</b>	<b>1,648,474</b>	<b>1,689,519</b>	<b>1,723,859</b>

(82,676)	C C T V	(70,484)	(71,000)	(70,393)	(70,393)	(70,393)	(70,393)	(70,393)
242,981	C C T V Shared Service	220,063	212,244	256,389	224,968	218,582	224,952	231,413
261,958	Commercial Team	284,210	348,621	329,317	332,735	336,188	342,424	348,750
598,674	Community Team	626,048	625,657	534,270	537,028	539,814	544,857	549,971
9,046	Corporate Health & Safety	98,266	100,608	102,622	103,523	104,434	106,079	107,748
134,586	Environmental Health Admin	122,237	144,279	146,328	148,393	144,172	151,521	154,705
371,194	Environmental Protection Team	415,100	492,706	483,917	490,232	493,594	503,876	511,284
78,873	Head Of Community	82,481	79,602	81,263	53,526	52,878	54,340	55,823
(187,676)	Licencing	(196,155)	(161,246)	(187,554)	(185,970)	(184,370)	(181,712)	(179,017)
251,563	Projects And Assets	247,028	140,022	0	0	0	0	0
0	Emergency Planning	0	0	11,575	11,575	11,575	11,575	11,575
0	Closed Churchyards	0	0	2,000	2,000	2,000	2,000	2,000
<b>1,678,523</b>	<b>Grand Total</b>	<b>1,828,794</b>	<b>1,911,493</b>	<b>1,689,734</b>	<b>1,647,617</b>	<b>1,648,474</b>	<b>1,689,519</b>	<b>1,723,859</b>

**Analysis of Budget Movements:-**

	<b>Head of Community Budget</b>				
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Original Budget for 2016/17 Approved February 2016</b>	1,911,493	1,911,493	1,911,493	1,911,493	1,911,493
Impact of Inflation on Pay, NI and Pensions	18,666	37,963	57,455	77,142	97,024
Impact of Inflation on NDR	(137)	398	943	1,498	2,065
Savings identified during Line by Line review meetings	(55,200)	(55,200)	(55,200)	(55,200)	(55,200)
Previous ZBB savings identified	(34,000)	(37,000)	(38,000)	(38,000)	(38,000)
Delay to achievement of ZBB savings	25,000	0	0	0	0
Impact of Service Initiatives	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)
Pension Rate Change	(7,314)	(7,386)	(7,461)	7,497	22,755
Payroll Adjustments	45,726	19,184	17,724	17,724	17,724
<b>Other Budget Adjustments</b>					
Reduction to Voluntary Sector Grants	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)
Additional External Income	(12,027)	(12,027)	(12,027)	(12,027)	(12,027)
CCTV Camera Replacement Re-phase	15,000	5,000	(5,000)	(5,000)	(5,000)
Bus Shelter Additional Maintenance	6,950	6,950	6,950	6,950	6,950
Emergency Planning from Head of Operations	11,575	11,575	11,575	11,575	11,575
Bus Shelters to Head of Resources	(18,810)	(18,810)	(18,810)	(18,810)	(18,810)
Watercourses to Head of Operations	(56,000)	(56,000)	(56,000)	(56,000)	(56,000)
Projects & Assets Misc to Head of Operations	(860)	(860)	(860)	(860)	(860)
Priory Centre to Head of Operations	(27,750)	(27,750)	(27,750)	(27,750)	(27,750)
Environmental Improvements to Head of Operations	(6,710)	(6,710)	(6,710)	(6,710)	(6,710)
Bus Stations to Head of Operations	(53,765)	(54,300)	(54,845)	(55,400)	(55,967)
Other Minor Changes	(25,103)	(21,903)	(28,003)	(21,603)	(22,403)
<b>Budget Awaiting Approval February 2017</b>	<b>1,689,734</b>	<b>1,647,617</b>	<b>1,648,474</b>	<b>1,689,519</b>	<b>1,723,859</b>

*\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.*

**Head of Customer Services**

Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(1,552,679)	Income & Fees	Fees & charges	(1,799,640)	(1,786,772)	(1,963,393)	(1,978,393)	(1,983,393)	(1,983,393)	(1,983,393)
0		Sales	(122,426)	(140,207)	(114,017)	(113,907)	(113,607)	(113,607)	(113,607)
(358)		Rent	0	0	0	0	0	0	0
(36,481,540)		Government grants	(35,239,588)	(36,037,222)	(35,174,676)	(35,174,676)	(35,174,676)	(35,174,676)	(35,174,676)
113,753		Bad Debts Provision	113,050	78,050	100,046	100,046	100,046	100,046	100,046
<b>(37,920,824)</b>	<b>Income &amp; Fees Total</b>		<b>(37,048,604)</b>	<b>(37,886,151)</b>	<b>(37,152,040)</b>	<b>(37,166,930)</b>	<b>(37,171,630)</b>	<b>(37,171,630)</b>	<b>(37,171,630)</b>
2,648,732	Employees	Salary	2,643,623	2,710,580	2,624,509	2,598,044	2,621,998	2,648,194	2,674,652
184,110		National Insurance	238,184	243,188	239,404	239,490	241,884	244,303	246,746
418,266		Pension	347,205	444,841	446,739	442,638	447,065	477,637	508,777
105,107		Hired Staff	68,105	0	0	0	0	0	0
24,599		Training	2,727	1,350	1,350	1,350	1,350	1,350	1,350
733		Uniform & laundry	2,199	2,299	799	3,200	700	3,200	700
27,237		Other staff costs	16,018	24,000	40,520	40,520	40,520	40,520	40,520
0		Severance payments	5,767	0	0	0	0	0	0
216		Recruitment	0	0	0	0	0	0	0
<b>3,409,000</b>	<b>Employees Total</b>		<b>3,323,828</b>	<b>3,426,258</b>	<b>3,353,321</b>	<b>3,325,242</b>	<b>3,353,517</b>	<b>3,415,204</b>	<b>3,472,745</b>
39,760	Buildings	Rents	26,606	30,598	18,098	0	0	0	0
6,120		Rates	4,954	5,828	4,380	0	0	0	0
3,575		Repairs & Maintenance	1,256	572	282	82	82	82	82
2,031		Energy Costs	843	1,200	1,200	0	0	0	0
1,209		Premises Cleaning	1,353	1,008	1,008	0	0	0	0
106		Water Services	249	200	200	0	0	0	0
192		Premises Insurance	0	0	0	0	0	0	0
<b>52,993</b>	<b>Buildings Total</b>		<b>35,261</b>	<b>39,406</b>	<b>25,168</b>	<b>82</b>	<b>82</b>	<b>82</b>	<b>82</b>
70,069	Supplies & Services	Rents	73,500	75,894	75,894	75,894	75,894	75,894	75,894
694		Catering	323	250	200	200	200	200	200
128,313		Communication and computing	117,061	88,915	101,964	95,464	95,464	95,464	95,464
75,592		Services	42,741	64,417	29,733	29,733	29,733	29,733	29,733
264,864		Equipment, furniture & material	105,562	96,068	82,948	89,948	89,948	89,948	89,948
145,045		Office expenses	119,213	121,834	119,034	118,974	118,974	118,974	118,974
<b>684,577</b>	<b>Supplies &amp; Services Total</b>		<b>458,400</b>	<b>447,378</b>	<b>409,773</b>	<b>410,213</b>	<b>410,213</b>	<b>410,213</b>	<b>410,213</b>
5,094	Transport	Mileage Allowance	3,948	8,400	3,800	3,500	3,500	3,500	3,500
2,057		Operating Costs	2,574	2,777	2,777	2,777	2,777	2,777	2,777
9,037		Pool Car	10,911	9,010	10,810	10,810	10,810	10,810	10,810
4,520		Public Transport	9,360	5,890	8,120	8,120	8,120	8,120	8,120
<b>20,708</b>	<b>Transport Total</b>		<b>26,793</b>	<b>26,077</b>	<b>25,507</b>	<b>25,207</b>	<b>25,207</b>	<b>25,207</b>	<b>25,207</b>
518,565	Benefit & Transfer Payment:	Contributions paid	576,600	322,244	701,744	701,744	701,744	701,744	701,744
35,830,955		Benefits	35,151,297	35,980,000	35,295,832	35,295,832	35,295,832	35,295,832	35,295,832
<b>36,349,520</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>35,727,897</b>	<b>36,302,244</b>	<b>35,997,576</b>	<b>35,997,576</b>	<b>35,997,576</b>	<b>35,997,576</b>	<b>35,997,576</b>
<b>2,595,974</b>	<b>Grand Total</b>		<b>2,523,575</b>	<b>2,355,212</b>	<b>2,659,305</b>	<b>2,591,390</b>	<b>2,614,965</b>	<b>2,676,652</b>	<b>2,734,193</b>

40,516,798	Gross Service Expenditure	39,572,179	40,241,363	39,811,345	39,758,320	39,786,595	39,848,282	39,905,823
(37,920,824)	Gross Service Income	(37,048,604)	(37,886,151)	(37,152,040)	(37,166,930)	(37,171,630)	(37,171,630)	(37,171,630)
<b>2,595,974</b>	<b>Net Service Expenditure</b>	<b>2,523,575</b>	<b>2,355,212</b>	<b>2,659,305</b>	<b>2,591,390</b>	<b>2,614,965</b>	<b>2,676,652</b>	<b>2,734,193</b>

95,369	Head of Customer Services	99,104	96,477	97,080	98,042	99,013	100,769	102,550
(149,571)	Council Tax Support	(137,598)	(122,950)	(134,894)	(134,894)	(134,894)	(134,894)	(134,894)
186,189	Local Tax Collection	135,942	140,286	7,536	7,099	11,707	20,049	28,512
415,990	Housing Benefits	493,522	403,556	685,421	696,094	706,875	726,461	746,330
746,777	Housing Needs	818,325	777,737	917,332	923,163	929,051	939,375	949,845
868,422	Customer Services	853,454	829,303	823,404	743,269	746,184	762,181	773,374
432,798	Document Centre	260,826	230,803	263,426	258,617	257,029	262,711	268,476
<b>2,595,974</b>	<b>Grand Total</b>	<b>2,523,575</b>	<b>2,355,212</b>	<b>2,659,305</b>	<b>2,591,390</b>	<b>2,614,965</b>	<b>2,676,652</b>	<b>2,734,193</b>



**Analysis of Budget Movements:-**

	Head of Customer Services Budget				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£
<b>Original Budget for 2016/17 Approved February 2016</b>	<b>2,355,212</b>	<b>2,355,212</b>	<b>2,355,212</b>	<b>2,355,212</b>	<b>2,355,212</b>
Impact of Inflation on Pay, NI and Pensions	33,959	67,170	100,077	133,296	166,848
Impact of Inflation on NDR	(428)	(340)	(340)	(340)	(340)
Savings identified during Line by Line review meetings	(26,091)	(26,091)	(26,091)	(26,091)	(26,091)
Previous ZBB savings identified	(188,000)	(328,000)	(485,000)	(485,000)	(485,000)
Impact of Capital Schemes	(12,000)	(5,000)	(5,000)	(5,000)	(5,000)
Pension Rate Change	(13,084)	(13,215)	(13,347)	12,621	39,110
Payroll Adjustments	29,416	10,076	10,076	10,076	10,076
Other Budget Adjustments					
Removal Of ZBB Shared Service Savings	0	50,000	100,000	100,000	100,000
Removal of ZBB Universal Credit Savings	0	0	100,000	100,000	100,000
Reduction in Summons Costs Income	30,571	30,571	30,571	30,571	30,571
Anticipated reduction to Benefits Admin Grant	68,907	68,907	68,907	68,907	68,907
Additional Cost of Benefits to Homeless Families	201,996	201,996	201,996	201,996	201,996
Additional Costs of Homeless Accommodation	96,500	96,500	96,500	96,500	96,500
Reduction in Printing Income (Internal)	26,190	26,300	26,600	26,600	26,600
Reduction in Printing Income (External)	67,000	67,000	67,000	67,000	67,000
Additional Costs External Printing	18,500	18,500	18,500	18,500	18,500
Changes to Government Grants	(41,280)	(41,280)	(41,280)	(41,280)	(41,280)
Other Minor Changes	11,937	13,084	10,584	13,084	10,584
<b>Budget Awaiting Approval February 2017</b>	<b>2,659,305</b>	<b>2,591,390</b>	<b>2,614,965</b>	<b>2,676,652</b>	<b>2,734,193</b>

*\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.*

Head of 3C's ICT Shared Service

Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(781,602)	Income & Fees	Fees & charges	(1,277,086)	(1,176,119)	(1,129,978)	(1,135,503)	(1,141,083)	(1,150,980)	(1,160,990)
(625)		Sales	0	0	0	0	0	0	0
0		Other grants and contributions	(2,238,061)	(2,061,326)	(2,024,210)	(2,034,162)	(2,044,213)	(2,062,037)	(2,080,067)
(881)		Government grants	0	0	0	0	0	0	0
<b>(783,108)</b>	<b>Income &amp; Fees Total</b>		<b>(3,515,147)</b>	<b>(3,237,445)</b>	<b>(3,154,188)</b>	<b>(3,169,665)</b>	<b>(3,185,296)</b>	<b>(3,213,017)</b>	<b>(3,241,057)</b>
1,142,698	Employees	Salary	1,639,123	1,846,614	1,893,055	1,911,936	1,931,005	1,950,265	1,969,718
89,898		National Insurance	163,133	188,265	190,056	191,957	193,877	195,816	197,774
191,450		Pension	268,524	327,806	309,920	313,019	316,149	337,767	359,787
348,060		Hired Staff	381,872	0	0	0	0	0	0
16,180		Training	33,504	33,028	33,028	33,028	33,028	33,028	33,028
3,593		Other staff costs	2,337	867	867	867	867	867	867
0		Recruitment	1,065	1,530	1,500	1,500	1,500	1,500	1,500
0		Uniform & laundry	0	510	500	500	500	500	500
<b>1,791,879</b>	<b>Employees Total</b>		<b>2,489,558</b>	<b>2,398,620</b>	<b>2,428,926</b>	<b>2,452,807</b>	<b>2,476,926</b>	<b>2,519,743</b>	<b>2,563,174</b>
173	Buildings	Rents	0	0	0	0	0	0	0
0		Repairs & Maintenance	8,131	20,400	0	0	0	0	0
<b>173</b>	<b>Buildings Total</b>		<b>8,131</b>	<b>20,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
127	Supplies & Services	Catering	79	0	0	0	0	0	0
119,692		Communication and computing	439,118	561,399	359,760	359,760	359,760	359,760	359,760
26,355		Services	134,488	(361,090)	(272,550)	(272,550)	(272,550)	(272,550)	(272,550)
300,923		Equipment, furniture & materia	2,402,827	2,377,291	2,342,201	2,342,201	2,342,201	2,342,201	2,342,201
2,716		Office expenses	14,756	23,705	7,000	7,000	7,000	7,000	7,000
0		Expenses	510	1,020	0	0	0	0	0
<b>449,813</b>	<b>Supplies &amp; Services Total</b>		<b>2,991,778</b>	<b>2,602,325</b>	<b>2,436,411</b>	<b>2,436,411</b>	<b>2,436,411</b>	<b>2,436,411</b>	<b>2,436,411</b>
3,305	Transport	Mileage Allowance	5,504	7,201	6,233	6,233	6,233	6,233	6,233
2,754		Pool Car	2,930	3,672	1,251	1,251	1,251	1,251	1,251
1,993		Public Transport	3,716	1,561	2,700	2,700	2,700	2,700	2,700
<b>8,052</b>	<b>Transport Total</b>		<b>12,150</b>	<b>12,434</b>	<b>10,184</b>	<b>10,184</b>	<b>10,184</b>	<b>10,184</b>	<b>10,184</b>
<b>1,466,809</b>	<b>Grand Total</b>		<b>1,986,470</b>	<b>1,796,334</b>	<b>1,721,333</b>	<b>1,729,737</b>	<b>1,738,225</b>	<b>1,753,321</b>	<b>1,768,712</b>

2,249,917	Gross Service Expenditure	5,501,617	5,033,779	4,875,521	4,899,402	4,923,521	4,966,338	5,009,769
(783,108)	Gross Service Income	(3,515,147)	(3,237,445)	(3,154,188)	(3,169,665)	(3,185,296)	(3,213,017)	(3,241,057)
<b>1,466,809</b>	<b>Net Service Expenditure (HDC Share of ICT Service)</b>	<b>1,986,470</b>	<b>1,796,334</b>	<b>1,721,333</b>	<b>1,729,737</b>	<b>1,738,225</b>	<b>1,753,321</b>	<b>1,768,712</b>

972,484	Information Management	10,361	0	0	0	0	0	0
494,325	ICT Shared Service	1,976,109	1,796,334	1,721,333	1,729,737	1,738,225	1,753,321	1,768,712
<b>1,466,809</b>	<b>Grand Total</b>	<b>1,986,470</b>	<b>1,796,334</b>	<b>1,721,333</b>	<b>1,729,737</b>	<b>1,738,225</b>	<b>1,753,321</b>	<b>1,768,712</b>

Analysis of Budget Movements:-

	Head of 3C's ICT Shared Service Budget				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£
<b>Original Gross Budget for 2016/17 Approved February 2016</b>	<b>5,027,659</b>	<b>5,027,659</b>	<b>5,027,659</b>	<b>5,027,659</b>	<b>5,027,659</b>
Impact of Inflation on Pay, NI and Pensions	23,577	47,548	71,758	96,210	120,907
Previous ZBB savings identified (Yaxley Office Line Rental)	(500)	(500)	(500)	(500)	(500)
Pension Rate Change	(8,969)	(9,000)	(9,032)	9,394	28,069
Payroll Adjustments	15,738	15,738	15,738	15,738	15,738
Other Budget Adjustments					
Additional Operational Costs from Cambridge City Council	47,645	47,645	47,645	47,645	47,645
Lower Operational Costs	(235,749)	(235,749)	(235,749)	(235,749)	(235,749)
<b>ICTSS Gross Expenditure</b>	<b>4,869,401</b>	<b>4,893,341</b>	<b>4,917,519</b>	<b>4,960,397</b>	<b>5,003,769</b>
<b>Original Gross Income from Partners</b>	<b>(3,231,325)</b>	<b>(3,231,325)</b>	<b>(3,231,325)</b>	<b>(3,231,325)</b>	<b>(3,231,325)</b>
Adjustment to CCC Charge	37,116	27,126	17,037	(825)	(18,817)
Adjustment to SCDC Charge	46,141	40,595	34,994	25,074	15,085
<b>New Charges to Partners</b>	<b>(3,148,068)</b>	<b>(3,163,604)</b>	<b>(3,179,294)</b>	<b>(3,207,076)</b>	<b>(3,235,057)</b>
<b>HDC Share</b>	<b>1,721,333</b>	<b>1,729,737</b>	<b>1,738,225</b>	<b>1,753,321</b>	<b>1,768,712</b>

\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.

**Head of Development**

Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(2,349,163)	Income & Fees	Fees & charges	(2,076,530)	(1,421,759)	(1,696,254)	(1,692,254)	(1,692,254)	(1,692,254)	(1,692,254)
(8,369)		Sales	(6,791)	(9,900)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)
(105,062)		Rent	(102,398)	(103,000)	(109,030)	(109,030)	(109,030)	(109,030)	(109,030)
(15,000)		Government grants	(20,000)	(5,000)	(40,000)	(20,000)	(20,000)	(20,000)	(20,000)
(35)		Interest	0	0	0	0	0	0	0
<b>(2,477,629)</b>	<b>Income &amp; Fees Total</b>		<b>(2,205,719)</b>	<b>(1,539,659)</b>	<b>(1,852,784)</b>	<b>(1,828,784)</b>	<b>(1,828,784)</b>	<b>(1,828,784)</b>	<b>(1,828,784)</b>
1,629,158	Employees	Salary	1,518,981	1,653,473	1,917,704	1,998,225	2,045,570	2,066,027	2,086,687
120,422		National Insurance	154,408	174,927	186,120	192,883	196,599	198,564	200,551
288,345		Pension	272,130	309,307	332,104	346,251	354,447	378,684	403,371
38,358		Hired Staff	49,511	0	16,170	0	0	0	0
7,719		Training	384	0	0	0	0	0	0
75		Uniform & laundry	250	350	350	350	350	350	350
6,781		Other staff costs	275	0	275	275	275	275	275
0		Severance payments	5,092	0	0	0	0	0	0
7,050		Recruitment	9,283	0	5,000	5,000	5,000	5,000	5,000
<b>2,097,908</b>	<b>Employees Total</b>		<b>2,010,314</b>	<b>2,138,057</b>	<b>2,457,723</b>	<b>2,542,985</b>	<b>2,602,242</b>	<b>2,648,901</b>	<b>2,696,235</b>
1,926	Buildings	Rents	0	0	2,200	700	700	700	700
4,679		Repairs & Maintenance	2,633	6,500	7,000	7,000	7,000	7,000	7,000
21,978		Energy Costs	23,845	20,000	23,800	23,800	23,800	23,800	23,800
22,651		Water Services	26,202	23,000	28,000	28,000	28,000	28,000	28,000
0		Rates	0	0	629	642	655	668	681
<b>51,234</b>	<b>Buildings Total</b>		<b>52,681</b>	<b>49,500</b>	<b>61,629</b>	<b>60,142</b>	<b>60,155</b>	<b>60,168</b>	<b>60,181</b>
23,134	Supplies & Services	Rents	23,295	23,255	23,577	23,577	23,577	23,577	23,577
889		Catering	795	1,500	650	650	650	650	650
18,743		Communication and computing	9,838	4,300	13,750	11,250	11,250	11,250	11,250
376,654		Services	564,089	439,102	390,347	354,347	354,347	354,347	354,347
80,100		Equipment, furniture & materials	3,905	3,120	12,691	2,000	2,000	2,000	2,000
62,066		Office expenses	25,476	20,355	39,955	34,255	33,955	33,955	33,955
88		Expenses	0	0	0	0	0	0	0
(360)		Insurance - service related	0	0	0	0	0	0	0
<b>561,314</b>	<b>Supplies &amp; Services Total</b>		<b>627,398</b>	<b>491,632</b>	<b>480,970</b>	<b>426,079</b>	<b>425,779</b>	<b>425,779</b>	<b>425,779</b>
14,435	Transport	Mileage Allowance	7,634	17,300	8,900	8,875	8,875	8,875	8,875
(14)		Operating Costs	0	0	0	0	0	0	0
10,287		Pool Car	10,172	10,100	8,770	8,770	8,770	8,770	8,770
3,089		Public Transport	3,208	6,050	3,500	3,500	3,500	3,500	3,500
(15)		Contract Hire & operating leases	0	0	0	0	0	0	0
<b>27,782</b>	<b>Transport Total</b>		<b>21,014</b>	<b>33,450</b>	<b>21,170</b>	<b>21,145</b>	<b>21,145</b>	<b>21,145</b>	<b>21,145</b>
582,315	Benefit & Transfer Payment:	Contributions paid	162,536	167,536	168,311	168,311	168,311	168,311	168,311
3,035		Services	34,280	0	0	0	0	0	0
(6,100)		Grants	15,000	22,000	11,000	11,000	11,000	11,000	11,000
5,875		Irrecoverable V A T	5,800	5,800	5,800	5,800	5,800	5,800	5,800
<b>585,125</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>217,616</b>	<b>195,336</b>	<b>185,111</b>	<b>185,111</b>	<b>185,111</b>	<b>185,111</b>	<b>185,111</b>
(760)	Renewals Fund Contribution	Renewals Fund Contribution	1,620	1,620	1,620	1,620	1,620	1,620	1,620
<b>(760)</b>	<b>Renewals Fund Contribution Total</b>		<b>1,620</b>	<b>1,620</b>	<b>1,620</b>	<b>1,620</b>	<b>1,620</b>	<b>1,620</b>	<b>1,620</b>
<b>844,974</b>	<b>Grand Total</b>		<b>724,925</b>	<b>1,369,936</b>	<b>1,355,439</b>	<b>1,408,298</b>	<b>1,467,268</b>	<b>1,513,940</b>	<b>1,561,287</b>

3,322,603	Gross Service Expenditure	2,930,643	2,909,595	3,208,223	3,237,082	3,296,052	3,342,724	3,390,071
(2,477,629)	Gross Service Income	(2,205,719)	(1,539,659)	(1,852,784)	(1,828,784)	(1,828,784)	(1,828,784)	(1,828,784)
<b>844,974</b>	<b>Net Service Expenditure</b>	<b>724,925</b>	<b>1,369,936</b>	<b>1,355,439</b>	<b>1,408,298</b>	<b>1,467,268</b>	<b>1,513,940</b>	<b>1,561,287</b>

609,202	Planning Policy	597,905	854,715	706,848	686,867	693,484	706,010	718,717
76,508	Head of Development	80,433	77,802	81,516	82,324	83,139	84,623	86,128
210,296	Economic Development	233,310	232,062	474,369	539,250	578,011	587,527	597,182
208,295	Housing Strategy	221,165	222,047	219,892	216,607	218,844	222,896	227,007
(307,725)	Development Management	(582,208)	(192,510)	(359,076)	(348,640)	(338,100)	(319,006)	(299,637)
(30,173)	Building Control	91,600	91,600	147,670	147,670	147,670	147,670	147,670
56,241	Transportation Strategy	55,518	65,020	58,120	58,120	58,120	58,120	58,120
22,330	Public Transport	27,202	19,200	26,100	26,100	26,100	26,100	26,100
<b>844,974</b>	<b>Grand Total</b>	<b>724,925</b>	<b>1,369,936</b>	<b>1,355,439</b>	<b>1,408,298</b>	<b>1,467,268</b>	<b>1,513,940</b>	<b>1,561,287</b>

**Analysis of Budget Movements:-**

	<b>Head of Development Budget</b>				
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Original Budget for 2016/17 Approved February 2016</b>	<b>1,369,936</b>	<b>1,369,936</b>	<b>1,369,936</b>	<b>1,369,936</b>	<b>1,369,936</b>
Impact of Inflation on Pay, NI and Pensions	21,377	45,284	70,241	95,788	121,618
Impact of Inflation on NDR	629	642	655	668	681
Savings identified during Line by Line review meetings	(223,000)	(223,000)	(223,000)	(223,000)	(223,000)
Impact of Service Initiatives (End of Various Projects)	(169,000)	(194,000)	(194,000)	(194,000)	(194,000)
Pension Rate Change	(8,172)	(8,253)	(8,334)	11,871	32,453
Payroll Adjustments	14,727	20,390	20,390	20,390	20,390
Other Budget Adjustments					
One- off Hired Staff	16,170	0	0	0	0
CIL Admin Receipts	(45,782)	(45,782)	(45,782)	(45,782)	(45,782)
Appeal Costs - Re-phased	40,000	40,000	40,000	40,000	40,000
Higher Cost of Building Control Shared Service	56,070	56,070	56,070	56,070	56,070
New Economic Development Officer Posts	60,000	49,802	50,299	51,206	52,128
HDC Apprentice Scheme	220,980	292,430	326,314	326,314	326,314
Other Budget adjustments	1,504	4,779	4,479	4,479	4,479
<b>Budget Awaiting Approval February 2017</b>	<b>1,355,439</b>	<b>1,408,298</b>	<b>1,467,268</b>	<b>1,513,940</b>	<b>1,561,287</b>

*\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.*

**Head of Leisure & Health**

Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(6,123,511)	Income & Fees	Fees & charges	(6,144,314)	(6,302,602)	(6,509,993)	(6,655,928)	(6,670,968)	(6,679,514)	(6,686,065)
(832,078)		Sales	(833,046)	(833,440)	(814,875)	(837,375)	(855,375)	(867,375)	(876,375)
(5,000)		Rent	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
(101,639)		Other grants and contributions	(109,660)	(77,531)	(67,622)	(47,622)	(47,622)	(47,622)	(47,622)
<b>(7,062,228)</b>	<b>Income &amp; Fees Total</b>		<b>(7,092,020)</b>	<b>(7,218,573)</b>	<b>(7,397,490)</b>	<b>(7,545,925)</b>	<b>(7,578,965)</b>	<b>(7,599,511)</b>	<b>(7,615,062)</b>
5,747,156	Employees	Salary	3,730,151	3,656,370	3,853,538	3,912,256	3,951,497	3,991,196	4,031,227
159,767		National Insurance	211,850	214,862	218,447	221,049	223,259	225,490	227,741
410,162		Pension	403,550	443,063	452,803	458,379	462,964	494,622	526,864
9,684		Hired Staff	9,627	10,000	9,500	9,500	9,500	9,500	9,500
35,042		Training	20,787	22,800	23,800	23,800	23,800	23,800	23,800
9,833		Uniform & laundry	9,628	11,839	7,939	12,489	12,489	12,489	12,489
17,258		Other staff costs	10,024	16,981	16,381	16,381	16,381	16,381	16,381
2,577		Recruitment	1,704	1,000	1,350	1,350	1,350	1,350	1,350
0		Employee Insurance	500	1,000	0	0	0	0	0
<b>4,319,069</b>		<b>Employees Total</b>		<b>4,397,821</b>	<b>4,377,915</b>	<b>4,583,758</b>	<b>4,655,204</b>	<b>4,701,240</b>	<b>4,774,828</b>
13,526	Buildings	Rents	13,540	16,740	11,760	7,760	7,760	7,760	7,760
231,687		Repairs & Maintenance	271,860	259,889	263,885	248,185	248,185	248,185	262,985
520,555		Energy Costs	543,024	555,089	525,722	493,685	458,089	458,089	458,089
66,430		Water Services	99,831	96,961	96,961	96,961	96,961	96,961	96,961
113,432		Premises Cleaning	110,566	110,085	120,497	119,497	119,577	119,697	119,777
21,416		Ground Maintenance Costs	8,429	12,345	21,345	21,345	21,345	21,345	21,345
342,142		Rates	457,490	474,327	452,656	461,709	470,942	480,361	489,968
0		Fixtures & Fittings	897	1,656	656	656	656	656	656
<b>1,309,188</b>	<b>Buildings Total</b>		<b>1,505,637</b>	<b>1,527,092</b>	<b>1,493,482</b>	<b>1,449,798</b>	<b>1,423,515</b>	<b>1,433,054</b>	<b>1,457,541</b>
26,448	Supplies & Services	Catering	25,476	18,950	24,050	24,050	24,050	24,050	24,050
75,972		Communication and computing	71,095	60,253	79,577	80,577	80,577	80,577	80,577
188,275		Services	202,514	128,782	178,733	178,293	177,853	177,413	176,973
711,175		Equipment, furniture & material	622,567	569,049	616,725	612,525	612,525	612,525	612,525
148,022		Office expenses	140,466	128,163	138,333	138,333	138,333	138,333	138,333
81		Uniform & laundry	0	200	0	0	0	0	0
1,795		Insurance - service related	2,705	0	0	0	0	0	0
<b>1,151,768</b>	<b>Supplies &amp; Services Total</b>		<b>1,064,823</b>	<b>905,397</b>	<b>1,037,418</b>	<b>1,033,778</b>	<b>1,033,338</b>	<b>1,032,898</b>	<b>1,032,458</b>
12,479	Transport	Mileage Allowance	9,577	11,835	8,315	8,315	8,315	8,315	8,315
7,231		Operating Costs	8,682	8,393	6,775	6,775	6,775	6,775	6,775
0		Pool Car	12	0	0	0	0	0	0
3,117		Public Transport	2,003	1,560	1,260	1,260	1,260	1,260	1,260
472		Contract Hire & operating lease	685	300	300	300	300	300	300
153	Vehicle Insurance	0	0	0	0	0	0	0	
<b>23,452</b>	<b>Transport Total</b>		<b>20,959</b>	<b>22,088</b>	<b>16,650</b>	<b>16,650</b>	<b>16,650</b>	<b>16,650</b>	<b>16,650</b>
84	Benefit & Transfer Payment Services		18	0	200	200	200	200	200
92,966		Irrecoverable V A T	81,000	81,000	81,000	81,000	81,000	81,000	81,000
<b>93,050</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>81,018</b>	<b>81,000</b>	<b>81,200</b>	<b>81,200</b>	<b>81,200</b>	<b>81,200</b>	<b>81,200</b>
25,000	Renewals Fund Contribution		25,000	25,000	25,000	25,000	25,000	25,000	25,000
<b>25,000</b>	<b>Renewals Fund Contribution Total</b>		<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>(140,701)</b>	<b>Grand Total</b>		<b>3,238</b>	<b>(280,081)</b>	<b>(159,982)</b>	<b>(284,295)</b>	<b>(298,022)</b>	<b>(235,881)</b>	<b>(152,861)</b>

6,921,527	Gross Service Expenditure	7,095,258	6,938,492	7,237,508	7,261,630	7,280,943	7,363,630	7,462,201
(7,062,228)	Gross Service Income	(7,092,020)	(7,218,573)	(7,397,490)	(7,545,925)	(7,578,965)	(7,599,511)	(7,615,062)
<b>(140,701)</b>	<b>Net Service Expenditure</b>	<b>3,238</b>	<b>(280,081)</b>	<b>(159,982)</b>	<b>(284,295)</b>	<b>(298,022)</b>	<b>(235,881)</b>	<b>(152,861)</b>

74,431	Head of Leisure & Health	78,886	77,822	80,980	81,785	82,597	84,059	85,542
216,194	One Leisure Active Lifestyles	212,689	222,879	203,274	226,385	229,529	235,155	240,862
(431,326)	One Leisure	(288,337)	(580,782)	(444,236)	(592,598)	(610,415)	(556,048)	(480,917)
<b>(140,701)</b>	<b>Grand Total</b>	<b>3,238</b>	<b>(280,081)</b>	<b>(159,982)</b>	<b>(284,428)</b>	<b>(298,289)</b>	<b>(236,834)</b>	<b>(154,513)</b>

**Analysis of Budget Movements:-**

	Head of Leisure & Health Budget				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£
<b>Original Budget for 2016/17 Approved February 2016</b>	<b>(280,081)</b>	<b>(280,081)</b>	<b>(280,081)</b>	<b>(280,081)</b>	<b>(280,081)</b>
Impact of Inflation on Pay, NI and Pensions	43,144	88,508	134,540	181,038	227,993
Impact of Inflation on NDR	(21,671)	(12,618)	(3,385)	6,034	15,641
Previous ZBB savings identified	(54,000)	(90,000)	(130,000)	(130,000)	(130,000)
Delay to ZBB Savings Scheme Ramsey (Salix)	3,633	7,596	12,000	12,000	12,000
Impact of Service Initiatives (Marketing Post from Corp Team)	30,053	30,053	30,053	30,053	30,053
Impact of Capital Schemes	(42,649)	(66,000)	(98,300)	(118,000)	(132,800)
Pension Rate Change	(11,768)	(11,885)	(12,001)	14,909	42,358
Payroll Adjustments	230,685	230,685	230,685	230,685	230,685
Other Budget Adjustments					
Additional Grant Income OLAL	(41,212)	(21,212)	(21,212)	(21,212)	(21,212)
Additional Income OLAL	(10,400)	(10,400)	(10,400)	(10,400)	(10,400)
Additional Income - The Club Alconbury	(91,773)	(92,308) ✓	(92,848) ✓	(93,394) ✓	(93,945)
Membership Income	107,728	64,728	64,728	64,728	64,728
Additional Swimming Income	(104,610)	(124,610)	(124,610)	(124,610)	(124,610)
Additional Indoor Sports Income	(47,191)	(112,091)	(112,091)	(112,091)	(112,091)
Additional Hospitality Income	(32,156)	(32,156)	(32,156)	(32,156)	(32,156)
Additional Expenditure - The Club Alconbury	24,996	24,996	24,996	24,996	24,996
Additional Equipment/Equipment Maintenance Costs	76,681 ✓	72,481	72,481	72,481	72,481
Additional Entertainments Licence Expenditure	48,260	48,260	48,260	48,260	48,260
Loan Interest re Asset Transfer - Huntingdon	4,400 ✓	3,960 ✓	3,520 ✓	3,080	2,640
5 Yearly Electrical Testing	0	0	0	0	14,800
Other Expenditure changes	4,373 ✓	(5,777)	(5,777)	(5,777)	(5,777)
Other income changes	3,576	3,576	3,576	3,576	3,576
<b>Budget Awaiting Approval February 2017</b>	<b>(159,982)</b>	<b>(284,295)</b>	<b>(298,022)</b>	<b>(235,881)</b>	<b>(152,861)</b>

\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.

**Head of Operations**

Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(4,045,587)	<b>Income &amp; Fees</b>	Fees & charges	(4,242,559)	(4,276,290)	(4,248,553)	(4,288,553)	(4,308,553)	(4,308,553)	(4,308,553)
(148,612)		Sales	(191,706)	(190,032)	(195,381)	(195,381)	(195,381)	(195,381)	(195,381)
(92,746)		Rent	(147,445)	(90,804)	(192,774)	(272,674)	(272,674)	(272,674)	(272,674)
(98,475)		Other grants and contributions	(74,823)	(57,798)	(28,674)	(28,674)	(28,674)	(28,674)	(28,674)
(118,024)		Commuted sums	(151,331)	(151,331)	(151,331)	(151,331)	(151,331)	(151,331)	(151,331)
(20,510)		Government grants	(23,778)	(13,922)	(13,922)	(13,922)	(13,922)	(13,922)	(13,922)
<b>(4,523,955)</b>	<b>Income &amp; Fees Total</b>		<b>(4,831,643)</b>	<b>(4,780,177)</b>	<b>(4,830,635)</b>	<b>(4,950,535)</b>	<b>(4,970,535)</b>	<b>(4,970,535)</b>	<b>(4,970,535)</b>
3,706,819	<b>Employees</b>	Salary	3,754,355	3,636,676	4,086,093	3,996,464	4,005,941	4,045,860	4,086,177
249,363		National Insurance	330,063	326,070	368,554	370,187	371,841	375,559	379,316
604,150		Pension	645,048	673,995	700,583	702,137	703,704	751,822	800,833
510,494		Hired Staff	499,222	402,665	136,909	129,809	127,709	127,709	127,709
27,046		Training	1,004	0	0	0	0	0	0
26,000		Uniform & laundry	46,657	40,349	38,609	37,809	37,809	37,809	37,809
172,200		Other staff costs	145,239	120,152	147,152	145,502	143,852	143,852	143,852
6,115		Recruitment	10,252	400	0	0	0	0	0
0		Employee Insurance	0	0	0	0	0	0	0
36,097		Severance payments	0	0	0	0	0	0	0
<b>5,338,284</b>	<b>Employees Total</b>		<b>5,431,841</b>	<b>5,200,307</b>	<b>5,477,900</b>	<b>5,381,908</b>	<b>5,390,856</b>	<b>5,482,611</b>	<b>5,575,696</b>
18,303	<b>Buildings</b>	Rents	13,629	13,048	13,474	13,474	13,474	13,474	13,474
292,645		Repairs & Maintenance	278,497	298,820	370,509	365,509	365,509	365,509	365,509
203,943		Energy Costs	188,921	187,465	201,135	199,135	199,135	199,135	199,135
15,505		Water Services	20,194	21,770	21,930	21,930	21,930	21,930	21,930
77,049		Premises Cleaning	81,039	89,044	103,284	103,284	103,284	103,284	103,284
5,017		Ground Maintenance Costs	0	0	0	0	0	0	0
572,866		Rates	586,961	589,930	650,357	663,234	676,369	689,767	703,431
40		Premises Insurance	40	40	40	40	40	40	40
<b>1,185,368</b>	<b>Buildings Total</b>		<b>1,169,281</b>	<b>1,200,117</b>	<b>1,360,729</b>	<b>1,366,606</b>	<b>1,379,741</b>	<b>1,393,139</b>	<b>1,406,803</b>
3,896	<b>Supplies &amp; Services</b>	Catering	2,319	100	0	0	0	0	0
35,470		Communication and computing	9,969	4,810	7,545	7,545	7,545	7,545	7,545
379,648		Services	440,735	563,220	330,812	330,812	330,812	330,812	330,812
303,109		Equipment, furniture & material	270,203	304,482	272,747	270,847	268,947	268,947	268,947
51,981		Office expenses	32,288	29,280	41,256	41,256	41,256	41,256	41,256
2,274		Insurance - service related	930	4,000	5,000	5,000	5,000	5,000	5,000
<b>776,377</b>	<b>Supplies &amp; Services Total</b>		<b>756,444</b>	<b>905,892</b>	<b>657,360</b>	<b>655,460</b>	<b>653,560</b>	<b>653,560</b>	<b>653,560</b>
7,208	<b>Transport</b>	Mileage Allowance	5,326	5,660	4,250	4,250	4,250	4,250	4,250
863,804		Operating Costs	859,523	941,551	819,387	812,887	818,387	818,387	818,387
7,992		Pool Car	4,995	2,400	5,450	5,450	5,450	5,450	5,450
1,693		Public Transport	616	800	1,080	1,080	1,080	1,080	1,080
33,227		Contract Hire & operating lease	52,403	16,185	18,507	18,507	18,507	18,507	18,507
5,147		Vehicle Insurance	2,086	1,500	900	900	900	900	900
7,450		Car Allowance	0	0	0	0	0	0	0
<b>926,521</b>	<b>Transport Total</b>		<b>924,948</b>	<b>968,096</b>	<b>849,574</b>	<b>843,074</b>	<b>848,574</b>	<b>848,574</b>	<b>848,574</b>
1,323	<b>Benefit &amp; Transfer Payments</b>	Services	0	0	0	0	0	0	0
3,354		Irrecoverable V A T	2,600	2,600	9,200	9,200	9,200	9,200	9,200
465,531		Contributions paid	507,589	471,079	505,364	505,364	505,364	505,364	505,364
<b>470,208</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>510,189</b>	<b>473,679</b>	<b>514,564</b>	<b>514,564</b>	<b>514,564</b>	<b>514,564</b>	<b>514,564</b>
<b>4,172,803</b>	<b>Grand Total</b>		<b>3,961,061</b>	<b>3,967,914</b>	<b>4,029,492</b>	<b>3,811,077</b>	<b>3,816,760</b>	<b>3,921,913</b>	<b>4,028,662</b>

8,696,758	<b>Gross Service Expenditure</b>	8,792,703	8,748,091	8,860,127	8,761,612	8,787,295	8,892,448	8,999,197
(4,523,955)	<b>Gross Service Income</b>	(4,831,643)	(4,780,177)	(4,830,635)	(4,950,535)	(4,970,535)	(4,970,535)	(4,970,535)
<b>4,172,803</b>	<b>Net Service Expenditure</b>	<b>3,961,061</b>	<b>3,967,914</b>	<b>4,029,492</b>	<b>3,811,077</b>	<b>3,816,760</b>	<b>3,921,913</b>	<b>4,028,662</b>

171,488	Head of Operations	109,681	78,302	78,789	79,567	80,353	81,766	83,200
146,024	Environmental & Energy Mgt	63,884	97,332	166,252	167,727	169,221	171,492	173,798
728,679	Street Cleansing	780,057	826,877	793,949	780,919	777,959	790,944	804,118
997,732	Green Spaces	1,023,786	1,071,021	1,156,940	1,110,157	1,073,938	1,098,394	1,123,204
7,866	Public Conveniences	13,400	13,400	13,400	13,400	13,400	13,400	13,400
1,937,461	Waste Management	2,102,206	2,104,683	2,000,856	2,010,874	2,033,093	2,069,016	2,105,454
410,046	Operations Management	19,262	28,891	0	0	0	0	0
926,402	Facilities Management	970,531	1,041,289	983,217	811,901	821,655	835,219	849,021
217,130	Fleet Management	248,127	249,228	256,247	258,347	260,468	264,444	268,478
(68,130)	Markets	(60,656)	(47,885)	(67,542)	(66,622)	(65,688)	(64,222)	(62,734)
(1,301,895)	Car Parks	(1,309,216)	(1,495,224)	(1,352,616)	(1,355,193)	(1,347,639)	(1,338,540)	(1,329,277)
<b>4,172,803</b>	<b>Grand Total</b>	<b>3,961,061</b>	<b>3,967,914</b>	<b>4,029,492</b>	<b>3,811,077</b>	<b>3,816,760</b>	<b>3,921,913</b>	<b>4,028,662</b>

**Analysis of Budget Movements:-**

	Head of Operations Budget				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£
<b>Original Budget for 2016/17 Approved February 2016</b>	<b>3,967,914</b>	<b>3,967,914</b>	<b>3,967,914</b>	<b>3,967,914</b>	<b>3,967,914</b>
Impact of Inflation on Pay, NI and Pensions	46,110	97,013	147,054	197,208	247,868
Impact of Inflation on NDR	28,004	39,965	52,166	64,612	77,305
Savings identified during Line by Line review meetings	(247,000)	(247,000)	(247,000)	(247,000)	(247,000)
Previous ZBB savings identified	(394,600) ✓	(664,500) ✓	(734,500)	(734,500)	(734,500)
ZBB Savings Delayed (Car Parks NDR)	8,000	8,000	8,000	8,000	8,000
Impact of Service Initiatives (Surveyor Post)	36,443	36,443	36,443	36,443	36,443
Impact of Corporate Initiatives (Car Park Charges)	260,000	260,000	260,000	260,000	260,000
Impact of Capital Schemes (Salix)	(40,500)	(42,500)	(42,500)	(42,500)	(42,500)
Pension Rate Change	(19,912)	(19,407)	(18,900)	22,701	65,125
Payroll Adjustments	191,073	191,073	191,073	191,073	191,073
Other Budget Adjustments					
Hired Staff for Mapping	5,000	0	0	0	0
Additional Vehicle Maintenance	0	0	12,000	12,000	12,000
Markets Income/Operating Costs	(18,654)	(18,654)	(18,654)	(18,654)	(18,654)
Parks & Open Spaces Operating Costs	(89,565) ✓	(94,565)	(94,565)	(94,565)	(94,565)
Additional Operating Costs Countryside	37,996	37,996	37,996	37,996	37,996
Emergency Planning Saving	(17,316)	(17,316)	(17,316)	(17,316)	(17,316)
Emergency Planning transferred to Head of Community	(11,575)	(11,575)	(11,575)	(11,575)	(11,575)
Pathfinder House Rating Liability	19,060	19,441	19,830	20,227	20,632
Street Cleaning Operational Expenditure	27,148	27,148	27,148	27,148	27,148
Waste Management Operational Savings	(39,342)	(39,342)	(39,342)	(39,342)	(39,342)
Grounds Maintenance & Street Cleaning Charge to Cou	89,177	89,177	89,177	89,177	89,177
Car Parks Additional Operating Costs	24,000	24,000	24,000	24,000	24,000
Watercourses from Head of Community	56,000	56,000	56,000	56,000	56,000
Projects & Assets Misc to Head of Operations	860	860	860	860	860
Priory Centre from Head of Community	27,750	27,750	27,750	27,750	27,750
Environmental Improvements from Head of Community	6,710	6,710	6,710	6,710	6,710
Bus Stations from Head of Community	53,765	54,300	54,845	55,400	55,967
Other Misc Adjustments	22,946	22,146	22,146	22,146	22,146
<b>Budget Awaiting Approval February 2017</b>	<b>4,029,492</b>	<b>3,811,077</b>	<b>3,816,760</b>	<b>3,921,913</b>	<b>4,028,662</b>

*\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.*



**Head of Resources**

Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(114,919)	<b>Income &amp; Fees</b>	Fees & charges	(110,101)	(99,746)	(109,746)	(109,746)	(109,746)	(109,746)	(109,746)
(5,735)		Sales	(1,280)	0	0	0	0	0	0
(342,325)		Other grants and contributions	0	0	0	0	0	0	0
(7,679)		Government grants	0	0	0	0	0	0	0
(1,809,483)		Rent	(2,339,287)	(2,820,450)	(4,939,031)	(5,002,031)	(5,064,031)	(5,064,031)	(5,064,031)
(10,613)		Interest	0	0	0	0	0	0	0
<b>(2,290,754)</b>	<b>Income &amp; Fees Total</b>		<b>(2,450,668)</b>	<b>(2,920,196)</b>	<b>(5,048,777)</b>	<b>(5,111,777)</b>	<b>(5,173,777)</b>	<b>(5,173,777)</b>	<b>(5,173,777)</b>
730,917	<b>Employees</b>	Salary	697,623	784,574	814,437	782,017	764,998	772,573	780,224
56,856		National Insurance	69,963	78,114	82,213	79,232	77,697	78,475	79,259
123,359		Pension	117,727	135,831	133,683	127,811	124,680	133,206	141,891
181,533		Hired Staff	165,222	0	0	0	5,000	5,000	5,000
14,440		Training	695	0	113,459	113,459	113,459	113,459	113,459
1,208		Other Staff Costs	346	350	3,350	3,350	3,350	3,350	3,350
500		Recruitment	6,500	0	0	0	0	0	0
<b>1,108,813</b>	<b>Employees Total</b>		<b>1,058,076</b>	<b>998,869</b>	<b>1,147,142</b>	<b>1,105,869</b>	<b>1,089,184</b>	<b>1,106,063</b>	<b>1,123,183</b>
120,314	<b>Buildings</b>	Rents	120,000	120,000	120,000	120,000	120,000	120,000	120,000
32,348		Repairs & Maintenance	31,898	22,478	26,478	26,478	26,478	26,478	26,478
1,164		Premises Cleaning	1,230	1,230	14,640	14,640	14,640	14,640	14,640
23,245		Rates	27,106	15,606	26,548	27,079	27,620	28,172	28,736
20,718		Premises Insurance	0	0	0	0	0	0	0
1,898		Energy Costs	6,986	5,000	6,400	6,400	6,400	6,400	6,400
547		Water Services	200	200	200	200	200	200	200
<b>200,234</b>	<b>Buildings Total</b>		<b>187,427</b>	<b>164,514</b>	<b>194,266</b>	<b>194,797</b>	<b>195,338</b>	<b>195,890</b>	<b>196,454</b>
0	<b>Supplies &amp; Services</b>	Rents	72,000	144,000	144,000	144,000	144,000	144,000	144,000
1,150		Catering	91	0	0	0	0	0	0
8,982		Communication and computing	3,818	2,700	2,700	2,700	2,700	2,700	2,700
240,739		Services	279,928	1,142,938	2,652,706	2,647,306	2,649,606	2,649,606	2,649,606
53,805		Equipment, furniture & materials	51,546	74,567	85,232	18,232	21,232	21,232	21,232
49,516		Office expenses	23,442	25,570	26,740	26,815	26,890	26,890	26,890
34,116		Insurance - service related	26,985	31,514	31,514	31,514	31,514	31,514	31,514
<b>388,308</b>	<b>Supplies &amp; Services Total</b>		<b>457,810</b>	<b>1,421,289</b>	<b>2,942,892</b>	<b>2,870,567</b>	<b>2,875,942</b>	<b>2,875,942</b>	<b>2,875,942</b>
563	<b>Transport</b>	Mileage Allowance	577	1,000	750	750	750	750	750
1,090		Pool Car	1,123	800	650	650	650	650	650
3,169		Public Transport	2,091	1,400	1,100	1,100	1,100	1,100	1,100
<b>4,822</b>	<b>Transport Total</b>		<b>3,791</b>	<b>3,200</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
3,903	<b>Benefit &amp; Transfer Payments</b>	Services	2,762	4,000	4,000	4,000	4,000	4,000	4,000
98,365		Contributions paid	0	0	0	0	0	0	0
14,277		Irrecoverable V A T	20,500	20,500	20,500	20,500	20,500	20,500	20,500
<b>116,545</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>23,262</b>	<b>24,500</b>	<b>24,500</b>	<b>24,500</b>	<b>24,500</b>	<b>24,500</b>	<b>24,500</b>
<b>(472,032)</b>	<b>Grand Total</b>		<b>(720,302)</b>	<b>(307,824)</b>	<b>(737,477)</b>	<b>(913,544)</b>	<b>(986,313)</b>	<b>(968,882)</b>	<b>(951,198)</b>

1,818,722	<b>Gross Service Expenditure</b>	1,730,366	2,612,372	4,311,300	4,198,233	4,187,464	4,204,895	4,222,579
(2,290,754)	<b>Gross Service Income</b>	(2,450,668)	(2,920,196)	(5,048,777)	(5,111,777)	(5,173,777)	(5,173,777)	(5,173,777)
<b>(472,032)</b>	<b>Net Service Expenditure</b>	<b>(720,302)</b>	<b>(307,824)</b>	<b>(737,477)</b>	<b>(913,544)</b>	<b>(986,313)</b>	<b>(968,882)</b>	<b>(951,198)</b>

88,503	Head of Resources	93,229	88,022	87,865	88,685	89,512	91,042	92,594
77,831	Procurement	65,249	64,431	60,226	60,814	61,408	62,479	63,565
202,393	Audit & Risk Management	218,389	225,708	222,499	224,081	233,382	236,502	239,665
255,469	Legal	221,213	211,838	218,060	218,060	218,060	218,060	218,060
701,675	Finance	726,316	658,934	687,208	574,241	550,815	559,459	568,227
(1,543,330)	Commercial Estates	(2,044,698)	(1,556,757)	(2,633,916)	(2,695,312)	(2,755,687)	(2,753,180)	(2,750,632)
(254,573)	Section 106	0	0	0	0	0	0	0
0	HR and Payroll Services	0	0	620,581	615,887	616,197	616,756	617,323
<b>(472,032)</b>	<b>Grand Total</b>	<b>(720,302)</b>	<b>(307,824)</b>	<b>(737,477)</b>	<b>(913,544)</b>	<b>(986,313)</b>	<b>(968,882)</b>	<b>(951,198)</b>

**Analysis of Budget Movements:-**

	Head of Resources Budget				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£
<b>Original Budget for 2016/17 Approved February 2016</b>	<b>(307,825)</b>	<b>(307,825)</b>	<b>(307,825)</b>	<b>(307,825)</b>	<b>(307,825)</b>
Impact of Inflation on Pay, NI and Pensions	9,886	19,845	29,388	38,713	48,130
Impact of Inflation on NDR	10,942	11,473	12,014	12,566	13,130
Savings identified during Line by Line review meetings	(52,850)	(52,850)	(52,850)	(52,850)	(52,850)
Previous ZBB savings identified	(62,000)	(125,000)	(187,000)	(187,000)	(187,000)
Impact of Corporate Initiatives (CIS)	(103,000)	(103,000)	(103,000)	(103,000)	(103,000)
Impact of Capital Schemes (New FMS)	(54,334)	(107,834)	(136,334)	(136,334)	(136,334)
Pension Rate Change	(3,731)	(3,769)	(3,807)	3,188	10,324
Payroll Adjustments	(2,167)	(2,167)	(2,167)	(2,167)	(2,167)
Other Budget Adjustments					
Consultants Budget from Corporate Budgets	11,500	11,500	11,500	11,500	11,500
Adjustment to Rental income	85,419	85,419	85,419	85,419	85,419
CIS Changes to Expected Income and expenditure	(978,000)	(978,000)	(978,000)	(978,000)	(978,000)
Higher cost of Legal Shared Service	6,222	6,222	6,222	6,222	6,222
New FMS	65,000	0	0	0	0
Bus Shelters from Head of Community	18,810	18,810	18,810	18,810	18,810
HR from Directors & Corporate Team	620,581	615,887	616,197	616,756	617,323
Other minor Adjustments	(1,930)	(2,255)	5,120	5,120	5,120
<b>Budget Awaiting Approval February 2017</b>	<b>(737,477)</b>	<b>(913,544)</b>	<b>(986,313)</b>	<b>(968,882)</b>	<b>(951,198)</b>

\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.

**Directors & Corporate Team**

Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(325,205)	<b>Income &amp; Fees</b>	Fees & charges	(357,219)	(265,000)	(266,000)	(266,000)	(266,000)	(266,000)	(266,000)
(2,776)		Sales	(262)	0	0	0	0	0	0
(39,658)		Other grants and contributions	0	0	0	0	0	0	0
(315,648)		Government grants	(388,341)	0	0	0	0	0	0
<b>(683,286)</b>	<b>Income &amp; Fees Total</b>		<b>(745,822)</b>	<b>(265,000)</b>	<b>(266,000)</b>	<b>(266,000)</b>	<b>(266,000)</b>	<b>(266,000)</b>	<b>(266,000)</b>
1,076,669	<b>Employees</b>	Salary	1,134,812	935,568	974,722	931,947	941,266	950,678	960,184
79,076		National Insurance	88,096	94,665	97,973	93,821	94,759	95,707	96,663
164,247		Pension	149,908	156,332	162,108	154,382	155,926	166,587	177,447
0		Hired Staff	10,068	10,000	22,300	22,300	22,300	22,300	22,300
25,503		Training	120,351	118,059	4,600	4,600	4,600	4,600	4,600
5,142		Other staff costs	3,404	2,400	0	0	0	0	0
216		Recruitment	13,298	0	0	0	0	0	0
19,483		Severance payments	0	0	0	0	0	0	0
<b>1,370,337</b>	<b>Employees Total</b>		<b>1,519,936</b>	<b>1,317,024</b>	<b>1,261,703</b>	<b>1,207,050</b>	<b>1,218,851</b>	<b>1,239,872</b>	<b>1,261,194</b>
25,445	<b>Buildings</b>	Rents	36,980	7,200	7,200	7,200	7,200	7,200	7,200
80		Repairs & Maintenance	0	0	0	0	0	0	0
0		Premises Cleaning	20	0	0	0	0	0	0
<b>25,525</b>	<b>Buildings Total</b>		<b>37,000</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>
5,075	<b>Supplies &amp; Services</b>	Rents	6,000	6,000	6,000	6,000	6,000	6,000	6,000
5,211		Catering	4,572	4,250	4,000	4,000	4,000	4,000	4,000
177,289		Communication and computing	172,019	118,500	96,000	96,000	96,000	96,000	96,000
923,431		Services	705,374	548,500	19,700	15,700	15,700	19,700	15,700
69,022		Equipment, furniture & materials	16,358	2,000	2,500	500	500	500	500
176,181		Office expenses	219,770	147,339	152,600	152,600	152,600	152,600	152,600
8,832		Insurance - service related	3,285	7,515	3,300	3,300	3,300	3,300	3,300
164		Expenses	0	0	0	0	0	0	0
382,928		Members Allowances	384,945	386,775	404,864	404,864	404,864	404,864	404,864
<b>1,748,134</b>	<b>Supplies &amp; Services Total</b>		<b>1,512,324</b>	<b>1,220,879</b>	<b>688,964</b>	<b>682,964</b>	<b>682,964</b>	<b>686,964</b>	<b>682,964</b>
15,094	<b>Transport</b>	Mileage Allowance	13,168	12,750	11,800	11,800	11,800	11,800	11,800
443		Pool Car	241	300	200	200	200	200	200
3,577		Public Transport	2,513	1,640	2,140	2,140	2,140	2,140	2,140
<b>19,114</b>	<b>Transport Total</b>		<b>15,922</b>	<b>14,690</b>	<b>14,140</b>	<b>14,140</b>	<b>14,140</b>	<b>14,140</b>	<b>14,140</b>
2,019	<b>Benefit &amp; Transfer Payments</b>	Services	2,642	3,700	2,700	2,700	2,700	2,700	2,700
14		Contributions paid	20,273	0	0	0	0	0	0
0		Grants	2,100	2,000	2,000	2,000	2,000	2,000	2,000
<b>2,033</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>25,015</b>	<b>5,700</b>	<b>4,700</b>	<b>4,700</b>	<b>4,700</b>	<b>4,700</b>	<b>4,700</b>
<b>2,481,856</b>	<b>Grand Total</b>		<b>2,364,375</b>	<b>2,300,493</b>	<b>1,710,707</b>	<b>1,650,054</b>	<b>1,661,855</b>	<b>1,686,876</b>	<b>1,704,198</b>

3,165,142	<b>Gross Service Expenditure</b>	3,110,197	2,565,493	1,976,707	1,916,054	1,927,855	1,952,876	1,970,198
(683,286)	<b>Gross Service Income</b>	(745,822)	(265,000)	(266,000)	(266,000)	(266,000)	(266,000)	(266,000)
<b>2,481,856</b>	<b>Net Service Expenditure</b>	<b>2,364,375</b>	<b>2,300,493</b>	<b>1,710,707</b>	<b>1,650,054</b>	<b>1,661,855</b>	<b>1,686,876</b>	<b>1,704,198</b>

589,680	Democratic & Elections	725,704	733,932	776,150	775,525	778,934	788,826	790,802
462,728	Directors	509,414	468,855	499,847	504,735	509,672	518,561	527,578
1,429,448	Corporate Team	1,129,257	1,097,706	434,710	369,794	373,249	379,489	385,818
<b>2,481,856</b>	<b>Grand Total</b>	<b>2,364,375</b>	<b>2,300,493</b>	<b>1,710,707</b>	<b>1,650,054</b>	<b>1,661,855</b>	<b>1,686,876</b>	<b>1,704,198</b>

**Analysis of Budget Movements:-**

	<b>Directors &amp; Corporate Management Budget</b>				
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	£	£	£	£	£
<b>Original Budget for 2016/17 Approved February 2016</b>	<b>2,300,493</b>	<b>2,300,493</b>	<b>2,300,493</b>	<b>2,300,493</b>	<b>2,300,493</b>
Impact of Inflation on Pay, NI and Pensions	11,668	24,369	36,528	48,809	61,211
Savings identified during Line by Line review meetings	(36,000)	(36,000)	(36,000)	(36,000)	(36,000)
Previous ZBB savings identified	(102,000)	(152,000)	(152,000)	(152,000)	(152,000)
ZBB Savings Delayed (Comms Team)	17,000	0	0	0	0
Impact of Service Initiatives (Training/Recruitment Co-Ord)	30,366	30,366	30,366	30,366	30,366
Impact of Corporate Initiatives (Additional Cabinet Members)	16,788	16,788	16,788	16,788	16,788
Pension Rate Change	(4,806)	(4,854)	(4,902)	4,397	13,884
Payroll Adjustments	61,686	61,686	61,686	61,686	61,686
Other Budget Adjustments					
Consultants to Complete TUPE	5,000	0	0	0	0
Occupational Health Additional Costs - Sickness Policy	8,000	8,000	8,000	8,000	8,000
Savings on LGSS Contract to off-set Training/Rec Co-Ord	(30,054)	(30,054)	(30,054)	(30,054)	(30,054)
Compensation Review (Councillors) Cyclical 3 years	4,000	0	0	4,000	0
HR Review	55,000	55,000	55,000	55,000	55,000
HR to Head of Resources	(620,581)	(615,887)	(616,197)	(616,756)	(617,323)
Other Misc Adjustments	(5,853)	(7,853)	(7,853)	(7,853)	(7,853)
<b>Budget Awaiting Approval February 2017</b>	<b>1,710,707</b>	<b>1,650,054</b>	<b>1,661,855</b>	<b>1,686,876</b>	<b>1,704,198</b>

*\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.*

**Head of Resources (Corporate Budgets)**

Actuals 2015/16	Subjective Analysis : Controllable Only *		2016/17 Forecast	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget
£			£	£	£	£	£	£	£
(226,414)	Income & Fees	Fees & charges	(1,233)	(10,000)	0	0	0	0	0
(42,639)		Government grants	0	0	0	0	0	0	0
(149,466)		Interest	(309,699)	(205,715)	(367,715)	(367,715)	(367,715)	(367,715)	(367,715)
21,489		Bad Debts Provision	35,000	35,000	35,000	35,000	35,000	35,000	35,000
<b>(397,030)</b>	<b>Income &amp; Fees Total</b>		<b>(275,932)</b>	<b>(180,715)</b>	<b>(332,715)</b>	<b>(332,715)</b>	<b>(332,715)</b>	<b>(332,715)</b>	<b>(332,715)</b>
891	Employees	National Insurance	1,846	0	0	0	0	0	0
1,136,000		Pension	1,508,672	1,510,000	1,584,000	1,584,000	1,584,000	1,599,840	1,615,838
0		Training	0	0	0	0	0	0	0
632,474		Severance Payments	223,682	207,000	207,000	207,000	207,000	207,000	207,000
161,505		Employee Insurance	173,054	167,764	172,907	187,016	205,717	226,289	248,918
<b>1,930,870</b>	<b>Employees Total</b>		<b>1,907,254</b>	<b>1,884,764</b>	<b>1,963,907</b>	<b>1,978,016</b>	<b>1,996,717</b>	<b>2,033,129</b>	<b>2,071,756</b>
55,633	Buildings	Premises Insurance	50,985	55,247	47,733	51,313	55,161	59,298	63,746
<b>55,633</b>	<b>Buildings Total</b>		<b>50,985</b>	<b>55,247</b>	<b>47,733</b>	<b>51,313</b>	<b>55,161</b>	<b>59,298</b>	<b>63,746</b>
652	Supplies & Services	Communication and computing	0	0	0	0	0	0	0
2,131,825		Services	2,214,008	2,412,100	2,680,600	2,944,600	3,059,600	3,025,600	2,968,600
32,547		Equipment, furniture & materia	0	437	0	0	0	0	0
0		Office expenses	38	0	0	0	0	0	0
137,017		Insurance - service related	44,524	78,947	41,628	43,227	44,941	46,844	48,893
<b>2,302,041</b>	<b>Supplies &amp; Services Total</b>		<b>2,258,570</b>	<b>2,491,484</b>	<b>2,722,228</b>	<b>2,987,827</b>	<b>3,104,541</b>	<b>3,072,444</b>	<b>3,017,493</b>
81,360	Transport	Vehicle Insurance	74,510	83,618	75,988	80,737	85,783	91,145	96,145
<b>81,360</b>	<b>Transport Total</b>		<b>74,510</b>	<b>83,618</b>	<b>75,988</b>	<b>80,737</b>	<b>85,783</b>	<b>91,145</b>	<b>96,145</b>
15,363	Benefit & Transfer Payment:	Contributions paid	0	73,855	73,855	73,855	73,855	73,855	73,855
1,752		Irrecoverable V A T	1,700	1,700	0	0	0	0	0
388,393		Levies	391,291	389,356	391,016	392,467	392,467	392,467	392,467
<b>405,508</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>392,991</b>	<b>464,911</b>	<b>464,871</b>	<b>466,322</b>	<b>466,322</b>	<b>466,322</b>	<b>466,322</b>
<b>4,378,382</b>	<b>Grand Total</b>		<b>4,408,378</b>	<b>4,799,309</b>	<b>4,942,012</b>	<b>5,231,500</b>	<b>5,375,809</b>	<b>5,389,623</b>	<b>5,382,747</b>

4,775,412	Gross Service Expenditure	4,684,310	4,980,024	5,274,727	5,564,215	5,708,524	5,722,338	5,715,462
(397,030)	Gross Service Income	(275,932)	(180,715)	(332,715)	(332,715)	(332,715)	(332,715)	(332,715)
<b>4,378,382</b>	<b>Net Service Expenditure</b>	<b>4,408,378</b>	<b>4,799,309</b>	<b>4,942,012</b>	<b>5,231,500</b>	<b>5,375,809</b>	<b>5,389,623</b>	<b>5,382,747</b>

441,642	Audit & Risk Management	342,123	385,433	337,676	361,713	391,022	422,996	457,122
3,936,740	Corporate Finance	4,066,255	4,413,876	4,604,336	4,869,787	4,984,787	4,966,627	4,925,625
<b>4,378,382</b>	<b>Grand Total</b>	<b>4,408,378</b>	<b>4,799,309</b>	<b>4,942,012</b>	<b>5,231,500</b>	<b>5,375,809</b>	<b>5,389,623</b>	<b>5,382,747</b>

**Analysis of Budget Movements:-**

	Head of Resources Corporate Budgets				
	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£	£	£	£
<b>Original Budget for 2016/17 Approved February 2016</b>	<b>4,799,309</b>	<b>4,799,309</b>	<b>4,799,309</b>	<b>4,799,309</b>	<b>4,799,309</b>
Impact of Inflation on Pay, NI and Pensions	0	0	0	15,100	30,351
Savings identified during Line by Line review meetings	(61,000)	(61,000)	(61,000)	(61,000)	(61,000)
Increase in Pension Lump Sum Amount	74,000	74,000	74,000	74,740	75,487
Other Budget Adjustments					
Changes to Insurance Premiums	9,243	33,280	62,589	94,563	128,689
Changes to IDB Levies	1,660	3,111	3,111	3,111	3,111
Impact of Capital Investment on MRP	290,999	554,999	669,999	635,999	578,999
CIS CCLA Investment Income	(162,000)	(162,000)	(162,000)	(162,000)	(162,000)
Consultants Budget transferred to Finance	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)
Other minor Adjustments	1,300	1,300	1,300	1,300	1,300
<b>Budget Awaiting Approval February 2017</b>	<b>4,942,011</b>	<b>5,231,499</b>	<b>5,375,808</b>	<b>5,389,622</b>	<b>5,382,746</b>

\*Controllable Budgets – Support Service costs (e.g. HR and Financial Services) are not included in the service budgets in the tables above. Therefore, the Controllable Budgets do not represent the total cost of a service.

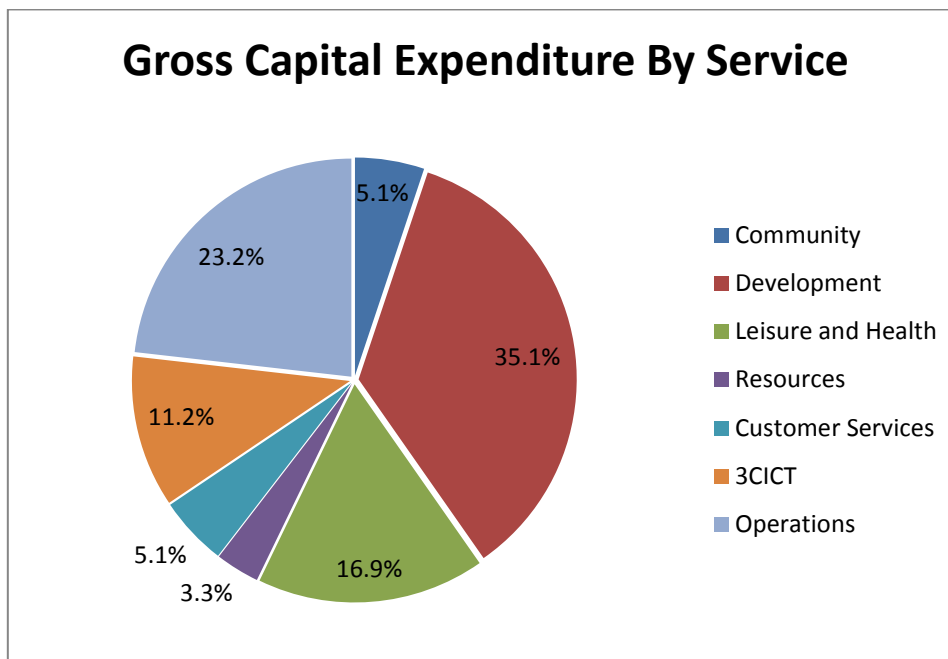
## 3.0 CAPITAL

- 3.1 The detailed Draft Capital Programme for the period 2017/18 to 2021/22 is shown below in **Table 8** below, along with the sources of finance. The revenue implications of the individual capital proposals are built into the individual revenue budgets and the impact of the proposed programme on the Minimum Revenue Position (MRP) is **£3.8m**. This includes the MRP for the Commercial Investment Strategy (CIS). In addition there is an MRP increase in 2018/19 of £0.3m as a result of the funding of the 2017/18 Capital Programme.

Capital Programme	Forecast	Budget	Medium Term Financial Strategy			
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000s	£000s	£000s	£000s	£000s	£000s
<b>Gross Expenditure</b>						
<b>Community</b>						
CCTV Camera Replacements		160				
CCTV Camera Replacements						
CCTV Camera Replacements						
CCTV Camera Replacements						
CCTV Camera Replacements - Rephase		30				
Huntingdon West Development	806					
Huntingdon West Development - Rephase						
CCTV Pathfinder House Resilience -Rephase		20				
CCTV Wi-Fi - Rephase		250				
Lone Worker Software - Rephase		20				
<b>Development</b>						
Alconbury Weald Remediation - Rephase		1,985				
Private Sector Housing Grants	30					
Disabled Facilities Grants	1,400	1,300	1,200	1,100	1,100	1,100
A14 Upgrade				200	200	200
Alconbury Weald Remediation						
<b>Leisure and Health</b>						
Pedals Scheme						
One Leisure Synthetic Pitch	390					
One Leisure St Ives Development						
One Leisure Improvements	206	109	281	317	317	317
One Leisure Improvements - Rephase		96				
Replacement Fitness Equipment	163					
One Leisure St Ives String Bowling System	48					
One Leisure Huntingdon Changing Facilities	92					
One Leisure Huntingdon Development	32					
One Leisure Huntingdon Development - Rephase		779				
One Leisure St Neots Pool		290				
One Leisure St Ives Burgess Hall		305				
<b>Resources</b>						
VAT Exempt Capital	71					
VAT Exempt Capital -Rephase		29				
Housing Association Loan	2,750					
Phoenix Industrial Unit Roof Replacement	40					
Phoenix Industrial Unit Roof Replacement -Rephase		157				
Octagon Improvements	30					
Cash Receipting System Upgrade	40					
Levellers Lane Industrial Unit Roof Replacement	22					
Levellers Lane Industrial Unit Roof Replacement - Rephase		56				
Clifton Road Industrial Unit Roof Replacement	21					
Clifton Road Industrial Unit Roof Replacement - Rephase		49				
Financial Management System Replacement	192					
FMS Archive Solution		14				
Capital Grant to Huntingdon Town Council	300					
Loan Facility to Huntingdon Town Council	800					
Investment in Trading Company	100					
<b>Customer Services</b>						
Business Systems						
CRM System Upgrade						
E-forms	31					
Printing Equipment		176				
Pathfinder House Reception DWP		303				

<b>3C ICT</b>						
Flexible Working - 3CSS	20	50	50			
Telephones - 3CSS	165					
Virtual Server - 3CSS	395					
ICT Transformation		1,000				
<b>Operations</b>						
Building Efficiencies (Salix)	38	28				
Environment Strategy Funding (Loves Farm Community Building)						
Wheeled Bins	216	231	280	236	238	254
Vehicle Fleet Replacement	1,960	972	1,112	1,428	722	1,064
Vehicle Fleet Replacement - Rephase		174				
In-Cab Technology - Rephase	0	75				
Play Equipment	20	24	25	25	53	30
Retro-Fitting Buildings	568	311				
Bridge Place Car Park Godmanchester	100	218				
Car Park Resurfacing			197	178	97	80
Operations Back Office		135				
Doorstep Greens and Neighbourhood Gardens	22					
Civic Suite Audio Equipment	108					
Play Area Fencing						
<b>Total Gross Expenditure</b>	<b>11,176</b>	<b>9,346</b>	<b>3,145</b>	<b>3,484</b>	<b>2,727</b>	<b>3,045</b>
<b>Financing</b>						
<b>Grants and Contributions</b>						
DFGs	(1,018)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Pathfinder House Reception		(278)				
Wheeled Bins	(70)	(89)	(145)	(92)	(93)	(101)
Synthetic Pitch	(274)					
Loves Farm Community Centre	(39)					
<b>Total Grants and Contributions</b>	<b>(1,401)</b>	<b>(1,367)</b>	<b>(1,145)</b>	<b>(1,092)</b>	<b>(1,093)</b>	<b>(1,101)</b>
<b>Use of Capital Reserves</b>						
Alconbury Remediation Works Reserve		(1,985)				
Community Infrastructure Levy Reserve	(766)					
<b>Total Capital Reserves</b>	<b>(766)</b>	<b>(1,985)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Receipts</b>						
Asset Sales	(97)					
Loan Repayments	(155)	(320)	(320)	(320)	(320)	(320)
Housing Clawback Receipts	(600)	(500)	(500)	(500)	(500)	(500)
<b>Total Capital Receipts</b>	<b>(852)</b>	<b>(820)</b>	<b>(820)</b>	<b>(820)</b>	<b>(820)</b>	<b>(820)</b>
<b>Use of Earmarked Reserves</b>						
Financial Management System Replacement	(192)					
Capital Grant to Huntingdon Town Council	(300)					
Investment in Trading Company	(100)					
ICT Transformation		(1,000)				
FMS Archive		(14)				
<b>To Earmarked Reserves</b>	<b>(592)</b>	<b>(1,014)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net to be funded by borrowing (Internal)</b>	<b>7,565</b>	<b>4,160</b>	<b>1,180</b>	<b>1,572</b>	<b>814</b>	<b>1,124</b>





## 4.0 TREASURY MANAGEMENT

4.1 The following gives a high level commentary on the Treasury Management activity that the Council is expecting to undertake during 2017/18.

- **Short Term Borrowing**

During any year the Council will undertake short term borrowing and lending to maintain effective daily cash flow balances. For the forthcoming year, it is estimated that the net cost of short-term borrowing will be (£14k); this is based on an estimated daily cash flow balance of £14.0m. The cost of borrowing is based on an estimated interest rate of 0.75%.

- **Long Term Borrowing**

The Treasury Management Strategy permits the Council to borrow for the long-term to maintain effective working capital balances and to support back-to-back lending to external organisations. At the end of 2016/17, it is forecast that the total balances in respect of long-term borrowing will be £15.8m. The estimated net cost of long term borrowing in 2017-18 is £398k.

4.2 During 2017/18 further long-term borrowing will occur to finance the Commercial Investment Strategy. Borrowing of £30m is estimated, with an estimated cost of £948k in 2016/17 this is based on repayments for an annuity type loan and as a result will vary each year.

## 5.0 Capital Financing Requirement (CFR)

5.1 The following tables demonstrate over the period of the MTFs, the Council's capital commitments and plans against its underlying need to borrow. The 3 tables below show the Council's total CFR, the Council's mainstream spending and the Capital Investment Strategy (CIS).

Capital Financing Requirement - Total	Forecast	Budget	Medium Term Financial Strategy			
	2016/17 £000s	2017/18 £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s
Opening Capital Financing Requirement	35,391	41,502	70,153	67,247	64,619	61,266
Closing Capital Financing Requirement	41,502	70,153	67,247	64,619	61,266	58,280
Increase/(Decrease) in Underlying Need to Borrow	6,111	28,651	(2,906)	(2,629)	(3,353)	(2,986)

Capital Financing Requirement - Capital Programme	Forecast	Budget	Medium Term Financial Strategy			
	2016/17 £000s	2017/18 £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s
<b>Opening Capital Financing Requirement</b>	<b>35,391</b>	<b>41,502</b>	<b>43,736</b>	<b>42,726</b>	<b>41,994</b>	<b>40,537</b>
<b>Capital Investment</b>						
Property, Plant and Equipment	4,229	4,505	1,895	2,184	1,427	1,745
Investment Properties	83	262	0	0	0	0
Intangible Assets	678	1,294	50	0	0	0
Revenue Expenditure Funded From Capital Under Statute	2,536	3,285	1,200	1,300	1,300	1,300
Repayable Advances	3,650	0	0	0	0	0
<b>Additional Requirement</b>	<b>11,176</b>	<b>9,346</b>	<b>3,145</b>	<b>3,484</b>	<b>2,727</b>	<b>3,045</b>
<b>Sources of Finance</b>						
Capital Receipts	(852)	(820)	(820)	(820)	(820)	(820)
Capital Grants and Contributions	(1,401)	(1,367)	(1,145)	(1,092)	(1,093)	(1,101)
Use of Capital Grants Unapplied	(766)	(1,985)	0	0	0	0
Direct Revenue Financing	(592)	(1,014)	0	0	0	0
Minimum Revenue Provision	(1,454)	(1,926)	(2,190)	(2,305)	(2,271)	(2,214)
	(5,065)	(7,112)	(4,155)	(4,217)	(4,184)	(4,135)
<b>Closing Capital Financing Requirement</b>	<b>41,502</b>	<b>43,736</b>	<b>42,726</b>	<b>41,994</b>	<b>40,537</b>	<b>39,447</b>
<b>Increase/(Decrease) in Underlying Need to Borrow</b>	<b>6,111</b>	<b>2,234</b>	<b>(1,010)</b>	<b>(733)</b>	<b>(1,457)</b>	<b>(1,090)</b>

Capital Financing Requirement - Commercial Investment Strategy	Forecast 2016/17 £000s	Budget 2017/18 £000s	Medium Term Financial Strategy			
			2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s
<b>Opening Capital Financing Requirement</b>	0	0	26,417	24,521	22,625	20,729
<b>Capital Investment</b>						
Property Shares	0	1,500	0	0	0	0
Direct Assets (Local Area)	0	15,000	0	0	0	0
Direct Assets (Regional Cities)	9,203	15,000	0	0	0	0
<b>Additional Requirement</b>	<b>9,203</b>	<b>31,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources of Finance</b>						
Capital Investment Earmarked Reserve	(9,203)	(3,187)	0	0	0	0
Minimum Revenue Provision	0	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)
	(9,203)	(5,083)	(1,896)	(1,896)	(1,896)	(1,896)
<b>Closing Capital Financing Requirement</b>	<b>0</b>	<b>26,417</b>	<b>24,521</b>	<b>22,625</b>	<b>20,729</b>	<b>18,833</b>
<b>Increase/(Decrease) in Underlying Need to Borrow</b>	<b>0</b>	<b>26,417</b>	<b>(1,896)</b>	<b>(1,896)</b>	<b>(1,896)</b>	<b>(1,896)</b>

## 5.0 Formal 2017/18 Council Tax Resolutions

6.1 The formal 2017/18 Council Tax resolutions to be agreed by Council are shown below.

- a) That the Council note the Council Tax Base for the whole Council area and individual Towns and Parishes (para 6.2) as approved by Cabinet on the **21<sup>st</sup> January 2015** (and subsequent publication as a key decision).

**The tax base (T) which is the amount anticipated from a District Council Tax of £1 is**

**£60,111**

- b) That the following amounts calculated by the Council for 2017/18 in accordance with the requirements of the Local Government Finance Act 1992 as amended by the Localism Act 2011 (the Act), the Local Government Finance Act 2012 and associated regulations :-

(i) 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 revenue expenditure including benefits, Town/Parish Precepts** £

(ii) 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 and general grants, use of reserves and any transfers from the collection fund.** £

(iii) the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above in accordance with Section 31A (4) of the Act  
***This is the "Council Tax Requirement" including Parish/Town Precepts (item i minus item ii). It is the cash sum to be funded from District, Town and Parish Council Taxes.*** £

(iv) the Council Tax requirement for 2017/18 divided by the tax base (T) in accordance with Section 31B (1) of the Act  
**District plus average Town/Parish Council Tax (item iii divided by District taxbase)** £

(v) the aggregate of all "Special Items" referred to in Section 34(1) of the Act.  
**The total value of Parish/Town precepts included in i and iii above.** £

(vi) the Basic Amount of Council Tax for 2017/18 being item iv less item v divided by the tax base (T) in accordance with Section 34 (2) of the Act.  
**The District Council's Band D Tax for 2017/18** £135.84

- (vii) the basic amounts of Council Tax for 2017/18 for those parts of the District to which one or more special items (Parish/Town precepts) relate in accordance with Section 34 (3) of the Act are shown by adding the Huntingdonshire District Council amount to the appropriate Parish Council amount in column "band D" set out in Table 1 attached.
  - (viii) the amounts to be taken into account for 2017/18 in respect of categories of dwellings listed in particular valuation bands in accordance with Section 36 (1) of the Act are shown by adding the Huntingdonshire District Council amount to the appropriate Parish Council amount for each of the valuation bands in the columns "bands A to H" set out in Table 1 attached.
- (c) That the amounts of precept issued to the Council by Cambridgeshire County Council, Cambridgeshire Police Authority, Cambridgeshire & Peterborough Fire Authority and for each Parish Council for each of the categories of dwellings listed in different valuation bands in accordance with Section 40 of the Act shown in para 6.3 attached be noted.
  - (d) That, having regard to the calculations above, the Council, in accordance with Section 30 (2) of the Act, hereby sets the figures shown in para 6.4 as the amounts of Council Tax for 2017/18 for each of the categories of dwelling shown. ***This is the total Council Tax to be collected, incorporating the requirements of all of the relevant bodies, for each town or parish area.***
  - (e) The Council notes that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its Council Tax for 2017/18 is not excessive. ***The basic amount at b(vi) above is not excessive as defined by the Government.***

## 6.2 Tax Base 2017/18

Based on the information contained within this report, it is recommended that pursuant to the Local Taxation Manager's report and in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012, the amounts calculated by the Huntingdonshire District Council as their (net) tax base for the whole District for the year 2017/18 be 60,111 and shall be as listed below for each Town or Parish of the District:

Abbotsley	252
Abbots Ripton	133
Alconbury	562
Alconbury Weston	285
Alwalton	119
Barham & Woolley	28
Bluntisham	738
Brampton	1,830
Brington & Molesworth	162
Broughton	90
Buckden (incorporating Diddington)	1,168
Buckworth	50
Bury	615
Bythorn & Keyston	144
Catworth	153
Chesterton	58
Colne	355
Conington	66
Covington	45
Denton & Caldecote	27
Earith	587
Easton	76
Ellington	238
Elton	288
Farcet	524
Fenstanton	1,161
Folksworth & Washingley	353
Glatton	132
Godmanchester	2,421
Grafham	237
Great & Little Gidding	122
Great Gransden	451
Great Paxton	365
Great Staughton	324
Haddon	25
Hail Weston	249
Hamerton & Steeple Gidding	48
Hemingford Abbots	335
Hemingford Grey	1,278
Hilton	453
Holme	225
Holywell-cum-Needingworth	972
Houghton & Wyton	792
Huntingdon	7,335
Kimbolton & Stonely	590
Kings Ripton	81
Leighton Bromswold	81
Little Paxton	1,555
Morborne	10

Offord Cluny & Offord D'Arcy	502
Old Hurst	99
Old Weston	90
Perry	261
Pidley-cum-Fenton	162
Ramsey	2,785
St Ives	5,859
St Neots	10,908
Sawtry	1,809
Sibson-cum-Stibbington	224
Somersham	1,357
Southoe & Midloe	152
Spaldwick	245
Stilton	773
Stow Longa	67
The Stukeleys	442
Tilbrook	120
Toseland	39
Upton & Coppingford	82
Upwood & The Raveleys	422
Warboys	1,368
Waresley-cum-Tetworth	144
Water Newton	45
Winwick	42
Wistow	220
Woodhurst	157
Woodwalton	81
Wyton-on-the-Hill	418
Yaxley	2,898
Yelling	<u>152</u>
	<b><u>60,111</u></b>



**6.3 2017/18 Council Tax by Property Band for each Precepting Authority and the Billing Authority**

***This table will be completed after the Council's Full Council meeting scheduled for the 22nd February when the Council receives the precepts from Cambridgeshire County Council, Fire and Police Authorities.***

**6.4 Total 2017/18 Council Tax by Property Band for each Precepting Authority and the Billing Authority**

***This table will be completed after the Council's Full Council meeting scheduled for the 22<sup>nd</sup> February when the Council receives the precepts from Cambridgeshire County Council, Fire and Police Authorities.***

## 7. Fees and Charges

- 7.1 The Fees and Charges that will be applicable from April 2017 to March 2018 have been included in **Annex A**. These fees and charges are correct at the time of this time of reporting but there may be changes throughout the year that will be agreed by the Portfolio Holder and the S151 Officer.

## 8.0 Robustness of the 2017/18 Budget and Medium Term Financial Strategy

- 8.1 The Local Government Act 2003 requires me, as the Council's Responsible Financial Officer, to report on the robustness of the 2017/18 budget and the adequacy of reserves to assist you in making your decisions on the Budget and the level of Council Tax. Further, this is an opportunity for me to provide some commentary in respect of the period covered by the Medium Term Financial Strategy (MTFS).

### 8.2 Robustness and Budget Setting

- 8.2.1 At the time of writing, the most recent Financial Performance Management Report (December 2016) was forecasting an underspend of £0.7k in respect of service expenditure. In addition, there is additional income in respect of green industry business rates of £1m. As in previous years, this positive financial position reflects the Council's success in performing well against its budget. It clearly demonstrates that managers have been, and continue to be, prudent in the delivery of their services and that the Council has "cost" firmly under control.

- 8.2.2 As in previous years, the Council has reviewed its service expenditure; however this time around it has undertaken a line-by-line review to identify service savings of £700k. This process was led by the Interim Corporate Director (Services) along with the Head of Resources (151 officer) and the respective Heads of Service.

- 8.2.3 In addition to the line-by-line review, the Council:

- reviewed the savings previously identified by the Zero Based Budgeting programme, which has identified £400k in savings that are unlikely to be achieved,
- introduced a growth programme that includes developments in Human Resources (Apprenticeship Scheme), Economic Development, Tree Wardens, Waste Management round restructure, Business Rates for HDC properties and changes in Minimum Revenue Provision.
- submitted and had approved by the Department of Communities Local Government a 4-year efficiency plan that has given the Council some assurance in future government funding,
- is about to commence a Transformation programme (#Permissions) that will include Lean reviews of all services, further developments in income generation and commercialisation. The latter including a new service delivery model via a wholly owned company and further expansion of the Commercial Investment Strategy, and
- has now chosen to increase Council Tax by 2%.

## 8.3 Challenges facing the Council

8.3.1 The challenges that the Council faces are similar to those being faced by many Councils across the local government community. The principal challenges that the Council is tackling are illustrated below:

### Public Sector Austerity – Cuts in grant funding

8.3.2 The public sector has as a whole faced the most significant austerity programme in a generation and as a consequence of the government's ring-fencing of some government departments/services (i.e. NHS, Overseas Aid etc.); this has meant that local government has met a significant share of the austerity programme. As previously discussed, the Council has taken proactive action to effectively manage the financial consequences of austerity and its impact.

8.3.3 Following the 2017/18 provisional settlement announced in December 2016, **Table A** clearly shows that the grant funding streams for the Councils MTFs for 2017/18 and for the period up to 2021/22 has moved when compared to the preceding year. For:

- 2017/18 the total grant included in last year's MTFs was £10.2m; following the provisional settlement this has now increased to £10.5m; an increase of £300k (3.2%).
- 2018/19 the total grant in last year's MTFs was £8.4m, this has now increased to £10.4m; this reflects an increase of £1.7m in the estimate for Business Rate Growth (including recognition of green industry business rates); however it should be noted that the Council has taken a more pessimistic position than the government for its business growth estimates. In addition there is a slightly higher forecast for New Homes Bonus.
- 2019/20 onwards the Councils net grant position is relatively flat, however it is considerably more than the previous year's estimates. This is because the Council is now showing the full receipt of New Homes Bonus but in the funding statement shown in 1.3.1 this grant is removed in its entirety and transferred to the Commercial Estates Earmarked Reserve.

<b>Table A Comparison of Grant Assumptions: 2016/17 Budget &amp; 2017/18 Budget and MTFS (2018/19 to 2021/22)</b>						
	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>2018/19 £'000</b>	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>
<b>2016/17 Budget &amp; MTFS</b>						
NDR+S31	5,208	5,250	5,292	5,335	5,378	
RSG	2,110	1,180	604	(42)	0	
NHB	4,965	3,724	2,483	1,241	0	
<b>Total</b>	<b>12,283</b>	<b>10,154</b>	<b>8,379</b>	<b>6,534</b>	<b>5,378</b>	
<b>2017/18 Budget &amp; MTFS</b>						
NDR+S31	5,208	5,640	6,979	7,077	7,176	7,278
RSG	2,110	1,182	604	0	0	0
NHB	4,965	3,656	2,787	2,674	2,674	2,674
<b>Total</b>	<b>12,283</b>	<b>10,477</b>	<b>10,370</b>	<b>9,751</b>	<b>9,850</b>	<b>9,952</b>
<b>Variance between Grant Assumptions</b>						
NDR	0	390	1,687	1,742	1,798	
RSG	0	2	0	42	0	
NHB	0	(68)	304	1,433	2,674	
<b>Total</b>	<b>0</b>	<b>323</b>	<b>1,991</b>	<b>3,217</b>	<b>4,472</b>	
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	
NDR	0.0	7.4	31.9	32.6	33.4	
RSG	0.0	0.2	0.0	-100.0	0.0	
NHB	0.0	-1.8	12.2	115.5	100.0	
<b>Total</b>	<b>0.0</b>	<b>3.2</b>	<b>23.8</b>	<b>49.2</b>	<b>83.2</b>	

## Programme of Service Review

8.3.4 It is probably fair to say that all Councils are undertaking some form of service review and seeking to ensure that services are provided with affordability and value for money at their core. As mentioned earlier, the Council has undertaken a line-by-line review of its budget, reviewed the Zero Based Budgeting programme and is about to undertake a comprehensive Transformation Programme (#Permissions).

## 8.4 Governance

8.4.1 Noted within the 2015/16 Annual Governance Statement both the Executive Leader and the Managing Director consider that they are:

“generally satisfied with the effectiveness of corporate governance arrangements and the internal control environment, as part of continuing efforts to improve governance arrangements the following issues have been identified for improvement:

- The need to improve debt management.
- The continued development of effective governance and reporting arrangements for shared services.”

8.4.2 In May 2016, the Council’s Internal Audit and Risk Manager reported to the Corporate Governance Committee that the assurance given for the year to 31 March 2016 was:

“.....the Council’s internal control environment and systems of internal control as at 31 March 2016 provide, with the exception of IT systems (no work has been completed during 2015/16) adequate assurance over key business processes and financial systems”.

8.4.3 Further developments in governance over the past year include the:

- approval of a new Constitution,
- maturing of governance boards in that they are now providing strategic challenge to various aspects of service delivery,
- implementation of a clear golden thread that links the corporate plan to service plans to staff performance reviews, and the
- monthly reporting of budgets to all members and Senior Management.

## 8.5 Risks

8.5.1 Because of the nature of the macro and micro environment that the wider local government family and the Council operates within, there are a whole host of risks that the Council faces on a day-to-day basis. In such an environment, budget setting is not a science but more a guide on how financial resources will be allocated to services over the forthcoming year and an indication into the medium term. There will always be items that emerge after the budget has been approved and these can range from a programme under or over achieving or an unexpected event occurring. Where an event occurs that will potentially have a negative financial impact on the Council, the first call for funding will be from compensating savings from elsewhere within the Council's budget (service first, wider Council thereafter). If this is not possible, service reductions will then be considered and finally the use of General Fund reserves. However, one development over the past year has been the introduction of a Budget Surplus Earmarked Reserve. The aim of this reserve is "mop-up" service underspends that would cause the General Fund to be higher than the 15% minimum threshold. This means that over the medium term the Council has funds to invest in either service development or to meet future budget shortfalls without impacting on the Council's General Fund.

8.5.2 It is therefore essential that relevant risks are identified and appropriate sensitivity analysis applied to determine the impact on the Council. The most significant potential risks to the budget are:

- underachievement of savings.
- higher inflation.
- further reductions in income (mainly from fees and charges).
- non-achievement of savings; including Shared Services.
- failure of a borrower.
- an emergency.
- increased demand on services (e.g. benefits and homelessness).
- level of retained business rates.

8.5.3 Taking each of the above in turn:

- **Underachievement of savings**

The savings included within the budget total £700k. These savings cover a broad range of services; however as ever with savings they are dependent on market, management and political conditions prevailing at the time. It is therefore prudent to assume that some of these savings may not be achieved; a fair assumption is a 30% underachievement which equates to £209k.

- **Higher Inflation**

With regard to:

- **Pay**  
The budget for 2017/18 includes an “across the board” pay increase of 1%. Taking into account employer oncosts (national insurance and pension), this equates to a total cost of £24.0m; a further 1% for sensitivity equates to £240k.
- **On-Boarding of Variable Hours Staff**  
A fundamental review of variable hours Council staff is to be undertaken to determine if they should be fully contracted staff. Some staff may elect to remain on zero-hours contracts whereas others may wish to be formally contracted. At this time this is not built into the budget as the amount to be included is not known; however for sensitivity purposes the total estimated cost of all staff reverting to a contracted hours contract is modelled, this would be £300k.
- **Business Rates (those payable by HDC)**  
The budget for 2017/18 includes a Business Rates budget of £1.1m. Considering the changing occupancy of the Councils property due to external partners leasing its premises, there is the possibility that there could be rating implications for different parts of the Councils buildings. However, a marginal 5% change has been anticipated which has a sensitivity impact of £57k.
- **General Inflation**  
No general inflation has been included in the 2016/17 budget except where there are contractual price increases; although for the Council this is minimal as most services are “contracted in”.
- **Borrowing**  
The budget for 2017/18 assuming a borrowing cost of £590k based on a rate of 3.4%. If this rate increased to by 1% the cost of borrow would increase by £174k to £764k, for sensitivity purposes a 50% impact is modelled which equates to £87k.

- **Reduced income: Fees and Charges**

Total fees and charges are £16.7m, therefore for sensitivity analysis a 1% loss of income from fees and charges would amount to £167k. The largest income streams that are susceptible to variation include:

- Car Parks, £2.5m
- Leisure Centres, £7.3m
- Property, £5.0m
- Planning Fees, £1.5m

- **Reduced income: Commercial Investment Income (CIS)**

Total forecast CIS income £5.2m; for sensitivity analysis purposes if there was a 20% loss of income from rental income this would equate to £1m.

- **Reduced income: New Homes Bonus**

During 2016/17 the Government has consulted on changes to New Homes Bonus (NHB). The government's decision has been to reduce the number of legacy years for NHB from 6 to 4 and to include a 0.4% deadweight factor above which only growth will be paid. For 2017/18 the Councils NHB is £3.7m, but this is expected to fall to £2.7m by 2021/21; fortunately by this time the Council will not be reliant on government grant as it will have modelled out from its core funding all government funding. However, for sensitivity purposes the Councils is including a 10% reduction in NHB, reflecting £366k.

- **Government Grant: Non Domestic Rates**

Since the localisation of Non Domestic Rates in April 2013 it has become increasingly clear that the levels that the authority will be able to retain are more and more difficult to forecast. Whilst there are some opportunities for estimating i.e. development of new buildings, it is very difficult to judge when development will commence on allocated land even if planning permission has been granted.

When the 2017/18 provisional settlement was received, it has been determined that the government's assessment of growth for the District was somewhat optimistic when compared to actual growth in previous year; consequently the Council has taken a more prudent line and only increased NDR by 2% per annum.

However, since NDR was "localised" in 2013, Councils have immediately felt the direct impact of any NDR appeal made against the valuation set by the Valuation Office Agency. These appeals sometimes take years to finalise and are often backdated for a number of years, which drastically adds to the volatility of the NDR budget setting process. Further, other NDR variations can result from a property being burnt down or demolished.

However, by setting the NDR income at the government's baseline, the direct revenue impact is limited by the existence of a safety net which limits our loss. However, as a consequent of previous years Collection Fund returns, there is a forecast surplus in 2017/18 but because of the inherent volatility in the NDR process a sensitivity assessment of 35% has been given, reflecting £537k.

- **Failure of a Borrower**

The maximum permitted with one counterparty is £8.0m, but this is only possible where £3.0m of the sum is held in a liquidity account (a liquidity account allows recovery of investments on the same working day which therefore substantially reduces exposure to risk). Consequently the main "borrowing" risk rests around the £5.0m which is either lent on a short or long term basis.

In most cases the £5.0m limit is restricted to bodies with a credit rating of F1+ or Building Societies with more than £2 billion in assets. The impact of a "failure of borrower" will be the loss of revenue cash flow and the potential costs involved of "making good" the lost investment. There are however, good governance arrangements around the Council's Treasury activity and therefore the likelihood of loss is minimal, this has not been included in the sensitivity analysis.



- **Emergency**

Certain types of eventuality are mitigated in other ways. Many significant risks are insured against, so losses are limited to the excesses payable. The Government's Bellwin Scheme meets a large proportion, over a threshold, of the costs of any significant peacetime emergencies (e.g. severe flooding). The Council does reside within a flood risk area and there have been occasions where the Council has been required to meet the cost of local flooding incidents; however such costs have been met from within current resources. With the reduction in budgets it is anticipated that such ad-hoc spend will not be able to be as easily accommodated so it would be prudent to include an element within any sensitivity to meet this cost. The Code of Financial Management permits the Managing Director or the Responsible Financial Officer to incur "emergency spend" of up to £350k, with retrospective reporting to Cabinet. The £350k is included as a block amount within the sensitivity analysis.

- **Increased demands on services**

The services most susceptible to increased demand that would have a significant revenue impact are homelessness and Council Tax Support.

With regard to homelessness, the budget for 2016/17 is £722k and for Council Tax Support is £6.8m; if there was a 10% increase in demand for each this would require an additional £800k (£72k and £685k respectively).

- **Council Tax**

This is the first time in a number of years the Council has chosen to increase Council Tax; this is a prudent step as it helps to maintain the financial foundation of the Council and awards it opportunities for future investment. The Council has chosen to increase by 2% (£2.66); it could have chosen to have increased by up to £5 however, the Council chosen to increase in a way that was affordable to its residents. An increase of 2% represents around £160k, as this is a marginal increase at this time no further sensitivity has been undertaken.

### **Sensitivity for 2017/18 Budget**

8.5.4 Considering the risks noted above and the stated budget assumptions, the accumulated total cash risk is £4.1m. However, it is highly unlikely that all these risks will occur at the same time, so it is fair to apply "sensitivity" to each risk and then model the likelihood of occurrence. **Table B** shows this detailed analysis and in summary the additional pressure within 2017/18, based on the likelihood of occurrence, is as follows:

- Pessimistic view, additional pressure of: £1.7m
- Middle-View, additional pressure of: £1.4m
- Optimistic View, additional pressure of: £1.0m

Table B		Sensitivity of Risks to 2017/18 Budget & Funding Options									
Risk		Costs Included in 2017/18 budget  £'000	New rate	Sensitivity Impact		Likelihood of Occurrence					
				+/-	Cost £'000	Pessimistic		Middle-Way		Optimistic	
						Factor	£'000	Factor	£'000	Factor	£'000
Underachievement of Savings		695	Savings not achieved	30%	209	0.7	146	0.2	42	0.1	21
Inflation	Pay	23,999	Pay increase from 1% to 2%	1%	240	0.6	144	0.3	72	0.1	24
	On-Boarding of Variable Staff	300	Estimated cost of zero-hours staff moving to contracted hours	100%	300	0.6	180	0.2	60	0.2	60
	Business rates (HDC payable)	1,135	Business Rates vary due to change in liability etc	5%	57	0.2	11	0.3	17	0.5	29
	Investment/Borrowing Costs	174	Difference between Borrowing increased from 3.4% to 4.4%	50%	87	0.2	17	0.5	44	0.3	26
Reduced Income	Fees & Charges	(16,716)	Reduction in income.	1%	167	0.3	50	0.4	67	0.3	50
	CIS Income	(5,201)	Reduction in income.	20%	1,040	0.3	312	0.4	416	0.3	312
	New Homes Bonus	(3,656)	Reduction in NHB following change to "needs" system and consequential redistribution.	10%	366	0.3	110	0.4	146	0.3	110
Government Grant	Non-Domestic Rates	(1,534)	Collection Fund Surplus not as significant as forecast.	35%	537	0.6	322	0.3	161	0.1	54
Emergency		350	Immediate use of funds in the event of a local emergency	100%	350	0.2	70	0.5	175	0.3	105
Increased Demand of Services	Homelessness Council Tax Support	722	Increase in demand	10%	72	0.4	29	0.5	36	0.1	7
		6,846	Increase in demand	10%	685	0.4	274	0.3	206	0.3	206
<b>Total Sensitivity</b>					<b>4,110</b>	<b>1,665</b>		<b>1,442</b>		<b>1,004</b>	
Estimated Reserves at 31 March 2017 (as per September 2016 Dashboard)						2,568		2,568		2,568	
Forecast Transfer to Budget Surplus Reserve (as per September 2016 Dashboard)						3,425		3,425		3,425	
<b>Estimated Reserves at 31 March 2017 following Sensitivity</b>						<b>5,993</b>		<b>5,993</b>		<b>5,993</b>	
<b>Conclusion of Sensitivity</b>											
- Do Reserves remain positive						Yes		Yes		Yes	
- Do Reserves remain above Minimum Level of Reserves (15% of Net Expenditure)						Yes		Yes		Yes	
- Reduction in Reserves						64.8%		56.2%		39.1%	

## 8.6 Revenue Reserves

### Reserves for 2017/18 and the MTFs Period (2018/19 to 2021/22)

- 8.6.1 There is no statutory minimum level of reserves; however Cabinet in December 2015 confirmed there should be a minimum level of General Fund reserves set at 15% of the Net Revenue Budget of the Council.
- 8.6.2 As shown in paragraph 1.3.1 the Council now operates a Budget Surplus Reserve. The aim of this reserve is to “mop-up” any budget surplus or deficits to ensure that the Council can maintain its core contingency reserve, the General Fund. In addition, the Budget Surplus Reserve will also allow the Council future options to invest in further service improvement and development or to invest in commercial related activity.
- 8.6.3 However, for the purposes of sensitivity and assuring the adequacy of reserves, it is essential that both the General Fund and the Budget Surplus Reserve are both taken into account. As shown in **Table C** below, for the entire period of the MTFs (2017/18 to 2021/22) when reserve balances are adjusted for the aforementioned “sensitivity analysis”, the minimum level of reserves for each year is not breached.

Table C	Impact of 2016/17 Sensitivity of Risks on the MTFs General Fund Reserves Profile														
	2017/18 £'000			2018/19 £'000			2019/20 £'000			2020/21 £'000			2021/22 £'000		
General Fund Reserve c/f	2,582			2,531			2,556			2,614			2,670		
Budget Surplus Reserve c/f (as per 2017/18 Proposed Budget)	6,443			8,400			7,091			5,768			4,466		
Minimum Level of Reserves (*)	<b>9,025</b>			<b>10,931</b>			<b>9,647</b>			<b>8,382</b>			<b>7,136</b>		
	2,582			2,531			2,556			2,614			2,670		
	Pessimistic	Middle-Way	Optimistic	Pessimistic	Middle-Way	Optimistic	Pessimistic	Middle-Way	Optimistic	Pessimistic	Middle-Way	Optimistic	Pessimistic	Middle-Way	Optimistic
Reduction in Reserves (in year)	1,665	1,442	1,004	1,665	1,442	1,004	1,665	1,442	1,004	1,665	1,442	1,004	1,665	1,442	1,004
Estimated Reserves c/f	<b>7,360</b>	<b>7,583</b>	<b>8,021</b>	<b>9,266</b>	<b>9,489</b>	<b>9,927</b>	<b>7,982</b>	<b>8,205</b>	<b>8,643</b>	<b>6,717</b>	<b>6,940</b>	<b>7,378</b>	<b>5,471</b>	<b>5,694</b>	<b>6,132</b>
- Do Reserves remain above Minimum Level of Reserves	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

\* = The minimum level of reserves is 15% of Net "budgeted" Expenditure

8.6.4 Consequently, it is fair to say that:

- i. if the situation arose, with the use of reserves the Council should be able to absorb considerable additional financial risk. It should be noted however, as mentioned earlier, it is unlikely that all these risks would occur all at the same time.
- ii. the Council is self-sufficient over the medium-term. The Council has a surplus budget for 2017/18 and 2018/19 and is making the prudent decision to “bank” early year budget surpluses into the Budget Surplus Reserve to enable it to meet subsequent year funding gaps; whilst being able to maintain its general reserve at 15% of net expenditure over the MTFS period.

8.6.5 However, to remove reliance on the use of reserves the Council will be required to find further savings or generate additional income equivalent to 7% of its net expenditure – as summarised in **Table D** below and shown on the “Plan on a Page” at **Appendix 4**.

<b>Table D</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Plan on a Page - Approved MTFS 2018/19 - 2021/22</b>				
<b>Approved MTFS Net Expenditure</b>	<b>16,872</b>	<b>17,039</b>	<b>17,427</b>	<b>17,800</b>
Plan on a Page - new savings required from MTFS	<b>1,906</b>	<b>(1,284)</b>	<b>(1,265)</b>	<b>(1,246)</b>
Plan on a Page - % savings required from MTFS	<b>11%</b>	<b>-8%</b>	<b>-7%</b>	<b>-7%</b>
<b>Budget Requirement (adjusted for savings required)</b>	<b>18,777</b>	<b>15,755</b>	<b>16,163</b>	<b>16,554</b>

8.6.6 The Council should be rightly proud of the progress it has made over the past three budget cycles because it has reduced its forecast 2019/20 budget gap from £8.2m to £1.2m, a reduction of 85%. And with the “#Permissions” Transformation programme about to start and the continued commercialisation of its services, this gap should close in the near future.

## 8.7 Conclusion

- **2017/18 Budget**

Considering all the factors noted within the “Robustness” statement in respect of 2017/18, I consider that the combination of the:

- Councils commitment to continue to find service efficiencies,
- the direction of travel in relation to governance,
- it’s clear intention to invest in services, and
- it’s prudent position relating to income recognition (including raising Council Tax),

the budget proposed for 2017/18 should not give Members any significant concerns over the Council’s financial position.

- **Medium Term Financial Strategy (2018/19 to 2021/22)**

With regard to the period covered by the MTFSS; the Council does face some future funding risk with the:

- anticipated removal of RSG in 2019/20,
- changes to NHB following the recent consultation, and
- the ongoing issues pertaining to the localisation of Business Rates.

However, over the past few years the Council has taken proactive action to address its budgetary concerns and with the planned continuation of its Transformation programme and its intention to further commercialise services the Council has a sound financial base upon which it can further develop its aim of financial self-sufficiency.

**Clive Mason CPFA**

Responsible Financial Officer (Section 151)

# ANNEX A – FEES AND CHARGES

Huntingdonshire District Council Fees and Charges as at April 2017										
Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
							£	£	£	
<b>Development</b>										
<b>Planning Application Fees - these are set Nationally and were last changed on 15th April 2015</b>										
	All outline applications	Not more than 2.5 hectares	Per 0.1 hectares	S	Apr-15	N	385.00	0.00	385.00	0%
		More than 2.5 hectares	Per 0.1 hectares plus for each hectare over 2.5 per 0.1 hectares	S	Apr-15	N	9,627.00	0.00	9,627.00	0%
	Householder Applications	More than 2.5 hectares		S	Apr-15	N	115.00	0.00	115.00	0%
		Single dwelling		S	Apr-15	N	172.00	0.00	172.00	0%
	Full application	Two or more dwellings		S	Apr-15	N	339.00	0.00	339.00	0%
		Not more than 50 new dwellings	Per dwelling	S	Apr-15	N	385.00	0.00	385.00	0%
		More than 50 new dwellings		S	Apr-15	N	19,049.00	0.00	19,049.00	0%
			Per additional dwelling	S	Apr-15	N	115.00	0.00	115.00	0%
	Full application	Not dwellings, agricultural, glasshouse, plant nor machinery								
		Erection of buildings	No increase in floor space or no more than 40sq m	S	Apr-15	N	195.00	0.00	195.00	0%
		Erection of buildings	More than 40sq m but no more than 75 sq m	S	Apr-15	N	385.00	0.00	385.00	0%
		Erection of buildings	More than 75 sq m but no more than 3750 sq m	S	Apr-15	N	385.00	0.00	385.00	0%
		Erection of buildings	More than 3750 sq m plus for each additional 75sq m in excess of 3750 sq m to a maximum of £250,000	S	Apr-15	N	19,049.00	0.00	19,049.00	0%
	Full application	On land used for agriculture or agricultural purposes								
		Erection of buildings	Not more than 465 sq m	S	Apr-15	N	80.00	0.00	80.00	0%
			More than 465 sq m but not more than 540 sq m	S	Apr-15	N	385.00	0.00	385.00	0%
			More than 540 sq m but not more than 4215 sq m - first 540 sq m plus for each further 75 sq m (or part thereof in excess of 540 sq m	S	Apr-15	N	385.00	0.00	385.00	0%
			More than 4215 sq m plus for each 75 sq m (or part thereof) in excess of 4215 sq m up to a maximum of £250,000	S	Apr-15	N	19,049.00	0.00	19,049.00	0%
	Full application	Erection of glass houses on land used for the purpose of agriculture	Not more than 465 sq m	S	Apr-15	N	80.00	0.00	80.00	0%
			More than 465 sq m but not more than 540 sq m	S	Apr-15	N	2,150.00	0.00	2,150.00	0%
		Erection/alteration/replacement of plant and machinery	Not more than 5 hectares for each 0.1 hectare or part thereof	S	Apr-15	N	385.00	0.00	385.00	0%
			More than 5 hectares plus for each 0.1 hectare (or part thereof) in excess of 5 hectares to a maximum of £250,000	S	Apr-15	N	19,049.00	0.00	19,049.00	0%
	Applications other than Building Works	Car parks, service roads or other access	For existing uses	S	Apr-15	N	195.00	0.00	195.00	0%
		Waste	Not more than 15 hectares for each 0.1 hectare (or part thereof)	S	Apr-15	N	195.00	0.00	195.00	0%
			More than 15 hectares plus for each 0.1 hectare (or part thereof) in excess of 15 hectares to a maximum of £65,000	S	Apr-15	N	29,112.00	0.00	29,112.00	0%
		Operations connected with explanatory drilling for oil or natural gas	Not more than 7.5 hectares for each 0.1 hectare (or part thereof)	S	Apr-15	N	423.00	0.00	423.00	0%
			More than 7.5 hectares plus for each 0.1 hectare (or part thereof) in excess of 7.5 hectares up to a maximum of £250,000	S	Apr-15	N	31,725.00	0.00	31,725.00	0%
		Operations (other than exploratory drilling) for the winning and working of oil or natural gas	Not more than 15 hectares for each 0.1 hectare (or part thereof)	S	Apr-15	N	214.00	0.00	214.00	0%
			More than 15 hectares plus for each 0.1 (or part thereof) in excess of 15 hectares up to a maximum of £65,000	S	Apr-15	N	32,100.00	0.00	32,100.00	0%
		Other operations (winning and working of minerals) excluding oil and natural gas	Not more than 15 hectares for each 0.1 (or part thereof)	S	Apr-15	N	195.00	0.00	195.00	0%
			More than 15 hectares plus for each additional 0.1 in excess of 15 hectares up to a maximum of £65,000	S	Apr-15	N	29,112.00	0.00	29,112.00	0%
			Any site area for each 0.1 hectare (or part thereof) up to a maximum of £1,690	S	Apr-15	N	115.00	0.00	115.00	0%
	Lawful Development Certificate	Other operations (not coming within any of the above categories)		S	Apr-15	N	195.00	0.00	195.00	0%
		LDC - existing use - in breach of a planning condition	Same as Full	S	Apr-15					
		LDC - existing use LDC - lawful but not to comply with a particular condition		S	Apr-15	N	195.00	0.00	195.00	0%
		LDC - proposed use	Half the normal planning fee	S	Apr-15				0.00	0%

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17		
											£	£
Prior Approval		Agricultural and Forestry buildings and operations or demolition of buildings		S	Apr-15	N	80.00	0.00	80.00	0%		
		Telecommunications code systems operators		S	Apr-15	N	385.00	0.00	385.00	0%		
		Proposed change of use to state funded or registered nursery		S	Apr-15	N	80.00	0.00	80.00	0%		
		Proposed change of use of agricultural building to a state funded school or registered nursery		S	Apr-15	N	80.00	0.00	80.00	0%		
		Proposed change of use of agricultural building to a flexible use within shops, financial and professional services, restaurants and cafes, business, storage or distribution, hotels, or assembly or leisure		S	Apr-15	N	80.00	0.00	80.00	0%		
		Proposed change of a building from Office (Use Class B1) use to a use falling within Use Class C3 (Dwelling house)		S	Apr-15	N	80.00	0.00	80.00	0%		
		Proposed change of use from an agricultural building to a Dwelling house (Use Class C3) where there are no associated building operations		S	Apr-15	N	80.00	0.00	80.00	0%		
		Proposed change of use of agricultural building to a Dwelling house (Use Class C3) and associated building operations		S	Apr-15	N	172.00	0.00	172.00	0%		
		Proposed change of use of a building from a retail (Use Class A1 or A2) use or a mixed retail and residential use to a use falling within use Class C3 (Dwelling house) where there are no associated building operations		S	Apr-15	N	80.00	0.00	80.00	0%		
		Proposed change of use of a building from a retail (Use Class A1 or A2) use or a mixed retail and residential use to a use falling within use Class C3 (Dwelling house) and associated building operations		S	Apr-15	N	172.00	0.00	172.00	0%		
		Reserved Matters	Application for approval of reserved matters following outline approval	Full fee due or if full fee already paid then		S	Apr-15	N	385.00	0.00	385.00	0%
		Approval/variation/discharge of condition	Application for removal or variation of condition following grant of planning permission			S	Apr-15	N	195.00	0.00	195.00	0%
		Change of use of a building to use as one or more separate dwelling houses, or other cases	More than 50 dwellings	Request for confirmation that one or more planning conditions have been complied with	Per request for householder otherwise per request	S	Apr-15	N	28.00	0.00	28.00	12%
				Not more than 50 dwellings for each		S	Apr-15	N	385.00	0.00	385.00	0%
				plus for each in excess of 50 up to a maximum of £250,000		S	Apr-15	N	115.00	0.00	115.00	0%
Other changes of use of a building or land				S	Apr-15	N	385.00	0.00	385.00	0%		
Advertising	Relating to the business on the premises	Advanced signs which are not on or visible from the site, directing the public to a business		S	Apr-15	N	110.00	0.00	110.00	0%		
		Other advertisements		S	Apr-15	N	385.00	0.00	385.00	0%		
Application for a new planning permission to replace an extant planning permission	Application in respect of major developments	Applications in respect of householder developments		S	Apr-15	N	575.00	0.00	575.00	0%		
		Applications in respect of other developments		S	Apr-15	N	57.00	0.00	57.00	0%		
		Application in respect of other developments		S	Apr-15	N	195.00	0.00	195.00	0%		
Application for a non-material amendment following a grant of planning permission	Application in respect of householder development	Application in respect of other developments		S	Apr-15	N	28.00	0.00	28.00	0%		
		Application in respect of other developments		S	Apr-15	N	195.00	0.00	195.00	0%		
<b>Pre Application Fees - these are set by HDC. Where any development that falls within one or more category the fees should be added together.</b>												
Written Advice only - Residential Development	1 additional dwelling proposed	2-9 additional dwellings proposed		D	Mar-16	S	115.00	23.00	138.00			
		10-59 additional dwellings proposed		D	Mar-16	S	230.00	46.00	276.00			
		60-200 additional dwellings proposed		D	Mar-16	S	1,150.00	230.00	1,380.00			
		200+ additional dwellings proposed		D	Mar-16	S	5,750.00	1,150.00	6,900.00			
				D	Mar-16	S	11,500.00	2,300.00	13,800.00			
Written Advice only - Agricultural buildings	0 - 465 sq m additional floor space	466 sq m additional floor space		D	Mar-16	S	58.00	11.60	69.60			
				D	Mar-16	S	115.00	23.00	138.00			
Written Advice only - Other buildings	0 - 99 sq m additional floor space	100 - 1000 sq m additional floor space		D	Mar-16	S	115.00	23.00	138.00			
		1001 - 5000 sq m additional floor space		D	Mar-16	S	230.00	46.00	276.00			
		5001 - 10,000 sq m additional floor space		D	Mar-16	S	1,150.00	230.00	1,380.00			
		10,001 + sq m additional floor space		D	Mar-16	S	3,450.00	690.00	4,140.00			
				D	Mar-16	S	4,600.00	920.00	5,520.00			

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
							£	£	£	
	Written Advice only - Plant, machinery, car parks, service roads & other means of access	0 - 1 Hectare		D	Mar-16	S	58.00	11.60	69.60	
		1+ hectare		D	Mar-16	S	115.00	23.00	138.00	
	Written Advice only - Change of use land or buildings	Per site		D	Mar-16	S	115.00	23.00	138.00	
	Written Advice only - advertisements	Per business premises or site		D	Mar-16	S	58.00	11.60	69.60	
	Meeting at Pathfinder House prior to written advice	With Head of Development as most senior officer in attendance	per hour	D	Mar-16	S	150.00	30.00	180.00	
		With Planning Services Manager as most senior officer in attendance	per hour	D	Mar-16	S	130.00	26.00	156.00	
		With Planning Team Leader as most senior officer in attendance	per hour	D	Mar-16	S	60.00	12.00	72.00	
		With development Management officer/Specialist officer as most senior officer in attendance	per hour	D	Mar-16	S	50.00	10.00	60.00	
	Meeting away from Pathfinder House prior to written advice	With Head of Development as most senior officer in attendance	per hour	D	Mar-16	S	300.00	60.00	360.00	
		With Planning Services Manager as most senior officer in attendance	per hour	D	Mar-16	S	260.00	52.00	312.00	
		With Planning Team Leader as most senior officer in attendance	per hour	D	Mar-16	S	120.00	24.00	144.00	
		With development Management officer/Specialist officer as most senior officer in attendance	per hour	D	Mar-16	S	60.00	12.00	72.00	
	Major Development - meeting only at Pathfinder House	With Head of Development as most senior officer in attendance	per hour	D	Mar-16	S	150.00	30.00	180.00	
		With Planning Services Manager as most senior officer in attendance	per hour	D	Mar-16	S	130.00	26.00	156.00	
		With Planning Team Leader as most senior officer in attendance	per hour	D	Mar-16	S	60.00	12.00	72.00	
		With development Management officer/Specialist officer as most senior officer in attendance	per hour	D	Mar-16	S	50.00	10.00	60.00	
	Major Development - meeting only away from Pathfinder House	With Head of Development as most senior officer in attendance	per hour	D	Mar-16	S	300.00	60.00	360.00	
		With Planning Services Manager as most senior officer in attendance	per hour	D	Mar-16	S	260.00	52.00	312.00	
		With Planning Team Leader as most senior officer in attendance	per hour	D	Mar-16	S	120.00	24.00	144.00	
		With development Management officer/Specialist officer as most senior officer in attendance	per hour	D	Mar-16	S	60.00	12.00	72.00	
	Major Development - specific work	By Planning Service Manager	per hour	D	Mar-16	S	70.00	14.00	84.00	
		By Planning Team Leader	per hour	D	Mar-16	S	60.00	12.00	72.00	
		By Development Management Officer or Specialist Officer	per hour	D	Mar-16	S	50.00	10.00	60.00	
	Planning History searches	Per Search	per hour	D	Mar-16	S	67.50	13.50	81.00	
	Admin fee on Invalid Planning Application refunds	per refund		D	Mar-16	S	50.00	10.00	60.00	
<b>Building Control</b>										
<b>Cambridge City Council are now responsible for the fee setting for the Local Authority Building Control shared service the fees for the three partner authorities were harmonised and they are shown below for info</b>										
	Domestic extensions and annexes	Extension or annex with a floor area up to 10m2	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Extension or annex with a floor area up to 10m2	Inspection charge	S	Apr-16	S	225.00	45.00	270.00	
		Extension or annex with a floor area over 10m2 but under 40m2	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Extension or annex with a floor area over 10m2 but under 40m2	Inspection charge	S	Apr-16	S	285.00	57.00	342.00	
		Extension or annex with a floor area over 40m2 but under 100m2	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Extension or annex with a floor area over 40m2 but under 100m2	Inspection charge	S	Apr-16	S	390.00	78.00	468.00	
		Garage, car port or covered way extension with floor area up to 60m2	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Garage, car port or covered way extension with floor area up to 60m2	Inspection charge	S	Apr-16	S	190.00	38.00	228.00	
	Domestic loft and garage conversions	Loft conversion with a floor area up to 40m2	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Loft conversion with a floor area up to 40m2	Inspection charge	S	Apr-16	S	285.00	57.00	342.00	
		Loft conversion with a floor area over 40m2 but less than 60m2	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Loft conversion with a floor area over 40m2 but less than 60m2	Inspection charge	S	Apr-16	S	345.00	69.00	414.00	
		Conversion of garage to living accommodation	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Conversion of garage to living accommodation	Inspection charge	S	Apr-16	S	110.00	22.00	132.00	



**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge		Total Charge	% Change from 2016/17		
							£	£				
Domestic alterations		Estimated cost of work less than £5000	Plan charge	S	Apr-16	S	180.00	36.00	216.00			
		Estimated cost of work less than £5000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00			
		Estimated cost of work over £5000 but less than £10000	Plan charge	S	Apr-16	S	280.00	56.00	336.00			
		Estimated cost of work over £5000 but less than £10000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00			
		Estimated cost of work over £10000 but less than £20000	Plan charge	S	Apr-16	S	150.00	30.00	180.00			
		Estimated cost of work over £10000 but less than £20000	Inspection charge	S	Apr-16	S	22.00	4.40	26.40			
		Estimated cost of work over £20000 but less than £50000	Plan charge	S	Apr-16	S	150.00	30.00	180.00			
		Estimated cost of work over £20000 but less than £50000	Inspection charge	S	Apr-16	S	285.00	57.00	342.00			
		Estimated cost of work over £50000 but less than £75000	Plan charge	S	Apr-16	S	150.00	30.00	180.00			
		Estimated cost of work over £50000 but less than £75000	Inspection charge	S	Apr-16	S	385.00	77.00	462.00			
		Replacement of windows, roof lights and external glazed doors	Plan Charge	S	Apr-16	S	100.00	20.00	120.00			
		Replacement of windows, roof lights and external glazed doors	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00			
		£20,000	Plan Charge	S	Apr-16	S	140.00	28.00	168.00			
		£20,000	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00			
		Notifiable electrical Work - Not carried out under Part P registered electrician	Plan Charge	S	Apr-16	S	100.00	20.00	120.00			
		Notifiable electrical Work - Not carried out under Part P registered electrician	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00			
		Drainage works up to £5,000	Plan Charge	S	Apr-16	S	100.00	20.00	120.00			
		Drainage works up to £5,000	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00			
		Renovation of thermal elements	Plan Charge	S	Apr-16	S	140.00	28.00	168.00			
		Renovation of thermal elements	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00			
		New dwellings and conversion to dwellings		1 dwelling	Plan charge	S	Apr-16	S	180.00	36.00	216.00	
				1 dwelling	Inspection charge	S	Apr-16	S	387.00	77.40	464.40	
				2 dwellings	Plan charge	S	Apr-16	S	250.00	50.00	300.00	
				2 dwellings	Inspection charge	S	Apr-16	S	770.00	154.00	924.00	
				3 dwellings	Plan charge	S	Apr-16	S	320.00	64.00	384.00	
				3 dwellings	Inspection charge	S	Apr-16	S	1,065.00	213.00	1,278.00	
				4 dwellings	Plan charge	S	Apr-16	S	390.00	78.00	468.00	
				4 dwellings	Inspection charge	S	Apr-16	S	1,280.00	256.00	1,536.00	
				5 dwellings	Plan charge	S	Apr-16	S	460.00	92.00	552.00	
				5 dwellings	Inspection charge	S	Apr-16	S	1,380.00	276.00	1,656.00	
				6 dwellings	Plan charge	S	Apr-16	S	530.00	106.00	636.00	
				6 dwellings	Inspection charge	S	Apr-16	S	1,480.00	296.00	1,776.00	
				7 dwellings	Plan charge	S	Apr-16	S	550.00	110.00	660.00	
				7 dwellings	Inspection charge	S	Apr-16	S	1,560.00	312.00	1,872.00	
				8 dwellings	Plan charge	S	Apr-16	S	570.00	114.00	684.00	
				8 dwellings	Inspection charge	S	Apr-16	S	1,640.00	328.00	1,968.00	
9 dwellings	Plan charge			S	Apr-16	S	590.00	118.00	708.00			
9 dwellings	Inspection charge			S	Apr-16	S	1,720.00	344.00	2,064.00			
10 dwellings	Plan charge			S	Apr-16	S	620.00	124.00	744.00			
10 dwellings	Inspection charge			S	Apr-16	S	1,880.00	376.00	2,256.00			
The charge for dwellings are based on buildings with a maximum of 3 storeys (including basements) and a maximum floor area of 300m2. The charge for any dwelling outside these limits and for developments with more than 10 dwellings will need to be individually determined.												
Domestic Extensions and annexes		Extension or annex with floor area up to 10m2	Building notice	S	Apr-16	S	413.00	82.60	495.60			
		Extension or annex with floor area up to 10m2	Regularisation	S	Apr-16	N	537.00	0.00	537.00			
		Extensions or annexes with a floor area over 10m2 but under 40m2	Building notice	S	Apr-16	S	478.00	95.60	573.60			
		Extensions or annexes with a floor area over 10m2 but under 40m2	Regularisation	S	Apr-16	N	621.00	0.00	621.00			
		Extensions or annexes with a floor area over 40m2 but under 100m2	Building notice	S	Apr-16	S	594.00	118.80	712.80			
		Extensions or annexes with a floor area over 40m2 but under 100m2	Regularisation	S	Apr-16	N	772.00	0.00	772.00			
		Garage, car port or covered way extension with floor area up to 60m2	Building notice	S	Apr-16	S	374.00	74.80	448.80			
		Garage, car port or covered way extension with floor area up to 60m2	Regularisation	S	Apr-16	N	486.00	0.00	486.00			
		Loft conversion with a floor area up to 40m2	Building notice	S	Apr-16	S	478.00	95.60	573.60			
		Loft conversion with a floor area up to 40m2	Regularisation	S	Apr-16	N	621.00	0.00	621.00			
		Loft conversion with a floor area over 40m2 but less than 60m2	Building notice	S	Apr-16	S	545.00	109.00	654.00			
		Loft conversion with a floor area over 40m2 but less than 60m2	Regularisation	S	Apr-16	N	709.00	0.00	709.00			
		Conversion of garage to living accommodation	Building notice	S	Apr-16	S	286.00	57.20	343.20			
		Conversion of garage to living accommodation	Regularisation	S	Apr-16	N	372.00	0.00	372.00			
Domestic loft and garage conversions		Loft conversion with a floor area up to 40m2	Building notice	S	Apr-16	S	478.00	95.60	573.60			
		Loft conversion with a floor area up to 40m2	Regularisation	S	Apr-16	N	621.00	0.00	621.00			
		Loft conversion with a floor area over 40m2 but less than 60m2	Building notice	S	Apr-16	S	545.00	109.00	654.00			
		Loft conversion with a floor area over 40m2 but less than 60m2	Regularisation	S	Apr-16	N	709.00	0.00	709.00			
		Conversion of garage to living accommodation	Building notice	S	Apr-16	S	286.00	57.20	343.20			
		Conversion of garage to living accommodation	Regularisation	S	Apr-16	N	372.00	0.00	372.00			

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge		Total Charge	% Change from 2016/17		
							£	£				
Domestic alterations		Estimated cost of work less than £5000	Building notice	S	Apr-16	S	198.00	39.60	237.60			
		Estimated cost of work less than £5000	Regularisation	S	Apr-16	N	257.00	0.00	257.00			
		Estimated cost of work over £5000 but less than £10000	Building notice	S	Apr-16	S	308.00	61.60	369.60			
		Estimated cost of work over £5000 but less than £10000	Regularisation	S	Apr-16	N	400.00	0.00	400.00			
		Estimated cost of work over £10000 but less than £20000	Building notice	S	Apr-16	S	407.00	81.40	488.40			
		Estimated cost of work over £10000 but less than £20000	Regularisation	S	Apr-16	N	529.00	0.00	529.00			
		Estimated cost of work over £20000 but less than £50000	Building notice	S	Apr-16	S	478.00	95.60	573.60			
		Estimated cost of work over £20000 but less than £50000	Regularisation	S	Apr-16	N	621.00	0.00	621.00			
		Estimated cost of work over £50000 but less than £75000	Building notice	S	Apr-16	S	550.00	110.00	660.00			
		Estimated cost of work over £50000 but less than £75000	Regularisation	S	Apr-16	N	715.00	0.00	715.00			
		Renovation of thermal element	Building notice	S	Apr-16	S	140.00	28.00	168.00			
		Renovation of thermal element	Regularisation	S	Apr-16	N	182.00	0.00	182.00			
		Replacement of windows, roof light and external glazed doorways	Building notice	S	Apr-16	S	110.00	22.00	132.00			
		Replacement of windows, roof light and external glazed doorways	Regularisation	S	Apr-16	N	143.00	0.00	143.00			
		Installation of renewable energy systems up to £20,000	Building notice	S	Apr-16	S	154.00	30.80	184.80			
		Installation of renewable energy systems up to £20,000	Regularisation	S	Apr-16	N	200.00	0.00	200.00			
		Drainage works up to the value of £5000	Building notice	S	Apr-16	S	100.00	20.00	120.00			
		Drainage works up to the value of £5000	Regularisation	S	Apr-16	N	130.00	0.00	130.00			
		Electrical work up to the value of £10000	Building notice	S	Apr-16	S	0.00	0.00	0.00			
		Electrical work up to the value of £10000	Regularisation	S	Apr-16	N	0.00	0.00	0.00			
		New dwellings and conversion to dwellings		1 dwelling	Building notice	S	Apr-16	S	624.00	124.80	748.80	
				1 dwelling	Regularisation	S	Apr-16	N	811.00	0.00	811.00	
				2 dwellings	Building notice	S	Apr-16	S	1,122.00	224.40	1,346.40	
				2 dwellings	Regularisation	S	Apr-16	N	1,459.00	0.00	1,459.00	
				3 dwellings	Building notice	S	Apr-16	S	1,523.00	304.60	1,827.60	
				3 dwellings	Regularisation	S	Apr-16	N	1,980.00	0.00	1,980.00	
				4 dwellings	Building notice	S	Apr-16	S	1,837.00	367.40	2,204.40	
				4 dwellings	Regularisation	S	Apr-16	N	2,388.00	0.00	2,388.00	
				5 dwellings	Building notice	S	Apr-16	S	2,024.00	404.80	2,428.80	
				5 dwellings	Regularisation	S	Apr-16	N	2,631.00	0.00	2,631.00	
				6 dwellings	Building notice	S	Apr-16	S	2,211.00	442.20	2,653.20	
				6 dwellings	Regularisation	S	Apr-16	N	2,874.00	0.00	2,874.00	
				7 dwellings	Building notice	S	Apr-16	S	2,321.00	464.20	2,785.20	
				7 dwellings	Regularisation	S	Apr-16	N	3,017.00	0.00	3,017.00	
				8 dwellings	Building notice	S	Apr-16	S	2,431.00	486.20	2,917.20	
				8 dwellings	Regularisation	S	Apr-16	N	3,155.00	0.00	3,155.00	
				9 dwellings	Building notice	S	Apr-16	S	2,541.00	508.20	3,049.20	
9 dwellings	Regularisation	S	Apr-16	N	3,303.00	0.00	3,303.00					
10 dwellings	Building notice	S	Apr-16	S	2,750.00	550.00	3,300.00					
10 dwellings	Regularisation	S	Apr-16	N	3,575.00	0.00	3,575.00					
Non-domestic alterations		Replacement windows, roof light and glazed doors up to £20,000	Plan charge	S	Apr-16	S	110.00	22.00	132.00			
		Replacement windows, roof light and glazed doors up to £20,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00			
		Replacement windows, roof light and glazed doors up to £20,000	Regularisation	S	Apr-16	N	143.00	0.00	143.00			
		Replacement windows, roof light and glazed doors £20,000 to £100,000	Plan charge	S	Apr-16	S	225.00	45.00	270.00			
		Replacement windows, roof light and glazed doors £20,000 to £100,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00			
		Replacement windows, roof light and glazed doors £20,000 to £100,000	Regularisation	S	Apr-16	N	293.00	0.00	293.00			
		Renovation of a thermal element with an estimated cost up to £50,000	Plan charge	S	Apr-16	S	140.00	28.00	168.00			
		Renovation of a thermal element with an estimated cost up to £50,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00			
		Renovation of a thermal element with an estimated cost up to £50,000	Regularisation	S	Apr-16	N	182.00	0.00	182.00			
		Renewable energy systems up to £50,000	Plan charge	S	Apr-16	S	140.00	28.00	168.00			
		Renewable energy systems up to £50,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00			
		Renewable energy systems up to £50,000	Regularisation	S	Apr-16	N	182.00	0.00	182.00			

**Huntingdonshire District Council  
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Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge		Total Charge	% Change from 2016/17
							£	£		
		Estimated cost of works up to £5,000	Plan charge	S	Apr-16	S	200.00	40.00	240.00	
		Estimated cost of works up to £5,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00	
		Estimated cost of works up to £5,000	Regularisation	S	Apr-16	N	260.00	0.00	260.00	
		Estimated cost of work over £5000 but less than £10000	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Estimated cost of work over £5000 but less than £10000	Inspection charge	S	Apr-16	S	160.00	32.00	192.00	
		Estimated cost of work over £5000 but less than £10000	Regularisation	S	Apr-16	N	403.00	0.00	403.00	
		Estimated cost of work over £10000 but less than £20000	Plan charge	S	Apr-16	S	150.00	30.00	180.00	
		Estimated cost of work over £10000 but less than £20000	Inspection charge	S	Apr-16	S	250.00	50.00	300.00	
		Estimated cost of work over £10000 but less than £20000	Regularisation	S	Apr-16	N	520.00	0.00	520.00	
		Estimated cost of work over £20000 but less than £50000	Plan charge	S	Apr-16	S	175.00	35.00	210.00	
		Estimated cost of work over £20000 but less than £50000	Inspection charge	S	Apr-16	S	350.00	70.00	420.00	
		Estimated cost of work over £20000 but less than £50000	Regularisation	S	Apr-16	N	682.00	0.00	682.00	
		Estimated cost of work over £50000 but less than £100000	Plan charge	S	Apr-16	S	225.00	45.00	270.00	
		Estimated cost of work over £50000 but less than £100000	Inspection charge	S	Apr-16	S	450.00	90.00	540.00	
		Estimated cost of work over £50000 but less than £100000	Regularisation	S	Apr-16	N	878.00	0.00	878.00	

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge		Total Charge	% Change from 2016/17
							£	£		
<b>Operations</b>										
<b>Refuse Collection</b>										
	Household Bulky Waste		1-3 items	D		N	23.00	0.00	23.00	0%
	Household Bulky Waste		4-6 items	D		N	32.00	0.00	32.00	0%
	Household Bulky Waste		7-10 items	D		N	48.00	0.00	48.00	0%
	Commercial Bulky Waste		Per hour	D		N	100.00	0.00	100.00	0%
	Second Green Bin		Per annum	D		N	40.00	0.00	40.00	0%
<b>Markets</b>										
	Huntingdon Farmers' market	Casual Traders - per pitch				E	23.00	0.00	23.00	0%
		Permanent traders - per pitch				E	17.50	0.00	17.50	8%
	St Ives Weekly Markets	Casual traders - per 10ft pitch	St Ives market			E	23.50	0.00	23.50	0%
		Permanent traders - per 10ft pitch	St Ives market			E	17.50	0.00	17.50	8%
			Additional Pitches Friday			E	10.00	0.00	10.00	-58%
			Additional Pitches Monday			E	11.00	0.00	11.00	
	Huntingdon Weekly Market	casual trader - per 10ft	Huntingdon market street facing			E	23.50	0.00	23.50	0%
		Regular traders - per 10ft pitch	Huntingdon market street facing			E	17.50	0.00	17.50	8%
		All traders	Huntingdon market street facing additional pitch			E	16.20	0.00	16.20	
		All traders	Huntingdon market side facing additional pitch			E	15.00	0.00	15.00	
	St Ives Bank Holiday Markets	Market Hill regular trader per 10 ft				E	24.00	0.00	24.00	0%
		Market Hill non - regular trader per 10 ft				E	34.00	0.00	34.00	-17%
		Market Hill casual trader (on the day) per 10 ft RAINING AT 8am				E	36.00	0.00	36.00	
		Market Hill casual trader (on the day) per 10 ft DRY AT 8am				E	45.00	0.00	45.00	
	Electricity supply	per day				S	4.76	0.95	5.71	63%
	Bin charges	per day	240 L			N	3.50	0.00	3.50	0%
		per day	1100 L			N	14.00	0.00	14.00	0%
<b>Fair</b>	Fair Huntingdon	Riverside car park	per day	D		Z	1,000.00	0.00	1,000.00	328%

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
							£	£	£	
<b>Car parking</b>										
	Car Parking charges	Huntingdon - Riverside - Short stay	Up to 1hr	D		S	0.33	0.07	0.40	1%
			Up to 2hr	D		S	0.50	0.10	0.60	0%
		Huntingdon -Riverside - Long stay	Up to 1 hr	D		S	0.33	0.07	0.40	0%
			Up to 2 hr	D		S	0.50	0.10	0.60	0%
			Up to 3 hr	D		S	0.75	0.15	0.90	0%
			Up to 4 hr	D		S	1.00	0.20	1.20	0%
			4hr to 10 hr	D		S	1.67	0.33	2.00	0%
			10hr to 23 hr	D		S	2.50	0.50	3.00	0%
		Godmanchester - Bridge Place - Long stay	Up to 1 hr	D		S	0.33	0.07	0.40	0%
			Up to 2 hr	D		S	0.50	0.10	0.60	0%
			Up to 3 hr	D		S	0.75	0.15	0.90	0%
			Up to 4 hr	D		S	1.00	0.20	1.20	0%
			4hr to 10 hr	D		S	1.67	0.33	2.00	0%
			10hr to 23 hr	D		S	2.50	0.50	3.00	0%
		St Neots - Riverside - Long stay	Up to 1 hr	D		S	0.33	0.07	0.40	0%
			Up to 2 hr	D		S	0.50	0.10	0.60	0%
			Up to 3 hr	D		S	0.75	0.15	0.90	0%
			Up to 4 hr	D		S	1.00	0.20	1.20	0%
			4hr to 23 hr	D		S	1.67	0.33	2.00	0%
		Huntingdon - Hinchingsbrooke Country Park	Up to 2 hr	D		S	0.83	0.17	1.00	0%
			2 hr to a maximum of 6 hr	D		S	1.67	0.33	2.00	0%
		Huntingdon - Sainsbury	Up to 1 hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.83	0.37	2.20	0%
		Huntingdon - Princes Street	Up to 1 hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.83	0.37	2.20	0%
			Up to 4 hr	D		S	2.67	0.53	3.20	0%
		Huntingdon - Trinity Place	Up to 1 hr	D		S	0.00	0.00	0.80	0%
			Up to 2 hr	D		S	0.00	0.00	1.20	0%
		currently closed, will be reopened as disabled only car park with no charge	Up to 3 hr	D		S	0.00	0.00	2.20	0%
			Up to 4 hr	D		S	0.00	0.00	3.20	0%
		Huntingdon - Mill Common	Up to 1hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.50	0.30	1.80	0%
			Up to 4 hr	D		S	2.00	0.40	2.40	0%
			Up to 23 hr	D		S	2.50	0.50	3.00	0%
		Huntingdon - Great Northern Street	Up to 1hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.50	0.30	1.80	0%
			Up to 4 hr	D		S	2.00	0.40	2.40	0%
			Up to 23 hr	D		S	2.50	0.50	3.00	0%
		Huntingdon - Ingram Street	Up to 1hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.50	0.30	1.80	0%
			Up to 4 hr	D		S	2.00	0.40	2.40	0%
			Up to 23 hr	D		S	2.50	0.50	3.00	0%
		Huntingdon - St Germain Street (Minor)	Up to 30 minutes	D		S	0.33	0.07	0.40	0%
			Up to 1 hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.83	0.37	2.20	0%
			Up to 4 hr	D		S	2.67	0.53	3.20	0%
		Huntingdon - Chequers Way - Disabled to be closed March 2017	Free	D			0.00	0.00	0.00	
		Huntingdon - Anglian Water car park closed	All day	D		S	0.00	0.00	0.00	-100%
		St Neots - Priory Lane	Up to 1 hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.83	0.37	2.20	0%
			Up to 4 hr	D		S	2.67	0.53	3.20	0%
		St Neots - Brook Street	Up to 30 minutes	D		S	0.33	0.07	0.40	0%
			Up to 1 hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.83	0.37	2.20	0%
			Up to 4 hr	D		S	2.67	0.53	3.20	0%
		St Neots - Tan Yard	Up to 1 hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.83	0.37	2.20	0%
			Up to 4 hr	D		S	2.67	0.53	3.20	0%
		St Neots - The Priory	Up to 1 hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.50	0.30	1.80	0%
			Up to 4 hr	D		S	2.00	0.40	2.40	0%
			Up to 23 hr	D		S	2.50	0.50	3.00	0%
		St Neots - Tebbutts Road	Up to 1 hr	D		S	0.67	0.13	0.80	0%
			Up to 2 hr	D		S	1.00	0.20	1.20	0%
			Up to 3 hr	D		S	1.50	0.30	1.80	0%
			Up to 4 hr	D		S	2.00	0.40	2.40	0%
			Up to 23 hr	D		S	2.50	0.50	3.00	0%

**Huntingdonshire District Council  
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Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge		Total Charge	% Change from 2016/17				
							£	£						
Permit Charges		St Ives - Cattle market - short stay	Up to 1 hr	D		S	0.67	0.13	0.80	0%				
			Up to 2 hr	D		S	1.00	0.20	1.20	0%				
			Up to 3 hr	D		S	1.83	0.37	2.20	0%				
			Up to 4 hr	D		S	2.67	0.53	3.20	0%				
		St Ives - Cattle market - Harrison Road)	Up to 1 hr	D		S	0.67	0.13	0.80	0%				
			Up to 2 hr	D		S	1.00	0.20	1.20	0%				
			Up to 3 hr	D		S	1.50	0.30	1.80	0%				
			Up to 4 hr	D		S	2.00	0.40	2.40	0%				
		St Ives - Darwoods Pond	Up to 23 hr	D		S	2.50	0.50	3.00	0%				
			Up to 1 hr	D		S	0.67	0.13	0.80	0%				
			Up to 2 hr	D		S	1.00	0.20	1.20	0%				
			Up to 3 hr	D		S	1.50	0.30	1.80	0%				
		St Ives - Globe Place	Up to 4 hr	D		S	2.00	0.40	2.40	0%				
			Up to 23 hr	D		S	2.50	0.50	3.00	0%				
			Up to 1 hr	D		S	0.67	0.13	0.80	0%				
			Up to 2 hr	D		S	1.00	0.20	1.20	0%				
				Up to 3 hr	Up to 3 hr	D		S	1.50	0.30	1.80	0%		
					Up to 4 hr	D		S	2.00	0.40	2.40	0%		
					Up to 23 hr	D		S	2.50	0.50	3.00	0%		
					Up to 1 hr	D		S	0.67	0.13	0.80	0%		
		Other Charges & Fees		Ramsey - Mews Close	All spaces free of charge	D								
					Godmanchester - Park Lane	All spaces free of charge	D							
				Godmanchester - Post Street	All spaces free of charge	D								
					Huntingdon - Butts Grove Way	All spaces free of charge	D							
				On street parking	Maximum 1 hr stay	D		N		0.80	0.00	0.80	0%	
					St Ives - Waitrose	Up to 1 hr	D		S	0.67	0.13	0.80	0%	
						Up to 2 hr	Up to 2 hr	D		S	1.00	0.20	1.20	0%
							St Neots - Waitrose	Up to 1 hr	D		S	0.67	0.13	0.80
						Up to 2 hr	Up to 2 hr	D		S	1.00	0.20	1.20	0%
							Resident season ticket permit	6 months	D		S	129.17	25.83	155.00
						Resident season ticket permit	12 months	D		S	250.00	50.00	300.00	0%
							Resident season ticket permit (Low emission discount)	6 months	D		S	64.58	12.92	77.50
						Resident season ticket permit (Low emission discount)	12 months	D		S	125.00	25.00	150.00	
							Residents Historic car park permits	12 months	D		S	83.33	16.67	100.00
						Residents Historic car park permits (low emission discount)	12 months	D		S	41.67	8.33	50.00	
							Resident CCC on street parking permit	12 months	D		N	26.00	0.00	26.00
						Season ticket permit	6 months	D		S	129.17	25.83	155.00	0%
							12 months	D		S	250.00	50.00	300.00	0%
						HDC Permit	daily	D		S	1.67	0.33	2.00	
							Season ticket permit (Low emission discount)	6 months	D		S	64.58	12.92	77.50
		Season ticket permit (Low emission discount)	12 months	D		S	125.00	25.00	150.00					
			Huntingdon - Hinchbrooke Country Park	6 months	D		S	25.00	5.00	30.00				
			12 months	D		S	41.67	8.33	50.00					
			Coach Permit	daily	D		S	8.33	1.67	10.00				
		Skip Permit	weekly	D		S	25.00	5.00	30.00					
			Administration (amend permit/refund/reprint)	per change	D		S	4.17	0.83	5.00				
		Parking Excess Charges Off-Street		D		N	60.00	0.00	60.00	0%				
			Parking Excess Charges Off-Street if paid within 14 days		D		N	40.00	0.00	40.00	0%			
		Parking Excess Charges on-street		D		N	40.00	0.00	40.00	0%				
			Parking Excess Charges on-street if paid within 14 days		D		N	20.00	0.00	20.00	0%			
		Release Charge (barrier car park)	per release	D		S	125.00	25.00	150.00					
			Removal Charge	per removal	D		S	125.00	25.00	150.00				
		Storage charge	per day	D		S	16.67	3.33	20.00					
Countryside		Room Hire	Kestrel room	per hour	D		E	28.50	0.00	28.50	0%			
			Wren room	per hour	D		E	24.00	0.00	24.00	0%			
		Rangers price list	Both Rooms	per hour	D		E	50.00	0.00	50.00	0%			
			Bell boat sessions	per hour	D		N	40.00	0.00	40.00	0%			
			Forest school sessions	per 1.5hr session	D		N	50.00	0.00	50.00	0%			
			Evening activities	per hour	D		N	30.00	0.00	30.00	0%			
		Hinchbrooke	Guided walk for groups	per hour (Plus travel expenses)	D		N	30.00	0.00	30.00	0%			
			School visits	per child	D		N	4.50	0.00	4.50	0%			
			Special needs placements	per day	D		N	35.00	0.00	35.00	0%			
			Paxton Pits	Mooring (Between 8m -20m)	per meter	D		S	10.50	2.10	12.60	0%		
Facilities		Civic Suite hire	Monday - Friday	Combined room (8am-6pm) per day		S	250.00	50.00	300.00	0%				
				per hour		S	35.00	7.00	42.00	0%				
				Half room(8am-6pm) per day		S	140.00	28.00	168.00	0%				
			per hour		S	20.00	4.00	24.00	0%					
			Combined room after 6pm per hour		S	80.00	16.00	96.00	0%					
			Half room after 6pm per hour		S	35.00	7.00	42.00	0%					
		Weekends	Combined room (8am-6pm) per day		S	400.00	80.00	480.00	0%					
			per hour		S	50.00	10.00	60.00	0%					
			Half room (8am - 6pm) per day		S	250.00	50.00	300.00	0%					
			per hour		S	30.00	6.00	36.00	0%					
			Combined room after 6pm per hour		S	100.00	20.00	120.00	0%					
			Half room after 6pm per hour		S	60.00	12.00	72.00	0%					

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
							£	£	£	
<b>Community</b>										
<b>Animal Welfare</b>										
Animal Boarding Establishments		First application	per application	D		N	245.00	0.00	245.00	0%
		Renewal of licence	per application	D		N	145.00	0.00	145.00	0%
		Where an animal boarding establishment fails to meet the terms and conditions of Additional Fees from third parties, e.g. veterinary surgeon's fee, specialist	per visit	D		N	97.00	0.00	97.00	0%
Pet shop licence		First application	per application	D		N	233.00	0.00	233.00	0%
		Renewal of licence	per application	D		N	138.00	0.00	138.00	0%
		Where a pet shop fails to meet the terms and conditions of the licence, additional veterinary surgeon's fee, specialist advisor fee; recharged in full	per visit	D		N	97.00	0.00	97.00	0%
Riding establishment licence		Administration fee	per application	D		N	44.25	0.00	44.25	0%
		Council inspector's time	Fewer than 5 horses	D		N	48.50	0.00	48.50	0%
			5 to 10 horses	D		N	60.50	0.00	60.50	0%
			11 to 20 horses	D		N	73.00	0.00	73.00	0%
			21 to 40 horses	D		N	85.00	0.00	85.00	0%
			40 to 50 horses	D		N	97.00	0.00	97.00	0%
	Where a riding establishment fails to meet the terms and conditions of the licence Additional Fees from third parties, e.g. veterinary surgeon's fee, specialist	per visit	D		N	97.00	0.00	97.00	0%	
Dog breeding (Statutory)		Administration fee	per application	D		N	44.25	0.00	44.25	0%
		Officer time	per application	D		N	97.00	0.00	97.00	0%
		Where a dog breeding establishment fails to meet the terms and conditions of the licence Additional Fees from third parties, e.g. veterinary surgeon's fee, specialist	per visit	D		N	97.00	0.00	97.00	0%
Stray dogs		Statutory Fine	per dog	S		N	25.00	0.00	25.00	0%
		Administration fee	per dog	S		S	25.00	0.00	25.00	0%
		Transport Charge to Holding Kennels	per dog	S		S	15.00	0.00	15.00	0%
		Kennelling Charge	per dog per period of 24 hours	S		S	25.00	0.00	25.00	0%
		Dog returned directly to owner without kennelling, plus statutory fine	per dog	S		S	40.00	0.00	40.00	0%
Zoo licences/		Administration fee	per application			N	44.25	0.00	44.25	0%
		Officer time	per application			N	97.00	0.00	97.00	0%
		Where a zoo or dangerous wild animals licensed premises fails to meet the terms and conditions of the licence, additional charges may be levied at the time of renewal of the licence	per visit	D		N	97.00	0.00	97.00	0%
		Additional Fees from third parties, e.g. veterinary surgeon's fee, specialist advisor fee; recharged in full					327.00	0.00	327.00	0%
<b>Caravan site licences</b>										
		No charge		S		N	0.00	0.00	0.00	
Relevant Protected Sites	Licence Application	4 - 15 pitches		D		N	327.00	0.00	327.00	0%
		16 - 39 pitches		D		N	405.00	0.00	405.00	0%
		40 - 75 pitches		D		N	450.00	0.00	450.00	0%
		76 - 123 pitches		D		N	517.00	0.00	517.00	0%
		Over 124 pitches		D		N	561.00	0.00	561.00	0%
	Annual Licence Fee	4 - 15 pitches		D		N	193.00	0.00	193.00	0%
		16 - 39 pitches		D		N	242.00	0.00	242.00	0%
		40 - 75 pitches		D		N	279.00	0.00	279.00	0%
		76 - 123 pitches		D		N	327.00	0.00	327.00	0%
		Over 124 pitches		D		N	376.00	0.00	376.00	0%
	Licence Transfer		D		N	100.00	0.00	100.00	0%	
	Licence Variation		D		N	200.00	0.00	200.00	0%	
Deposit of site rules	Charge for depositing site rules	Initial and then when amended	D		N	50.00	0.00	50.00	0%	
<b>CCTV</b>										
Subject Access Request		Request for CCTV footage relating directly to the person making the request	per request	S		N	10.00	0.00	10.00	0%
		Third Party Request	Request for CCTV footage relating to insurance claims etc. relating to third party data	per request	D		83.33	16.67	100.00	0%
<b>Cooling Towers and Evaporative Condensers</b>										
		Registrations	No charge	S			0.00	0.00	0.00	

Fees and Charges to be remodelled and updated once Internal Recharge information has been confirmed

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
							£	£	£	
<b>Environmental Permits</b>										
	Application Fee	Part A2	Application	S		N	3,218.00	0.00	3,218.00	0%
			Additional fee for operating without a permit	S		N	1,137.00	0.00	1,137.00	0%
			Surrender/ partial surrender	S		N	668.00	0.00	668.00	0%
			Transfer	S		N	225.00	0.00	225.00	0%
			Substantial variation	S		N	1,309.00	0.00	1,309.00	0%
		Part B	Application	S		N	1,579.00	0.00	1,579.00	0%
			Additional fee for operating without a permit	S		N	1,137.00	0.00	1,137.00	0%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	#DIV/0!
			Transfer	S		N	162.00	0.00	162.00	0%
			Substantial variation	S		N	1,005.00	0.00	1,005.00	0%
		Reduced fee (except vehicle refinishers)	Application	S		N	148.00	0.00	148.00	0%
			Additional fee for operating without a permit	S		N	68.00	0.00	68.00	0%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	#DIV/0!
			Transfer	S		N	0.00	0.00	0.00	#DIV/0!
			Substantial variation	S		N	98.00	0.00	98.00	0%
		Vehicle refinishers	Application	S		N	346.00	0.00	346.00	0%
			Additional fee for operating without a permit	S		N	66.00	0.00	66.00	0%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	#DIV/0!
			Transfer	S		N	0.00	0.00	0.00	#DIV/0!
			Substantial variation	S		N	98.00	0.00	98.00	0%
		Petrol vapour recovery stages 1&2 combined	Application	S		N	246.00	0.00	246.00	0%
			Additional fee for operating without a permit	S		N	68.00	0.00	68.00	0%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	#DIV/0!
			Transfer	S		N	0.00	0.00	0.00	#DIV/0!
			Substantial variation	S		N	98.00	0.00	98.00	0%
		Mobile crushing and screening plant	Application	S		N	1,579.00	0.00	1,579.00	0%
			Additional fee for operating without a permit	S		N	1,137.00	0.00	1,137.00	0%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	#DIV/0!
			Transfer	S		N	0.00	0.00	0.00	#DIV/0!
			Substantial variation	S		N	1,005.00	0.00	1,005.00	0%
		Mobile crushing and screening plant 3rd to 7th applications	Application	S		N	943.00	0.00	943.00	0%
			Additional fee for operating without a permit	S		N	1,137.00	0.00	1,137.00	0%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	#DIV/0!
			Transfer	S		N	0.00	0.00	0.00	#DIV/0!
			Substantial variation	S		N	1,005.00	0.00	1,005.00	0%
		Mobile crushing and screening plant 8th and subsequent applications	Application	S		N	477.00	0.00	477.00	0%
			Additional fee for operating without a permit	S		N	1,137.00	0.00	1,137.00	0%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	#DIV/0!
			Transfer	S		N	0.00	0.00	0.00	#DIV/0!
			Substantial variation	S		N	1,005.00	0.00	1,005.00	0%
		Where an application for any of the above is for a combined Part B and waste application there is an extra charge in addition to the above charges	Application	S		N	297.00	0.00	297.00	0%
	Annual subsistence fees	Part A2	Low Risk	S		N	1,384.00	0.00	1,384.00	0%
			Medium Risk	S		N	1,541.00	0.00	1,541.00	0%
			High Risk	S		N	2,233.00	0.00	2,233.00	0%
		Part B	Low Risk	S		N	739.00	0.00	739.00	0%
			plus	S		N	99.00	0.00	99.00	0%
			Medium Risk	S		N	1,111.00	0.00	1,111.00	0%
			plus	S		N	149.00	0.00	149.00	0%
			High Risk	S		N	1,672.00	0.00	1,672.00	0%
			plus	S		N	198.00	0.00	198.00	0%
		Reduced fee (except vehicle refinishers)	Low Risk	S		N	76.00	0.00	76.00	0%
			Medium Risk	S		N	151.00	0.00	151.00	0%
			High Risk	S		N	227.00	0.00	227.00	0%
		Vehicle refinishers	Low Risk	S		N	218.00	0.00	218.00	0%
			Medium Risk	S		N	249.00	0.00	249.00	0%
			High Risk	S		N	524.00	0.00	524.00	0%
		Petrol vapour recovery stages 1&2 combined	Low Risk	S		N	108.00	0.00	108.00	0%
			Medium Risk	S		N	218.00	0.00	218.00	0%
			High Risk	S		N	326.00	0.00	326.00	0%
		Mobile crushing and screening plant	Low Risk	S		N	618.00	0.00	618.00	0%
			Medium Risk	S		N	989.00	0.00	989.00	0%
			High Risk	S		N	1,484.00	0.00	1,484.00	0%
		Mobile crushing and screening plant 3rd to 7th applications	Low Risk	S		N	368.00	0.00	368.00	0%
			Medium Risk	S		N	590.00	0.00	590.00	0%
			High Risk	S		N	884.00	0.00	884.00	0%
		Mobile crushing and screening plant 8th and subsequent applications	Low Risk	S		N	189.00	0.00	189.00	0%
			Medium Risk	S		N	302.00	0.00	302.00	0%
			High Risk	S		N	453.00	0.00	453.00	0%
		Late payment		S		N	50.00	0.00	50.00	0%

Fees not yet published by Defra, not expected until late March 2017

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
							£	£	£	
<b>Food Hygiene &amp; Safety</b>										
	Food Premises Approvals	Cost of approval	No charge	S		N	0.00	0.00	0.00	0%
	FHRS Rescore Visits	Cost of Visit					0.00	0.00	0.00	0%
<b>Housing</b>										
	Houses in Multiple Occupation	Initial licence		D		N	350.00	0.00	350.00	-43%
		Renewal of licence		D		N	175.00	0.00	175.00	-82%
		Revocation of licence		D		N	100.00	0.00	100.00	-93%
		Where a house in multiple occupation fails to meet the terms and conditions of the licence, additional charges may be levied at the time of renewal of the licence at the rate of £95.00 per additional officer/visit in addition to any third party costs involved (e.g. gas engineer's fees)				N	97.00	0.00	97.00	-74%
	Accommodation certificate	Issue		D		S	111.67	22.33	134.00	-77%
<b>Information Requests</b>										
	Environmental Information Enquiry	Contaminated land - site specific		D		N	154.50	0.00	154.50	-83%
		Simple request		D		N	44.25	0.00	44.25	-77%
	Health Certificate			D		N	76.00	0.00	76.00	-75%
	Food examination certificate	Small & simple		D		S	48.92	9.78	58.70	-87%
		Larger & more complex per hour (min £58.70)		D		S	60.08	12.02	72.10	44%
	Food hygiene courses	Level 2		D		E	60.00	0.00	60.00	
		Level 3		D		E	299.00	0.00	299.00	-15%
		CD		D		S	47.08	9.42	56.50	-68%
	Scrap dealers licence	Site licence	Every 3 years	D		N	415.00	0.00	415.00	315%
		Mobile collector	Every 3 years	D		N	285.00	0.00	285.00	194%
		Collectors licence with existing licence with another LA		D		N	250.00	0.00	250.00	87%
		Variation of licence (person)		D		N	105.00	0.00	105.00	-32%
<b>Pest control</b>										
	Wasps nests	Treatment charge	First nest			S	60.50	0.00	60.50	0%
			Subsequent nests treated at the same visit			S	12.00	2.40	14.60	-83%
	Rats and mice	Treatment charge	First call and maximum of two re-visits to replenish bait			S	50.00	10.00	60.00	-38%
	Ants, booklice, carpet beetles, fleas, larder beetles and other	Treatment charge	First visit			S	50.00	10.00	60.00	
			Second visit			S	25.00	5.00	30.00	-69%
	Call out charge or missed appointment					S	33.00	6.60	39.60	
	Invoicing charge					S	12.50	2.50	15.00	4%
	Rat Boxes		Per treatment			S	4.08	0.82	4.90	
	Mouse Boxes		Per treatment			S	0.22	0.04	0.26	
	Difenacoum		Per Kilo			S	1.73	0.35	2.08	
	Rat bait per tray		Per treatment			S	0.17	0.03	0.20	
	Rat bait per box		Per treatment			S	0.35	0.07	0.42	
	Rat bait per pipe		Per treatment			S	0.35	0.07	0.42	
	Brodificoum		Per Kilo			S	4.37	0.87	5.24	
	Mouse bait per tray		Per treatment			S	0.44	0.09	0.53	
	Mouse bait per box		Per treatment			S	0.44	0.09	0.53	
	Brodificoum wax blocks 20gm					S	0.13	0.03	0.16	
	Hourly rate					S	41.67	8.33	50.00	
	Invoicing charge					S	10.42	2.08	12.50	
<b>Licensing</b>										
	Gambling Act 2005	Club Machine Permit		S		N	200.00	0.00	200.00	0%
		Gaming Machine two or less		S		N	50.00	0.00	50.00	0%
		Gaming Machine Permit		S		N	200.00	0.00	200.00	0%
		Adult Gaming Centre - new		S		N	2,000.00	0.00	2,000.00	0%
		Adult Gaming Centre - renewal		S		N	1,000.00	0.00	1,000.00	0%
		Unlicensed Family Entertainment Centre		S		N	30.00	0.00	30.00	0%
		Other Gambling Premises- new		S		N	3,000.00	0.00	3,000.00	0%
		Other Gambling Premises- renewal		S		N	600.00	0.00	600.00	0%
		Lotteries(Small society)- new		S		N	40.00	0.00	40.00	0%
		Lotteries(Small society)-renewal		S		N	20.00	0.00	20.00	0%

Fees and Charges to be remodelled and updated once Internal Recharge information has been confirmed

Statutory fees, we have not been notified by HM Government of any proposed changes to fees and charges



**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
							£	£	£	
Licensing Act 2003		Club Premises - Change of relevant registered address of club		S		N	10.50	0.00	10.50	0%
		Club Premises - Notification of change of name or alteration of club rules		S		N	10.50	0.00	10.50	0%
		Club Premises - Theft, loss etc. of club certificate		S		N	10.50	0.00	10.50	0%
		Application for a provisional statement where premises being built		S		N	315.00	0.00	315.00	0%
		Duty to notify change of name or address		S		N	10.50	0.00	10.50	0%
		Interim authority notice following death etc. of licence holder		S		N	23.00	0.00	23.00	0%
		Minor Variation		S		N	89.00	0.00	89.00	0%
		Notification of change of name or address		S		N	10.50	0.00	10.50	0%
		Removal of DPS Community Premises		S		N	23.00	0.00	23.00	0%
		Right of freeholder etc. to be notified of licensing matters		S		N	21.00	0.00	21.00	0%
		Personal Licences - Initial Application		S		N	37.00	0.00	37.00	0%
		Personal Licences - Renewal		S		N	0.00	0.00	0.00	#DIV/0!
		Personal Licences - Theft, Loss etc.		S		N	10.50	0.00	10.50	0%
		Premises Licence - Application for		S		N	23.00	0.00	23.00	0%
		Premises Licence - Application to vary licence to specify individual as designated premises supervisor (DPS)		S		N	23.00	0.00	23.00	0%
		Premises Licence - Loss of Premises Summary		S		N	10.50	0.00	10.50	0%
		Premises Licence - Theft, loss etc.		S		N	10.50	0.00	10.50	0%
		Temporary Event Notices - Application		S		N	21.00	0.00	21.00	0%
		Temporary Event Notices - Theft, loss		S		N	10.50	0.00	10.50	0%
		Additional fee for large venues and events (10,000 - 14,999 attendance at any one time)- new		S		N	2,000.00	0.00	2,000.00	0%
		Additional fee for large venues and events (15,000 - 19,999 attendance at any one time)-new		S		N	4,000.00	0.00	4,000.00	0%
		Additional fee for large venues and events (20,000 - 29,999 attendance at any one time)- new		S		N	8,000.00	0.00	8,000.00	0%
		Additional fee for large venues and events (30,000 - 39,999 attendance at any one time) - new		S		N	16,000.00	0.00	16,000.00	0%
		Additional fee for large venues and events (40,000 - 49,999 attendance at any one time) - new		S		N	24,000.00	0.00	24,000.00	0%
		Additional fee for large venues and events (5,000 - 9,999 attendance at any one time) - new		S		N	1,000.00	0.00	1,000.00	0%
		Additional fee for large venues and events (50,000 - 59,999 attendance at any one time)- new		S		N	32,000.00	0.00	32,000.00	0%
		Additional fee for large venues and events (60,000 - 69,999 attendance at any one time) - new		S		N	40,000.00	0.00	40,000.00	0%
		Additional fee for large venues and events (70,000 - 79,999 attendance at any one time) - new		S		N	48,000.00	0.00	48,000.00	0%
		Additional fee for large venues and events (80,000 - 89,999 attendance at any one time) - new		S		N	56,000.00	0.00	56,000.00	0%
		Additional fee for large venues and events (90,000 and over attendance at any one time) - new		S		N	64,000.00	0.00	64,000.00	0%
		Additional fee for large venues and events (5,000-9,999 attendance at any one time) - renewal		S		N	500.00	0.00	500.00	0%
		Additional fee for large venues and events (10,000 - 14,999 attendance at any one time)- renewal		S		N	1,000.00	0.00	1,000.00	0%
		Additional fee for large venues and events (15,000 - 19,999 attendance at any one time)-renewal		S		N	2,000.00	0.00	2,000.00	0%
		Additional fee for large venues and events (20,000 - 29,999 attendance at any one time)- renewal		S		N	4,000.00	0.00	4,000.00	0%
		Additional fee for large venues and events (30,000 - 39,999 attendance at any one time) - renewal		S		N	8,000.00	0.00	8,000.00	0%
		Additional fee for large venues and events (40,000 - 49,999 attendance at any one time) - renewal		S		N	12,000.00	0.00	12,000.00	0%
		Additional fee for large venues and events (50,000 - 59,999 attendance at any one time)		S		N	16,000.00	0.00	16,000.00	0%
		Additional fee for large venues and events (60,000 - 69,999 attendance at any one time) - renewal		S		N	20,000.00	0.00	20,000.00	0%
		Additional fee for large venues and events (70,000 - 79,999 attendance at any one time) - renewal		S		N	24,000.00	0.00	24,000.00	0%
		Additional fee for large venues and events (80,000 - 89,999 attendance at any one time) - renewal		S		N	28,000.00	0.00	28,000.00	0%
		Additional fee for large venues and events (90,000 and over attendance at any one time) - renewal		S		N	32,000.00	0.00	32,000.00	0%
		Premise - A (£0 - £4300) (initial issue)		S		N	100.00	0.00	100.00	0%
		Premise - A (£0 - £4300) (renewal)		S		N	70.00	0.00	70.00	0%
		Premise - B (£4301 - £33,000) (initial		S		N	190.00	0.00	190.00	0%
		Premise - B (£4301 - £33,000) (renewal)		S		N	180.00	0.00	180.00	0%
		Premise - C (£33,001 - £87,000) (initial		S		N	315.00	0.00	315.00	0%

Statutory fees; we have not been notified by HM Government of any proposed changes to fees and charges

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge £	VAT £	Total Charge £	% Change from 2016/17	
		Premise - C (£33,001 - £87,000)		S		N	295.00	0.00	295.00	0%	Statutory fees, we have not been notified by HM Government of any proposed changes to fees and charges
		Premise - D (£87,000 - £125,000) (initial)		S		N	450.00	0.00	450.00	0%	
		Premise - D (£87,000 - £125,000)		S		N	320.00	0.00	320.00	0%	
		Premise - D (£87,000 - £125,000) and primary business is Alcohol sales (initial)		S		N	900.00	0.00	900.00	0%	
		Premise - D (£87,000 - £125,000) and primary business is Alcohol sales		S		N	640.00	0.00	640.00	0%	
		Premise - E (£125,000 and above) (initial)		S		N	635.00	0.00	635.00	0%	
		Premise - E (£125,000 and above)		S		N	350.00	0.00	350.00	0%	
		Premise - E (£125,000 and above) and primary business is Alcohol sales (initial)		S		N	1,905.00	0.00	1,905.00	0%	
		Premise - E (£125,000 and above) and primary business is Alcohol sales		S		N	1,905.00	0.00	1,905.00	0%	
Miscellaneous Licences		One of Electrolysis, Ear Piercing, Acupuncture or Tattooing		S		N	119.00	0.00	119.00	0%	
Miscellaneous Licences		Two or more of Electrolysis, Ear Piercing, Acupuncture or Tattooing on a single premises		S		N	155.00	0.00	155.00	0%	
Sex Establishment Licences		Sex Establishment - New		S		N	2,824.00	0.00	2,824.00	0%	Fees and charges to be remodelled and update once Internal Recharge information has been confirmed
		Sex Establishment - Renewal		S		N	2,824.00	0.00	2,824.00	0%	
Taxi & Private Hire Licences		DBS				N	44.00	0.00	44.00	0%	Fees and charges to be remodelled and update once Internal Recharges information has been confirmed
		Digital Advertising		D		N	10.00	0.00	10.00	0%	
		Private Hire Operator -New /Renewal		D		N	118.00	0.00	118.00	0%	
		Hackney Carriage - Initial test for Wheelchair Accessibility		D		N	278.00	0.00	278.00	0%	
		Hackney Carriage - Renewal for Wheelchair Accessibility		D		N	263.00	0.00	263.00	0%	
		Hackney Carriage & Private Hire Vehicle - Driver Renewal		D		N	46.00	0.00	46.00	0%	
		Hackney Carriage & Private Hire Vehicle - New Driver		D		N	81.00	0.00	81.00	0%	
		Hackney Carriage & Private Hire Vehicle - replacement Drivers badge/Licence		D		N	7.00	0.00	7.00	0%	
		Hackney Carriage New/Renewal Vehicle		D		N	263.00	0.00	263.00	0%	
		Private Hire - New/Renewal Vehicle		D		N	246.00	0.00	246.00	0%	
		Meter Test		D		N	15.00	0.00	15.00	0%	
		Re-test (includes £6 admin fee)		D		N	45.50	0.00	45.50	0%	
		Replacement Plate		D		N	15.00	0.00	15.00	0%	
		Miscellaneous admin fee		D		N	7.00	0.00	7.00	0%	
Street Trading		Street Trading Consents - 1 Day		D		N	58.00	0.00	58.00	0%	
		Street Trading Consents - 1 Month		D		N	215.00	0.00	215.00	0%	
		Street Trading Consents - 6 Months		D		N	1,179.00	0.00	1,179.00	0%	
		Street Trading Consents - Annual		D		N	1,927.00	0.00	1,927.00	0%	
		Street Trading Consents - Seasonal		D		N	598.00	0.00	598.00	0%	
		Street Trading Licences		D		N	1,725.00	0.00	1,725.00	0%	

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge £	VAT £	Total Charge £	% Change from 2016/17
<b>3C's ICT Shared Service</b>										
	<b>Street naming</b>									
	Street naming and numbering	Existing property - name change				N	50.00	0.00	50.00	0%
		Name added to a numbered property				N	30.00	0.00	30.00	0%
		New developments - naming and numbering scheme	1 plot			N	50.00	0.00	50.00	0%
			2 to 5 plots			N	100.00	0.00	100.00	0%
			6 to 10 plots			N	150.00	0.00	150.00	0%
			11 to 25 plots			N	200.00	0.00	200.00	0%
			26 to 50 plots			N	250.00	0.00	250.00	0%
			51 to 100 plots			N	400.00	0.00	400.00	0%
			101 plus plots			N	500.00	0.00	500.00	0%
			plus per additional property			N	10.00	0.00	10.00	0%
		New developments - amendments to street names and numbering after developer redesign				N	500.00	0.00	500.00	0%
			plus per property			N	10.00	0.00	10.00	0%
		Renaming of existing streets				N	250.00	0.00	250.00	0%
			plus per affected property			N	10.00	0.00	10.00	0%
		Supplying of extra addressing plans				N	30.00	0.00	30.00	0%

## Huntingdonshire District Council Fees and Charges as at April 2017

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
<b>Corporate</b>										
<b>Land Charges (awaiting notification of fees from CCC before HDC fees can be set)</b>										
	Land Charges	Basic search fee		S		N	97.10	0.00	97.10	
		Basic commercial search fee		S		N	130.80	0.00	130.80	
		LLC1	Several parcels of land	D		N	15.00	0.00	15.00	
			plus each additional parcel of land	D		N	3.30	0.00	3.30	
		Residential CON 29R	One parcel of land	D		Y	115.80	23.16	138.96	
			Several parcels of land - each additional parcel	D		Y	28.70	5.74	34.44	
		Commercial CON 29R	One parcel of land	D		Y	82.10	16.42	98.52	
			Several parcels of land - each additional parcel	D		Y	40.20	8.04	48.24	
		CON 29O				Y	6.00	1.20	7.20	
			Question 8	D		Y	8.00	1.60	9.60	
			Question 16 (County)	D		Y	19.00	3.80	22.80	
			Question 21 (County)	D		Y	14.00	2.80	16.80	
			Question 22 (County)	D		Y	14.00	2.80	16.80	
		Solicitors own enquiry	Each	D		Y	11.00	2.20	13.20	0%
		Copies of Section 106 Town & Country Planning Act 1990 documents or similar	Per document	D		N	10.00	0.00	10.00	0%
<b>Electoral Registration</b>										
	Statutory fees	Open register - data	Admin	S		N	20.00	0.00	20.00	0%
			plus per thousand entries(or part)	S		N	1.50	0.00	1.50	0%
		Open register - paper	Admin	S		N	10.00	0.00	10.00	0%
			plus per thousand entries(or part)	S		N	5.00	0.00	5.00	0%
		These rates of charge equally apply to the sale of monthly alterations to the electoral register.						0.00	0.00	
		Overseas electors - data	Admin	S		N	20.00	0.00	20.00	0%
			plus per thousand entries(or part)	S		N	1.50	0.00	1.50	0%
		Overseas electors - paper	Admin	S		N	10.00	0.00	10.00	0%
			plus per thousand entries(or part)	S		N	5.00	0.00	5.00	0%

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
<b>Leisure &amp; Health</b>										
<b>Swimming</b>										
<b>PAY AS YOU GO</b>			<b>ONE CARD</b>	<b>FULL PRICE</b>						
	Swim Session (under 3's)		£1.40						£2.60	
	Swim Session (3 to 15 years)		£2.90						£4.10	
	Swim Session (16+ years)		£3.90						£5.10	
	Family Swim Pass (2 adults and 2 children)		£12.50						£15.00	
	Aquafit and Aquanatal Classes		£5.20						£6.50	
<b>AQUA MEMBERSHIPS</b>			<b>ONE CARD</b>	<b>FULL PRICE</b>						
	Monthly DD (all ages)		£23.99 per month						n/a	
	Annual Swim Pass (all ages)		£249.00 per year						n/a	
	Student Aqua		£14.99 per month						n/a	
<b>Swimming Lessons</b>										
<b>BABY/JUNIOR LESSONS</b>			<b>DIRECT DEBIT</b>	<b>CASH BLOCK</b>						
	30 minute lessons		£22.00 per month						£82.50 per 15 weeks	
	45 minute lessons		£33.00 per month						£123.75 per 15 weeks	
	60 minute lessons		£44.00 per month						£165.00 per 15 weeks	
<b>ADULT LESSONS</b>			<b>PAY AS YOU GO</b>	<b>6 WEEK BLOCK</b>						
	30 minute lessons		n/a						£4.50 per lesson	
	45 minute lessons		£7.50 per lesson						£6.75 per lesson	
	60 minute lessons		£10.00 per lesson						£9.00 per lesson	
<b>PRIVATE LESSONS</b>			<b>ONE CARD</b>	<b>FULL PRICE</b>						
	1:1 30 minute lesson		£17.00 per lesson						n/a	
	2:1 30 minute lesson		£26.00 per lesson						n/a	
<b>Fitness Classes</b>										
			<b>ONE CARD</b>	<b>FULL PRICE</b>						
	Fitness Class Pass (10 fitness classes)		£46.00						n/a	
	All Fitness Classes (except below)		£5.20						£6.50	
	30 Minute Fitness Classes		£3.50						£4.70	
	Right Start Classes		£3.50						n/a	
<b>Old Memberships (before 1st April 2015)</b>										
<b>ADVANTAGE MEMBERSHIP</b>			<b>Monthly</b>	<b>Annual</b>						
	Single membership		£40.00 per month						£425.00 per year	
	Joint membership		£66.00 per month						£665.00 per year	
<b>ADVANTAGE (BUSINESS) MEMBERSHIP</b>			<b>Monthly</b>	<b>Annual</b>						
	Single membership		£36.00 per month						£355.00 per year	
	Joint membership		£61.00 per month						£565.00 per year	
<b>SILVER / CLASSIC MEMBERSHIP</b>			<b>Monthly</b>	<b>Annual</b>						
	Single membership		£32.00 per month						£335.00 per year	
	Joint membership		£52.00 per month						£525.00 per year	
<b>GYM ONLY MEMBERSHIP</b>			<b>Monthly</b>	<b>Annual</b>						
	Single membership		£35.00 per month						£385.00 per year	
	Joint membership		£60.00 per month						£605.00 per year	

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
<b>STUDENT MEMBERSHIP</b>										
		<b>Monthly</b>	<b>Annual</b>							
	Single membership	£20.00 per month	n/a							
<b>New Memberships (from 1st April 2015)</b>										
<b>PREMIER MEMBERSHIP</b>										
		<b>Monthly</b>	<b>Annual</b>							
	Single membership	£38.99 per month	£399.00 per year							
	Joint membership	£69.99 per month	£749.00 per year							
<b>PREMIER (BUSINESS) MEMBERSHIP</b>										
	Single membership	£35.09 per month	£359.10 per year							
<b>SOLO</b>										
		<b>Monthly</b>	<b>Annual</b>							
	Single membership <b>(Huntingdon, St Ives &amp; St Neots)</b>	£33.99 per month	£349.00 per year							
	Single membership <b>(Ramsey &amp; Sawtry)</b>	£28.99 per month	£299.00 per year							
<b>SOLO (BUSINESS) MEMBERSHIP</b>										
		<b>Monthly</b>	<b>Annual</b>							
	Single membership <b>(Huntingdon, St Ives &amp; St Neots)</b>	£30.59 per month	£314.10 per year							
	Single membership <b>(Ramsey &amp; Sawtry)</b>	£26.09 per month	£269.10 per year							
<b>STUDENT MEMBERSHIP (Huntingdon, St Ives &amp; St Neots)</b>										
	Single membership	£22.99 per month	n/a							
<b>STUDENT MEMBERSHIP (Ramsey &amp; Sawtry)</b>										
	Single membership	£17.99 per month	n/a							
<b>Impressions Casual Use</b>										
<b>CASUAL USE</b>										
		<b>ONE CARD</b>	<b>FULL PRICE</b>							
	<b>Adult</b> (Huntingdon, St Ives & St Neots)	£7.20	n/a							
	<b>Adult</b> (Ramsey & Sawtry)	£5.20	n/a							
	<b>Student</b> (Huntingdon, St Ives & St Neots)	£3.70	n/a							
	<b>Student</b> (Ramsey & Sawtry)	£3.20	n/a							
<b>Heat Experience Suites</b>										
<b>CASUAL USE</b>										
	Casual Use	£7.50 per visit								
<b>HEAT EXPERIENCE PASSES</b>										
	Monthly Pass (with monthly prepaid membership)	£7.50 per month (direct debit)								
	Annual Pass (with annual prepaid membership)	£90.00 per year								
	Monthly Pass	£12.50 per month (direct debit)								
	Annual Pass	£120.00 per year								
<b>Sports Halls</b>										
<b>HUNTINGDON</b>										
		<b>ONE CARD</b>	<b>FULL PRICE</b>							
	Whole Sports Hall (3 courts)	£42.00	n/a							
<b>RAMSEY</b>										
	Whole Sports Hall (3 courts)	£42.00	n/a							
	Cricket Nets	POA	n/a							
<b>SAWTRY</b>										
	Whole Sports Hall (3 courts)	£42.00	n/a							
	Cricket Nets	POA	n/a							

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
							£	£	£	
	<b>ST IVES INDOOR</b>		<b>ONE CARD</b>							
	Whole Sports Hall (6 courts)		£65.00						n/a	
	Half Sports Hall (3 courts)		£42.00						n/a	
	Cricket Nets		POA						n/a	
	<b>ST NEOTS</b>		<b>ONE CARD</b>							
	Whole Sports Hall (5 courts)		£55.00						n/a	
	<b>Racquet Sports</b>									
	<b>BADMINTON</b>		<b>ONE CARD</b>						<b>FULL PRICE</b>	
	Badminton Court (anytime)		£9.50						£11.00	
	Badminton Court (school holidays offer)		£3.00						n/a	
	Badminton Pass (block of five badminton courts)		£47.50						n/a	
	<b>SQUASH / RACKETBALL</b>		<b>ONE CARD</b>						<b>FULL PRICE</b>	
	Squash Court (anytime)		£6.70						£8.70	
	Squash Court (school holidays offer)		£3.00						n/a	
	Squash Pass (block of five squash courts)		£33.50						n/a	
	<b>TABLE TENNIS</b>		<b>ONE CARD</b>						<b>FULL PRICE</b>	
	Table Tennis (anytime)		£6.20						£7.50	
	Table Tennis (school holiday offer)		£3.00						n/a	
	<b>TENNIS</b>		<b>ONE CARD</b>						<b>FULL PRICE</b>	
	Tennis Court (anytime)		£5.00						£6.50	
	Tennis Court (annual tennis pass)		£35.00						n/a	
	Tennis Court (school holidays offer)		£3.00						n/a	
	<b>Basement Lanes (Tenpin Bowling)</b>									
			<b>ONE CARD</b>						<b>FULL PRICE</b>	
	One game of bowling		£4.50						n/a	
	Two games of bowling		£7.50						n/a	
	Three games of bowling		£10.00						n/a	
			<b>ONE CARD</b>						<b>FULL PRICE</b>	
	One game of bowling for 4 people of any age		£12.00 per game						n/a	
	<b>Leo's Funzone (Play &amp; Party Centres)</b>									
	<b>HUNTINGDON</b>		<b>ONE CARD</b>						<b>FULL PRICE</b>	
	Under 1's		FREE						£2.00	
	Monday to Friday (term time only)		£2.50						£3.70	
	Weekends and School Holidays		£4.20						£5.40	
	<b>ST NEOTS</b>		<b>ONE CARD</b>						<b>FULL PRICE</b>	
	Under 1's		FREE						£2.00	
	Monday to Friday (term time only)		£2.50						£3.70	
	Weekends and School Holidays		£3.80						£5.00	
	<b>Creche</b>									
			<b>ONE CARD</b>						<b>FULL PRICE</b>	
	30 minutes		£3.00						n/a	
	Creche Pass (20 x 30 minutes)		£25.00						n/a	

**Huntingdonshire District Council  
Fees and Charges as at April 2017**

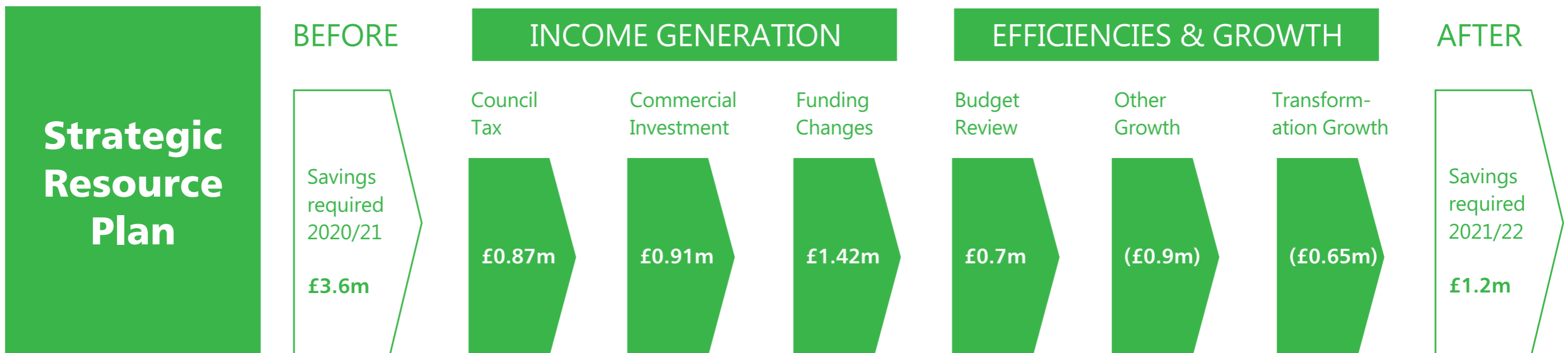
Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last increase	VAT	Net charge	VAT	Total Charge	% Change from 2016/17
<b>Roller Skating</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	Roller Skating		£4.00						£5.20	
<b>Outdoor Synthetic Pitches</b>										
<b>HUNTINGDON</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	3G 5-a-side Pitch (anytime)		£28.00						n/a	
	3G 5-a-side Pitch (school holidays offer)		£10.00						n/a	
<b>RAMSEY</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	Small Astro Pitch (anytime)		£34.00						n/a	
	Small Astro Pitch (school holidays offer)		£10.00						n/a	
<b>SAWTRY</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	Small Astro Pitch (anytime)		£45.00						n/a	
	Small Astro Pitch (school holidays offer)		£10.00						n/a	
<b>ST IVES INDOOR</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	3G Full Pitch (anytime)		£90.00						n/a	
	3G Third Pitch (weekday)		£34.00						n/a	
	3G Third Pitch (weekend)		£34.00						n/a	
	Large Astro Pitch (anytime)		£60.00						n/a	
	Half Large Astro Pitch (anytime)		£45.00						n/a	
	Half Large Astro Pitch (school holidays offer)		£10.00						n/a	
<b>ST NEETS</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	Large Astro Pitch (anytime)		£60.00						n/a	
	Third Large Astro Pitch (anytime)		£28.00						n/a	
	Small Astro Pitch (anytime)		£34.00						n/a	
	Small Astro Pitch (school holidays offer)		£10.00						n/a	
<b>Grass Pitches</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	Football Pitch - Mini Soccer		POA						n/a	
	Football Pitch - Colts		POA						n/a	
	Football Pitch - Seniors		POA						n/a	
	Rounders		£30.00						n/a	
<b>Netball Courts</b>										
<b>HUNTINGDON</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	Netball Court		£23.00						n/a	
<b>ST IVES OUTDOOR</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	Netball Court		£23.00						n/a	
<b>ST NEETS</b>										
			<b>ONE CARD</b>							
			<b>FULL PRICE</b>							
	Netball Court		£16.00						n/a	

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Changes to the Draft Budget 2017/18	2017/18				2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Appendix 2
	Gross		Use of Earmarked Reserve £000	Net £000					
	Expenditure £000	Income £000							
<b>Services</b>									
1 Resources: Bus Shelters	7	0	0	7	7	7	7	Due to un-budgeted contract maintenance costs	
2 Operations: one off for fencing	5	0	0	5	(5)	(5)	(5)	Budget to be used for repairs pending a full review for a Capital Project	
3 Community Services: Emergency Planning	10	0	0	10	10	10	10	Requirement for contractual obligations.	
4 Economic Development Officer and Apprentice	60	0	0	60	49	50	51	Increase capacity within the economic development team	
5 Economic Development Apprentice scheme	221	0	0	221	295	331	343	Council wide scheme of 12 apprentices	
6 Tree Warden	4	0	0	4	(4)	(4)	(4)	6-month extension of the Part-time Tree Warden.	
<b>Total: Services</b>	<b>307</b>	<b>0</b>	<b>0</b>	<b>307</b>	<b>352</b>	<b>389</b>	<b>401</b>	<b>409</b>	
<b>Transformation</b>									
7 Community Services Restructure	0	(3)	0	(3)	(31)	(31)	(31)	Consultation process has been completed and will now be implemented	
8 HR: In-house	55	0	0	55	56	56	57	Training provision.	
9 CCTV Camera Replacement - Re-phase	15	0	0	15	5	(5)	(5)	Delays in the purchase of wireless cameras resulting in additional transmission costs required in the budget.	
10 ZBB Waste Management - rounds restructure	90	0	0	90	91	92	93	Dry recycle did not result in ZBB savings	
11 New FMS	65	0	(65)	0	0	0	0	Due to the delay in implementation but will be offset by the underspend in 2016/17 that will be brought forward.	
<b>Total: Transformation</b>	<b>225</b>	<b>(3)</b>	<b>(65)</b>	<b>157</b>	<b>120</b>	<b>112</b>	<b>113</b>	<b>115</b>	
<b>Recharges and technical adjustments</b>									
12 Shared Services									
Legal	6	0	0	6	6	6	6	Final recharge amounts received from Cambridge City Council.	
Building Control	56	0	0	56	56	56	56	Final recharge amounts received from Cambridge City Council.	
13 Pathfinder House Rating Liability	19	0	0	19	19	19	19	Requirement to separately rate the office space let to other organisations. Pathfinder House will then not receive the allowance of 7.5% due to the size	
14 MRP adjustment from Capital Programme changes	0	(75)	0	(75)	54	27	27	16	Reflects the adjustments to the Capital Programme
15 Pensions Contribution	6	0	0	6	6	6	161	324	Final adjustments calculated.
16 Other	10	0	0	10	17	15	4	(7)	Small inflationary adjustments
<b>Total: Recharges and technical adjustments</b>	<b>97</b>	<b>(75)</b>	<b>0</b>	<b>22</b>	<b>158</b>	<b>129</b>	<b>273</b>	<b>414</b>	
<b>Final Grant Allocations announced</b>									
17 NDR Cost of Collection Grant	5	0	0	5	5	5	5	5	Final allocation received
18 HB Admin Grant	0	(34)	0	(34)	(34)	(34)	(34)	(34)	Final allocation received
19 Council Tax Support Admin Grant	0	(12)	0	(12)	(12)	(12)	(12)	(12)	Final allocation received
20 Universal Credit Grant	13	(13)	0	0	0	0	0	0	New Grant received and will be offset by expenditure
21 New Burdens Grant	3	(3)	0	0	0	0	0	0	New Grant received and will be offset by expenditure
<b>Total: Final Grant allocations</b>	<b>21</b>	<b>(62)</b>	<b>0</b>	<b>(41)</b>	<b>(41)</b>	<b>(41)</b>	<b>(41)</b>	<b>(41)</b>	
<b>Total Changes</b>	<b>650</b>	<b>(140)</b>	<b>(65)</b>	<b>445</b>	<b>590</b>	<b>589</b>	<b>747</b>	<b>897</b>	
<b>Draft Budget Net Expenditure</b>		<b>16,701</b>							
<b>Net Expenditure Changes since Draft Budget</b>		<b>510</b>							
<b>Final Budget Net Expenditure</b>		<b>17,211</b>							

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**Financial Strategy**

	2017/18	2018/19	2019/20	2020/21	2021/22
Net expenditure	£17.211m	£16.872m	£17.039m	£17.427m	£17.800m
Budget surplus / (deficit)	£3.032m	£1.906m	(£1.284m)	(£1.265m)	(£1.246m)
Earmarked Reserves Adjustments	(£0.066m)	£0m	£2.674m	£2.675m	£2.674m
<b>Budget requirement</b>	<b>£20.177m</b>	<b>£18.778m</b>	<b>£18.429m</b>	<b>£18.837m</b>	<b>£19.228m</b>

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**Public  
Key Decision - Yes**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Treasury Management Strategy 2017/18
<b>Meeting/Date:</b>	Overview and Scrutiny Panel (Performance and Customers) – 1th February 2017 Cabinet – 9th February 2017
<b>Executive Portfolio:</b>	Executive Councillor for Strategic Resource, Councillor J A Gray
<b>Report by:</b>	Head of Resources
<b>Wards affected:</b>	All Wards

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### **Executive Summary:**

The Council is required by law to approve, on an annual basis a Treasury Management Strategy; this requirement is enshrined within relevant Codes of Practice issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and other guidance issued by central government.

The aim of the Treasury Management Strategy (TMS) is to manage the Council's investments, cash flows, banking, money market and capital market transactions, loans and borrowings within the requirements of an effective control environment but coupling this with the pursuit of optimum performance and yield and at the same time managing the portfolio's risk profile.

Highlights of the 2017/18 TMS includes:

- The operation of the strategy within an economic climate that is weakening, where inflation is likely to rise, business confidence is low because of the EU negotiation uncertainty and interest rates are forecast to remain low into the medium term.
- The continuation of the Council's policy to:
  - use mainly short-term investments which are highly liquid and as a consequence are lower risk. This includes the use of call accounts and money market funds.
  - the provision of loans to organisations that meet either service objectives or support local organisations in their development where risk is mitigated by appropriate financial security and a business case for proceeding can be demonstrated.
  - The expansion of the Commercial Investment Strategy (CIS), and the related asset purchases and borrowing profile.

- The method by which the Minimum Revenue Provision (MRP), the charge to revenue for the repayment of debt is calculated, and the inclusion within this strategy of the different MRP approaches for the general capital programme, loans to organisations, and the CIS. For 2017/18 a new MRP policy has been introduced, this will be used to where maturity loans have been used to finance expenditure on the CIS.

**Recommendation(s):**

**Overview and Scrutiny Panel (Performance and Customers)** is invited to comment on the 2017/18 Treasury Management Strategy and the appended Policies and indicators.

**Cabinet** is recommended to approve;

1. The Treasury Management Policy, Appendix 2.
2. The Treasury Management Strategy, Appendix 3.
3. The Prudential, Treasury Management and CIS Indicators, Appendix 4.
4. The Annual Minimum Revenue Provision Policy 2017/18, Appendix 5

## 1. WHAT IS THIS REPORT ABOUT?

1.1 The aim of the Treasury Management Strategy is to provide strategic guidance on how the Council shall conduct its Treasury Management activity. The Strategy shall:

- Include relevant policies, objectives and treasury/prudential indicators; as well as illustrating its approach to risk management.
- Comply with the Code or Practice for Treasury Management and the Prudential Code for Capital Finance (as issued by the Chartered Institute of Public Finance and Accountancy, CIPFA) and reflect published Government advice.
- Approve the way in which the Minimum Revenue Provision is calculated.

1.2 The Strategy is a key element of the Councils Code of Financial Management, of which an extract is attached in **Appendix 1**.

## 2. WHY IS THIS REPORT NECESSARY/BACKGROUND

2.1 To seek Council approval for the:

i. Treasury Management Policy and Treasury Management Strategy, as attached at **Appendix 2** and **3**, along with the required indicators at **Appendix 4**. The aim of the:

- investment strategy is to provide a framework through which the Council will invest any surplus funds that balances the risk of default by the borrower against a fair rate of interest.
- borrowing strategy is to permit borrowing for cash flow purposes and for the funding of current and future capital expenditure over whatever periods are in the Council's best interests.

The Treasury Management Strategy also takes into account the Commercial Investment Strategy (CIS) Business Plan that was approved by Cabinet in December 2015.

ii. Annual Minimum Revenue Provision Policy 2017/18 which is attached as **Appendix 5**. This policy outlines the way in which the charges to revenue for repayment of debt will be calculated.

2.2 For 2017/18, the Council is anticipating having a total capital financing requirement (which is both past and new capital expenditure) of £70.1m (rising to £58.2m by 2021/22), of which £26.4m will be new capital expenditure relating to the CIS. Of the £70.1m the Council will be required to borrow at least £49.9m and potentially up to £62.1m if the Council chooses not to apply reserves. It should be noted that the Minimum Revenue Provision applicable to this capital programme is fully funded and included in next year's budget and the MTFs.

## 3. OPTIONS CONSIDERED/ANALYSIS

3.1 The Treasury Management Strategy is a statutory requirement, thus it has to be considered in its entirety. However, the Strategy must not be viewed as a straightjacket; it is a framework within which the Council will conduct its Treasury activity.

#### **4. KEY IMPACTS/RISKS?**

##### **HOW WILL THEY BE ADDRESSED?**

- 4.1 The emphasis of this report is to recognise the risks inherent in achieving a yield from investments, and the management of that risk.

#### **5. COMMENTS OF OVERVIEW & SCRUTINY PANEL**

- 5.1 To be circulated after the Overview & Scrutiny Panel (Performance and Customers) to be held on the 1st February 2017.

#### **6. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION**

- 6.1 When approved this strategy will be used as an operational document for Treasury Management.

#### **7. LINK TO CORPORATE PLAN**

- 7.1 Treasury Management comes under the “Ensuring we are a customer focused and service led council delivering value for money services” aspect of the Corporate Plan, and enabling the Council to “*Become more business-like and efficient in the way we deliver services*”.

#### **8. CONSULTATION**

- 8.1 No consultation has taken place.

#### **9. LEGAL IMPLICATIONS**

- 9.1 No direct, legal implications arise out of this report.

#### **10. RESOURCE IMPLICATIONS**

- 10.1 The Resource implications are included within the report.

#### **11. OTHER IMPLICATIONS**

- 11.1 No other implications.

#### **12. REASONS FOR RECOMMENDED DECISIONS**

- 12.1 The Council is required, by law, to approve on an annual basis a:
- Treasury Management Policy & Strategy. The purpose of both is to provide the framework within which the Council can operate its Treasury related activity.
  - Policy in respect of its Minimum Revenue Provision so it can prudently account for the revenue impacts of capital investment decisions.



## **13 LIST OF APPENDICES INCLUDED**

- Appendix 1: Code of Financial Management (extract)
- Appendix 2: Treasury Management Policy Statement
- Appendix 3: Treasury Management Strategy 2017/18
- Appendix 4: CIPFA Prudential Code For Capital Finance In Local Authorities; Prudential Indicators And Treasury Management Indicators For 2017/18 and the Commercial Investment Strategy Indicators 2017/18.
- Appendix 5: Annual Minimum Revenue Provision Policy 2017/18

### **BACKGROUND PAPERS**

Working papers held in Finance

### **CONTACT OFFICERS**

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## **CODE OF FINANCIAL MANAGEMENT (EXTRACT)**

### **Treasury Management**

All treasury management activities will be undertaken in accordance with the Council's annual TMS, which includes the policies, objectives, risk management approach, and the prudential, treasury management and commercial investment strategy indicators. The strategy will comply with the Code of Practice for Treasury Management and the Prudential Code for Capital Finance, both published by the Chartered Institute of Public Finance and Accountancy (CIPFA), and reflects any published Government advice. The execution and administration of treasury management is delegated to the DRFO.

The Council shall have overall responsibility for treasury management and will formally approve the annual TMS and receive an annual and mid-year report on treasury management activities.

The Cabinet will be responsible for the implementation and regular monitoring of treasury management activity. The Treasury & Capital Management Group will include:

- the Executive and Deputy Leaders and the Executive Councillor responsible for resources. Other members can be co-opted onto the group at the discretion of the Executive Leader.
- the RFO and the DRFO, and as and when necessary the Managing Director and/or Corporate Director (Services). Other officers can be co-opted onto the group at the discretion of the Managing Director or the RFO.

The Overview and Scrutiny (Financial and Performance) Panel will be responsible for the scrutiny of treasury management.

**1. Definition**

1.1 The Council defines its treasury management activities as:

- the management of the Council's investments, cash flows, banking, money market and capital market transactions.
- the effective control of the risks associated with the Medium Term Financial Strategy (MTFS), Commercial Investment Strategy (CIS) and the pursuit of optimum performance consistent with those risks.

**2. Risk management**

2.1 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. The analysis and reporting of treasury management activities will focus on their risk implications for the MTFS and CIS.

**3. Value for money**

3.1 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. This includes the use of investment vehicles to make a return in order to finance the MTFS. To a larger extent this also includes the CIS which aims over the life of the MTFS to make a significant contribution to the funding of the Council's service objectives.

**4. Borrowing policy**

4.1 The Council needs to balance a number of elements in its borrowing policy for funding capital expenditure and the CIS:

- Utilising a mixture of borrowing periods to reduce the overall impact of changes in interest rates.
- Using different types of loans, including maturity and repayment loans. The CIS in particular will be using repayment loans.
- Minimising the long term cost of any borrowing.
- Ensuring that short term costs are as low as possible.
- Using the Council's own reserves on a temporary basis

4.2 The Council will set an affordable borrowing limit each year in compliance with the Local Government Act 2003, and will have regard to the CIPFA Prudential Code for Capital Finance in Local Authorities when setting that limit. It will also set limits on its exposure to changes in interest rates and limits on the maturity structure of its borrowing in the treasury management strategy report each year.

## **5. Investment policy**

- 5.1 All investment decisions, both general decisions and CIS, need to follow a risk assessment which takes account of the need to protect the principal sums invested from loss, ensuring adequate liquidity so that funds are available to fund expenditure when needed, and the generation of investment income to support the provision of local services.

## **6. Loans to Organisations**

- 6.1 The Council may make loans to:

- local organisations, if this will allow the organisation to provide services that will further the Council's own objectives, and where the business case makes this appropriate the earning of a margin on the amounts loaned, or
- organisations where no service benefits are involved, but with the objective of earning a margin on the amounts loaned, and
- In either case loans will only be made where all risks have been considered, appropriate safeguards are in place, and that have a yield commensurate with the risk involved.

## **7. Commercial Investment Strategy**

- 7.1 The CIS approved by Cabinet in December 2015, proposes further investment in commercial assets up to £50m. The aim of this investment is to generate future income streams, in order to mitigate the potential for increased cuts in government funding. The CIS investments will generally be focused on targeting a return on equity (ROE) of between 6% and 9%. A minimum revenue provision policy specific to the CIS has been added to the MRP policy.

## **8. Governance**

- 8.1 The Council will have regard to the Communities and Local Government Guidance on Local Government Investments and will approve an investment strategy each year as part of the treasury management strategy. The strategy will set criteria to determine suitable organisations with which cash may be invested, limits on the maximum duration of such investments and limits on the amount of cash that may be invested with any one organisation. The Treasury and Capital Management Group (TCMG) will be monitoring and reviewing decisions relating to both the capital programme and the CIS.

## 1.0 STRATEGIC TREASURY MANAGEMENT

The Council hold funds which through both the need to manage its cash flows and also through the investments made via Commercial Investment Strategy (CIS) which are placed with various financial institutions and organisations. In order that the implications of these investments can be both assessed and understood, the outlook in the economic, credit and interest rate environments must be monitored. This ensures that the correct investment decisions are made in order to yield the Council the best return within acceptable risk parameters.

### 1.1 Economic Outlook

The major external influence on the Authority's treasury management strategy for 2017/18 will be the UK's progress in negotiating a smooth exit from the European Union. Financial markets, wrong-footed by the referendum outcome, have since been weighed down by uncertainty over whether leaving the Union also means leaving the single market. Negotiations are expected to start once the UK formally triggers exit in early 2017 and last for at least two years. Uncertainty over future economic prospects will therefore remain throughout 2017/18.

The fall and continuing weakness in sterling and the near doubling in the price of oil in 2016 have combined to drive inflation expectations higher. The Bank of England is forecasting that Consumer Price Inflation will breach its 2% target in 2017, the first time since late 2013, but the Bank is expected to look through inflation overshoots over the course of 2017 when setting interest rates so as to avoid derailing the economy.

Initial post-referendum economic data showed that the feared collapse in business and consumer confidence had not immediately led to lower GDP growth. However, the prospect of a leaving the single market has dented business confidence and resulted in a delay in new business investment and, unless counteracted by higher public spending or retail sales, will weaken economic growth in 2017/18.

Looking overseas, with the US economy and its labour market showing steady improvement, the market has priced in a high probability of the Federal Reserve increasing interest rates in December 2016. The Eurozone meanwhile has continued to struggle with very low inflation and lack of momentum in growth, and the European Central Bank has left the door open for further quantitative easing.

The impact of political risk on financial markets remains significant over the next year. With challenges such as immigration, the rise of populist, anti-establishment parties and negative interest rates resulting in savers being paid nothing for their frugal efforts or even penalised for them, the outcomes of Italy's referendum on its constitution (December 2016), the French presidential and general elections (April – June 2017) and the German federal elections (August – October 2017) have the potential for upsets.

### **How Does This Impact on the Council's Medium Term Financial Strategy**

Low inflation rates have been a benefit to the Council's Medium Term Financial Strategy (MTFS) by lowering expectations about budget increases (both salaries and general expenditure) as a result of general price increases. However it seems likely now that inflation will rise as a result of increasing oil prices and the weakness of sterling, this will increase the pressure in future years for increases in budgets to allow for this.

Several factors are impacting on the prospects for economic growth, including the EU negotiations and business confidence. A slowdown in growth could potentially have an impact on the Council's ability to raise revenue from services where consumers or businesses may cut back, for example, leisure, parking (consumer activity), development control (house building), or commercial estates.

## **1.2 Credit Outlook**

Markets have expressed concern over the financial viability of a number of European banks recently. Sluggish economies and continuing fines for pre-crisis behaviour have weighed on bank profits, and any future slowdown will exacerbate concerns in this regard.

Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however continue to fall.

### **How Does This Impact on the Council's Medium Term Financial Strategy**

Whilst the credit outlook remains uncertain over the initial years of the MTFS, the Council is adopting a policy of investing in highly liquid assets such as Money Market Funds, and overnight call accounts. This is combined with the CIS which will be investing in assets, through the routes of property purchase and property funds which are backed by property assets.

## **1.3 Interest Rate Outlook**

The Authority's treasury adviser Arlingclose's central case is for UK Bank Rate to remain at 0.25% during 2017/18. The Bank of England has, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further falls in the Bank Rate look less likely. Negative Bank Rate is currently perceived by some policymakers to be counterproductive but, although a low probability, cannot be entirely ruled out in the medium term, particularly if the UK enters recession as a result of concerns over leaving the European Union.

Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50. Long-term economic fundamentals remain weak, and the quantitative easing (QE) stimulus provided by central banks globally has only delayed the fallout from the build-up of public and private sector debt. The Bank of England has defended QE as a monetary policy tool, and further QE in support of the UK economy in 2017/18 remains a distinct possibility, to keep long-term interest rates low.

### **How Does This Impact on the Medium Term Financial Strategy**

The result of low interest rates is that investment opportunities yielding an adequate rate of return in the general market are limited, hence the decision to look elsewhere for investment opportunities, by adopting the CIS.

The immediate effect on the MTFs of an increase in the UK bank rate is an increase in the cost of borrowing. This will directly impact on the revenue budgets through the net interest budget, the forecast for which reflect the rates shown in **Table 1**.

<b>Table 1</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2022/22</b>
<b>MTFS Interest Rate Assumptions</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Temporary investments	0.70	1.20	1.65	1.75	2.00
PWLB 20 year borrowing (EOY)	3.40	3.55	3.70	3.85	4.00
Temporary borrowing	0.75	1.00	1.50	1.50	1.75

Against the background of low interest rates and reducing revenue and capital balances the Council has sought to maximise the returns from its investments whilst minimising the risks of investing with a borrower that is, or may become, unable to repay. It therefore adopted a strategy for 2016/17 that concentrated on highly rated institutions, and the larger Building Societies, Money Market Funds and Local Authority investments. Investments in liquidity or call accounts, which offer repayment the same day were maximised to further reduce risk.

The 2016/17 Strategy allowed for borrowing in anticipation of need to fund capital expenditure although that option has not so far been used this year. It is envisaged that a similar allowance is included in the 2017/18 strategy.

## 2.0 BORROWING AND INVESTMENT FORECAST 31<sup>st</sup> MARCH 2017

The Council manages investments through-out the year. A proportion of the investments and borrowing will be short-term to manage cash-flow on a day to day basis, in order to make payments for example precepts or suppliers. The remainder of the investments and borrowing will be long-term, to finance capital expenditure and to seek yield to support the MTFS.

### 2.1 Breakdown of Forecast

In order to manage the achievement of the MTFS and CIS objectives and to maintain the necessary cash-flows, the Council will need to seek short-term and long-term borrowing. **Table 2** below is an estimate of the forecast investments and borrowing as at 31<sup>st</sup> March 2017, broken down between CIS balances and general programme activities.

<b>Table 2 Investing and Borrowing at 31/03/17</b>	<b>CIS £m</b>	<b>General Programme £m</b>	<b>Total £m</b>
Investments Short-Term	0	4.0	4.0
Investments Long-Term	2.5 <sup>A</sup>	0.0	2.5
<b>Total Investments</b>	<b>2.5</b>	<b>4.0</b>	<b>6.5</b>
Borrowing- Short-Term	0.0	1.0	1.0
Borrowing- Long-Term	0.0	15.8	15.8
<b>Total Borrowing</b>	<b>2.5</b>	<b>20.8</b>	<b>23.3</b>

**Notes** <sup>A</sup>CCLA Property Fund and share based investments

### 2.2 Interest Forecast 2016/17

The 2016/17 year-end forecast for net interest is now £0.274m, which will be a saving of £0.110m against the budget of £0.384m.

## 3.0 BORROWING AND INVESTMENT FORECAST OVER 2017/18 TO 2021/22

### 3.1 Medium Term Financial Strategy Capital Programme and CIS

Over the period of the MTFS the Council is budgeted to be spending significant sums on both its general capital programme (to enhance current assets and acquire new assets) and the capital investment programme enshrined within the CIS. **Table 3** below shows net amounts included within the MTFS in respect of the general capital programme and the CIS.



<b>Table 3 Forecast Programmes</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>2020/21 £m</b>	<b>2021/22 £m</b>
<b>Capital</b>	9.8	8.0	2.0	2.4	1.6	1.9
<b>CIS</b>	9.2	30.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>19.0</b>	<b>38.0</b>	<b>2.0</b>	<b>2.4</b>	<b>1.6</b>	<b>1.9</b>

**Note** The CIS is not forecast beyond 2017/18, this is a period of consolidation and development of risk shared development options.

### 3.2 **Borrowing Strategy**

For the general capital and CIS programmes shown in **Table 3**, the Council does not hold sufficient funds to finance this from its own internal resources. As a result it must borrow to meet this requirement.

This borrowing strategy sets out the long-term borrowing parameters in which the Council can borrow in order to facilitate the financing of the general capital programme and the CIS over the MTFS period. **Table 4** below shows the total borrowing requirements for both the general capital programme and the CIS; by 2021/22 the Council is expecting to have borrowing in excess of £29m (“Must Borrow”). If however, the Council chose not to use reserves to finance capital, borrowings would increase to £47m by 2021/22 (“May Borrow”).

**Annex C** provides further detail in respect of the borrowing and investments relating to both the general programme and the CIS.

<b>Table 4 Borrowing Strategy Whole Programme</b>	<b>2017/ 2018 £m</b>	<b>2018/ 2019 £m</b>	<b>2019/ 2020 £m</b>	<b>2020/ 2021 £m</b>	<b>2021/ 2022 £m</b>
<b>Expenditure</b>					
Capital Expenditure					
Brought Forward	(42.0)	(71.7)	(68.8)	(66.2)	(62.8)
Movement in Year	(29.7)	2.9	2.6	3.4	3.0
<b>Capital Financing Requirement</b>	<b>(71.7)</b>	<b>(68.8)</b>	<b>(66.2)</b>	<b>(62.8)</b>	<b>(59.8)</b>
Fixed Term Investment (EOY)	0.0	0.0	0.0	0.0	0.0
<b>Total Capital to be Financed</b>	<b>(71.7)</b>	<b>(68.8)</b>	<b>(66.2)</b>	<b>(62.8)</b>	<b>(59.8)</b>
<b>Financing</b>					
<b>Forecast long term borrowing (at 31/03/17 borrowing over MTFS)</b>	<b>13.2</b>	<b>13.1</b>	<b>12.9</b>	<b>12.7</b>	<b>12.6</b>

Average Revenue Reserves	2.6	2.5	2.6	2.6	2.7
Earmarked Reserves	9.6	11.6	13.0	14.4	15.6
<b>Total Reserves</b>	<b>12.2</b>	<b>14.1</b>	<b>15.6</b>	<b>17.0</b>	<b>18.3</b>
<b>Total Financing Available</b>	<b>25.4</b>	<b>27.2</b>	<b>28.5</b>	<b>29.7</b>	<b>30.9</b>
<b>Net Unfinanced Capital "Must Borrow"</b>	<b>(49.9)</b>	<b>(41.6)</b>	<b>(37.7)</b>	<b>(33.1)</b>	<b>(28.9)</b>
If Reserves are not used to Finance Capital: <b>"May Borrow"</b>	<b>(62.1)</b>	<b>(55.7)</b>	<b>(53.3)</b>	<b>(50.1)</b>	<b>(47.2)</b>
<b>Funding in Advance</b>					
May Borrow a further	0.0	0.0	0.0	0.0	0.0
<b>Need For Further Borrowing- Loans To Organisations</b>	<b>(15.0)</b>	<b>(15.0)</b>	<b>(15.0)</b>	<b>(15.0)</b>	<b>(15.0)</b>

- Notes**
1. Forecast general reserves is the average reserves for the year
  2. Earmarked reserves includes the special reserve, repairs and renewals reserves, and capital investments. These are forecast to diminish over the life of the MTFs, as the balances in these reserves are used to fund expenditure. It is assumed that there are no additional earmarked reserves.
  3. There would be a cash flow benefit; however due to its natural volatility, it is excluded from this analysis.

### 3.3 Investment Strategy

The guidance on Local Authority Investments categorises investments as 'specified' and 'non-specified'.

Specified investments are expected to offer relatively high security and/or liquidity. They must be:

- in sterling (avoiding exchange rate fluctuations) and,
- due to be repaid within 12 months (minimising capital value fluctuations on gilts and CDs and minimising the period within which a counterparty might get into difficulty) and not defined as capital expenditure in the capital finance regulations 2003 (e.g. equities and corporate bonds though there is current consultation on removing bonds from the capital constraint)) and,
- with a body that the Council considers is of high credit quality or with the UK Government or a local authority, (minimising the counterparty risk), this includes Money Market Funds where the Council has set minimum criteria.

No investment that counts as Capital expenditure will be undertaken, without Cabinet approval or for the CIS, the Treasury and Capital Management Group, as it effectively transfers revenue funds into capital when the investment is repaid which has significant impacts on the Council's financial flexibility.

Non-specified investments include longer deposits and other types of investment e.g. corporate bonds and equities.

The Council may use the following non-specified investments:

- Time Deposits of longer than 12 months with banks and building societies
- UK government bonds, supranational bank bonds
- loans to other local authorities and other organisations (further definition of the latter is shown below) over 12 months to maturity
- Corporate Bonds over 12 months to maturity, if returns are clearly better than time deposits, but such investments will only be made following a risk assessment and consultation on the proposed limits, procedures and credit ratings with the Treasury and Capital Management Group (TCMG). Use would be limited to Bonds that could be held to maturity thus avoiding fluctuations in capital value.
- Property funds, share based investments and Property.

#### **4.0 OTHER TREASURY ACTIVITIES**

Whilst the Council will be making borrowing and investing decisions in relation to its general capital and CIS programmes, there is also a requirement to make other decisions that do not relate directly to these programmes but are required to meet corporate objectives.

##### **4.1 Loans to Support the Achievement of Service Objectives**

Opportunities will arise from time to time for the Council to further its objectives by making loans to local organisations or businesses. Such loans are considered to be investments as defined in this strategy. All such loans would be subject to a due diligence process, and the identification of relevant risks pertaining to the loan. Such investments can be administratively cumbersome to set-up and consequently will only be undertaken following a detailed business case has been approved by Cabinet. These loans would not be subject to the 5 year investment limit.

##### **4.2 Loans with Security**

The Localism Act potentially enables the Council to benefit from its low cost of borrowing to earn a margin by providing a loan to other bodies where no service benefits are involved. Due consideration will be given to the impact of state aid regulations, and where security of the investment can be made through a legal charge on an adequate value of asset(s) to protect the Council from the possibility of default. Such investments can be administratively cumbersome to set-up and consequently will only be undertaken following a detailed business

case has been approved by Cabinet. These loans would not be subject to the 5 year investment limit.

#### **4.3 Policy on using Financial Derivatives**

Local authorities have previously made use of financial derivatives embedded in loans and investments both to reduce interest rate risk, and to reduce costs or increase income at the expense of greater risk (e.g. lenders option/borrowers option (LOBO) loans). The Localism Bill 2011 includes a general power competence that removes the uncertain legal position over local authorities' use of standalone financial derivatives. Any decision to make use of financial derivatives will be subject to further reports to cabinet. Considering the Councils commitment to developing a CIS portfolio, it is unlikely that Financial Derivatives will be used.

#### **4.4 Treasury Advisors**

Arlingclose are the Councils appointed advisors. The Advisor carries out the following role:

- advice on investment decisions,
- notification of credit ratings and changes,
- advice and guidance on relevant policies, strategies and reports,
- training courses.

#### **4.5 Management and Governance**

The Responsible Financial Officer and their staff will manage and monitor investments and borrowing. The Treasury and Capital Management Group (TCMG) consists of three councillors and relevant officers. This group oversees and monitors treasury, CIS and capital activities.

#### **4.6 Reporting and Scrutiny**

The Treasury Management Strategy is reported to Council each year in February so that the strategy can take into account the latest MTFs and the critical factors affecting the treasury function including, the economy, interest rates and the credit outlook. In November a 6 month report on the performance of the fund is reported to Cabinet and in June a report on the annual performance of the funds is reported.

#### **4.7 Changes to the Strategy**

The strategy is not intended to be constricting, but a definition of the upper limit of the level of risk that it is prudent for the Council to take in maximising the return on its net investments. Any changes that are:

- broadly consistent with this Strategy, and/or
  - reduce or only minimally increase the level of risk, and/or
  - supported by the Council's Treasury Management Advisors,
- are delegated to the Responsible Financial Officer, after consultation with the TCMG. All other changes to the strategy must be approved by the full Council.

## **5.0 TREASURY MANAGEMENT, PRUDENTIAL AND CIS INDICATORS**

The Council's Treasury Management and Prudential Indicators are attached at **Appendix 4**. They are based on data included in the budget report and this Strategy. They set various limits that allow officers to monitor its achievement, and are there to guide members and officers when treasury management decisions are being made.

A new section for this year's strategy is the CIS indicators these will be used to monitor the success of the CIS programme, using a set of ratios and metrics specifically designed for that programme.

These indicators must be approved by the Council and can only be amended by the Council.

DEFINITION OF CREDIT RATINGS

ANNEX A

Fitch	Rating	Definition	Examples of counterparties
Short term	F1	Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.	Handelsbanken F1+ Nationwide Building Society Bank of Scotland Barclays Bank Santander
	F2	Good rated intrinsic capacity for timely payment of financial commitments.	Royal Bank of Scotland <b>NatWest (The Council's Bank)</b>
	F3	Fair rated intrinsic capacity for timely payment of financial commitments.	
Long-term	AAA	Highest credit quality organisations, reliable and stable. 'AAA' ratings denote the <b>lowest expectation of default risk</b> . They are assigned only in cases of exceptionally strong capacity for payment of financial commitments.	Germany, Sweden, USA. Money Market Funds
	AA	Very high credit quality. 'AA' ratings denote <b>expectations of very low default risk</b> . They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.	United Kingdom, France, Handelsbanken
	AA-		HSBC Bank.
	A	High credit quality. 'A' ratings denote <b>expectations of low default risk</b> . The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.	Bank of Scotland A+, Lloyds Bank A+, Barclays Bank, Santander, Nationwide Building Society, Coventry Building Society
	A-		Leeds Building Society, Yorkshire Building Society.
	BBB	Good credit quality. BBB ratings indicate <b>expectations of low default risk</b> . The capacity for payment of	Royal Bank of Scotland BBB+, NatWest BBB+, Clydesdale Bank BBB+

		financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.	
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**Notes**

The modifiers “+” or “-” may be appended to a rating to denote relative status within major rating categories.

The credit ratings quoted above are based on those issued by Fitch, a Credit Rating Company.

**FUND MANAGEMENT (IF NO FURTHER BORROWING)**
**ANNEX B**

<p>The following limits do not apply to the CIS, as the CIS is intended to be a medium to long term investment vehicle. Properties and other investments may be held onto for a number of years, dependent on the Risk associated with each individual investment and the wider portfolio itself.</p>		
<b>Duration of investments</b>	<p>No investment shall be longer than 5 years. Maximum duration for a Building Society with no rating is 1 month.</p>	
<b>Types of investments</b>	<p>Fixed term Deposits Deposits at call, two or seven day notice Corporate bonds Money Market Funds UK Government bonds and Supranational Bank bonds Loans to Organisations Pooled Property and Asset Funds Shares Based Investments (subject to separate approval of the Treasury &amp; Capital Management Group)</p>	
<b>Credit Ratings</b>	<p>Building Societies All Building Societies with ratings of BBB or above. Building Societies with no ratings. (maximum duration 1 month) Money Market Funds AAA credit rating Local Authorities, Police Authorities, Fire Authorities or UK Government, No rating required Non-Building Societies Short term rating F2 by Fitch or equivalent. Long-term rating of AA- by Fitch or equivalent if the investment is longer than 1 year.</p> <p>Loans to Organisations These will not require a specific credit rating but will be subject to individual approval by Cabinet (these will be for longer than 5 years).</p>	
<b>Maximum limits per counterparty (group), country or non-specified category</b>	<p>F1+ or have a legal position that guarantees repayment for the period of the investment</p> <p>F1</p> <p>Building Society with assets over £2bn in top 25 (Currently 10)</p> <p>Building Society with assets over £1bn if in top 25 (Currently 3)</p> <p>Building Society with assets under £1bn in top 25</p> <p>Liquidity (Call) Account with a credit rating of F2 or with a legal position that guarantees repayment or a Building Society</p>	<p>£5M</p> <p>£4M</p> <p>£5M</p> <p>£4M</p> <p>£3M</p> <p>£5M</p>



	<p>BUT total invested with counterparty/group shall not exceed</p> <p>Money market fund AAA Credit rating</p>	<p>£8M</p> <p>£4M</p>
	<p><b>Limit for Non-specified investments</b></p> <ul style="list-style-type: none"> <li>- £10M in time deposits more than one year</li> <li>- £5M in corporate bonds</li> <li>- £10M in any other types.</li> <li>- £10M Pooled Property funds e.g. CCLA</li> <li>- £15M in total</li> </ul> <p><b>Country limits</b></p> <ul style="list-style-type: none"> <li>- UK - unlimited</li> <li>- £5M in a country outside the EU</li> <li>- £10M in a country within the EU (excluding UK)</li> <li>- £20M in EU countries combined (excluding UK)</li> <li>- Country of Domicile for Money Market Funds – unlimited, providing the fund is AAA.</li> </ul> <p>Except for Money Market Funds, no investment will be made in country with a sovereign rating of less than AA.</p> <p>These limits will be applied when considering any new investment from 22 February 2017. Lower limits may be set during the course of the year or for later years to avoid too high a proportion of the Council's funds being with any counterparty.</p> <p><b>Loans to Organisations</b></p> <p>No limit in value or period but will be subject to approval by Cabinet of a detailed business case.</p> <p><b>Commercial Investment Strategy</b></p> <p>Investments made through the CIS will subject to the parameters and limits set out in that strategy.</p>	
<b>Benchmark</b>	LGC 7 day rate	

## INVESTMENT LIMITS FOR BORROWING IN ADVANCE

	Level of Borrowing in Anticipation		Rating Constraints
from	£5M	£11M	
to	£10M	£20M	
<b>BUILDING SOCIETIES</b>			
Assets over £2bn	£5M	£5M	
Assets over £1bn	£4M	£4M	
Rest of top 25 by assets	£3M	£3M	
<b>BANKS &amp; OTHER INSTITUTIONS</b>			
F2+ or legal status	£5M	£5M	AA- if more than 1 year
F2	£4M	£4M	AA- if more than 1 year
<b>LIQUIDITY ACCOUNTS</b>			
Limit in liquidity account	£5M	£6M	F2 or legal status
Limit with any other investments in institution	£8M	£9M	
<b>NON-SPECIFIED INVESTMENTS</b>			
Time Deposits over 1 year in total	£20M	£30M	
Corporate Bonds in total	£5M	£8M	Not yet determined
<b>TERRITORIAL LIMITS</b>			
UK	Unlimited		
EU (excluding UK)	£20M	£20M	
EU Country (other than UK)	£10M	£10M	
Any other Country	£5M	£5M	

## BREAKDOWN OF BORROWING AND INVESTING FORECAST 2017/18 to 2020/21

## 1. COMMERCIAL INVESTMENT STRATEGY BORROWING FORECAST

<b>Borrowing Strategy CIS</b>	<b>2017/ 2018 £m</b>	<b>2018/ 2019 £m</b>	<b>2019/ 2020 £m</b>	<b>2020/ 2021 £m</b>	<b>2021/ 2021 £m</b>
<b>Expenditure</b>					
Capital Expenditure					
Brought Forward	0.0	(26.4)	(24.5)	(22.6)	(20.7)
Movement in Year (a)	(26.4)	1.9	1.9	1.9	1.9
<b>Capital Financing Requirement</b>	<b>(26.4)</b>	<b>(24.5)</b>	<b>(22.6)</b>	<b>(20.7)</b>	<b>(18.8)</b>
Fixed Term Investment (EOY)	0.0	0.0	0.0	0.0	0.0
<b>Total Capital to be Financed</b>	<b>(30.0)</b>	<b>(24.5)</b>	<b>(22.6)</b>	<b>(20.7)</b>	<b>(18.8)</b>
<b>Financing</b>					
<b>Forecast long term borrowing</b> (at 31/03/17 borrowing over MTFS)	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Average Revenue Reserves	0.0	0.0	0.0	0.0	0.0
Earmarked Reserves	0.0	0.0	0.0	0.0	0.0
<b>Total Reserves</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Financing Available</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Net Unfinanced Capital "Must Borrow"</b>	<b>(30.0)</b>	<b>(24.5)</b>	<b>(22.6)</b>	<b>(20.7)</b>	<b>(18.8)</b>
If Reserves are not used to Finance Capital:					
<b>May Borrow</b>	<b>(30.0)</b>	<b>(24.5)</b>	<b>(22.6)</b>	<b>(20.7)</b>	<b>(18.8)</b>

Note: (a) These numbers represent the net for actual spend less Minimum Revenue Provision.

**Cash Flow**

The Council will be making investments through the CIS. Initially investments will be made using reserves, however due to the cash flow impacts of council tax and precept payments there may not be on a day to day basis, sufficient cash. In the event of this circumstance the council will look to borrow on a short-term basis.

### Borrowing – Long Term

As the CIS develops and investments are made, borrowing will be required. It is expected that this will be from the Public Works Loans Board (PWLB). The type of loan is expected to be repayment, whereby repayments are made to the lender on a regular basis.

## 2. GENERAL CAPITAL PROGRAMME BORROWING FORECAST

<b>Borrowing Strategy General Capital Programme</b>	<b>2017/ 2018 £m</b>	<b>2018/ 2019 £m</b>	<b>2019/ 2020 £m</b>	<b>2020/ 2021 £m</b>	<b>2021/ 2022 £m</b>
<b>Expenditure</b>					
Capital Expenditure					
Brought Forward	(42.0)	(45.3)	(44.3)	(43.6)	(42.1)
Movement in Year	(3.3)	1.0	0.7	1.5	1.1
<b>Capital Financing Requirement</b>	<b>(45.3)</b>	<b>(44.3)</b>	<b>(43.6)</b>	<b>(42.1)</b>	<b>(41.0)</b>
<b>Total Capital to be Financed</b>	<b>(45.3)</b>	<b>(44.3)</b>	<b>(43.6)</b>	<b>(42.1)</b>	<b>(41.0)</b>
<b>Financing</b>					
<b>Forecast long term borrowing</b> (at 31/03/17 borrowing over MTFS)	<b>13.2</b>	<b>13.1</b>	<b>12.9</b>	<b>12.7</b>	<b>12.6</b>
Average Revenue Reserves	2.6	2.5	2.6	2.6	2.7
Earmarked Reserves	9.6	11.6	13.0	14.4	15.6
<b>Total Reserves</b>	<b>12.2</b>	<b>14.1</b>	<b>15.6</b>	<b>17.0</b>	<b>18.3</b>
<b>Total Financing Available</b>	<b>25.4</b>	<b>27.2</b>	<b>28.5</b>	<b>29.7</b>	<b>30.9</b>
<b>Net Unfinanced Capital</b> <b>“Must Borrow”</b>	<b>(19.9)</b>	<b>(17.1)</b>	<b>(15.1)</b>	<b>(12.4)</b>	<b>(10.1)</b>
If Reserves are not used to Finance Capital: <b>“May Borrow”</b>	<b>(32.1)</b>	<b>(31.2)</b>	<b>(30.7)</b>	<b>(29.4)</b>	<b>(28.4)</b>
Funding in Advance					
<b>May Borrow a further</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Need For Further Borrowing- Loans To Organisations</b>	<b>(15.0)</b>	<b>(15.0)</b>	<b>(15.0)</b>	<b>(15.0)</b>	<b>(15.0)</b>

### **Cash Flow**

In addition to the fundamental movements described above there are day-to-day impacts due to the flow of funds into and out of the Council. For instance, the dates on which the County Council is paid its portion of the council tax and Business Rate receipts will be different to the days the money is physically received from Council Tax and Business payers. These cash flows will sometimes leave the Council with several million pounds to borrow, or invest, either overnight or for a few weeks depending on the next precept date.

Authorities are permitted to borrow short term for this purpose and all borrowing decisions will be made on the most economically advantageous rates for the period that is required to be covered. If rates are particularly high on a particular day then the sum may be borrowed overnight to see if rates are lower the following day for the remainder of the period.

### **Loans to Organisations**

The amounts shown are indicative at this stage and any such loans to organisations would be subject to separate approval by Cabinet. The number of loans of this nature are, likely to be limited as the CIS is likely to produce higher yields and a better risk profile.

### **Investments – High Credit Quality**

The Council following Department of Communities and Local Government (DCLG) guidance on credit worthiness of financial institutions follows their guidance to ensure the high quality of the credit rating. The detail of this is shown in Annex A.

Whilst the Council will take some account of such additional information the main criteria for judging credit quality will be:

- Short term credit ratings, and long-term credit ratings for any investment over 1 year.
- The top 25 Building Societies by asset size irrespective of any credit rating they may hold subject to the comments below.
- Credit Default Swap prices obtained from our advisors.
- Counter party list provided by Arlingclose on a monthly basis.

### **Investments – Risk Mitigation**

Credit quality can never be absolutely guaranteed so to further mitigate risks there is a need to spread investments in a number of ways:

- by counterparty, including any institutions that are linked in the same group.
- by country.

These limits need to be a practical balance between safety and administrative efficiency and need to cope with the uncertainty of the amount of borrowing in anticipation. A schedule is therefore included in Annex B which shows the investment limits for different levels of forward borrowing.

### **Investments - Periods**

Once a time deposit is made there is no requirement for the borrower to repay until the end of the agreed period. Thus a borrower who has a high credit rating on the investment day could be in serious financial difficulties in the future. As a

result significant use is made of liquidity accounts which currently give an attractive interest rate but also allow repayment of our investment the same day.

The Council will register with a selection of money market funds with AAA ratings which also allow same-day withdrawal of funds. The domicile for some of these funds can be in a low rated country; however as it is stipulated that the fund itself has to be Triple A, this is acceptable.

These funds will be used as appropriate taking account of comparative security and yields. During 2016/17, the Council used the following money market funds:

- Public Sector Deposit Fund, operated by Church's, Charities and Local Authorities.
- Federated Sterling Fund, operated by Federated Investors.
- Insight Liquidity Fund, operated by Insight Liquidity Funds PLC.
- Standard Life Liquidity Fund, operated by Standard Life Investments.
- Legal and General Fund, operated by Legal and General Investment Management.
- Blackrock Sterling Liquidity Fund, operated by BlackRock Investment Management.

If during 2017/18, where it becomes advantageous, further funds may be used.

### **Investments - Management**

Taking account of the Credit Quality and Spreading the Risk sections above, Annex B outlines the criteria and limits for making investments.

There may be limited occasions, based on detailed cash flow forecasts, where some investments of more than a year might be made that do not relate to borrowing in anticipation.

Risk of counterparty failure can also be minimised by shortening the period of any time deposit. At the current time, partly reflecting the current interest rate structure, time deposits are generally kept below one month. The criteria also differentiates the duration of investments based on credit rating e.g. the maximum duration of investments with building societies with no rating will be 1 month.

A new investment category for 2016/17 onwards was "shares-based investments". Such investments can be considered higher-risk because, as well as their performance being dependent on the companies etc. concerned, their performance is also dependent on the wider stock (or similar) market. However, they are a very liquid investment vehicle and are an option that will be considered within the CIS.

### **No Funding Activity**

The amount of capital borrowing up until March 2017 will be dependent upon the actual levels of revenue spending which will determine the level of the Council's own reserves that can be used and the level of capital spending which will determine the total sum required. The period of borrowing will reflect the current and anticipated interest rate profile. If short term interest rates began to rise consideration would be given to whether long term rates were attractive enough to support long term borrowing. If rates remain low it is much more difficult to justify long term borrowing.

### **Funding in Advance**

Funding in advance would require longer term borrowing rates to be at levels that appeared to be attractive when compared with rates that were expected over the remainder of that period. It would also need to take account of the difference between the borrowing rates and the currently, much lower, investment rates that would be received pending the use of the money for funding capital from sufficiently secure counterparties. A risk assessment will be carried out before undertaking any advance borrowing, and agreement would also be sought from the external auditors.

### **Profile**

The Council will be balancing two different aspects when deciding on the period it will borrow for:

- **Stability.** Avoid the risk of adverse market movements affecting the cost of borrowing. To do this the logical option is to borrow the money for as long as needed.
- **Lowest Cost.** Minimise the overall cost of borrowing which, at the present time, might result in very short borrowing because of the very low interest rates available.

Any long term borrowing will tend to be from the Public Works Loans Board (PWLB) which is a Government Agency providing funds to local authorities at interest rates linked to the cost of central government borrowing rates.

**CIPFA PRUDENTIAL CODE FOR CAPITAL FINANCE IN LOCAL AUTHORITIES  
PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT INDICATORS FOR  
2017/18 AND THE COMMERCIAL INVESTMENT STRATEGY INDICATORS 2017/18.**

The relevant Prudential and Treasury Management indicators that need to reflect the potential borrowing to finance funding in advance and loans to organisations have been amended. Where no requirement is shown, the indicator only reflects what is included in the Council's Medium Term Financial Strategy.

All decisions relating to loans to organisations will be subject to approval by the Cabinet. Where these decisions will affect the relevant prudential or treasury indicators noted below, other than Item 7: "the authorised limit for external debt, retrospective approval will sought of Council at either the mid-year or full year reporting periods.

**PRUDENTIAL INDICATORS**

**1. Actual and Estimated Capital Expenditure**

		2015/16 Actual £m	2016/17 Forecast £m	2017/18 Estimate £m	2018/19 Estimate £m	2019/20 Estimate £m
<b>Capital Programme</b>	<b>Gross</b>	6.1	11.2	9.3	3.1	3.5
	<b>Net</b>	1.2	9.8	8.0	2.0	2.4
<b>CIS</b>	<b>Gross</b>	1.4	9.2	30.0	0.0	0.0
	<b>Net</b>	1.4	9.2	30.0	0.0	0.0

- 1.1 Where it is determined that loans to organisations are for capital purposes, this will be treated as capital expenditure and would be in addition to the current capital programme.
- 1.2 The CIS estimated expenditure is subject to change, subject to further investments meeting the required rates of return.

**2. The proportion of the budget financed from government grants and council tax that is spent on interest and the provision for debt repayment.**

	2015/16 Actual	2016/17 Forecast	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
<b>Capital Programme</b>	9.2%	9.2%	11.4%	13.7%	14.6%
<b>CIS</b>	n/a	3.6%	8.6%	9.2%	9.0%
<b>Total</b>	<b>9.2%</b>	<b>12.8%</b>	<b>20.0%</b>	<b>22.9%</b>	<b>23.6%</b>

- 2.1 Assuming no borrowing in advance.

**3. The impact of schemes with capital expenditure on the level of council tax**

- 3.1 This calculation highlights the hypothetical impact on the level of Council Tax from changes from the previously approved MTFs due to capital schemes (including their associated revenue implications). The actual change in Council Tax will be significantly different due to revenue variations, spending adjustments and the use of revenue reserves.



		2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Capital Programme	Variation	(£5.49)	(£8.10)	(£9.01)
	Cumulative	(£5.49)	(£16.70)	(£22.61)
CIS	Variation	(£15.16)	(£16.01)	(£10.94)
	Cumulative	(£15.16)	(£31.17)	(£42.11)

#### 4. The capital financing requirement.

- 4.1 This represents the estimated need for the Council to borrow to finance capital expenditure less the estimated provision for redemption of debt (the Minimum Revenue Provision). The table below shows the capital financing requirement split between the capital programme and the Commercial Investment Strategy.

	31/3/16 Actual £m	2016/17 Forecast £m	2017/18 Estimate £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Capital Programme	35.4	41.5	43.7	42.7	42.0	40.5	39.4
CIS	0	0	26.4	24.5	22.6	20.7	18.8
<b>Total</b>	<b>35.4</b>	<b>41.5</b>	<b>70.1</b>	<b>67.2</b>	<b>64.6</b>	<b>61.2</b>	<b>58.2</b>

#### 5. Gross debt and the capital financing requirement

- 5.1 In order to ensure that, over the medium term, net borrowing will only be for a capital purpose, the Council should make sure that net external borrowing (borrowing less investments) does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current year and any specific decisions to borrow in advance or make loans to organisations.

	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m	2019/20 Estimate £m
Borrowing - General	0.0	19.4	16.1	13.1
Borrowing - CIS	0.0	30.0	30.0	30.0
<b>Total</b>	<b>0.0</b>	<b>49.4</b>	<b>46.1</b>	<b>43.1</b>

#### Gross and Net Debt

- 5.2 This indicator is intended to highlight the level of advance borrowing by limiting the variation between gross debt (borrowing) and net debt (borrowing less investments). The more borrowing in advance the higher the gross debt but there is no change in net debt because the borrowed sums will be invested pending them being needed to finance capital expenditure. Thus net debt as a proportion of gross debt falls as borrowing in advance occurs. Unfortunately the position is complicated by the significant variations that the Council has to contend with relating to day-to-day cash flow which can cause major fluctuations in this proportion. To achieve the equivalent result all advance borrowing will be reported to the TCMG and highlighted in the mid-year and end

of year reports.

## 6. The authorised limit for external debt.

- 6.1 This is the maximum limit for borrowing and is based on a worst-case scenario. It reflects borrowing to fund capital rather than using reserves and the three elements (No activity, borrowing in advance and loans) will be controlled separately.

	2016/17 Limit £m	2017/18 Estimate £m	2018/19 Estimate £m	2019/20 Estimate £m
<b>Short term</b>	22	26	26	24
<b>Long term</b>	47	45	44	44
<b>Other long-term liabilities (leases)</b>	5	6	7	8
<b>Total - No Funding Activity</b>	<b>74</b>	<b>77</b>	<b>77</b>	<b>76</b>
<b>Long Term based on the maximum borrowing in advance</b>	0	0	0	0
<b>Plus long term borrowing to finance long term loans to organisations</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
<b>Plus long term borrowing to finance loans for CIS investments delivering a commercial yield</b>	<b>19</b>	<b>30</b>	<b>25</b>	<b>23</b>

## 7. The operational boundary for external debt.

- 7.1 This reflects a less extreme position. Although the figure can be exceeded without further approval it represents an early warning monitoring device to ensure that the authorised limit (above) is not exceeded.

	2016/17 Limit £m	2017/18 Limit £m	2018/19 Limit £m	2019/20 Limit £m
<b>Short term</b>	17	21	21	19
<b>Long term</b>	47	45	44	44
<b>Other long-term liabilities (leases)</b>	5	6	7	8
<b>Total – No Funding Activity</b>	<b>69</b>	<b>72</b>	<b>72</b>	<b>71</b>
<b>Plus long term borrowing in advance</b>	0	0	0	0
<b>Plus long term borrowing to finance long term loans to organisations</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
<b>Plus long term borrowing to finance loans for CIS investments delivering a commercial yield</b>	<b>19</b>	<b>30</b>	<b>25</b>	<b>23</b>

## 8. Adoption of the CIPFA Code

- 8.1 The Council has adopted the 2011 edition of the CIPFA Treasury Management Code of Practice. The 2011 edition is still the latest version.

## TREASURY MANAGEMENT INDICATORS

### 9. Exposure to interest rate risk as a proportion of net investments.

- 9.1 This indicator is set to control the Council's exposure to interest rate risk. Investments of less than 12 months count as variable rate.
- 9.2 If the Council does not borrow in advance it is quite possible that all investments will be of less than a year's duration and hence count as "variable rate".

		2017/18		2018/19		2019/20	
		Limits		Limits		Limits	
		Max	Min	Max	Min	Max	Min
<b>Borrowing</b>							
Longer than 1 year	Fixed	100%	75%	100%	75%	100%	75%
	Variable	25%	0%	25%	0%	25%	0%
<b>Investments</b>							
Longer than 1 year	Fixed	100%	100%	100%	100%	100%	100%
	Variable	0%	0%	0%	0%	0%	0%

### 10. Borrowing Repayment Profile

- 10.1 The proportion of borrowing in place during 2016/17 that will mature in successive periods. This indicator is set to control the Council's exposure to refinancing risk.
- 10.2 The Council has forecast £15.8m long term borrowing at the end of 2016/17, but the uncertainty on whether any forward borrowing will take place and the potential for short term borrowing to be the most attractive option results in the limits set out below.

Funding capital schemes	Upper limit	Lower limit
Under 12 months	81%	0%
12 months and within 24 months	81%	0%
24 months and within 5 years	81%	0%
5 years and within 10 years	82%	1%
10 years and above	100%	18%

- 10.3 This may be affected by any funding in advance, Loans to Organisation or the CIS programme.

### 11. Investment Repayment Profile

- 11.1 Limit on the value of investments that cannot be redeemed within 364 days i.e. by the end of each financial year. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. These limits need to allow for borrowing in advance.
- 11.2 The uncertainty about borrowing in advance results in higher limits than would otherwise be required.

	2017/18 £m	2018/19 £m	2019/20 £m
<b>Capital Programme;</b> Limit on investments over 364 days as at 31 March each year.	76.1	69.8	67.8

- 11.3 This may be affected by any changes to Funding in Advance, Loans to Organisations and the CIS.

## COMMERCIAL INVESTMENT STRATEGY (CIS) SPECIFIC INDICATORS

### Interest Cover Ratio (ICR)

- 12.1 This ratio determines the amount of total net income from property investments (after operating costs and any applicable taxes) compared with the interest expense of the debt. This is important so the amount of interest payable compared to income generated is proportionate.
- 12.2 Because debt commences later in the Phase 1 cycle, the profile of the ICR is shown below. It is suggested that these are initial indices reflecting the maximum debt interest to revenue at the commencement of the Business Plan (BP). If investments profiles change, the ICR ratio will change.

<b>Initial Interest Cover Ratio (at start of CIS Business Plan)</b>			
<b>Year</b>	<b>Estimated</b>		<b>ICR</b>
	<b>Revenue cash flow £000</b>	<b>Cost of Interest £000</b>	
2016/17	879	0	n/a
2017/18	3,179	628	19.7
2018/19	3,179	628	19.7
2019/20	3,179	628	19.7

- 12.3 The proposed range for ICR shall be between 5 and 17.

### Loan to Value Ratio (LTV)

- 13.1 This ratio determines the amount of total debt (compared to the total value of the underlying property assets as valued from time to time. Debt in this respect is both internal and external debt, i.e. revenue financing and borrowing from the market that is used to finance the capital propositions. Although it is recognised that the primary form of finance for the CIS portfolio is debt, it is important to ensure that the proportion of debt to asset value is actively managed to ensure that the debt burden is within acceptable limits
- 13.2 In a similar way to the ICR, the LTV ratios, as shown below reflect that debt commences later in the BP cycle. It is suggested that these are initial indices reflecting the maximum debt asset value at the commencement of the BP. If investments profiles change, the ICR ratio will change.

<b>Loan to Value Ratio (at start of CIS Business Plan)</b>			
<b>Year</b>	<b>Estimated</b>		<b>LTV</b>
	<b>Loan Value £000</b>	<b>Asset Value £000</b>	
2016/17	0.0	33.5	n/a
2017/18	30.0	64.0	46
2018/19	28.9	64.5	44
2019/20	28.8	65.0	43

13.3 It is recognised that while the LTV is an important indices when having regard to debt repayment obligations, the ICR is the more important indices when monitoring the CIS on an on-going basis because it provides performance information that will enable the Council to determine its ability to:

- make revenue contributions that will support the delivery of Council services.
- meet its interest payments commitments on the debt within the CIS.

13.4 The proposed range for LTV shall be between 30 and 65.

#### **Target Income Returns**

14.1 The primary indices for measuring returns on investment is the “return on equity” (ROE) indices. This is effectively the:

Net Revenue Contribution (\*1) / Equity (\*2)

\*1 Revenue contributions shall be calculated as net i.e. income returns after taking into account all operating and management costs, interest expense, minimum revenue provision and relevant taxes.

\*2 Equity being the difference between the value of assets and borrowing.

14.2 Following extensive modelling of the proposed investment opportunities, the expected revenue contribution to the Council will be £3.0m by the end of 2018/19; this gives a ROE of 8%.

14.3 However, reflecting the income expected to be generated from the CIS will grow over time, it is best to have an ROE range for the period of the BP, this will be set between 6% and 9% per annum.

14.4 It is accepted that individual investments will contribute different levels of income return and that the target revenue contribution is an average across the CIS portfolio.

## **Portfolio & Risk Metrics**

- 15.1 Additional indicators that would be useful to monitor the CIS, however most of these will come into play as the CIS matures. These include:

### **Historic and forecast income and total returns**

- 15.2 As the CIS matures:

- It will be useful to monitor the performance of the assets to assist in informing future assets acquisitions.
- Other indices will be developed and may include:
  - Benchmarking of returns (IPD)
  - Gross & net income
  - Operating costs
  - Vacancy levels and Tenant exposures

## 1.0 Introduction

- 1.1 Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008, Councils, are in fact expected to make a prudent provision. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the DCLG Guidance) most recently issued in 2012.
- 1.2 The broad aim of the DCLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 1.3 The DCLG Guidance requires the Council to approve an Annual MRP Statement, and recommends a number of options for calculating a prudent amount of MRP.
- 1.4 The Council has a number of MRP policies reflecting the range of capital financing options required for different service scenarios.

## 2.0 General MRP Policy

- 2.1 This Policy was originally approved by Cabinet on the 17<sup>th</sup> September 2009. For (iii) below, for 2017/18 there has been a slight change to clarify when the incidence of MRP will be chargeable. The following statement incorporates options recommended in the Guidance;
- 2.2 The actual Policy is:
- i. For capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant assets as the principal repayment on an annuity with an annual interest rate based on long-term borrowing rates, starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.
  - ii. For assets acquired by finance leases or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
  - iii. In respect of:
    - capital assets; MRP will be chargeable in the year following the agreement of any final account.
    - other capital investments; MRP will be chargeable in the following financial year.

### **3.0 Loans to Organisations MRP Policy**

3.1 This Policy was originally approved in 22<sup>nd</sup> February 2015. The aim of the policy is to facilitate the provision of finance to organisations, with the Council sourcing the finance from third parties, but to ensure that the incidence of debt finance is directly neutralized within the Councils balance sheet.

3.2 The actual policy is:

Where loans are made to other bodies for their capital expenditure, and the principal repayments are received at least on an annual basis, no MRP will be charged. The capital receipts generated by the annual repayments will replace the need to make a provision for MRP.

### **4.0 CIS MRP Policy – Financing Expenditure with Annuity Loans**

4.1 This Policy was originally approved in 22<sup>nd</sup> February 2016 and has been amended for 2017/18. The aim of this policy is to determine the neutralization of MRP when Annuity Loans are used to finance CIS asset or investments.

4.2 The actual policy is:

For each capital investment undertaken under the requirements of the Councils Commercial Investment Strategy where it has been decided that an Annuity Loan is advantageous, MRP will be made that is equal to the principal repayment for any loan finance supporting the investment.

### **5.0 CIS MRP Policy – Financing Expenditure with Maturity Loans**

5.1 This is a new policy of 2017/18.

5.2 Maturity Loans are similar to interest only mortgages, in that only interest is paid during the life of the loan with the loan principal being repaid at the end of the term (by either the Council taking out a further loan or selling the asset and repaying the loan from the capital receipt; with a possible net capital gain). To undertake such financing, a new MRP Policy would be required that included some specific safeguards to ensure that the use of capital finance remained prudent.

5.2 However, the advantage of Maturity Loans for the Council is that over the life of the loan, the net benefit from the ongoing income stream would be greater as the Council would only have to repay interest on an annual basis and not meet annual principal repayments. The following example clearly demonstrates the revenue advantage of financing by Maturity Loan compared to an Annuity Loan; in that the additional revenue stream over the life of the asset is £7.0m.

- If a CIS Asset of £10m was acquired with an annual income stream of £625k (pessimistic, giving a yield of 6.2%) and held for 20 years, the net revenue stream for a:



- Maturity Loan would be £7.2m (£359k per annum).
- Annuity Loan would be £140k (£7k per annum).

There the benefit for a Maturity Loan is £7.0m (£352k per annum).

5.3 Any new MRP Policy to support this activity must ensure that the principles of prudence are adhered to. The principles, are noted in “i to ii” below:

- i. The CIS asset would be required to be directly linked to the loan finance; this could be agreed retrospectively by Cabinet following acquisition. However, the link could only be broken by a specific decision of Full Council. The Councils Constitution would be required to be changed to reflect this.
- ii. The CIS asset is valued on an annual basis, in line with the Councils Accounting Policy for Investment Assets. If it is established that the value of the asset is less than the loan, then an MRP payment will be required, based on an Annuity Loan, and the MRP payment will continue to be charged until the Asset Value is greater than the loan.

5.4 The actual policy is:

For each capital investment undertaken under the requirements of the Councils Commercial Investment Strategy, where it has been decided that a Maturity Loan is advantageous, no Minimum Revenue Provision shall be made providing that:

- i. The capital investment is directly linked to the Maturity Loan, with the stated intention that at loan maturity the asset is sold or replacement finance is provided.
- ii. Cabinet will record the decision in (i) above (this may be done retrospectively i.e. after an acquisition). The link between Asset and Loan can only be broken by a decision of Full Council.
- iii. There is annual revaluation of the CIS investment in line with the Councils Accounting Policy in respect of Investment Assets. If it is established that an asset has a value less than the loan then an annual MRP amount will be calculated, based on Annuity basis and continue to be charged until the value of the asset is greater than the loan.

## Capital Financing Requirement and MRP Summary

5.1 Based on the Council's latest estimate of its Capital Financing Requirement on 31st March 2017, the budget for MRP has been set as follows:

	<b>31.03.2017 Estimated CFR £m</b>	<b>2017/18 Estimated MRP £m</b>
Capital Expenditure	46.5	1.9
Commercial Investment Strategy	0	1.9
<b>Total</b>	<b>46.5</b>	<b>3.8</b>

**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title:</b>	Representation on External Organisations – Quarterly Update Report
<b>Meeting/Date:</b>	Overview and Scrutiny Panel (Communities and Environment) – 7th March 2017 Overview and Scrutiny Panel (Performance and Customers) – 1st February 2017 Overview and Scrutiny Panel (Economy and Growth) – 2nd February 2017
<b>Executive Portfolio:</b>	Executive Leader of the Council
<b>Report by:</b>	Democratic Services Officer (Scrutiny)
<b>Wards affected:</b>	All

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### **Executive Summary:**

Huntingdonshire District Council has representation on 49 external organisations and this report supplies Overview and Scrutiny with an update from the representatives on those external organisations.

The reason for the report is that the Cabinet decided at its meeting on 21st July 2016 to require appointed Members to report on a quarterly basis, in writing, to the relevant Overview and Scrutiny Panel.

The external organisations have been divided according to where they broadly fit in terms of panel remit in order to allow the panels to focus in on areas of interest. This means that Communities and Environment have 39 under their remit, Economy and Growth have 8 under their remit and Performance and Customers have 2 under their remit.

In this quarter, no update has been received in relation to 9 organisations and there was nothing to report from a further 14 organisations.

### **Recommendation:**

The Overview and Scrutiny Panels are invited to:

- 1) comment on the report and identify any individual organisation they would like a verbal update on at a future Panel meeting or receive further detail on; and,
- 2) comment on the frequency of the report.

## Performance and Customers

<b>48</b>	<b>Cambridgeshire Chambers of Commerce – Huntingdonshire Chamber</b>
Councillor R Harrison	
<p>Councillor Harrison only attends once a quarter however the Economic Development Manager, Sue Bedlow, attends monthly on behalf of HDC although she didn't attend December's meeting.</p>	

<b>49</b>	<b>Huntingdon Freemens' Trust</b>
Ms L Kadić	
<p>No update received for the O&amp;S Panel meeting in February. Councillor D Brown was nominated by Cabinet to replace former Councillor Ms L Kadić however after a discussion between the Trust and Ms Kadić it was decided to keep her as the representative. The post is for the duration of 4 years. Therefore Councillor D Brown has not attended any meetings.</p>	

**CURRENT ACTIVITIES OF THE COMMUNITIES AND ENVIRONMENT AND ECONOMY AND GROWTH PANELS**

STUDY	OBJECTIVES	PANEL	STATUS
Huntingdonshire CCTV Network	Examine the utilisation of CCTV and identify whether they are value for money.	Communities and Environment	<p>At the request of the Executive Leader, Members agreed to examine the utilisation of CCTV in the market towns by Cambridgeshire Constabulary.</p> <p>The Panel discussed the scoping document at their meeting in January 2017. Councillors T D Alban, Mrs A Donaldson, D A Giles, P Kadewere and Mrs J Tavener have been appointed to the group. The first meeting will take place in February 2017.</p>
Future of Hinchibrooke Country Park, Paxton Pits, Godmanchester Nursery and Public Rights of Way	To be confirmed.	Communities and Environment	<p>Members agreed at the Scrutiny Work Programming Session in September 2016 that this topic requires further scrutiny. The Panel, at its meeting in October 2016, decided to include the item on to its work programme.</p> <p>The Panel received an exempt report at its meeting in November 2016 on the contractual arrangements and potential improvement programme of Hinchibrooke Country Park.</p> <p>The Cambridgeshire County Council Officer responsible for the Public Rights of Way is due to give a presentation at the Panel meeting in March 2017.</p>
Community Resilience Plan including relationships with Parish and Town Councils and the County Council	To examine how the Community Resilience Plan will affect the Council's relationships with the wider community.	Communities and Environment	<p>Members decided that before establishing a task and finish group, the Executive Councillor responsible for the topic should attend a future Panel meeting and explain what work has been done so far.</p>

STUDY	OBJECTIVES	PANEL	STATUS
Local Plan To 2036	To scrutinise the work of Officers in the delivery of the Council's Local Plan to 2036.	Economy and Growth	<p>The Panel had previously decided that this topic is the number one priority on the work programme. The Panel will continue to receive update reports on the topic. In addition the Chairman has agreed to become the Panel's expert on the topic.</p> <p>The latest update report was presented in December 2016. The next update is in March 2017.</p>
Housing Working Group	The working group want to scrutinise the Housing Strategy.	Economy and Growth	<p>Members decided that a Housing Working Group (formally known as the Affordable Housing Working Group and the Registered Social Providers Working Group) should be resurrected to review housing policy as and when required.</p> <p>Officers are currently working on a scoping document for consultation with the Panel.</p> <p>The Panel are due to receive a report on the Housing Strategy at the Panel meeting in February 2017.</p>
Town Centres/High Street Viability	To scrutinise the effects of the current policies affecting town centres in order to shape future polices and town centre use.	Economy and Growth	<p>Members decided that before establishing a task and finish group, the Executive Councillors responsible for the topic should attend a future Panel meeting and explain what work has been done so far.</p> <p>The Panel received at its meeting in December 2016 the Review of Street Markets (Huntingdon and St Ives).</p> <p>The Executive Councillor for Strategic Resources was in attendance at the Panel meeting in December 2016 to discuss the Council's Commercial Investment Strategy.</p> <p>BID Huntingdon will be attending a Panel meeting in February 2017 to explain its work.</p> <p>The Panel also have a separate work stream dedicated to working on the Car Parking Strategy.</p>

STUDY	OBJECTIVES	PANEL	STATUS
Car Parking Strategy	To be decided.	Economy and Growth	<p>Following the submission of the Review of Fees and Charges – Car Parks, to its meeting in October 2016, the Panel decided to include the topic of Car Park Fees on to its work programme.</p> <p>The Cabinet have agreed the establishment of a task and finish group to review the parking strategy of the Council. The Panel have appointed Councillors D B Dew, R Fuller, I D Gardener and T D Sanderson to the task and finish group.</p> <p>Officers need to establish how the task and finish group will work with the Executive Leader's task force on car parks.</p> <p>As of December 2016 Councillor R Fuller is no longer a Member of the group.</p>
Devolution	To examine the District's role in Devolution.	Economy and Growth	<p>Members decided that before appointing a Panel expert, the Executive Councillor responsible for the topic should attend a future Panel meeting and explain what work has been done so far.</p> <p>The Executive Leader updated Members on Devolution at the Panel meeting in November 2016.</p>

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Panel Date	Decision	Action	Response	Date for Future Action
	<p><b><u>Shared Services Strategy</u></b></p> <p>Members agreed at the Scrutiny Work Programming session on 20th September 2016 that this area requires scrutinising. Members want to create a Task and Finish Group.</p>	Officers to discuss capacity to assist Members with the scrutiny of the topic.	The relevant Executive Councillor has been invited to attend a future Panel meeting.	<b>To be decided.</b>
05/12/16	<p><b><u>Cambridgeshire County Council Budget Scrutiny</u></b></p> <p>Representatives from Cambridgeshire County Council were in attendance to present the County Council's Budget for 2017-22 and answer Members' questions.</p>	Democratic Services Officer (Scrutiny) to draft a response to the budget proposals based on the points raised by Members at the budget scrutiny.	The response to the budget proposals has been approved by the Chairman was sent to Cambridgeshire County Council in December 2016.	
	<p><b><u>Use of Council Assets</u></b></p> <p>Members agreed at the Scrutiny Work Programming session on 20th September 2016 that this area requires scrutinising. Members want to create a Working Group or appoint a Member to become the Panel's expert on the topic.</p>	Officers to discuss capacity to assist Members with the scrutiny of the topic.	The Panel have to agree to accept the item onto the work programme and appoint a Working Group or Member.	
	<p><b><u>Corporate Plan</u></b></p> <p>A task and finish group is to be established to review the Corporate Plan ahead of next year. The group will work in conjunction with the Corporate Team.</p>		The Chairman is to seek volunteers for the group at the next Panel meeting.	01/02/2017

Panel Date	Decision	Action	Response	Date for Future Action
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	<p><b><u>Taxi and Hackney Carriages Policies</u></b></p> <p>Following the Scrutiny Work Programming session on 20th September it was agreed that this area requires scrutinising. It anticipated that scrutiny will be in the form of update reports.</p>	<p>Officers to discuss capacity to assist Members with the scrutiny of the topic.</p>	<p>If Officers have capacity to assist, the Panel have to agree to accept the item onto the work programme.</p>	
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