

A meeting of the **OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND GROWTH)** will be held in **CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29 3TN** on **TUESDAY, 5TH FEBRUARY 2019** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact  
(01480)**

## **APOLOGIES**

**1. MINUTES** (Pages 5 - 8)

To approve as a correct record the Minutes of the Overview and Scrutiny Panel (Performance and Growth) meeting held on 8th January 2019.

**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 9 - 12)

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.

**H Peacey  
388169**

**4. INTEGRATED PERFORMANCE REPORT 2018/19, QUARTER 3** (Pages 13 - 46)

The Panel are to consider the Integrated Performance Report 2018/19, Quarter 3.

**D Buckridge 388065 /  
P Loveday 388615**

**5. FINAL REVENUE BUDGET 2019/20 AND MEDIUM TERM FINANCIAL STRATEGY 2020/21 TO 2023/24** (Pages 47 - 144)

The Panel are to consider the Final Revenue Budget 2019/20 and the Medium Term Financial Strategy 2020/21 to 2023/24.

**C Mason  
388157**

**6. TREASURY MANAGEMENT STRATEGY 2019/20** (Pages 145 - 208)

Members are to receive the Treasury Management Strategy 2019/20.

**O Colbert  
388067**

**7. COUNCIL TAX - REVIEW OF DISCOUNTS** (Pages 209 - 214)

Council Tax – Review of Discounts is to be presented to the Panel.

**A Burns  
388122**

**8. OFF STREET CAR PARKING INVESTMENT AND AFFORDABILITY** (Pages 215 - 240)

Members are to receive a report on Off Street Car Parking

**N Sloper 388635 /**

**9. EXCLUSION OF PRESS AND PUBLIC**

To resolve:

that the press and public be excluded from the meeting because the business to be transacted contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

**10. HDC VENTURES LIMITED - SSL BUSINESS PLAN** (Pages 241 - 270)

The Panel are to receive the HDC Ventures Limited SSL Business Plan.

**O Morley 388103 /  
C Stopford 388280**

**11. RE-ADMITTANCE OF PRESS AND PUBLIC**

To resolve:

that the press and public be re-admitted to the meeting.

**12. OVERVIEW AND SCRUTINY WORK PROGRAMME** (Pages 271 - 278)

The Panel are to receive the Overview and Scrutiny Work Programme.

**A Green  
388008**

Dated this 28th day of January  
2019



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**

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**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.**

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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 GROWTH) held in Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29 3TN on Tuesday, 8th January 2019.

PRESENT: Councillor J Neish – Vice-Chairman in the Chair.

Councillors L A Besley, J C Cooper-Marsh, S J Corney, Dr P L R Gaskin, D A Giles, M S Grice, K P Gulson, and S Wakeford.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors D B Dew and J P Morris.

IN ATTENDANCE: Councillors G J Bull, Mrs S Conboy, J A Gray and T D Sanderson.

### **43. MINUTES**

Subject to the proposed amendment, the Minutes of the meeting held on 4th December 2018 were approved as a correct record and signed by the Chairman.

### **44. MEMBERS' INTERESTS**

No declarations of interest were received.

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

The Panel received and noted the current Notice of Key Executive Decisions (a copy of which has been appended in the Minute Book) which has been prepared by the Executive Leader for the period 1st January 2019 to 30th April 2019.

### **46. DRAFT REVENUE BUDGET 2019/20 AND MEDIUM TERM FINANCIAL STRATEGY 2020/21 TO 2023/24**

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 2019/20 and the Medium Term Financial Strategy 2020/21 to 2023/24 was presented to the Panel.

The Head of Resources highlighted the key aspects of the budget and in doing so informed the Panel that there are pending developments regarding government funding (revenue support grant, new homes bonus, business rates). In addition, the Council will have a surplus budget in 2019/20 meaning that a contribution is made to the surplus fund in order to cover deficits in following years.

A Member expressed concern that the Council would overspend the budgets for Leisure and Health and Operations as happened in

2018/19. However, it was confirmed that the issue with the 2018/19 budgets for those areas was that income was not as high as anticipated and therefore the income target has been revised to reflect this.

A question was raised as to whether leaving the European Union (EU) had been factored into the budget. The Panel was informed that the budget has been managed as much as possible to reflect the impact that leaving the EU would have, however there are still a number of unknowns which can only be dealt with once they happen.

Reassurance was given, following a query, that the fact that additional employee costs have been budgeted for, this would not predetermine any employee pay negotiations.

Support was expressed for the continuance of the Commercial Investment Strategy, although some Members stated a preference for greater investment within the District's boundaries. The Executive Councillor for Resources explained that the Council should not limit investment to within the boundary of the District.

Following a question on why not many purchases have been made, the Executive Councillor stated that the strategy requires a yield close to 6% and that there are not many commercial properties that would produce that yield.

It was explained to Members that the New Homes Bonus would move into Commercial Investment Fund. Following a question as to why it wouldn't be used to mitigate other budget issues, the Panel was informed it was due to unpredictability over New Homes Bonus.

Regarding the most challenging savings proposals, the Executive Councillor stated that the income growth proposals are most challenging and the Council are not certain how the public will react to them.

In response to concerns expressed about the litter bin removal programme, Members were informed that the programme is about finding efficiencies and removing bins that are rarely used.

Concern was expressed that residents would have to pay for a number of additional bin charges, however it was explained that the increases for the green bin only relates to residents who have a second green bin. The replacement bin charge does not cover the full economic cost of replacing a bin and the service will still be subsidised. The bulky waste charge is currently a subsidised service and with the charge will no longer be subsidised.

The Panel was reassured that, although the budget for the apprenticeship scheme will be removed, the Council will continue to invest in the workforce by concentrating on upskilling or reskilling existing members of staff.

Following a query, the Executive Councillor explained that postage and printing savings on Members' post will be encouraged as savings could be made.

In summary, the Panel agreed that Overview and Scrutiny Members need to closely scrutinise quarterly update reports to ensure that savings targets are being met. The Panel expressed concerns over unknown variables but recognised that limited action could be taken at this stage. The budget was supported by the Panel.

*(At 7.08pm, during the consideration of this item, Councillor L A Besley entered the meeting.)*

*(At 8.23pm, the Chairman of the Panel adjourned the meeting for a break.)*

*(At 8.29pm, the meeting resumed.)*

#### **47. ALTERNATIVE PROPOSALS FOR THE COUNCIL BUDGET 2019/20**

With the aid of a report by the Independent Group Leader (a copy of which is appended in the Minute Book) the alternative proposals for the Council budget 2019/20 were presented to the Panel.

In introducing the proposals the Independent Group Leader informed the Panel that the emphasis was on the priorities of community chest, ground maintenance, play facilities for young people and local highways improvement scheme for Huntingdonshire. In addition, it was proposed that Council Tax should rise by 3% instead of 2.6%.

In expanding on the proposals, the Panel was informed that the proposal is to transfer funds from Active Lifestyles to the Community Chest. Regarding ground maintenance, the aim is to explore what collaboration could be done with Parish and Town Councils and, if required, transfer responsibility and some resource if it can deliver an overall saving.

The Independent Group Leader explained to Members that the local highways improvement scheme for Huntingdonshire will allow the Council to build highway infrastructure which is deemed to be important but has not made the County Council's list.

Members received a summary explaining that the ethos behind the alternative proposals is to encourage joint funding and collaborative work between each authority and not place the emphasis on a single authority.

A Member expressed concern that adding £100k to the Community Chest budget would be too much as the existing chest of £60k is not completely spent. It was suggested that the Community Chest could benefit from better advertising to make groups more aware of the scheme. Another Member expressed concern that by taking £100k from Active Lifestyles for the Community Chest would render Active Lifestyles unviable.

Further to this, the Independent Group Leader confirmed that if the Community Chest was not fully spent then it would remain a surplus and not necessarily reallocated to other budgets.

Support was expressed for the idea of Parish and Town Councils

adopting all grounds maintenance work within their area and Members stated that the idea should be explored. There were concerns that even with additional funds some Parish and Town Councils won't be able to afford the required man-power or additional equipment. In addition, concern was expressed that by transferring grounds maintenance responsibilities over to Parish and Town Council would result in some District Council staff being made redundant.

Members understood the principle of Local Highway Improvement Scheme run by the Council, however some Members were not clear about the practicalities of the proposed scheme and how it would work alongside Cambridgeshire County Council's scheme. It was explained that by adopting a locally run scheme it would enable the Council to assist communities develop.

When questioned on the Council Tax increase, the Independent Group Leader stated that he would consider proposing an increase of £5 which equates to 3.6%.

The Panel agreed that the Cabinet should discuss the alternative proposals put forward by the Independent Group Leader; however the Panel could not support the proposals themselves.

#### **48. OVERVIEW AND SCRUTINY WORK PROGRAMME**

With the aid of a report by the Democratic Services Officer (Scrutiny) (a copy of which is appended in the Minute Book) the Overview and Scrutiny Work Programme was presented to the Panel.

The Panel reviewed and agreed the scoping document for the task and finish group work on accelerating the delivery of affordable housing.

*(At 9.02pm, during the consideration of this item, Councillor J A Gray left the meeting.)*

*(At 9.04pm, during the consideration of this item, Councillor J A Gray entered the meeting.)*

*(At 9.05pm, during the consideration of this item, Councillors G J Bull and 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 G J Bull, Executive Leader of the Council  
**Date of Publication:** 16 January 2019  
**For Period:** 1 February 2019 to 31 May 2019

Membership of the Cabinet is as follows:-

Councillor Mrs M L Beuttell	Executive Councillor for Regulation and Operations	Councillor J A Gray	Executive Councillor for Resources
Councillor G J Bull	Executive Leader of the Council	Councillor J M Palmer	Executive Councillor for Partnerships and Well-Being
Councillor R Fuller	Deputy Executive Leader and Executive Councillor for Housing, Planning and Economic Development	Councillor D M Tysoe	Executive Councillor for Digital and Customer

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.

10 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 (paragraph no.)	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
HDC Ventures - SSL Business Plans ##	Cabinet	14 Feb 2019		Chris Stopford, Head of Community Tel No 01480 388280 or email Chris.Stopford@huntingdonshire.gov.uk	3	D M Tysoe	Performance and Growth
Treasury Management Strategy 2019/20	Cabinet	14 Feb 2019		Clive Mason, Head of Resources Tel No 01480 388157 or email Clive.Mason@huntingdonshire.gov.uk		J A Gray	Performance and Growth
Final Revenue Budget 2019/2020 and Medium Term Plan Financial Strategy 2019/20 to 2022/23	Cabinet	14 Feb 2019		Clive Mason, Head of Resources Tel No 01480 388157 or email Clive.Mason@huntingdonshire.gov.uk		J A Gray	Performance and Growth

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 (paragraph no.)	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Off Street Car Parking Investment and Affordability	Cabinet	14 Feb 2019		Neil Sloper, Head of Operations Tel No 01480 388635 or email Neil.Sloper@huntingdonshire.gov.uk		M Beuttell	Performance and Growth
Council Tax - Review of Discounts***	Cabinet	14 Feb 2019		Amanda Burns, Benefits Manager, Benefits Manager Tel No 01480 388122 or email Amanda.Burns@huntingdonshire.gov.uk		J A Gray	Performance and Growth
Cambridgeshire Housing Adaptions & Repairs Policy → →	Cabinet	21 Mar 2019		Andy Moffat, Head of Development Tel No 01480 388400 or email Andy.Moffat@huntingdonshire.gov.uk		R Fuller	Customers and Partnerships
Cambridgeshire Home Improvement Agency Performance Report 2017/18 and Shared Service Contract extension	Cabinet	21 Mar 2019		Andy Moffat, Head of Development Tel No 01480 388400 or email Andy.Moffat@huntingdonshire.gov.uk		R Fuller	Customers and Partnerships
Shared Services Business Plans***	Cabinet	21 Mar 2019		Oliver Morley, Corporate Director (Services) Tel No 01480 388103 or email Oliver.Morley@huntingdonshire.gov.uk		D M Tysoe	Performance and Growth
Community Resilience Strategy***	Cabinet	21 Mar 2019		Chris Stopford, Head of Community Tel No 01480 388280 or email Chris.Stopford@huntingdonshire.gov.uk		J Palmer	Customers and Partnerships

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

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Integrated Performance Report, 2018/19 Quarter 3

**Meeting/Date:** Overview and Scrutiny (Performance and Growth) Panel,  
5 February 2019

**Executive Portfolio:** Councillor Jonathan Gray, Executive Councillor for  
Resources  
Councillor Darren Tysoe, Executive Councillor for Digital  
and Customer

**Report by:** Business Intelligence & Performance Manager and  
Finance Manager

**Ward(s) affected:** All

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### RECOMMENDATION

The Overview and Scrutiny Panel is invited to comment on details of delivery of Corporate Plan key actions and corporate indicators, current projects and financial performance information from the Cabinet report attached.



HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Integrated Performance Report, 2018/19 Quarter 3
<b>Meeting/Date:</b>	Cabinet, 14 February 2019
<b>Executive Portfolio:</b>	Councillor Jonathan Gray, Executive Councillor for Resources Councillor Darren Tysoe, Executive Councillor for Digital and Customer
<b>Report by:</b>	Corporate Team Manager and Finance Manager
<b>Ward(s) affected:</b>	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 2018/22 for the period 1 October to 31 December 2018 and on current projects being undertaken. Scheduled performance clinics focus on delivering continuous improvements in all services.

The report also incorporates Financial Performance Monitoring Suite information setting out the financial position at 31 December 2018. It provides outturn figures for revenue and the capital programme. Headlines are:

**Revenue** – the forecast outturn shows an overspend of £0.3m.

**Capital programme** – the forecast outturn shows a net under spend of £1.1m.

An update on the Commercial Investment Strategy includes details of investments to date and the level of returns these are expected to generate, with information on potential investment opportunities reviewed in Quarter 3 attached at Appendix E.

**Recommendations:**

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

The Cabinet is also invited to consider and comment on financial performance at the end of December, as detailed in Appendices D, and the register of reviews of Commercial Investment Strategy propositions at Appendix E.

## 1. PURPOSE

- 1.1 The purpose of this report is to present details of delivery of the Corporate Plan 2018/22, and project delivery, in the context of the Council's financial performance.

## 2. BACKGROUND

- 2.1 The Council's Corporate Plan is currently being refreshed and once adopted will set out what the Council aims to achieve in addition to its core statutory services. The information in the summary at **Appendix A** relates to Key Actions and Corporate Indicators and the performance report at **Appendix B** details those with a 'Red' status at the end of December.
- 2.2 As recommended by the Project Management Select Committee, updates for projects with a 'Red' status based on latest approved end dates are included at **Appendix C**. Across all programmes, 29 projects are currently open, pending approval or pending closure.
- 2.3 This report also incorporates financial performance to the end of December. This performance was as shown in sections 4-6 below, with further details listed in **Appendix D**. Commercial investment propositions reviewed are at **Appendix E**.

## 3. PERFORMANCE MANAGEMENT

- 3.1 Members of the Overview and Scrutiny (Performance and Growth) 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 2 will be inserted in section 7 following their meeting on 5 February.
- 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.
- 3.4 The following table summarises Quarter 3 progress in delivering Key Actions for 2018/19:

Status of Key Actions	Number	Percentage
Green (on track)	36	84%
Amber (within acceptable variance)	6	14%
Red (behind schedule)	1	2%
Awaiting progress update	0	0%
Not applicable	2	

Most were on track at the end of Quarter 3 and only one was significantly behind schedule. This was the action to 'maximise the income generating potential of all traded activities', which is behind schedule due to below target income achieved in One Leisure. This is mainly due to underperformance in Burgess Hall and Bar takings. Further details can be found in Annex A of the Financial Performance Management Suite (Appendix D).

- 3.5 Quarter 3 results for 2018/19 Corporate Indicators are shown in the following table:



Corporate Indicator results	Number	Percentage
Green (achieved)	29	66%
Amber (within acceptable variance)	10	23%
Red (below acceptable variance)	4	9%
Awaiting progress update	1	2%
Not applicable (annual/data unavailable)	5	

There were four indicators where targets were missed by more than acceptable variance. Details of these 'Red' indicators are shown below. Performance clinics are being held monthly to focus on delivering continuous improvements in all services.

1. The number of EDGE customers supported into work (PI 11) has been recorded at 54 against a target of 72. However, it is understood that this is at least partly due to a lack of follow up with customers so there may be further successes not yet captured in this data.
2. 84% of Stage 1 complaints were resolved within time (PI 38a) against a target of 95%, 39 of 46 late responses this year relate to complaints about services provided by Operations.
3. Our responses to Stage 2 complaints (PI 38b) were also below target at 81%, with three not responded to within time this year. Two previous late responses were about services provided by Community and one late response in Quarter 3 related to Development.
4. While there has been a 5.1% reduction in avoidable contacts (PI 40), this is below the 25% target. Customer Services work on reducing avoidable contact with the departments they provide services for as well as through Lean projects. The introduction of the new online customer account portal in January is expected to drive further reductions.

3.6 The status of corporate projects at the end of December is shown in the following table:

Corporate project status	Number	Percentage
Green (progress on track)	11	50%
Amber (progress behind schedule, project may be recoverable)	7	32%
Red (significantly behind schedule, serious risks/issues)	4	18%
On Hold	1	
Pending closure	7	
Closed (completed)	0	

Business cases for a further four projects have not yet been approved.

Of the projects currently in the delivery stage, four were 'Red' at the end of Quarter 3 and three of those were joint partnership or shared service projects (note: progress on delivery at Huntingdonshire District Council is 'Green' for two of the three). The Project Management Governance Board continues to hold one-to-one meetings with project managers where necessary and it has been identified that unrealistic timeframes have been a common theme for 'Amber'/'Red' flags, as well as a lack of up to date governance documentation. Lessons learned are captured through closedown reports and are shared with all project managers. Details of all 'Red' projects can be found in **Appendix C**.

## 4. FINANCIAL PERFORMANCE

### 4.1 Financial Performance Headlines

The Management Accounts include the forecast outturn position for the current financial year and the impact of variations will be incorporated within the MTFs. Revenue statements show gross expenditure by service and where some costs are funded by reserves this is shown to provide the net position.

- Revenue** The approved Budget is £17.3m with the forecast outturn being £17.6m which is an overspend of £0.3m. The main reasons are shown on the next page. Action is still needed to be taken to address this level of the forecast overspend.
- MTFS** The MTFS was updated as part of the 2018/19 Budget setting process and is in the process of being updated as part of the 2019/20 Budget setting process in February 2019. The revision of the MTFS will include 2017/18 outturn variations and others occurring or foreseen in 2018/19 that have an impact on future years.
- Capital** The approved Budget is £5.6m plus the re-phasing of £5.1m giving a revised total Capital Programme of £10.7m (£7.4m net, after taking account specific grants and contributions). The net forecast outturn is £6.3m giving an under spend and re-phase of £1.1m. The reasons for these variances are detailed in paragraph 5.6.

The Financial Dashboard at **Appendix D, Annex E** presents information on take-up of Council Tax Support, NDR and Council Tax collection, miscellaneous debt and New Homes Bonus funding.

## 4.2 Summary Revenue Forecast Variances by Service

The table below shows the total variances for each Service and the main reasons where variances are greater than £50,000.

	Budget £000	Forecast outturn gross £000	Transfers to / (from) reserves £000	Forecast outturn net £000	Forecast (underspend) / overspend £000	Main reasons for variance
Community	1,758	1,721	7	1,728	(30)	<ul style="list-style-type: none"> <li>• CCTV additional camera maintenance</li> <li>• Document Centre external income lower than budgeted</li> <li>• Reduced staffing costs Environmental Protection Team due to vacancies</li> <li>• Reduced costs from delayed recruitment in Business team</li> <li>• Vacant post in Community Team</li> </ul>
Customer Services	2,533	2,562	81	2,643	110	<ul style="list-style-type: none"> <li>• Additional grant allocations</li> <li>• Increased homelessness costs</li> </ul>
ICT	2,128	2,102	0	2,102	(26)	
Development	1,071	664	2	666	(405)	<ul style="list-style-type: none"> <li>• Staff savings</li> <li>• Increased planning income</li> </ul>
Leisure and Health	(190)	291	(140)	151	341	<ul style="list-style-type: none"> <li>• One Leisure income is generally lower than the budget (mainly Burgess Hall)</li> <li>• Expenditure savings are being made where possible to offset the lower income</li> </ul>
Operations	3,911	4,605	(116)	4,489	578	<ul style="list-style-type: none"> <li>• Waste Management fuel, staff and recycling expenditure increasing</li> <li>• Delays to staff restructure is impacting on the budget savings</li> <li>• Pathfinder House rental income is down- no tenant for 3<sup>rd</sup> floor</li> </ul>
Resources	4,429	4,352	(4)	4,348	(81)	<ul style="list-style-type: none"> <li>• Expenditure increasing on insurance premiums, FMS implementation and commercial estates management</li> <li>• Savings arising on HR and apprentice costs</li> </ul>
Directors and Corporate	1,642	1,604	(106)	1,498	(144)	<ul style="list-style-type: none"> <li>• Staff savings</li> <li>• Lower costs on elections, electoral registration and Members Special Duty Allowances</li> </ul>
Transformation	0	284	(284)	0	0	
<b>Total</b>	<b>17,282</b>	<b>18,185</b>		<b>17,625</b>	<b>343</b>	

4.3 Further analysis of the revenue variance and service commentary are at **Appendix D**. This 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.

#### 4.4 **Medium Term Financial Strategy**

The actual outturn for 2017/18 (post audit) showed an overspend of £0.5m which will have some impact on the MTFs. The new Budget and MTFs for the period 2019/20 to 2023/24 which will be approved in February 2019 will incorporate both the impact of the 2017/18 outturn and any known changes occurring during 2018/19.

### 5. **CAPITAL PROGRAMME**

5.1 The approved gross Capital Programme 2018/19 is £5.6m plus the re-phasing of £5.1m giving a revised total Capital Programme for 2018/19 of £10.7m.

5.2 The forecast net expenditure outturn is £6.3m, an under spend and re-phase of £1.1m. The expenditure to 31 December 2018 was £4.8m (45% of Budget, 75% of the year).

<b>Variation Commentary Summary</b>		<b>£000s</b>
	<b>Overspend</b>	
	<b>Development – DFGs</b>	246
	The overspend is based on the current level of demand from clients. It is possible that increased contributions from clients will reduce this overspend, but this is not yet certain.	
	<b>New FMS</b>	0
	Due to the extended implementation period expenditure has increased by £60,000. This will be funded from the earmarked reserve set up for this purpose.	
	<b>Burgess Hall</b>	2
	Completion of works to carpeting.	
	<b>Pathfinder House Reception</b>	41
	Costs have exceeded that estimated in the business case. Additionally the costs recovered from the DWP are also lower than estimated.	
	<b>Wooden Bridge - Hinchingsbrooke Country Park</b>	23
	Estimates received for the cost of erecting the bridge are higher than originally estimated.	
	<b>CIL Payment Huntingdon West</b>	0
	A payment of £553,000 has been made for the contribution to Huntingdon West Link Road, this is being funded from the CIL reserve. The cost of the CPOs is still under negotiation, this figure is not yet known but could be up to £2m, this will be funded from the CIL reserve.	
	<b>One Leisure Huntingdon Expansion</b>	36
	The final retention payment for the works at One Leisure Huntingdon reception area	
	<b>Commercial Property Roofs</b>	<b>131</b>
	The final payments for the roof works at Levellers Lane St Neots and Phoenix Court Huntingdon, schemes completed in 2017/18. In 2016/17 there was an underspend on this scheme of £48,000.	
		479

<b>Variation Commentary Summary</b>		<b>£000s</b>
	<b>Growth</b>	
	<b>Re-Fit Projects</b>	16
	Additional expenditure was approved by Senior Management Team on the 5 <sup>th</sup> June 2018, to finance works at One Leisure St Neots. The project was signed off on the 7 <sup>th</sup> June 2018.	
		<b>16</b>
	<b>Underspend</b>	
	<b>Health and Safety Works and Energy Efficiency Works – Commercial Properties</b>	(38)
	It is anticipated that some works will be rechargeable to tenants, as a result this reduces the cost to the council (£20,000), also fewer sites require work to meet the compliance requirement, resulting in a saving of £18,000.	
	<b>Customer Relationship Management Software</b>	(80)
	One-Vu software has been procured, to be shared with SCDC and Cambridge City Council. As the software is being shared the cost has been reduced.	
	<b>Wheeled Bins</b>	(14)
	The bins held in stock and the purchases planned for the remainder of the year will cover demand. Some saving have resulted from a change in supplier	
	<b>Vehicle Fleet Replacement</b>	(21)
	Vehicle replacements have cost less than estimated resulting in a small underspend	
	<b>Printing Equipment</b>	(176)
	Following a change in priorities within the Document Centre, the print equipment is no longer required.	
	<b>Transformation Schemes</b>	480
	The costs for Council Anywhere are being met from this budget, the project will replace IT hardware and move users to new Microsoft products . The roll-out is well underway and the costs are now predicted to be £480,000 lower than first estimated	
		<b>(809)</b>
	<b>Rephase</b>	
	<b>Bridge Place Car Park – Godmanchester</b>	(279)
	Works have been delayed whilst the final design and negotiations over land leases are completed.	
	<b>Building Efficiencies (Salix)</b>	(15)
	The works on replacing the boilers at OL Ramsey and lighting at Pathfinder House are likely to be rephased to 2019/20.	
	<b>Re-fit Buildings</b>	(37)
	Works are expected to be completed in 2018/19, with just the retention to pay in 2019/20.	
	<b>Operations Back Office Software</b>	(136)
	The costs for the shared waste management software are lower than expected, because of sharing with Cambridge City and South Cambridgeshire councils.	
	<b>One Leisure St Ives New Fitness Offering</b>	(125)
	The specification for this fitness offering has taken longer than expected to complete. Therefore some of the expenditure is now expected to take place in 2019/20.	

Variation Commentary Summary		£000s
	<b>One Leisure Ramsey 3G Pitch</b>	(150)
	A feasibility study on the pitch construction has indicated that the cost will be higher than estimated (£68,000). The Football Foundation may agree to fund the extra expenditure by increasing their grant. Tenders are still outstanding, the result of these will determine expenditure for the year. In addition the Football Foundation Panel in January will decide whether the project will get the go ahead. There will be a significant amount carried over into 2019/20 budget as a result.	
		(742)
	<b>Total</b>	<b>(1,056)</b>

5.3 The net spend on the Council's Capital Programme is financed via borrowing which has a revenue implication through the Minimum Revenue Provision (MRP).

5.4 Appendix D, Annexes C and D provide the following information:

**Annex C** provides details by scheme with proposed rephasing, expenditure to date and forecast outturn.

**Annex D** details the financing of the Capital Programme showing the funding from grants and contributions, capital receipts, use of earmarked and capital reserves and internal borrowing

## 6. UPDATE ON THE COMMERCIAL INVESTMENT STRATEGY

6.1 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 £1.6m.

6.2 At the end of Quarter 3, the financial projections for the CIS are:

CIS Investments	Budget (£'000)	Outturn (£'000)	Variance (£'000)
<b>Cash Investments</b>			
CCLA Property Fund	(162)	(167)	(5)
<b>Total Cash Investments</b>	<b>(162)</b>	<b>(167)</b>	<b>(5)</b>
<b>Property Investments</b>			
Property Rental Income	(5,235)	(3,574)	1,661
MRP	1,896	139	(1,757)
<b>Net Direct Property Income</b>	<b>(3,339)</b>	<b>(3,435)</b>	<b>(96)</b>
Management Charge	144	0	(144)
<b>Total Property Investments</b>	<b>(3,195)</b>	<b>(3,435)</b>	<b>(240)</b>
<b>TOTAL</b>	<b>(3,357)</b>	<b>(3,602)</b>	<b>(245)</b>

### 6.3 Investments

Between October and the end of December 2018, 26 properties have been investigated as potential CIS investment opportunities. We successfully bid on four industrial units on two sites at Little End Road Industrial Estate and completed the purchase on 20<sup>th</sup> December at a cost of £3.2m, generating a rental income of £214k per year. We are still proceeding with a purchase at St Neots with a bid of £7.7m on a leisure property in St Neots; however construction issues were identified as part of the due diligence building surveys. The seller is currently addressing the issues and we anticipate proceeding late in Q4 with a small reduction in price to reflect the additional work undertaken. A summary of opportunities is included in **Appendix E**.

Returns from the CCLA property fund have remained at the 2016/17 level (circa 4.5%). Other investment vehicles such as bank deposits and money market funds interest rates have increased since the Bank of England raised the base rate to 0.75%.

To date, the majority of the Council's investments have been funded from earmarked reserves or cash balances with a £5m loan from PWLB secured for the acquisition at Fareham, the balance of the purchase price and acquisition costs was met from earmarked reserves.

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

7.1 Comments will be added here following the Panel's meeting on 5 February 2019.

## **8. RECOMMENDATIONS**

8.1 The Cabinet 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**.

8.2 The Cabinet is also invited to consider and comment on financial performance at the end of December, as detailed in section 4 and in **Appendix D**, and the register of reviews of Commercial Investment Strategy propositions at **Appendix E**.

## **9. LIST OF APPENDICES INCLUDED**

**Appendix A** – Performance Summary, Quarter 3, 2018/19

**Appendix B** – Corporate Plan Performance Report ('Red' status), Quarter 3, 2018/19

**Appendix C** – Project Performance ('Red' status), December 2018

**Appendix D** – Financial Performance Monitoring Suite (FPMS) including:

**Annex A** – Revenue Provisional Outturn and Service Commentary, Dec 2018

**Annex B** – Capital Programme Provisional Outturn, Dec 2018

**Annex C** – Capital Programme Funding 2018/19

**Annex D** – Financial Dashboard, Dec 2018

**Appendix E** – Register of reviews of CIS investment propositions, Quarter 3, 2018/19

## **CONTACT OFFICERS**

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

Daniel Buckridge, Business Intelligence and Performance Manager ☎ (01480) 388065

### **Project Performance (Appendix C)**

Adrian Dobbyne, Corporate Team Manager ☎ (01480) 388100

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

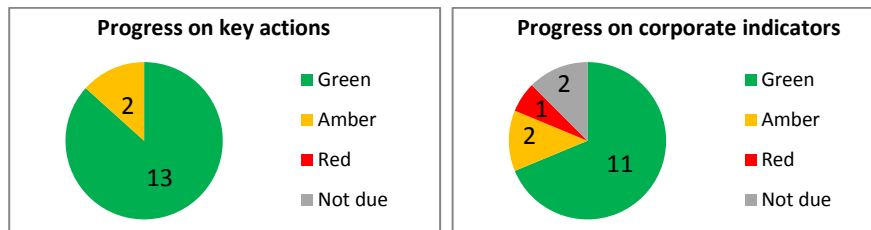
Paul Loveday, Interim Finance Manager ☎ (01480) 388605

# Appendix A

## Performance Summary Quarter 3, 2018/19

### People

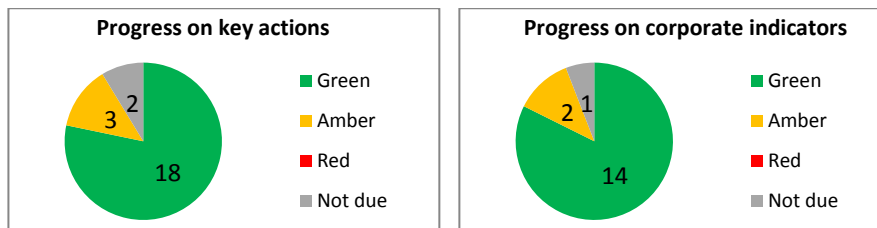
We want to make Huntingdonshire a better place to live, to improve health and well-being and for communities to get involved with local decision making



Highlights include the One Leisure Active Lifestyles team launching the ESCAPE Pain Management Course.

### Place

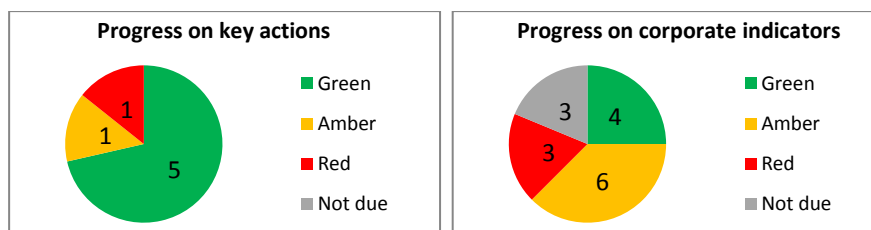
We want to make Huntingdonshire a better place to work and invest and we want to deliver new and appropriate housing



Highlights include filming for a Channel 5 series to raise awareness of how we deal with littering and fly-tipping.

### Becoming a more efficient and effective council

We want to continue to deliver value for money services



Highlights include significant progress with plans for online services and customer accounts, with a soft launch starting in January 2019.



CORPORATE PLAN – PERFORMANCE REPORT

**Appendix B**

STRATEGIC THEME – PEOPLE

Period October to December 2018

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
	13		2		0		0		0

Target dates do not necessarily reflect the final completion date. The date given may reflect the next milestone to be reached.

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
	11		2		1		1		1

Corporate Performance and Contextual Indicators

Performance Indicator	Full Year 2017/18 Performance	Q3 2017/18 Performance	Q3 2018/19 Target	Q3 2018/19 Performance	Q3 2018/19 Status	Annual 2018/19 Target	Forecast Outturn 2018/19 Performance	Predicted Outturn 2018/19 Status
PI 11. Number of EDGE customers supported into work Aim to maximise	n/a – new measure	n/a – new measure	72	54	<b>R</b>	96	80	<b>A</b>
Comments: (Development) With a significant increase in shop footfall and the careers fair in December to prepare for there has not been sufficient resource to make follow up calls to ascertain whether customers have secured work or not. There may be a significant number of successes that are not yet captured by the data.								

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**STRATEGIC THEME – PLACE**

**Period October to December 2018**

**Summary of progress for Key Actions**

<b>G</b>	<b>Progress is on track</b>	<b>A</b>	<b>Progress is within acceptable variance</b>	<b>R</b>	<b>Progress is behind schedule</b>	<b>?</b>	<b>Awaiting progress update</b>	<b>n/a</b>	<b>Not applicable to state progress</b>
	<b>18</b>		<b>3</b>		<b>0</b>		<b>0</b>		<b>2</b>

*Target dates do not necessarily reflect the final completion date. The date given may reflect the next milestone to be reached.*

**Summary of progress for Corporate Indicators**

<b>G</b>	<b>Performance is on track</b>	<b>A</b>	<b>Performance is within acceptable variance</b>	<b>R</b>	<b>Performance is below acceptable variance</b>	<b>?</b>	<b>Awaiting performance update</b>	<b>n/a</b>	<b>Not applicable to assess performance</b>
	<b>14</b>		<b>2</b>		<b>0</b>		<b>0</b>		<b>1</b>

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

Period October to December 2018

**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>5</b>		<b>1</b>		<b>1</b>		<b>0</b>		<b>0</b>	

*Target dates do not necessarily reflect the final completion date. The date given may reflect the next milestone to be reached.*

**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>4</b>		<b>6</b>		<b>3</b>		<b>0</b>		<b>3</b>	

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**WE WANT TO: Become more efficient and effective in the way we deliver services**

Status	Key Actions for 2018/19	Target date	Portfolio Holder	Head of Service	Progress Update to be reported each Quarter
<b>R</b>	KA 40. Maximise the income generating potential of all traded activities	March 2018/19	Cllr Palmer	Jayne Wisely	Active Lifestyles income for group exercise classes is expected to be 5-8% above last year's outturn. Exercise Referral is on target to hit the new income target of £8k following the change from the free scheme in April 2018. A new programme ESCAPE is being launched in Jan 2019 and is expected to contribute additional income moving forward. OLAL is forecasting approx. £10k saving on budget for 18-19. One Leisure Facilities is still showing a shortfall against budget target due to the delays of delivering the swimming pool project at St Neots and the under performance of the Burgess Hall and One Leisure Huntingdon. One Leisure Ramsey and Sawtry and One Leisure St Ives (Indoor and Outdoor) are performing well in line with expectations. A surplus of around £130K is the current forecast however T1 inaccuracies are causing difficulties in confirming this.

## Corporate Performance and Contextual Indicators

### Key to status

<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
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Performance Indicator	Full Year 2017/18 Performance	Q3 2017/18 Performance	Q3 2018/19 Target	Q3 2018/19 Performance	Q3 2018/19 Status	Annual 2018/19 Target	Forecast Outturn 2018/19 Performance	Predicted Outturn 2018/19 Status
PI 38a. Percentage of Stage 1 complaints resolved within time  Aim to maximise	n/a (Red)	n/a (Red)	95%	84%	<b>R</b>	95%	85%	<b>R</b>
Comments: (Corporate Team) Out of 296 complaints responded to, 46 of them have been responded to late. Operations still account for the majority of complaints received (172 complaints April-December 2018) and they also account for the majority of late responses with 39 of their complaints responded to late.								
PI 38b. Percentage of Stage 2 complaints resolved within time  Aim to maximise	78%	80%	95%	81%	<b>R</b>	95%	81%	<b>R</b>
Comments: (Corporate Team) 13 out of 16 Stage 2 complaints have been responded to on time this year. In Q3, one Stage 2 complaint relating to Development was responded to late out of a total of four complaints received across all services. The target set means even a single late Stage 2 complaint would push this target to Red.								
PI 40. Percentage reduction in avoidable contacts  Aim to maximise	N/A	N/A	-25%	-5.1%	<b>R</b>	-25%	-10%	<b>R</b>
Comments: (Customer Services) The OneVu customer accounts portal will have a soft launch on 18 <sup>th</sup> January 2019 and we expect further reductions in avoidable contact as a result. We work on reducing avoidable contact with the departments we provide services for as well as through Lean projects.								

## Appendix C: Project Performance (Red only) – end of December 2018

<b>Red =</b> Project is significantly behind schedule, seriously over budget, serious risks/issues have been identified or there is a lack of governance documentation	<b>Amber =</b> Progress is behind schedule, over budget, 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	Pending Closure = In close-down stage	Pending Approval = 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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### Projects relating to Huntingdonshire District Council services/facilities only:

Title / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update / Programme Office comments	RAG Status	Latest Update Date
<b>Council Tax Automated Forms</b> Introduce automated forms into business systems. <b>Programme: Facing the Future</b> <b>Project Manager: Ian Davies (Customer Services)</b> <b>Project Sponsor: John Taylor</b>	31/03/17	<b>Red</b> Restructure and lack of resources to test caused delays.	31/03/19	31/03/19	All version 2 forms are live and robotics testing has now begun on Direct Debits. Latest tests suggest that two out of the three robotic forms will be live by 31/03/19.	<b>Red</b>	14-Jan-19

<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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### 3C ICT Projects where customers include HDC

Title / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status	Latest Update Date
<b>Server Room Consolidation Project</b> To consolidate the three council's server rooms which will in turn improve flexibility and growth options, mitigate the current risks of out of support and aging hardware, leverage financial benefits and improve operation services.  <b>Programme: 3C Shared Services</b> <b>Project Manager: Emma Alterton (3C ICT)</b> <b>Project Sponsor: Fiona Bryant</b>	12/12/2017	Red	31/04/2018	30/09/2018	Testing of new SCDC Remote systems signed off by all departments except Planning. Virgin Media Business issues escalated to Oliver Morley. They have now committed to the 22 <sup>nd</sup> Oct for completion.  Work continues in the background at SCDC to ready all systems for moving over the weekend of the 27 <sup>th</sup> following successful completion of the VMB work.  An additional request has been submitted to VMB to allow the Cambridge City migrations to carry on in parallel.	Overall: Red	10-Oct-18
<b>Global Protect</b> This project will: 1. Make flexible working more viable through better use of existing assets and new technology. 2. Improve levels of cross council partner working.	TBC	TBC	31/04/2018	CCity – Complete SCDC – Oct 18 HDC – Jan 19	CCity – sub-project closure report not yet completed due to Office Accommodation Strategy (OAS) moves and other high priority projects requiring resource.	Overall: Red	08-Jan-19

<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 / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status	Latest Update Date
3. Reduce the security risk of underused laptops which do not come on the network for weeks at a time and hence miss critical and anti-virus updates.  <b>Programme: 3C Shared Services</b> <b>Project Manager: Paul Ashbridge (3C ICT)</b> <b>Project Sponsor: Emma Alterton</b>					SCDC – Proof of Concept testing stalled due to lack of 3C ICT resource.  3CSS – Virgin Media Business and 3C ICT working on issues identified. Exploring new solutions.	<b>HDC:</b> <b>Green</b>	

### Projects run by 3C ICT on behalf of other customers

Title / Purpose of Project / Programme / Project Manager / Sponsor	Original End Date (as PID)	RAG Status to Original Date	Revised End Date (approved Project Board)	Expected End Date (as Project Status)	Status Update (In Flight) / Programme Office comments	RAG Status	Latest Update Date
<b>Waste Services Implementation Phase 1 (SOSP)</b> This phase of the project is to implement Yotta Alloy to the Domestic and Trade teams (Greater Cambridge Shared Waste Service).  <b>Programme: 3C Shared Services</b> <b>Project Manager: Tony Allen (3C ICT)</b> <b>Project Sponsor: Mike Hill</b>	TBC	TBC	29/08/2018	29/08/2018	The main part of this project is now complete. The project is at Red RAG status because there are two outstanding issues to resolve before the project can be closed which has meant some milestones haven't been met. The outstanding issues are launching the new bin form and a Finance load in to ETL (extract, transform and load data input). We are continuing to work on these issues and significant progress has been made in the New Year.	<b>Red</b>	08-Jan-19

### **Financial Performance Monitoring Suite As At 31 December 2018**

#### **Executive summary**

This report sets out the financial forecast for January, based on information at the end of December, for revenue and capital. The headlines are:

**Revenue** - the forecast outturn is an estimated overspend of £0.3m which is £0.1m lower than the December forecast. The main service that has shown improvement is Operations (£199k). However, Directors and Corporate Team, Development and Community showed an adverse variance that between them has increased the forecast by £110k.

**Capital programme** – the forecast outturn is an estimated net under spend of £1.1m.

**MTFS** – The MTFS was previously updated as part of the 2018/19 Budget setting process. However, following the completion of the audit of the outturn for 2017/18, and as part of the ongoing budget setting process for the financial year 2019/20 and onwards it is being reviewed and will be updated in February 2019.



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 may have provided details of the actions they are undertaking to address the overspend.

Revenue Forecast Outturn	2017/18		2018/19					
	Outturn	Budget	Forecast Outturn (Gross)	Use of Reserves to Fund Exp	Contribution to Reserves	Net Service Forecast	Net Variation	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
<b>Revenue by Service:</b>								
Community	1,697	1,758	1,721	0	7	1,728	(30) ●	-1.7
Customer Services	2,816	2,533	2,562	0	81	2,643	110 ●	4.3
ICT Shared Service	1,972	2,128	2,102	0	0	2,102	(26) ●	-1.2
Development	578	1,071	664	0	2	666	(405) ●	-37.8
Leisure & Health	55	(190)	291	(165)	25	151	341 ●	179.5
Operations	4,292	3,911	4,605	(116)	0	4,489	578 ●	14.8
Resources	3,221	4,429	4,352	(92)	88	4,348	(81) ●	-1.8
Directors and Corporate Transformation	2,693	1,642	1,604	(106)	0	1,498	(144) ●	-8.8
	0	0	284	(284)	0	0	0	
<b>Net Revenue Expenditure</b>	<b>17,324</b>	<b>17,282</b>	<b>18,185</b>	<b>(763)</b>	<b>203</b>	<b>17,625</b>	<b>343 ●</b>	<b>2.0</b>
Contributions to/(from) Earmarked Reserves	(757)	0	(560)				(560)	0.0
Service Contribution to Reserves	3,015	3,026	2,683				(343)	-11.3
<b>Budget Requirement (Services)</b>	<b>19,582</b>	<b>20,308</b>	<b>20,308</b>					
<b>Financing:-</b>								
Taxation & Government Grants	(15,512)	(10,892)	(11,841)				(949)	8.7
Contribution to/(from) Reserves	3,228	(966)	(17)				949	-98.2
<b>Council Tax for Huntingdonshire DC</b>	<b>(7,298)</b>	<b>(8,450)</b>	<b>(8,450)</b>					

Note:

Red – over spend by 2% or more

Amber – underspend by more than 4%

Green – overspend up to 2% and underspend up to 4%

**2018/19 January (Quarter 3) Service Forecasts**

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Head of Community</b>											
90,119	Head of Community	85,288	90,054	4,766	+5.60			90,054	4,766	+5.60	
293,708	Environmental Protection Team	342,384	296,272	(46,112)	-13.50			296,272	(46,112)	-13.50	Reduced staffing expenditure (£35k), increased income in year but not sustainable income (£20k), offset by increased costs of enforcement particularly around unauthorised encampments (£9k)
221,002	Business Team	276,784	237,418	(39,366)	-14.20			237,418	(39,366)	-14.20	Reduced staffing expenditure (£78k) and associated savings on transport costs (£2k), offset by lower than expected income (£8k) and increased costs of consultancy support and legal support relating to a fatal accident investigation (£32k)
577,532	Community Team	615,019	579,911	(35,108)	-5.70			579,911	(35,108)	-5.70	Reduced staffing expenditure (£34k) and additional income in year but not sustainable income (£11k), offset by increased costs of supplies and services (£9k)
140,416	Environmental Health Admin	143,662	133,809	(9,853)	-6.90		6,612	140,421	(3,241)	-2.30	
2,000	Closed Churchyards	2,000	2,200	200	+10.00			2,200	200	+10.00	
(147,778)	Licencing	(103,951)	(121,567)	(17,616)	+16.90			(121,567)	(17,616)	+16.90	Increased income in year but not sustainable income (£31k) and savings of transport costs (£2k), offset by increased staffing expenditure (£11k) and increase costs of supplies and services (£5k)
(68,465)	CCTV	(70,393)	(68,318)	2,075	-2.90			(68,318)	2,075	-2.90	
205,585	CCTV Shared Service	155,326	206,972	51,646	+33.30			206,972	51,646	+33.30	Additional costs of maintaining an aged fleet of CCTV cameras across the shared service (£125k), mitigated by increased income from cost recovery on camera maintenance (£74k). The budget represents the shared service across Huntingdonshire and Cambridge City, both Council's are undertaking significant capital investment in the camera network to mitigate against these additional maintenance costs in 2019/20
100,446	Corporate Health & Safety	104,997	99,509	(5,488)	-5.20			99,509	(5,488)	-5.20	
9,878	Emergency Planning	11,575	8,774	(2,801)	-24.20			8,774	(2,801)	-24.20	
252,332	Document Centre	194,849	255,981	61,132	+31.40			255,981	61,132	+31.40	External and internal print demand reducing income to the service (£165k), mitigated by reduced costs of supplies and services in serving the print demand (£99k) and reduced staffing expenditure (£5k)
<b>1,676,775</b>		<b>1,757,540</b>	<b>1,721,015</b>	<b>(36,525)</b>	<b>-2.10</b>	<b>0</b>	<b>6,612</b>	<b>1,727,627</b>	<b>(29,913)</b>	<b>-1.70</b>	

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Head of Customer Services</b>											
98,042	Head of Customer Services	98,042	17,443	(80,599)	-82.20		80,599	98,042	0	+0.00	
1,011,676	Housing Needs	1,018,645	1,016,237	(2,408)	-0.20			1,016,237	(2,408)	-0.20	
	Customer Services	851,414	839,152	(12,262)	-1.40			839,152	(12,262)	-1.40	Minor savings on operational costs at Yaxley, Ramsey and at Pathfinder House
834,909											
(127,451)	Council Tax Support	(127,354)	(127,201)	153	-0.10			(127,201)	153	-0.10	
(224,467)	Local Tax Collection	(227,770)	(221,539)	6,231	-2.70			(221,539)	6,231	-2.70	
1,066,541	Housing Benefits	919,948	1,037,817	117,869	+12.80			1,037,817	117,869	+12.80	Estimated cost of benefit payments for homelessness accommodation has increased to £990k (from £950k with corresponding subsidy of £446k. Adjustments have been made to take account of impact of Universal Credit on caseload. Offset against new burdens funding from DWP and minor operational adjustments. This is on a total budget of £30m+.
<b>2,659,250</b>		<b>2,532,925</b>	<b>2,561,909</b>	<b>28,984</b>	<b>+1.10</b>	<b>0</b>	<b>80,599</b>	<b>2,642,508</b>	<b>109,583</b>	<b>+4.30</b>	
<b>3C's ICT</b>											
2,095,842	ICT Shared Service	2,128,103	2,102,419	(25,684)	-1.20			2,102,419	(25,684)	-1.20	Savings on the server room consolidaiton are on track and following further investigation additional savings on applications and software have been identified. This has improved the financil position and a small underspend against budget for 2018/19 is now projected.
<b>2,095,842</b>		<b>2,128,103</b>	<b>2,102,419</b>	<b>(25,684)</b>	<b>-1.20</b>	<b>0</b>	<b>0</b>	<b>2,102,419</b>	<b>(25,684)</b>	<b>-1.20</b>	
<b>Head of Development</b>											
83,825	Head of Development	84,715	84,445	(270)	-0.30			84,445	(270)	-0.30	
129,540	Building Control	152,540	129,540	(23,000)	-15.10			129,540	(23,000)	-15.10	(£23K) recharge for accommodation at PFH.
142,851	Economic Development	160,822	134,151	(26,671)	-16.60			134,151	(26,671)	-16.60	(£22K) Underspend on staff costs as a result of vacancies. (£5K) of smaller variances.
583,743	Planning Policy	721,388	594,706	(126,682)	-17.60			594,706	(126,682)	-17.60	(£25K) saving due to changes to posts across Planning. (£94K) underspend on staff costs as a result of reduced costs and vacancies being recruited to. (£12K) saving on LEP contribution. £4K of smaller variances.
(571,983)	Development Management	(343,260)	(521,467)	(178,207)	+51.90			(521,467)	(178,207)	+51.90	£25K Cost due to changes to posts across Planning. (£70K) Underspend on staff costs as a result of reduced costs and vacancies being recruited to. (£89K) Additional fee income. (£32K) DM Application Processing underspend. (£14K) underspend on appeal costs. £1K of smaller variances.
166,858	Housing Strategy	212,478	160,108	(52,370)	-24.60		1,620	161,728	(50,750)	-23.90	(£42K) Underspend on staff costs as a result of vacancies. (£10K) additional net income from mobile home park. £1K of smaller variances.
26,100	Public Transport	26,100	26,100	0	+0.00			26,100	0	+0.00	
56,120	Transportation Strategy	56,120	56,120	0	+0.00			56,120	0	+0.00	
<b>617,054</b>		<b>1,070,903</b>	<b>663,703</b>	<b>(407,200)</b>	<b>-38.00</b>	<b>0</b>	<b>1,620</b>	<b>665,323</b>	<b>(405,580)</b>	<b>-37.90</b>	

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Head of Leisure &amp; Health</b>											
80,946	Head of Leisure & Health	81,788	81,410	(378)	-0.50			81,410	(378)	-0.50	
194,151	One Leisure Active Lifestyles	205,371	353,558	148,187	+72.20	(159,000)		194,558	(10,813)	-5.30	Increases in attendances at Classes and sessions has increased the level of income achieved and reduced the net cost of the service
101,173	One Leisure St Ives Outdoor Centre	73,106	71,818	(1,288)	-1.80		25,000	96,818	23,712	+32.40	a £4K improvement on previous month with improvements to Hospitality and savings on Salaries
422,147	Leisure Centres Corporate	442,394	424,876	(17,518)	-4.00			424,876	(17,518)	-4.00	Savings on Employee costs
110,666	The Club Alconbury Weald	126,461	110,806	(15,655)	-12.40			110,806	(15,655)	-12.40	OL Management Team savings on Employee costs
(153,246)	One Leisure St Neots	(253,048)	(172,857)	80,191	-31.70			(172,857)	80,191	-31.70	Overall - across all facilities, Memberships is up £28K, however the formulae for how the split attributes income to the various elements has resulted in income being up for fitness classes (indoor sports) and creche, with Impressions being reduced. (Except OLR). Behind budget due to the delay in the Capital Works to site. Swimming Pool full effect of closure in current financial year and 3G works taking place during the playing season - whereas budgeted for them in the closed season. An Improving situation from previous month +£19.5K. This is in hospitality (£2.5K), Indoor sports (£5.5K) additional fitness class income and birthday party, and outdoor sports (£11K) now that the date of completion for the 3G has been confirmed by the contractor and due to re-open in early February
(82,533)	One Leisure Huntingdon	(192,301)	(90,031)	102,270	-53.20			(90,031)	102,270	-53.20	Overall the facility is forecasting £100K growth on previous year, however below budget due to the forecast income built into the budget from the redevelopment. There is a £9K improvement on the previous month notably Indoor Sports (£5K), Swimming (£6K), with savings in site and centre management (£9K), with Impressions being down (see comment on split)
(561,333)	One Leisure St Ives	(792,101)	(544,868)	247,233	-31.20			(544,868)	247,233	-31.20	The difference to budget for OLSI is due to the previously reported underperformance of Burgess Hall and Bar. A new interim management structure is in place to steady and start to grow the business again. There is a £17K reduction in the forecast out-turn this month to previous month and this is due to the Burgess Hall with £8K expenditure not previously included in the forecast along with more rigorous forecasting due to the new management structure. There may be an overstatement of Income of £2K for OLSI due to a Tech1 issue that will be reversed next month
(31,908)	One Leisure Ramsey	19,836	(41,046)	(60,882)	-306.90	(6,000)		(47,046)	(66,882)	-337.20	
99,312	One Leisure Sawtry	98,398	97,088	(1,310)	-1.30			97,088	(1,310)	-1.30	
<b>179,375</b>		<b>(190,096)</b>	<b>290,754</b>	<b>480,850</b>	<b>-253.00</b>	<b>(165,000)</b>	<b>25,000</b>	<b>150,754</b>	<b>340,850</b>	<b>-179.30</b>	

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
<b>Head of Operations</b>											
92,014	Head of Operations	79,568	92,551	12,983	+16.30			92,551	12,983	+16.30	£4k corporate membership to APSE, APSE frontline manager training for whole Council charged £7,600.
1,233,984	Green Spaces	1,138,441	1,287,633	149,192	+13.10	(108,000)		1,179,633	41,192	+3.60	Loss of S106 funding/commuted sums (£108 offset from S106 draw down from reserves leaving £51k over, £28k of which is Hinchingsbrooke Park) £10k Consultancy Costs for Hinchingsbrooke Business Case. Costs of emergency watercourse works/repairs exceeding budget by £50,000 (annual budget is £34k) (£6k) HCP Events (£13k) Awarded Grant, (£17k) in year budget control to offset impact of Street Cleansing overspend.
64,378	Environmental & Energy Management	82,760	71,543	(11,217)	-13.60			71,543	(11,217)	-13.60	See facilities commentary for net position
850,902	Street Cleaning	772,646	852,544	79,898	+10.30			852,544	79,898	+10.30	£16k standpipe licences new water authority requirement for licence to draw water direct from standpipes, £20k diesel price increase; £10k vehicle hire; £17k vehicle repairs. £10k additional in year cost of road weed spraying contract. £7k temporary staffing. Action on Overspend - Two Team Leaders only.
8,557	Public Conveniences	13,400	6,842	(6,558)	-48.90			6,842	(6,558)	-48.90	Continued Cost Control on Maintenance
2,527,543	Waste Management	2,196,001	2,464,142	268,141	+12.20			2,464,142	268,141	+12.20	£80k Increase cost of recycling due to contamination/processing cost £30k Reduced level of recycling credits from County Council due to contamination levels in recycling £57k Cost of sickness absence cover (current budget provision £30k a year based on 5 days absence a year for agency cover to maintain service) - growth bid made in MTFS. Context annual staffing budget is £2.4 million. Average sickness reduced 7.4 days per employee since April. £14k Staffing cost of additional round to meet growth in recycling volumes - growth bid made in MTFS £50k Trade Waste and WebAspx routing consultancy to evidence growth bids and ensure future rounds fit for purpose £90k Additional cost of diesel fuel as prices reach 4 year high (£52k) Additional income on Trade Waste/Bin recycling

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
1,091,180	Facilities Management	870,109	1,061,858	191,749	+22.00			1,061,858	191,749	+22.00	£97k Income expectation for 3rd floor Pathfinder, Estates team responsible for leasing - progressing ideas but none yet successful. £50k Staffing of Energy Role - Role maintained to deliver savings elsewhere in 2018/19. Future annual saving of £28k for St Neots Leisure Centre. Also avoided £36k growth in gas prices (90% of which is One Leisure use). £22k Staffing of Sustainability Role. From Q3 and Q4 role full cost recovery plus 10% from outside work. £22k due to staff saving part achieved in year (achieved fully for 2019/20).
258,803	Fleet Management	238,846	253,078	14,232	+6.00			253,078	14,232	+6.00	Change in cost apportionment of Recycling and Waste Operations Manager to reflect true costs of service management.
(58,183)	Markets	(60,998)	(61,732)	(734)	+1.20			(61,732)	(734)	+1.20	
(1,380,112)	Car Parks	(1,420,054)	(1,423,210)	(3,156)	+0.20	(8,000)		(1,431,210)	(11,156)	+0.80	In year management of costs and enforcement have recovered previously estimated shortfall.
<b>4,689,066</b>		<b>3,910,719</b>	<b>4,605,249</b>	<b>694,530</b>	<b>+17.80</b>	<b>(116,000)</b>	<b>0</b>	<b>4,489,249</b>	<b>578,530</b>	<b>+14.80</b>	
<b>Head of Resources</b>											
89,655	Head of Resources	88,705	90,290	1,585	+1.80			90,290	1,585	+1.80	
4,552,357	Corporate Finance	4,747,443	4,548,036	(199,407)	-4.20	(6,714)	63,000	4,604,322	(143,121)	-3.00	Increased expected income from CCLA property fund (-£5k), higher interest rates from short term investments (-£45k), loan payments to PWLB lower than budget (-£15k) higher bank charges (+£8k) and savings from recalculated MRP (-£80k), interest from loans to other organisation (-£63k) with (+£63k) Urban and Civic loan interest to be moved to reserves
747,103	Finance	589,930	845,921	255,991	+43.40	(85,000)		760,921	170,991	+29.00	Delay in FMS has resulted in staffing resources needed for longer and additional temp staff for back filling and covering longterm sickness plus savings from vacant posts (+£246k) with (-£85k) to be covered by reserves, due diligence work to be undertaken by Arlingclose (+9k) Action on Overspend - These are one-off costs relating to the implementation of the FMS; they should not be repeated next year.
651,064	Audit & Risk Management	539,902	626,933	87,031	+16.10		25,000	651,933	112,031	+20.80	Increase in insurance premiums reflecting RTA in 01/17 and EFH Fire in Oct 17 (+£110k), 2 vacant posts within Audit (-£27k), final payment in regards to mesothelioma claim after reimbursement from insurers (+8k) with (+£25k) being moved to reserves Action on Overspend - Not possible to reduce in the short-term as this is as a consequence of higher insurance premiums
223,463	Legal	223,940	222,736	(1,204)	-0.50			222,736	(1,204)	-0.50	

December Forecast (Net)	Service Area	2018/19 Budget	Gross Forecast	Gross Variance		Reserves		January Net Forecast	Net Variance		Comments on Variations Exceeding +/- £10,000
				£	%	From	To		£	%	
642,288	HR & Payroll Services	865,695	641,412	(224,283)	-25.90			641,412	(224,283)	-25.90	2 FTE posts vacant (-£72k), savings in apprentice scheme employee costs due to several apprentices gaining permanent employment (-£177k), Increase in DBS checks (+£19k)
59,247	Procurement	30,868	59,751	28,883	+93.60			59,751	28,883	+93.60	Undelivered due to delay in procurement outsourcing (+£30k) Action on Overspend - Original intention to outsource delayed and alternative provision being investigated with 3C's partners
(2,650,239)	Commercial Estates	(2,657,038)	(2,682,385)	(25,347)	+1.00			(2,682,385)	(25,347)	+1.00	Higher staffing costs (+£175k), reduced CIS income due to highly competitive market - New income from Little End Road acquisition coming on stream- (+£17k) (this variance is a mix of reduced MRP expenditure and reduced CIS income), savings in management charge (-£144k), increased estates income excl CIS partially offset by slippage due to changes in staff (-£80k), EPC fees and dilapidations schedules for vacating tenants (+£6k)
<b>4,314,938</b>		<b>4,429,445</b>	<b>4,352,694</b>	<b>(76,751)</b>	<b>-1.70</b>	<b>(91,714)</b>	<b>88,000</b>	<b>4,348,980</b>	<b>(80,465)</b>	<b>-1.80</b>	
<b>Corporate Team</b>											
674,554	Democratic & Elections	810,780	833,982	23,202	+2.90	(106,012)		727,970	(82,810)	-10.20	Final accounts have been settled on all Elections (incl. EU Referendum and UK Parliamentary from previous years) and this shows an overall surplus to the accounts. There are some lower costs in Electoral Registration. Members Allowances are reduced to reflect new scheme with reduced volume of Special Duty Allowances, but the forecast is greater than last month due to systme errors in previous months postings being corrected.
484,145	Directors	492,052	487,196	(4,856)	-1.00			487,196	(4,856)	-1.00	
278,899	Corporate Team	339,256	282,818	(56,438)	-16.60			282,818	(56,438)	-16.60	Vacant posts have been held while staff on secondment to Mosaic (Transformation) and whilst pending a Restructure which is now being implemented and new structure reflected in Forecast Outturn.
<b>1,437,598</b>		<b>1,642,088</b>	<b>1,603,996</b>	<b>(38,092)</b>	<b>-2.30</b>	<b>(106,012)</b>	<b>0</b>	<b>1,497,984</b>	<b>(144,104)</b>	<b>-8.80</b>	
<b>Transformation</b>											
0	Transformation	0	283,916	283,916	-	(283,916)		0	0	-	
<b>0</b>		<b>0</b>	<b>283,916</b>	<b>283,916</b>	<b>-</b>	<b>(283,916)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	
<b>17,669,898</b>	<b>HDC Total</b>	<b>17,281,627</b>	<b>18,185,655</b>	<b>904,028</b>	<b>+5.20</b>	<b>(762,642)</b>	<b>201,831</b>	<b>17,624,844</b>	<b>343,217</b>	<b>+2.00</b>	

The approved gross Capital Programme 2018/19 is £5.582m. Schemes totalling £5.111m from 2017/18 have been rephased to 2018/19, to give the total gross Capital Programme for 2017/18 of £10.693m.

The net expenditure to date is £4.800m (45% of the gross budget, 75% of the year) and the Capital Programme is forecast to have a net underspend of £1.057m, this includes underspends, rephasings and other variations. The forecast overspend on DFGs is partly funded from additional grants.

Variation Commentary Summary	£000s
<b>Overspend</b>	
<b>Development – DFGs</b> The overspend is based on the current level of demand from clients. It is possible that increased contributions from clients will reduce this overspend, but this is not yet certain.	246
<b>New FMS</b> Due to the extended implementation period expenditure has increased by £60,000. This will be funded from the earmarked reserve set up for this purpose.	0
<b>Burgess Hall</b> Completion of works to carpeting.	2
<b>Pathfinder House Reception</b> Costs have exceeded that estimated in the business case. Additionally the costs recovered from the DWP are also lower than estimated.	41
<b>Wooden Bridge - Hinchingsbrooke Country Park</b> Estimates received for the cost of erecting the bridge are higher than originally estimated.	23
<b>CIL Payment Huntingdon West</b> A payment of £553,000 has been made for the contribution to Huntingdon West Link Road, this is being funded from the CIL reserve. The cost of the CPOs is still under negotiation, this figure is not yet known but could be up to £2m, this will be funded from the CIL reserve.	0
<b>One Leisure Huntingdon Expansion</b> The final retention payment for the works at One Leisure Huntingdon reception area	36
<b>Commercial Property Roofs</b> The final payments for the roof works at Levellers Lane St Neots and Phoenix Court Huntingdon, schemes completed in 2017/18. In 2016/17 there was an underspend on this scheme of £48,000.	131
	<b>479</b>
<b>Growth</b>	
<b>Re-Fit Projects</b> Additional expenditure was approved by Senior Management Team on the 5 <sup>th</sup> June 2018, to finance works at One Leisure St Neots. The project was signed off on the 7 <sup>th</sup> June 2018.	16
	<b>16</b>
<b>Underspend</b>	
<b>Health and Safety Works and Energy Efficiency Works – Commercial Properties</b> It is anticipated that some works will be rechargeable to tenants, as a result this reduces the cost to the council (£20,000), also fewer sites require work to meet the compliance requirement, resulting in a saving of £18,000.	(38)
<b>Customer Relationship Management Software</b> One-Vu software has been procured, to be shared with SCDC and Cambridge City Council. As the software is being shared the cost has been reduced.	(80)
<b>Wheeled Bins</b> The bins held in stock and the purchases planned for the remainder of the year will cover demand. Some saving have resulted from a change in supplier.	(14)



<b>Variation Commentary Summary</b>		<b>£000s</b>
	<b>Vehicle Fleet Replacement</b> Vehicle replacements have cost less than estimated resulting in a small underspend.	(21)
	<b>Printing Equipment</b> Following a change in priorities within the Document Centre, the print equipment is no longer required.	(176)
	<b>Transformation Schemes</b> The costs for Council Anywhere are being met from this budget, the project will replace IT hardware and move users to new Microsoft products . The roll-out us well underway and the costs are now preicted to be £480,000 lower than first estimated.	(480)
		<b>(809)</b>
	<b>Rephase</b>	
	<b>Bridge Place Car Park – Godmanchester</b> Works have been delayed whilst the final design and negotiations over land leases are completed.	(279)
	<b>Building Efficiencies (Salix)</b> The works on replacing the boilers at OL Ramsey and lighting at Pathfinder House are likely to be rephased to 2019/20.	(15)
	<b>Re-fit Buildings</b> Works are expected to be completed in 2018/19, with just the retention to pay in 2019/20.	(37)
	<b>Operations Back Office Software</b> The costs for the shared waste management software are lower than expected, because of sharing with Cambridge City and South Cambridgeshire councils.	(136)
	<b>One Leisure St Ives New Fitness Offering</b> The specification for this fitness offering has taken longer than expected to complete. Therefore some of the expenditure is now expected to take place in 2019/20.	(125)
	<b>One Leisure Ramsey 3G Pitch</b> A feasibility study on the pitch construction has indicated that the cost will be higher than estimated (£68,000). The Football Foundation may agree to fund the extra expenditure by increasing their grant. Tenders are still outstanding, the result of these will determine expenditure for the year. In addition the Football Foundation Panel in January will decide whether the project will get the go ahead. There will be a significant amount carried over into 2019/20 budget as a result.	(150)
		<b>(742)</b>
	<b>Total</b>	<b>(1,056)</b>

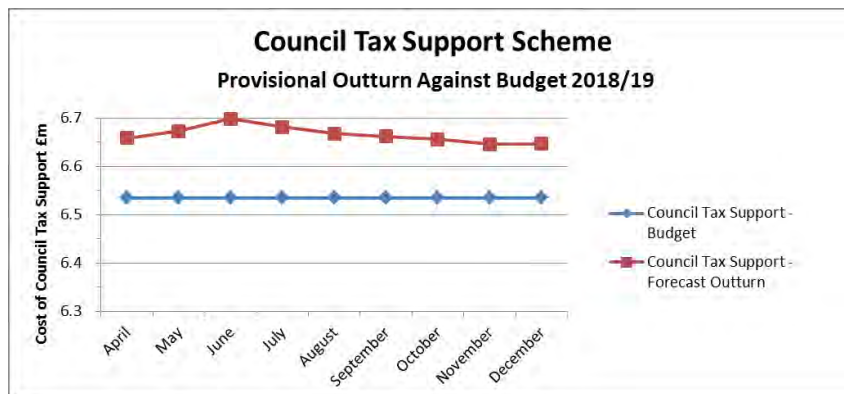
Capital Programme 2018/19		January (Based on Information as at 31st December)							
Table 1 Expenditure	Status	Budget Manager	Approved Budget	Slippage or Supplementary	Updated Budget	Expenditure	Forecast	Net Variance	
			£	£	£	£	£	£	
<b>Community</b>									
CCTV Camera Replacements		Chris Stopford	0	220,000	220,000	2,224	220,000	0	
CCTV Pathfinder House Resilience		Chris Stopford	0	20,000	20,000	0	20,000	0	
CCTV Wi-Fi		Chris Stopford	0	250,000	250,000	0	250,000	0	
Lone Worker Software		Chris Stopford	0	20,000	20,000	0	20,000	0	
					0			0	
<b>Development</b>									
Disabled Facilities Grants		Kaith Tayler	1,900,000	0	1,900,000	1,502,556	2,350,000	450,000	
Huntingdon West CIL		Claire Burton	0	0	0	553,000	553,000	553,000	
Alconbury Weald Remediation		Sue Bedlow	0	979,556	979,556	979,556	979,556	0	
					0			0	
<b>Leisure and Health</b>									
One Leisure Improvements		Pete Corley	366,000	40,000	406,000	63,589	406,000	0	
Burgess Hall		Chris Keeble	0	0	0	0	2,000	2,000	
One Leisure St Ives New Fitness Offering		Daniel Gammons	250,000	0	250,000	3,270	125,000	(125,000)	
One Leisure Ramsey 3G		Martin Grey	600,000	0	600,000	5,693	334,000	(266,000)	
One Leisure St Neots Synthetic Pitch		Jon Clarke	0	390,000	390,000	0	390,000	0	
OL St Neots Pool		Jon Clarke	0	278,957	278,957	264,138	278,957	0	
OL Huntingdon Channing Room - Retention		Karen Martin-Peters	0	0	0	8,887	8,887	8,887	
OL Huntingdon Expansion		Paul France	0	0	0	36,150	36,150	36,150	
					0			0	
<b>Resources</b>									
Health and Safety Works on Commercial Properties		Jackie Golby	60,000	0	60,000	41,132	60,000	0	
Energy Efficiency Works at Commercial Properties		Jackie Golby	50,000	0	50,000	0	21,875	(28,125)	
Cash Receipting System		Paul Loveday	0	2,103	2,103	0	2,103	0	
Financial Management System Replacement		Paul Loveday	0	0	0	60,273	60,000	60,000	
FMS Archive		Paul Loveday	0	14,000	14,000	0	14,000	0	
VAT Exempt Capital		Paul Loveday	208,000	33,000	241,000	0	241,000	0	
Loan Facility to Huntingdon Town Council		Paul Loveday	0	800,000	800,000	(38,000)	800,000	0	
Investment in Company		Paul Loveday	0	100,000	100,000	0	100,000	0	
Commercial Estates Roofs			0	0	0	103,304	131,770	131,770	
					0			0	
<b>Printing Services</b>									
Printing Equipment		Andy Lusha	0	176,000	176,000	0	0	(176,000)	
					0			0	
<b>3C ICT</b>									
Flexible Working - 3CSS		Emma Alterton	50,000	14,770	64,770	(6,795)	64,770	0	
Telephones - 3CSS		Emma Alterton	0	0	0	0	0	0	
Virtual Server - 3CSS		Emma Alterton	0	0	0	0	0	0	
					0			0	
<b>Operations</b>									
Building Efficiencies (Salix)		Chris Jablonski	0	55,358	55,358	(600)	40,085	(15,273)	
Wheeled Bins		Heidi Field	280,000	0	280,000	83,674	191,000	(89,000)	
Vehicle Fleet Replacement		Andrew Rogan	1,033,000	0	1,033,000	884,052	1,012,230	(20,770)	
Operations Back Office Development		Matt Chudley	230,000	135,000	365,000	1,626	112,000	(253,000)	
Play Equipment		Helen Lack	25,000	0	25,000	19,322	38,066	13,066	
Re-Fit Buildings		Chris Jablonski	0	476,467	476,467	81,748	455,468	(20,999)	
Bridge Place Car Park Godmanchester		George McDowell	318,000	(14,037)	303,963	9,921	24,617	(279,346)	
Pathfinder House Reception (DWP)		Chris Jablonski	0	119,853	119,853	120,899	138,418	18,565	
Hinchingbrooke Country Park Wooden Bridge		Judith Arnold	32,000	0	32,000	0	55,000	23,000	
					0			0	
<b>Transformation</b>									
Customer Relationship Management		John Taylor	180,000	0	180,000	0	100,000	(80,000)	
Transformation Schemes		John Taylor	0	1,000,000	1,000,000	0	520,000	(480,000)	
					0			0	
<b>Total Expenditure</b>			<b>5,582,000</b>	<b>5,111,027</b>	<b>10,693,027</b>	<b>4,779,619</b>	<b>10,155,952</b>	<b>(537,075)</b>	

Capital Programme 2018/19		January (Based on Information as at 31st December)						
Table 2 Funding of Capital Programme		Budget Manager	Approved Budget	Slippage or Supplementary	Updated Budget	Expenditure	Forecast	Variance
			£	£	£	£	£	£
<b>Grants and Contributions</b>								
DFGs	Keith Tayler	(1,100,000)		(1,100,000)	(1,150,000)	(1,304,000)	(204,000)	
Huntingdon West CIL	Claire Burton				(553,000)	(553,000)	(553,000)	
Pathfinder House Reception	Chris Jablonski			(278,000)	(278,000)	(256,000)	22,000	
Wheeled Bins	Heidi Field	(146,000)		(146,000)	(58,446)	(71,000)	75,000	
Synthetic Pitch	Jon Clarke			(274,000)	(274,000)	(274,000)	0	
One Leisure Ramsey 3G	Martin Grey	(300,000)		(300,000)		(184,000)	116,000	
Operations Back Office	Matt Chudley	(229,000)		(229,000)		(112,000)	117,000	
Health and Safety Works on Commercial Properties	Jackie Golby			0		(10,000)	(10,000)	
Play Equipment	Helen Lack					(13,720)	(13,720)	
<b>Total Grants and Contributions</b>		<b>(1,775,000)</b>	<b>(552,000)</b>	<b>(2,327,000)</b>	<b>(1,761,446)</b>	<b>(2,777,720)</b>	<b>(450,720)</b>	
<b>Use of Capital Reserves</b>								
Alconbury Remediation Works Reserve	Sue Bedlow	0	(979,556)	(979,556)	(979,556)	(979,556)	0	
<b>Total Capital Reserves</b>		<b>0</b>	<b>(979,556)</b>	<b>(979,556)</b>	<b>(979,556)</b>	<b>(979,556)</b>	<b>0</b>	
<b>Capital Receipts</b>								
Loan Repayments	Paul Loveday	(320,000)		(320,000)	0	(320,000)	0	
Housing Clawback Receipts	Paul Loveday	(500,000)		(500,000)	0	(500,000)	0	
<b>Total Capital Receipts</b>		<b>(820,000)</b>	<b>0</b>	<b>(820,000)</b>	<b>0</b>	<b>(820,000)</b>	<b>0</b>	
<b>Use of Earmarked Reserves</b>								
Financial Management System Replacement	Paul Loveday			0		(60,000)	(60,000)	
Investment in Trading Company	Paul Loveday		(100,000)	(100,000)		(100,000)	0	
ICT Transformation	John Taylor		(1,000,000)	(1,000,000)		(520,000)	480,000	
FMS Archive	Paul Loveday		(14,000)	(14,000)		(14,000)	0	
OI Huntingdon Changing Rooms	Karen Martin-Peters		0	0		(8,887)	(8,887)	
<b>To Earmarked Reserves</b>		<b>0</b>	<b>(1,114,000)</b>	<b>(1,114,000)</b>	<b>0</b>	<b>(702,887)</b>	<b>411,113</b>	
<b>Total Funding</b>		<b>(2,595,000)</b>	<b>(2,645,556)</b>	<b>(5,240,556)</b>	<b>(2,741,002)</b>	<b>(5,280,163)</b>	<b>(39,607)</b>	
<b>Net to be funded by borrowing</b>		<b>2,987,000</b>	<b>2,465,471</b>	<b>5,452,471</b>	<b>2,038,617</b>	<b>4,875,789</b>	<b>(576,682)</b>	
<b>Budget Reconciliation</b>					<b>Updated Budget</b>	<b>Expenditure</b>	<b>Forecast</b>	<b>Variance</b>
	Gross Expenditure				10,693,027	4,779,619	10,155,952	(537,075)
	Total Grants and Contributions				(2,327,000)	(1,761,446)	(2,777,720)	(450,720)
	Use of Capital and Revenue Reserves				(979,556)	(979,556)	(1,048,443)	(68,887)
	<b>Total</b>				<b>7,386,471</b>	<b>2,038,617</b>	<b>6,329,789</b>	<b>(1,056,682)</b>

## Financial Dashboard

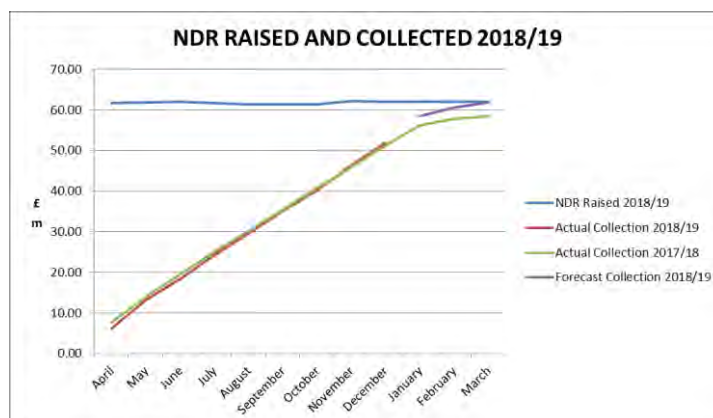
### Council Tax Support Scheme

Currently, the actual take-up of Council Tax Support is running approximately £0.11m above the budgeted £6.5m. Any 2018/19 increase in Council Tax Support will impact in 2019/20.



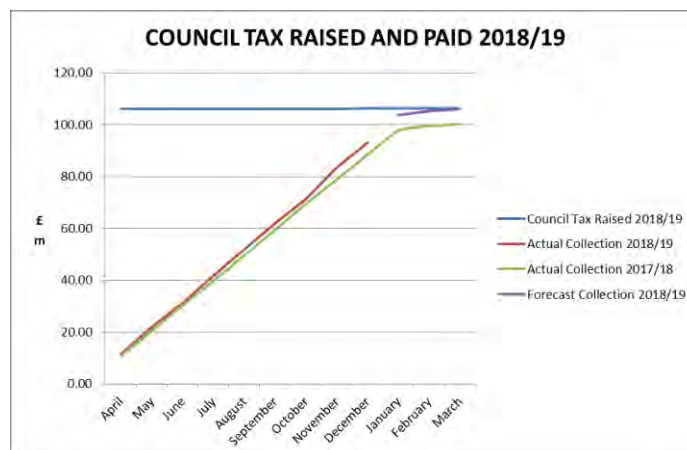
The impact of this increase on HDC will be proportionate to all Council Tax precepts (13.5% for HDC including parishes).

### Collection of NDR



The NDR graph above shows the total amount of NDR bills raised in 2018/19 and the actual receipts received up to the end of December, with a forecast for receipts through to the end of the year, based on historical collection rates. The Council tax graph below provides the same analysis.

### Collection of Council Tax



## Miscellaneous Debt

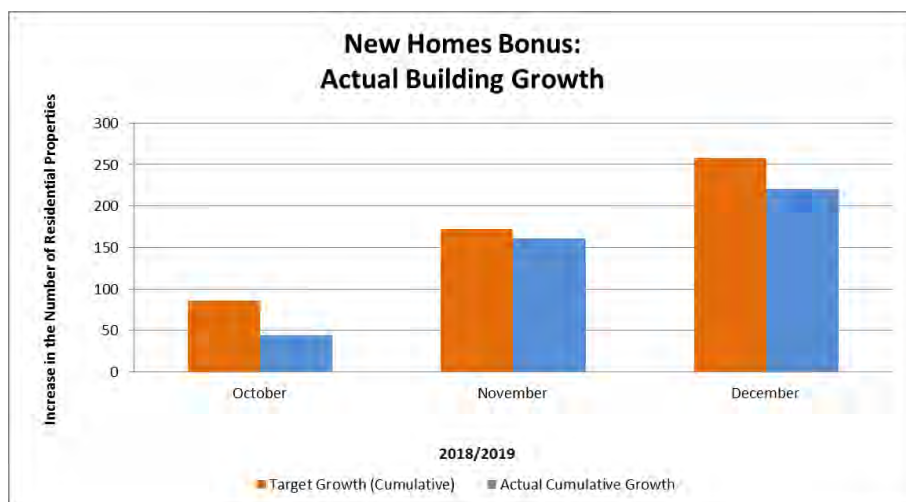
The total outstanding debt as at the end of December 2018 is £1.586m (September 2018, £1.859m), £0.386m (September 2018, £0.709m) is prior year debt of which £62k (September 2018, £0.385m) relates to 2017/18.

The 2017/18 and 2018/19 debt position is currently showing an outstanding amount of £1.262m (September 2018, £1.509m), £63k relates to Commercial Rents, £207k relates to homeless accommodation/prevention, £37k relates to schools and other customers use of One Leisure facilities and £568k relates to shared services recharges.

## New Homes Bonus

The 2017/18 reporting cycle (October 2017 to September 2018) saw 657 completions which was 32 below the target of 689. The impact of this shortfall in completed units will come through in 2019/20.

The current reporting cycle (October 2018 to September 2019) had a target number of completions of 1,613, as published in the draft Planning Annual Monitoring Report (December 2017). However, this has been revised downwards to 1,034 in the December 2018 Planning Annual Monitoring Report and so this lower figure has been used as our target for this year. Currently, 221 properties have been completed in the first three months of this reporting cycle and the table below shows performance against the target to date.



As part of the Local Government Financial Settlement 2019/20 issued in December 2018 the Government announced changes to local government financing that included the phasing out of the New Homes Bonus Scheme. After 2018/19 no new NHB will be paid and so the amount we receive will tail off over the next 4 years. The impact of this has been included in the 2019/20 MTFS.

The process of considering CIS opportunities is as follows:

**Step 1**

Property investment opportunities are both introduced by agents and actively sourced by the Commercial Estates Team. An initial review is undertaken against the outline criteria of the CIS such as yield, length of lease, tenant strength etc. and if they are judged to be reasonable investments, further preliminary initial due diligence is undertaken to determine the quality of the leases and an initial financial appraisal is undertaken.

**Step 2**

If Step 1 is passed, more detailed due diligence is undertaken (including detailed tenant strength review, ownership title, property energy efficiency, market analysis of rents and yield etc), this may lead to a site visit and more robust financial appraisal/modelling and further market scrutiny.

**Step 3**

If Step 2 is passed, then approval is sought from the members of the Treasury & Capital Management Group, the Managing Director, Corporate Director (Services) and the Head of Resources to submit a formal initial bid, subject to contract and relevant building and condition surveys.

**Step 4**

If the bid submitted at Step 3 is successful, then this progresses to consideration by Overview and Scrutiny and approval for Cabinet.

**Step 5**

Once approval is given, formal legal and building condition due diligence commences by instruction of lawyers and building/specialist surveys are undertaken. This may take several weeks during which all concerns raised on legal and lease title and building condition are satisfied. If any significant concerns are unsatisfied, these can either be negotiated on price or withdraw from the purchase.

**Reviews Undertaken, October – December 2018 (Q3)**

Over the above period, 26 propositions were reviewed up to stage 1 with one to stage 2. In late Q2, a property at Little End Road, St Neots came to the market and, although marginally outbid (there were five bidders), HDC's offer was accepted. The purchase completed on 20th December for £3.2m and generates £214k of annual income. This was purchased initially from cash reserves.

An opportunity at St Neots from March 2018, approved by Cabinet and in legal hands (stage 5), is still in hand but requires construction works to remediate some defects. The seller is undertaking these within the next few weeks and we hope to be in a position to conclude this purchase soon.

By property type, the investments considered in Q3 are as follows:

Industrial/warehouse	11	Mixed portfolios/other	5
Offices	6	Retail	2
Trade counter	2		

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

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Final 2019/20 Revenue Budget & Medium Term Financial Strategy (2020/21 to 2023/24); including the Capital Programme.

**Meeting/Date:** Overview & Scrutiny (Performance & Growth)  
– 5<sup>th</sup> February 2019

**Executive Portfolio:** Executive Councillor for Strategic Resources (JG)

**Report by:** Head of Resources (CM)

**Ward affected:** All

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### **Executive Summary**

This report sets out the Councils Revenue and Capital budget proposals for the 2019/20 Final Budget and the Medium Term Financial Strategy (2020/21 to 2023/24). The proposals:

- include savings and additional income, growth, non-realised savings from earlier years, the implications of other budget adjustments and the Commercial Investment Strategy, and the governments financial settlement, and their
- impact on Council Tax and Reserves for 2019/20 and over the medium term.

### **RECOMMENDATION**

The Overview and Scrutiny Panel is invited to comment on the revenue and capital proposals, the Council Tax and levels of Reserves from the Cabinet report attached at **Appendix A**.





HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Final 2019/20 Revenue Budget and Medium Term Financial Strategy (2020/21 to 2023/24); including the Capital Programme
<b>Meeting/Date:</b>	Cabinet – 14th February 2019
<b>Executive Portfolio:</b>	Executive Councillor for Strategic Resources
<b>Report by:</b>	Head of Resources
<b>Wards affected:</b>	All

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**Executive Summary:**

In order for the Council to:

- set the Council Tax for the area, the Council is required to set an annual Budget for the forthcoming year, and to
- ensure effective future financial planning, the Council approves a Medium term Financial Strategy (MTFS) for the subsequent 4 years.

Consequently, this report sets out the final budget for 2019/20 and the revised MTFS for the period 2020/21 to 2023/24 for Cabinet approval.

The Draft Budget and MTFS was approved by Cabinet on 17 January 2019 which included relevant savings, income and growth proposals, implications of the Provisional Financial Settlement and a planned increase in Council Tax of 2.6% for 2019/20 and for the duration of the MTFS. The draft Capital Programme 2019/20 to 2023/24 was also approved.

This report outlines the changes that have occurred since then, as well as discussing any significant risks associated with the Budget.

The Final Budget 2019/20 gives a Net Service Expenditure Budget of £17.2m; the detailed Final Budget 2019/20 and MTFS is shown at **Appendix 1**. There is a decrease in Net Service Expenditure Budget of £162k on the Draft Budget 2019/20 that was reported in January 2019. All of the changes to the Final Budget relate to Services and are detailed in **Appendix 2**.

For 2019/20, the adjustments increase the contribution to Reserves; over the MTFS period the budget gap by 2023/24 is £1.2m, some £224k greater than last year. The 'Plan on a Page' at **Appendix 3** has now been updated to reflect the final budget.

**Recommendations:**

That the Cabinet recommends to Council the approval of the:

- overall Final Budget 2019/20 and MTFS 2020/21 to 2023/24 (**Appendix 1**,

this includes the Revenue Budget at Section 2 and the Capital Programme at Section 3)

- the new “Plan-on-a-Page” (**Appendix 3**)

## 1. PURPOSE OF THE REPORT

1.1 To provide Cabinet with the detail of the Final Budget and MTFS for consideration. The report sets out:

- any changes that have occurred since the Draft Budget and MTFS was approved.
- impacts on reserves.
- level of Council Tax.
- consideration of the Resolution that will be presented to Full Council on the 27 February 2019.
- risks associated with the budget and relevant sensitivity analysis.

## 2. BACKGROUND

2.1 At the 17 January 2019 Cabinet meeting, Cabinet approved:

- a Draft 2019/20 Budget with Net expenditure of £17.3m and a Budget Requirement of £20.4m,
- an MTFS that has a profiled decrease in the Budget Requirement to £17.5m by 2023/24.
- a Capital Programme of £7.7m for 2019/20, that increases to £15.0m by 2023/24; with net internal funding of £5.0m and £13.0m respectively.

2.2 In respect of 2019/20, the Draft Budget included:

- savings and additional income of £1.8m.
- growth of £1.7m.
- the provisional finance settlement of £2.0m in respect of New Homes Bonus and no Revenue Support Grant.
- an estimate of £6.9m for Business Rates related income and the Collection Fund.

## 3. CHANGES TO THE BUDGET 2019/20 AND MEDIUM TERM FINANCIAL STRATEGY 2020/21 TO 2023/24

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

Table 1	Changes between Draft 2019/20 Budget and MTFS and Final				
	Budget	Medium Term Financial Strategy			
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>Cabinet January Draft Budget - contribution to/(from) General Reserves</b>	<b>1,085</b>	<b>(947)</b>	<b>(1,678)</b>	<b>(1,375)</b>	<b>(1,328)</b>
Services	(46)	5	(2)	5	5
Commercial Investment	101	111	91	111	112
Final Grant Allocations	107	107	30	30	31
<b>Total Service Budget Changes</b>	<b>162</b>	<b>223</b>	<b>119</b>	<b>146</b>	<b>148</b>
Technical Adjustment (Reserves)					
<b>Additional Growth</b>	<b>162</b>	<b>223</b>	<b>119</b>	<b>146</b>	<b>148</b>
<b>Cabinet Final Budget - contribution to/(from) General Reserves</b>	<b>1,247</b>	<b>(724)</b>	<b>(1,559)</b>	<b>(1,229)</b>	<b>(1,180)</b>

N.B. A negative number = expense

### Summary of the Main Changes 2019/20 to 2023/24

3.2 With regard to the budget changes in 2019/20 through to 2023/24, these are shown in paragraphs (i) to (iii) below:

i. Services

Since the Draft 2019/20 Budget was approved by Cabinet, delays to the sign-off of agreements related to capital schemes at:

- One Leisure St Ives – Outdoor training and;
- One Leisure Ramsay – 3G pitch

have necessitated the re-profiling of the revenue income streams over the period of the MTFS.

ii. Commercial Investment

The Final 2019/20 Budget now reflects the net income stream that will be generated by the newly purchased commercial property at Little End Lane, St Neots.

iii. Final Grant Allocations

The latest indicative government grant allocations in respect of HB Administration, Council Tax Support Administration and New Burdens grant has resulted in a net grant increase over the MTFS period.

## 4. SUMMARY BUDGET 2019/20 AND MEDIUM TERM FINANCIAL STRATEGY 2020/21 TO 2023/24

4.1 Reflecting the changes noted in Section 2 and 3 respectively, the Final 2019/20 Budget and Medium Term Financial Strategy is shown in **Table 2**.

Table 2	Council Services Net Expenditure Budget (2019/20) and MTFS						
	2018/19		2019/20	Medium Term Financial Strategy			
	Budget	Forecast (November)	Budget	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000	£000	£000
Community Services	1,758	1,740	1,742	1,772	1,792	1,826	1,866
Customer Services	2,533	2,682	2,676	3,160	3,340	3,358	3,256
Development Services	1,071	700	1,010	920	960	1,000	1,042
Leisure and Health	(190)	226	(21)	(507)	(713)	(749)	(741)
Operational Services	3,911	4,580	3,742	3,532	4,087	4,059	4,161
Corporate Team and Directors	1,642	1,503	1,626	1,631	1,658	1,660	1,683
ICT	2,128	2,154	2,145	2,104	2,120	2,136	2,192
Resources	(318)	(232)	(668)	(819)	(341)	(322)	(464)
Corporate Finance	4,747	4,555	4,904	4,906	5,107	5,204	5,636
<b>Net Expenditure</b>	<b>17,282</b>	<b>17,908</b>	<b>17,156</b>	<b>16,699</b>	<b>18,010</b>	<b>18,172</b>	<b>18,631</b>

	Council Funding Statement Budget (2019/20) and MTFS						
	2018/19		2019/20	Funding Streams and a 2.6% Council Tax increase			
	Budget	Forecast (November)	Budget	Medium Term Financial Strategy			
	£000	£000	£000	2020/21	2021/22	2022/23	2023/24
<b>Net Expenditure</b>	<b>17,282</b>	<b>17,908</b>	<b>17,156</b>	<b>16,699</b>	<b>18,010</b>	<b>18,172</b>	<b>18,631</b>
Contribution to/(from) Earmarked Reserves:	0						
- Commercial Investment Strategy	1,135	1,135	2,038	1,474	881	427	0
General Reserves	1,891	1,265	1,247	(724)	(1,559)	(1,229)	(1,180)
<b>Budget Requirement</b>	<b>20,308</b>	<b>20,308</b>	<b>20,441</b>	<b>17,449</b>	<b>17,332</b>	<b>17,370</b>	<b>17,451</b>
Non-Domestic Rates	(5,841)	(5,841)	(5,958)	(6,077)	(6,199)	(6,323)	(6,449)
Non-Domestic Rates (Growth Pilot)	0	0	(949)	0	0	0	0
S31 Grant	(1,729)	(1,729)	(1,729)	(1,579)	(1,579)	(1,579)	(1,579)
Revenue Support Grant (RSG)	(604)	(604)	0	150	150	150	150
Fair Funding Review Adjustment	0	0	0	650	650	650	650
New Homes Bonus	(2,718)	(2,718)	(2,038)	(1,474)	(881)	(427)	0
Collection Fund (Surplus) / Deficit	(966)	(966)	(989)	0	0	0	0
<b>Council Tax Requirement</b>	<b>8,450</b>	<b>8,450</b>	<b>8,778</b>	<b>9,119</b>	<b>9,473</b>	<b>9,841</b>	<b>10,223</b>
- Base (*)	60,984	60,984	61,749	62,521	63,302	64,094	64,895
- Per Band D	138.56	138.56	142.16	145.86	149.65	153.54	157.53
- Increase £			£ 3.60	£ 3.70	£ 3.79	£ 3.89	£ 3.99
- Increase %			2.60%	2.60%	2.60%	2.60%	2.60%

### Impact on Reserves

- 4.2 Surpluses (or deficits) in funding are adjusted via contributions to or from reserves; in the Council's Funding Statement (**Table 2**) this is shown against the line entitled "General Reserves". For the Final 2019/20 budget there is a budgeted surplus of £3.3m. However, from 2021/22 to the end of the MTFS period there is a budget gap. Because the Council has the ambition to be 'self-financing' (i.e. not reliant on government grant), from 2019/20 onwards all NHB receipts are allocated to the Commercial Investment Earmarked Reserve; this will enable the Council to provide a direct source of funding to enable it to invest in future service delivery.
- 4.3 Over the MTFS period the budget gap by 2023/24 is £1.2m, some £224k greater than 2018/19.
- 4.4 As shown in **Table 3** below, the funding gap from 2021/22 can be met from the Budget Surplus Reserve whilst at the same time ensuring that the General Fund Reserve stays at the Councils agreed minimum level of reserves; which is 15% of the Council's Net Service Expenditure from 2019/20 onwards. It is

fair to conclude that the Councils budget is balanced over the medium term; however it should be noted that if the Council chooses to use reserves to meet a budget gap this must be viewed as short term bridging finance, whereas if reserves were used to invest in the local community or to acquire assets or invest in opportunities that would either generate income or reduce expenditure this would be a medium to long term investment.

Table 3	Reserves and MTFS						
	2018/19		2019/20 Budget £000	Medium Term Financial Strategy			
	Budget £000	Forecast £000		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>GENERAL FUND (Unallocated) RESERVE</b>							
<b>b/f</b>	2,698	2,658	2,686	2,573	2,505	2,702	2,726
Contribution to Reserve	1,891	1,265	0	0	0	0	0
Contribution from Reserve	0	0	1,247	(724)	(1,559)	(1,229)	(1,180)
Contribution from(to) Budget Surplus	(1,997)	(1,237)	(1,360)	656	1,756	1,253	1,249
<b>c/f</b>	<b>2,592</b>	<b>2,686</b>	<b>2,573</b>	<b>2,505</b>	<b>2,702</b>	<b>2,726</b>	<b>2,795</b>
Net Expenditure	17,282	17,908	17,156	16,699	18,010	18,172	18,631
<b>Minimum Level of Reserves (15%)</b>	<b>2,592</b>	<b>2,686</b>	<b>2,573</b>	<b>2,505</b>	<b>2,702</b>	<b>2,726</b>	<b>2,795</b>
<b>BUDGET SURPLUS RESERVE</b>							
<b>b/f</b>	2,212	2,212	3,449	3,820	3,164	1,408	155
Contribution to Reserve	0	0	0	0	0	0	0
Contribution from Reserve	0	0	0	0	0	0	0
Contribution from (to) General Fund	1,997	1,237	1,360	(656)	(1,756)	(1,253)	(1,249)
Contribution from (to) CIS Reserve	0	0	(266)	0	0	0	1,095
Contribution from (to) Earmarked Reserves	0	0	(723)	0	0	0	0
<b>c/f</b>	<b>4,209</b>	<b>3,449</b>	<b>3,820</b>	<b>3,164</b>	<b>1,408</b>	<b>155</b>	<b>1</b>
<b>COMMERCIAL INVESTMENT RESERVE</b>							
<b>b/f</b>	2,798	3,598	4,733	7,037	8,511	9,392	9,819
Contribution to Reserve (former NHB)	1135	1,135	2,038	1,474	881	427	0
Contribution from Reserve	0	0	0	0	0	0	0
Contribution from (to) General Fund	0	0	0	0	0	0	0
Contribution from (to) Budget Surplus Reserve	0	0	266	0	0	0	(1,095)
<b>c/f</b>	<b>3,933</b>	<b>4,733</b>	<b>7,037</b>	<b>8,511</b>	<b>9,392</b>	<b>9,819</b>	<b>8,724</b>

## 5. 2019/20 BUDGET AND MTFS COMPARED TO THE 4-YEAR EFFICIENCY PLAN

- 5.1 Back in 2016, in response to the Governments offer of a 4-year financial settlement, the Council submitted a 4-year efficiency plan (this was approved by the former Department of Communities and Local Government in the late Autumn of 2016). As part of the settlement, the Council is required to provide some commentary on how it is achieving the plan.
- 5.2 As shown in **Table 4** below, the approved efficiency plan showed a budget gap of £705k by 2020/21. As a consequence of the 2019/20 Budget and MTFS, the gap is forecast to have closed to within £19k of the efficiency plan gap by 2020/21; this is an improvement of £188k (91%) when compared to the forecast this time last year when the Cabinet was setting the 2018/19 Budget and MTFS.

Table 4	Efficiency Plan v Final 2019/20 Budget & MTFS		
	Forecast	Final Budget	MTFS
	2018/19 £000	2019/20 £000	2020/21 £000
Efficiency Plan	1,773	413	(705)
- contribution to/(from) Reserves			
Forecast Outturn	1,265		
- contribution to/(from) Reserves			
2019/20 Final Budget & MTFS		1,247	(724)
- contribution to/(from) Reserves			
<b>Variance</b>	<b>(508)</b>	<b>834</b>	<b>(19)</b>

## 6. PLAN-ON-A-PAGE 2019/20 TO 2023/24

- 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 2019/20 "Plan-on-a-Page" and the strategic resource plan that will be followed in order to achieve the Council's financial objectives. The savings required (budget gap) has increased to £1,180k by the end of the MTFS (2023/24) – an increase of £224k when compared to last years "Plan on a Page". **Table 5** below gives a summary of the budget changes:

Table 5		Budget Changes that have reduced the "Plan on a Page" Forecast Savings Required	
			£m
<b>2018/19 Budget and MTFS – Forecast Savings Required</b>			<b>0.956</b>
<b>Income Generation</b>	Council Tax & Base	(0.580)	
	Commercialisation	0.000	
	Funding Changes	0.427	(0.153)
<b>Efficiencies &amp; Growth</b>	Budget Review	0.758	
	Service Growth	0.207	
	Transformation Savings	(0.588)	0.377
<b>2019/20 Budget and MTFS – Forecast Savings Required</b>			<b>1.180</b>

## 7. ROBUSTNESS OF THE 2019/20 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2020/21 TO 2023/24

- 7.1 The Council's Responsible Financial Officer (S.151) has to make a statutory statement in respect of the Budget and reserves.
- 7.2 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:

- i. In 2019/20 an excess budget requirement is achieved which makes a direct contribution to Reserve of £3.3m.
- ii. If the Council was to utilise only the General Fund and Budget Surplus Reserves, by 2021/22 the Council would not be able to maintain a 15% minimum level of General Fund (Unallocated) Reserves based on a Pessimistic or Middle-Way view.
- iii. If the Council was to also utilise the Commercial Investment Reserve as well as the reserves noted in ii, the Council is able to maintain the 15% minimum level of General Fund (Unallocated) Reserves.
- iv. Over the 5 years of the MTFs (next year and the subsequent four years) the total net contribution from reserves is £3.5m.
- v. For 2019/20 the Council can be considered self-financing because any contributions from Reserves do not exceed the NHB bonus contributions that are being set-aside for service investment. However, from 2020/21 onwards this is no longer the case.

7.3 Considering all the factors noted within the “Robustness” statement in respect of the 2019/20 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,
- it’s prudent position relating to income recognition (including raising Council Tax), and

.....the budget proposed for 2019/20 should not give Members any significant concerns over the Council’s financial position.

7.5 With regard to the MTFs (2020/21 onwards):

- RSG in 2019/20 it will have been removed as a source of central government funding; indeed, current modelling includes a provision for negative RSG;
- with the phasing out of NHB criteria reducing future income stream, and
- The uncertainty surrounding the outcome of the Fair Funding Review

there are inevitably risks as central government funding changes and reduces. 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.

## 8. CIPFA “FINANCIAL RESILIENCE INDEX”

8.1 As an addendum to the s.25 Statement “Robustness of Reserves” noted in 7.0 above, there is some commentary in respect of Chartered Institute of Public Finance and Accountancy’s (CIPFA) newly developed “Financial Resilience Index”. This is a new initiative by CIPFA to provide councils with a dashboard in respect of their “Financial Resilience”. Unfortunately, at this time CIPFA have stated that the index should not be made public as it is in ‘development’. However, upon review of the ‘beta version’ of the index does not show the



council in a good light and this is because, of the 10 indices currently included, 7 are in respect of how the council has used Reserves (*the council has used reserves for good reasons i.e. to generate a long-term income stream to support ongoing service delivery*). CIPFA has 'recommended' that a council's s.151 officer (Head of Resources here at Huntingdonshire DC) should refer to this index as part of their commentary on the "Robustness of Reserves"; however members should note that the Head of Resources has:

- i) robustly challenged the "...worth" of the index with CIPFA and other senior officers have challenged with the Local Government Association.
- ii) provided a comprehensive commentary on why he considers the council has strong processes and practices in place to ensure good financial resilience.

8.2 Further, members should note that the council's external auditor has consistently provided a unqualified opinion in respect of the Annual Financial Report and Value for Money.

## **9. COMMENTS OF OVERVIEW & SCRUTINY**

9.1 The comments of the relevant Overview and Scrutiny Panel will be included in this section prior to its consideration by the Cabinet.

## **10. KEY IMPACTS / RISKS**

10.1 The setting of the budget and the Council Tax will directly impact on how Council services are to be delivered to both the residents and businesses of Huntingdonshire. Consequently the delivery of the 2019/20 Budget, when approved, will be proactively managed via the Council's budgetary monitoring processes throughout the year. In addition to the budget itself, it is essential that the Council maintains adequate reserves to ensure that it has an effective safety net to meet unforeseen risks.

## **11. TIMETABLE FOR IMPLEMENTATION**

11.1 The 2019/20 Budget forms an integral part of the service planning process for 2019/20 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.

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

12.1 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 itself meets the following specific aims and objectives of the Corporate Plan:

- Becoming a more efficient and effective Council.

12.2 This will assist the Council to:

- Become more efficient in the way we deliver services providing value for money services.

### **13. CONSULTATION**

- 13.1 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

### **14. LEGAL IMPLICATIONS**

- 14.1 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 2019/20 so the setting of the Council Tax at the level mentioned within the report is appropriate.

### **15. RESOURCE IMPLICATIONS**

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

### **16. OTHER IMPLICATIONS**

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

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

- 17.1 To enable Cabinet to approve and understand:
- the changes to the Draft 2019/20 Budget and MTFS as approved by Cabinet on 17 January 2019.
  - The risks and impacts of these changes on the 2019/20 Final Budget and MTFS.

### **18. LIST OF APPENDICES INCLUDED**

**Appendix 1:** 2019/20 Final Budget & Medium Term Financial Strategy 2020/21 to 2023/24.

**Appendix 2:** Changes to the Draft Budget 2019/20.


**Appendix 3:** Plan on a Page.

### **BACKGROUND PAPERS**


Working papers in Resources; Accountancy Services

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**FINAL**  
**2019/20 Budget**  
**&**  
**Medium Term Financial**  
**Strategy**  
**2020/21**  
**To**  
**2023/24**

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## 1.0 STRATEGIC BUDGET SUMMARY

### 1.1 Savings, Income Generation, Growth and Revenue Implications of Capital

- **Savings and Income**

1.1.1 Over the Autumn of 2018, Portfolio holders were challenged to review their budgets with respective senior officers and developed both savings proposals for the forthcoming financial year (2019/20) and the MTFS period (2020/21 to 2023/24). Details of the savings proposed were approved by Cabinet in January 2019 and are summarised in the service budget pages later in this report. Since the January Cabinet, there have been four adjustments to the budget giving a net decrease of £162k for 2019/20, and net decreases over the MTFS period of £223k, £119k, £146k and £148k for each of the four years.

1.1.2 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 Licensing and Planning Services. Service specific income is shown later in this report within the service budget pages.

1.1.3 In addition the Council also generates income from corporate activity; this mainly focuses on:

- Treasury Management; which has been considerably less than in recent years because of the current extremely low interest rate environment.
- Commercial Estates; whereby the Council is proactively developing its commercial estate activity to develop for the Council a medium to long term revenue stream.

1.1.4 The service savings and additional income proposals were approved by Cabinet in January 2019 and are summarised in the service budget pages later in this report. The only changes in the proposals are in Customer Services where grant income was boosted in respect of Housing Benefits administration grant and additional New Burdens grant, a reduction in initial income receivable from both One Leisure's St. Ives outdoor fitness training scheme and in relation to the 3G pitch at Ramsay due to delays in signing agreements with relevant partners and new income from recently purchased commercial property at Little End Road. The total Savings and Additional Income Proposals for 2019/20 are £1.9m and **Table 1** below shows how this is allocated by service.

Service	Service Savings and Additional Income Proposals			
	Draft Budget Savings *	Savings Adjustments Since Draft Budget		Final Savings and Additional Income
		Additional	Removed	
£000	£000	£000	£000	
Community	71			71
Customer Services	166	110		276
Development	153			153
Leisure & Health	179		(46)	133
Operations	562			562
Directors & Corporate Team	50			50
3C's ICT (HDC element)	20			20
Resources	339	101		440
Corporate Resources	236			236
<b>Total</b>	<b>1,776</b>	<b>211</b>	<b>(46)</b>	<b>1,941</b>

\* Reported to Cabinet January 2019.

- **Growth**

1.1.5 Growth has appeared within the budget for one of four reasons:

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

1.1.6 The growth proposals were approved by Cabinet in January 2019 and are summarised in the service budget pages later in this report. The only changes in the proposals are in Customer Services, where there has been a reduction in a Government New Burdens grant allocation. The total Service Growth Proposals for 2019/20 are £1.7m and **Table 2** below shows how this is allocated by service.

Table 2 Service	Service Growth Proposals			
	Draft Budget Growth *	Growth Adjustments Since Draft Budget		Final Growth £000
		Additional £000	Removed £000	
	£000	£000	£000	£000
Community	69			69
Customer Services	345	3		348
Development	(7)			(7)
Leisure & Health	376			376
Operations	655			655
Directors & Corporate Team	12			12
3C's ICT (HDC element)	27			27
Resources	131			131
Corporate Resources	92			92
<b>Total</b>	<b>1,700</b>	<b>3</b>	<b>0</b>	<b>1,703</b>

\* Reported to Cabinet January 2019.

- **Commercial Investment Strategy**

1.1.7 A key part of the Council's overall Budget strategy is the Commercial Investment Strategy (CIS), as approved by the Council in 2015. The income budgets for both Pre and New have changed by a total of £350k. Although the Commercial Investment market remains challenging, it is envisaged that the Council can still meet these income targets. However, it is expected that there will be a change in investment emphasis over the next year in that acquisitions are more likely to be within boundary along with the development of housing related propositions. The current profile of CIS related income is around the £5.5m and £6.0m per annum and is shown in **Table A** below.

Table A CIS Investment Type	Gross Income: Commercial Investment Strategy								
	2015/16	2016/17	2017/18	2018/19	Budget	Medium Term Financial Strategy			
	£'000	£'000	£'000	£'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Pre CIS Commercial Property Investments	(1,930)	(1,922)	(2,022)	(2,297)	(2,326)	(2,626)	(2,141)	(2,128)	(2,295)
New CIS Commercial Property Investments	(31)	(509)	(785)	(1,242)	(1,398)	(1,398)	(1,398)	(1,398)	(1,398)
"To be acquired" CIS Commercial Property Investments	0	10	(2,232)	(1,775)	(1,821)	(1,842)	(1,803)	(1,842)	(1,842)
<b>Total Commercial Property Investments</b>	<b>(1,961)</b>	<b>(2,421)</b>	<b>(5,039)</b>	<b>(5,314)</b>	<b>(5,545)</b>	<b>(5,866)</b>	<b>(5,342)</b>	<b>(5,368)</b>	<b>(5,535)</b>
Property Fund	(20)	(111)	(162)	(162)	(162)	(162)	(162)	(162)	(162)
<b>Total CIS Income</b>	<b>(1,981)</b>	<b>(2,532)</b>	<b>(5,201)</b>	<b>(5,476)</b>	<b>(5,707)</b>	<b>(6,028)</b>	<b>(5,504)</b>	<b>(5,530)</b>	<b>(5,697)</b>

- **Capital – Revenue Implications**

1.1.8 The revenue budget contains any implications from the proposed capital programme for 2019/20 and the MTFs, whether that will be savings as a result of investment, additional running costs or the cost of borrowing (Minimum Revenue Provision).

- **Summary Impact of all budget changes – comparing Final Budget 2018/19 to Final Budget 2019/20**

1.1.9 Overall, the revenue changes to the budget in respect of Savings & Additional Income, Service Growth and Capital have resulted in a net decrease in the Council's budget of £125k (<1%) when compared to the 2018/19 Original Budget and an reduction of £751k (4%) when compared to the September 2018/19 Forecast Outturn. A service by service summary is shown in **Table 3** below.

Service	2018/19		Previously Approved Adjustments	2019/20				Inflation	Other Operational Adjustments	Proposed Budget	Variance	
	Forecast Outturn	Original Budget		Growth	Savings	Increased Income	Linked to Capital				To 2018/19 Forecast	To 2018/19 Budget
	£000	£000		£000	£000	£000	£000				%	%
Community	1,740	1,758	(35)	40	(35)	(10)	(26)	21	29	1,742	0%	(1%)
Customer Services	2,682	2,533	40	286	(243)	0	0	32	29	2,677	0%	6%
Development	700	1,071	76	0	(153)	0	0	23	(7)	1,010	44%	(6%)
Leisure & Health	226	(190)	(133)	327	(44)	(21)	(68)	60	48	(21)	(109%)	(89%)
Operations	4,580	3,911	(334)	596	(131)	(372)	0	72	0	3,742	(18%)	(4%)
Directors & Corporate Team	1,503	1,642	9	(12)	(33)	0	0	13	7	1,626	8%	(1%)
3C's ICT (HDC element)	2,154	2,128	(21)	57	9	0	0	31	(59)	2,145	0%	1%
Resources	(232)	(318)	(58)	119	(428)	0	0	16	1	(668)	188%	110%
Corporate Finance	4,555	4,747	285	49	(113)	(76)	(18)	16	14	4,904	8%	3%
<b>Net Expenditure</b>	<b>17,908</b>	<b>17,282</b>	<b>(171)</b>	<b>1,462</b>	<b>(1,171)</b>	<b>(479)</b>	<b>(112)</b>	<b>284</b>	<b>62</b>	<b>17,157</b>		
Forecast Outturn	17,908				(751)					17,157	(4%)	
Budget		17,282			(125)					17,157		(1%)

## 1.2 Corporate and Government Funding

- **Government Grant**

1.2.1 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 13 December the Government made an announcement in respect of New Homes Bonus and that the 2019/20 settlement would be £2.0m (this is £680k less than last year). The Government's intention is to phase out the grant over a 4 year period with the grant being reduced to zero by 2023/24.
- On the 13 December the Government provisionally confirmed that the Revenue Support Grant (RSG) 2019/20 would be zero, this was in line with what was expected. In the 2018/19 MTFs it was expected that the council would be in a negative RSG position from 2020/21 onwards. However, it is now largely expected that the Government would not enforce this position but would consider grant to remain at zero. As the final decision is likely to be a part of the Fair Funding Review, the 2019/20 MTFs still provides for negative payments of RSG of £150k for each of the years 2020/21 to 2023/24 as a prudent measure.

### Council Tax and Business Rates

- 1.2.2 There is an assumption within the 2019/20 Budget and over the term of the MTFS that the Council Tax will increase by 2.6% per annum. Therefore, the Council Tax for 2019/20 will be £142.16 per Band D equivalent property. Members should note that when the Local Government Financial Settlement was announced, this confirmed the Council Tax threshold (also known as the Referendum Limit) as “the higher of 3% or £5” for a Band D property.
- 1.2.3 A Council Tax increase of 2.6% is below what current local indicators show in respect of wage and pensions increases.
- 1.2.4 The Council receives 40% of the Business rates collected and, after allowing for the tariff payment, it estimates this to be £6.0m in 2019/20. 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

- 1.2.5 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>Table 4</b>	<b>Collection Fund Estimated Surplus 2017/18</b>	
	<b>(Surplus)/Deficit £000</b>	<b>HDC Share £000</b>
Council Tax	(4,225)	(635)
Business Rates	(1,588)	(354)
<b>Total</b>	<b>(5,813)</b>	<b>(989)</b>



### 1.3 Summary Budget

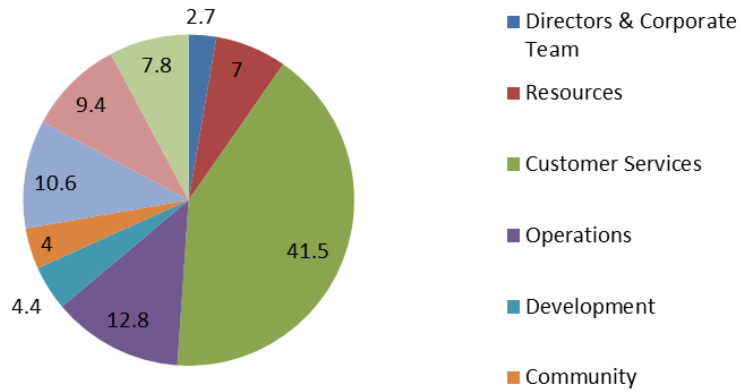
1.3.1 Considering the 2.6% increase in Council Tax for 2019/20 and over the MTFS period, this results in the funding statement shown in **Table 5** and **Table 6** below.

Table 5	Council Services Net Expenditure Budget (2019/20) and MTFS						
	2018/19		2019/20	Medium Term Financial Strategy			
	Budget	Forecast (November)	Budget	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000	£000	£000
Community Services	1,758	1,740	1,742	1,772	1,792	1,826	1,866
Customer Services	2,533	2,682	2,676	3,160	3,340	3,358	3,256
Development Services	1,071	700	1,010	920	960	1,000	1,042
Leisure and Health	(190)	226	(21)	(507)	(713)	(749)	(741)
Operational Services	3,911	4,580	3,742	3,532	4,087	4,059	4,161
Corporate Team and Directors	1,642	1,503	1,626	1,631	1,658	1,660	1,683
ICT	2,128	2,154	2,145	2,104	2,120	2,136	2,192
Resources	(318)	(232)	(668)	(819)	(341)	(322)	(464)
Corporate Finance	4,747	4,555	4,904	4,906	5,107	5,204	5,636
<b>Net Expenditure</b>	<b>17,282</b>	<b>17,908</b>	<b>17,156</b>	<b>16,699</b>	<b>18,010</b>	<b>18,172</b>	<b>18,631</b>

Table 6	Council Funding Statement Budget (2019/20) and MTFS						
	2018/19		2019/20	Funding Streams and a 2.6% Council Tax increase			
	Budget	Forecast (November)	Budget	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000	£000	£000
<b>Net Expenditure</b>	<b>17,282</b>	<b>17,908</b>	<b>17,156</b>	<b>16,699</b>	<b>18,010</b>	<b>18,172</b>	<b>18,631</b>
Contribution to/(from) Earmarked Reserves:	0						
- Commercial Investment Strategy	1,135	1,135	2,038	1,474	881	427	0
General Reserves	1,891	1,265	1,247	(724)	(1,559)	(1,229)	(1,180)
<b>Budget Requirement</b>	<b>20,308</b>	<b>20,308</b>	<b>20,441</b>	<b>17,449</b>	<b>17,332</b>	<b>17,370</b>	<b>17,451</b>
Non-Domestic Rates	(5,841)	(5,841)	(5,958)	(6,077)	(6,199)	(6,323)	(6,449)
Non-Domestic Rates (Growth Pilot)	0	0	(949)	0	0	0	0
S31 Grant	(1,729)	(1,729)	(1,729)	(1,579)	(1,579)	(1,579)	(1,579)
Revenue Support Grant (RSG)	(604)	(604)	0	150	150	150	150
Fair Funding Review Adjustment	0	0	0	650	650	650	650
New Homes Bonus	(2,718)	(2,718)	(2,038)	(1,474)	(881)	(427)	0
Collection Fund (Surplus) / Deficit	(966)	(966)	(989)	0	0	0	0
<b>Council Tax Requirement</b>	<b>8,450</b>	<b>8,450</b>	<b>8,778</b>	<b>9,119</b>	<b>9,473</b>	<b>9,841</b>	<b>10,223</b>
- Base (*)	60,984	60,984	61,749	62,521	63,302	64,094	64,895
- Per Band D	138.56	138.56	142.16	145.86	149.65	153.54	157.53
- Increase £			£ 3.60	£ 3.70	£ 3.79	£ 3.89	£ 3.99
- Increase %			2.60%	2.60%	2.60%	2.60%	2.60%

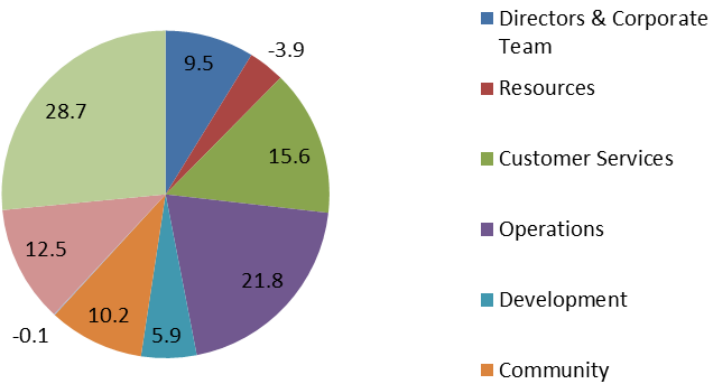
### Gross Expenditure by Service 2019/20

%



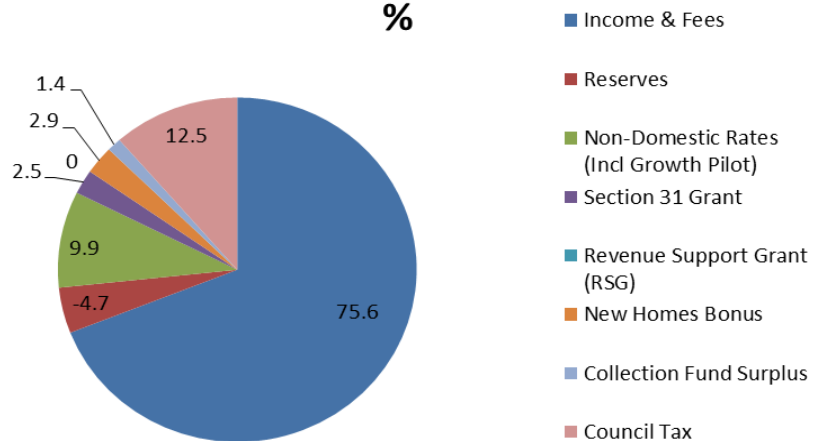
### Net Expenditure by Service 2019/20

%



### How Services are Paid for in 2019/20

%



## 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, income and growth built into the budget 2019/20 and MTFS is shown in **Table 7** below.

Table 7	Reserves and MTFS						
	2018/19		2019/20 Budget £000	Medium Term Financial Strategy			
	Budget £000	Forecast £000		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>GENERAL FUND (Unallocated) RESERVE</b>							
<b>b/f</b>	<b>2,698</b>	<b>2,658</b>	<b>2,686</b>	<b>2,573</b>	<b>2,505</b>	<b>2,702</b>	<b>2,726</b>
<i>Contribution to Reserve</i>	1,891	1,265	0	0	0	0	0
<i>Contribution from Reserve</i>	0	0	1,247	(724)	(1,559)	(1,229)	(1,180)
Contribution from(to) Budget Surplus	(1,997)	(1,237)	(1,360)	656	1,756	1,253	1,249
<b>c/f</b>	<b>2,592</b>	<b>2,686</b>	<b>2,573</b>	<b>2,505</b>	<b>2,702</b>	<b>2,726</b>	<b>2,795</b>
Net Expenditure	17,282	17,908	17,156	16,699	18,010	18,172	18,631
<b>Minimum Level of Reserves (15%)</b>	<b>2,592</b>	<b>2,686</b>	<b>2,573</b>	<b>2,505</b>	<b>2,702</b>	<b>2,726</b>	<b>2,795</b>
<b>BUDGET SURPLUS RESERVE</b>							
<b>b/f</b>	<b>2,212</b>	<b>2,212</b>	<b>3,449</b>	<b>3,820</b>	<b>3,164</b>	<b>1,408</b>	<b>155</b>
<i>Contribution to Reserve</i>	0	0	0	0	0	0	0
<i>Contribution from Reserve</i>	0	0	0	0	0	0	0
Contribution from (to) General Fund	1,997	1,237	1,360	(656)	(1,756)	(1,253)	(1,249)
Contribution from (to) CIS Reserve	0	0	(266)	0	0	0	1,095
Contribution from (to) Earmarked Reserves	0	0	(723)	0	0	0	0
<b>c/f</b>	<b>4,209</b>	<b>3,449</b>	<b>3,820</b>	<b>3,164</b>	<b>1,408</b>	<b>155</b>	<b>1</b>
<b>COMMERCIAL INVESTMENT RESERVE</b>							
<b>b/f</b>	<b>2,798</b>	<b>3,598</b>	<b>4,733</b>	<b>7,037</b>	<b>8,511</b>	<b>9,392</b>	<b>9,819</b>
<i>Contribution to Reserve (former NHB)</i>	1135	1,135	2,038	1,474	881	427	0
<i>Contribution from Reserve</i>	0	0	0	0	0	0	0
Contribution from (to) General Fund	0	0	0	0	0	0	0
Contribution from (to) Budget Surplus Reserve	0	0	266	0	0	0	(1,095)
<b>c/f</b>	<b>3,933</b>	<b>4,733</b>	<b>7,037</b>	<b>8,511</b>	<b>9,392</b>	<b>9,819</b>	<b>8,724</b>



**Analysis of Budget Variations - HDC Total Budget**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>17,281,627</b>	<b>17,394,096</b>	<b>17,677,091</b>	<b>18,085,962</b>	<b>18,253,626</b>	<b>18,253,626</b>
<b>New Bids Added</b>						
Community		(31,000)	(31,000)	(49,000)	(49,000)	(49,000)
Customer Services		46,341	387,341	484,410	439,410	279,410
3C's ICT		66,000	5,000	5,000	5,000	5,000
Development		(153,000)	(184,000)	(185,000)	(187,000)	(188,000)
Leisure & Health		193,494	(123,000)	(336,410)	(376,763)	(455,763)
Operations		93,384	(229,616)	211,384	66,384	51,384
Resources		(310,100)	(450,300)	(32,100)	(38,300)	(205,300)
Resources (Corporate Items)		(158,000)	(204,000)	(15,000)	237,000	654,000
Directors & Corporate Team		(45,000)	(65,000)	(55,000)	(65,000)	(65,000)
<b>Adjustment to Inflation</b>		(1)	(3,624)	(8,721)	(14,643)	280,748
<b>Other Budget Adjustments</b>						
General Salary Changes (All Services)		(292,309)	(301,853)	(305,484)	(309,172)	(137,203)
Other Service Operational Adjustments:-						
Community		29,604	15,604	15,604	15,604	15,604
Customer Services		16,924	18,160	19,160	20,160	21,160
3C's ICT		118,192	123,192	123,192	123,192	123,192
Development		(1,121)	(1,121)	(1,121)	(1,121)	(1,121)
Leisure & Health		164,538	40,801	27,106	29,087	23,288
Operations		0	0	0	0	0
Resources		39,269	39,269	39,456	39,456	39,456
Resources (Corporate Items)		13,722	14,116	13,614	13,538	13,907
Directors & Corporate Team		(28,499)	(28,499)	(28,499)	(28,499)	(28,499)
<b>New MTFS Totals</b>	<b>17,281,627</b>	<b>17,156,534</b>	<b>16,698,561</b>	<b>18,008,553</b>	<b>18,172,959</b>	<b>18,630,889</b>

\* Controllable Budgets – Support Service Costs (e.g. HR and Financial Services) are not allocated out to the service budgets in the tables above and in the Head of Service tables that follow. The support service budgets are shown in full under the Head of Service responsible for that support service. Therefore, the Controllable Budgets do not represent the total cost of a service.

## 2.2 Service Budgets by Head of Service

Table 9

Head of Community									
Actuals 2017/18	Subjective Analysis : Controllable Only		2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£			£	£	£	£	£	£	£
(951,266)	Income & Fees	Fees & charges	(865,110)	(881,634)	(972,848)	(957,948)	(957,248)	(962,848)	(962,848)
(37,438)		Sales	(500)	(109,100)	(600)	(600)	(600)	(600)	(600)
(94,225)		Other grants and contributions	(92,131)	(95,275)	(64,975)	(64,975)	(64,975)	(64,975)	(64,975)
(848)		Interest	0	0	0	0	0	0	0
<b>(1,083,777)</b>	<b>Income &amp; Fees Total</b>		<b>(957,741)</b>	<b>(1,086,009)</b>	<b>(1,038,423)</b>	<b>(1,023,523)</b>	<b>(1,022,823)</b>	<b>(1,028,423)</b>	<b>(1,028,423)</b>
1,562,423	Employees	Salary	1,567,330	1,696,259	1,732,721	1,750,038	1,749,527	1,767,011	1,784,669
150,103		National Insurance	149,254	156,290	161,295	162,908	164,538	166,183	167,845
259,704		Pension	264,373	285,595	279,047	298,126	317,561	337,355	357,513
5,693		Hired Staff	30,530	5,000	5,000	5,000	5,000	5,000	5,000
4,697		Training	7,333	4,400	4,400	4,400	4,400	4,400	4,400
1,746		Uniform & laundry	589	700	700	700	700	700	700
14,083		Other staff costs	6,511	1,112	6,112	6,112	6,112	6,112	6,112
6,646		Recruitment	8,800	0	0	0	0	0	0
98,140		Severance payments	0	0	0	0	0	0	0
<b>2,103,235</b>	<b>Employees Total</b>		<b>2,034,719</b>	<b>2,149,356</b>	<b>2,189,275</b>	<b>2,227,284</b>	<b>2,247,838</b>	<b>2,286,761</b>	<b>2,326,239</b>
8,518	Buildings	Rents	763	780	780	780	780	780	780
29,403		Repairs & Maintenance	2,375	2,500	2,500	2,500	2,500	2,500	2,500
4,378		Energy Costs	5,316	4,000	4,000	4,000	4,000	4,000	4,000
<b>42,298</b>	<b>Buildings Total</b>		<b>8,454</b>	<b>7,280</b>	<b>7,280</b>	<b>7,280</b>	<b>7,280</b>	<b>7,280</b>	<b>7,280</b>
1,391	Supplies & Services	Catering	246	521	521	521	521	521	521
102,920		Communication and computing	107,283	60,701	56,145	31,145	31,145	31,145	31,145
41,771		Services	69,794	40,462	29,820	29,820	29,820	29,820	29,820
241,642		Equipment, furniture & materials	175,442	137,451	228,989	230,489	228,989	230,489	230,489
24,497		Office expenses	(17,276)	99,550	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
138		Uniform & laundry	246	380	380	380	380	380	380
308		Insurance - service related	0	0	0	0	0	0	0
<b>412,664</b>	<b>Supplies &amp; Services Total</b>		<b>335,735</b>	<b>339,065</b>	<b>303,855</b>	<b>280,355</b>	<b>278,855</b>	<b>280,355</b>	<b>280,355</b>
17,415	Transport	Mileage Allowance	20,615	19,951	16,451	16,451	16,451	16,451	16,451
40,239		Operating Costs	43,585	41,399	10,113	10,113	10,113	10,113	10,113
4,002		Pool Car	3,996	7,100	4,500	4,500	4,500	4,500	4,500
3,029		Public Transport	1,274	1,261	1,261	1,261	1,261	1,261	1,261
<b>64,685</b>	<b>Transport Total</b>		<b>69,470</b>	<b>69,711</b>	<b>32,325</b>	<b>32,325</b>	<b>32,325</b>	<b>32,325</b>	<b>32,325</b>
15	Benefit & Transfer Payments	Contributions paid	0	0	0	0	0	0	0
297,039		Grants	276,305	271,525	241,525	241,525	241,525	241,525	241,525
166		Irrecoverable V A T	0	0	0	0	0	0	0
<b>297,220</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>276,305</b>	<b>271,525</b>	<b>241,525</b>	<b>241,525</b>	<b>241,525</b>	<b>241,525</b>	<b>241,525</b>
0	Renewals Fund Contribution	Renewals Fund Contribution	6,612	6,612	6,612	6,612	6,612	6,612	6,612
<b>0</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>1,836,325</b>	<b>Grand Total</b>		<b>1,773,556</b>	<b>1,757,540</b>	<b>1,742,449</b>	<b>1,771,858</b>	<b>1,791,612</b>	<b>1,826,435</b>	<b>1,865,913</b>
2,920,102	<b>Gross Service Expenditure</b>		2,731,296	2,843,549	2,780,872	2,795,381	2,814,435	2,854,858	2,894,336
(1,083,777)	<b>Gross Service Income</b>		(957,741)	(1,086,009)	(1,038,423)	(1,023,523)	(1,022,823)	(1,028,423)	(1,028,423)
<b>1,836,325</b>	<b>Net Service Expenditure</b>		<b>1,773,556</b>	<b>1,757,540</b>	<b>1,742,449</b>	<b>1,771,858</b>	<b>1,791,612</b>	<b>1,826,435</b>	<b>1,865,913</b>
87,459	Head of Community		85,754	85,288	86,076	87,538	89,021	90,526	92,052
311,601	Commercial Team		238,045	276,784	266,776	271,242	275,771	280,363	285,021
573,757	Community Team		572,025	615,019	584,272	590,699	597,220	603,836	610,546
96,208	Corporate Health & Safety		103,241	104,997	105,509	107,154	108,823	110,516	112,232
133,624	Environmental Health Admin		145,177	143,662	146,997	149,267	133,568	135,721	137,905
330,798	Environmental Protection Team		313,840	342,384	314,123	320,981	324,914	331,924	337,512
(182,448)	Licencing		(120,217)	(103,951)	(115,622)	(96,335)	(91,185)	(92,272)	(87,694)
5,906	Emergency Planning		12,067	11,575	11,575	11,575	11,575	11,575	11,575
299,844	Document Centre		297,047	194,849	247,662	253,107	258,630	264,231	269,912
255	Closed Churchyards		2,000	2,000	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)
(59,330)	CCTV		(68,665)	(70,393)	(89,496)	(89,496)	(89,496)	(89,496)	(89,496)
238,650	CCTV Shared Service		193,241	155,326	197,577	179,126	185,771	192,511	199,348
<b>1,836,325</b>	<b>Grand Total</b>		<b>1,773,556</b>	<b>1,757,540</b>	<b>1,742,449</b>	<b>1,771,858</b>	<b>1,791,612</b>	<b>1,826,435</b>	<b>1,865,913</b>

**Analysis of Budget Variations - Community**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>1,778,902</b>	<b>1,765,474</b>	<b>1,808,462</b>	<b>1,846,584</b>	<b>1,881,165</b>	<b>1,881,165</b>
MFD Budgets to 3C ICT	(21,362)	(21,362)	(21,362)	(21,362)	(21,362)	(21,362)
<b>Adjusted Previous MTFS Totals</b>	<b>1,757,540</b>	<b>1,744,112</b>	<b>1,787,100</b>	<b>1,825,222</b>	<b>1,859,803</b>	<b>1,859,803</b>
<b>New Bids Added</b>						
Document Centre Reduced Income		40,000	40,000	40,000	40,000	40,000
Hackney Carriage New Income Pilot		(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Closed Churchyard Levy		(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Community Information MS Replacement		(26,000)	(26,000)	(44,000)	(44,000)	(44,000)
Community Chest		(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
<b>Adjustment to Inflation</b>		0	136	276	229	22,922
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		(267)	18	(490)	(201)	16,584
Document Centre		17,000	17,000	17,000	17,000	17,000
CCC Contract Terminated		5,300	5,300	5,300	5,300	5,300
CCTV Costs (Excluding Salaries)		11,764	(13,236)	(13,236)	(13,236)	(13,236)
Licensing		0	10,000	10,000	10,000	10,000
Other Minor Adjustments		(4,460)	(3,460)	(3,460)	(3,460)	(3,460)
<b>New MTFS Totals</b>	<b>1,757,540</b>	<b>1,742,449</b>	<b>1,771,858</b>	<b>1,791,612</b>	<b>1,826,435</b>	<b>1,865,913</b>

Table 10

## Head of Customer Services

Actuals 2017/18	Subjective Analysis : Controllable Only		2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£			£	£	£	£	£	£	£
(2,187,453)	Income & Fees	Fees & charges	(2,092,453)	(1,782,055)	(2,031,202)	(1,247,683)	(1,131,266)	(1,110,761)	(1,110,761)
(33,712,958)		Government grants	(31,433,349)	(28,610,990)	(24,296,273)	(18,190,988)	(13,348,561)	(12,508,369)	(12,507,369)
<b>(35,900,410)</b>	<b>Income &amp; Fees Total</b>		<b>(33,525,802)</b>	<b>(30,393,045)</b>	<b>(26,327,475)</b>	<b>(19,438,671)</b>	<b>(14,479,827)</b>	<b>(13,619,130)</b>	<b>(13,618,130)</b>
2,287,684	Employees	Salary	2,401,948	2,527,668	2,532,965	2,557,146	2,581,569	2,569,896	2,476,569
216,777		National Insurance	229,678	239,202	237,666	239,931	242,219	241,905	233,325
359,562		Pension	380,686	398,433	398,983	426,266	454,055	475,958	484,399
73,063		Hired Staff	29,491	0	0	0	0	0	0
1,535		Training	4,705	1,350	1,350	1,350	1,350	1,350	1,350
228		Uniform & laundry	191	200	(2,300)	200	(2,300)	200	200
24,770		Other staff costs	21,063	20,220	20,220	20,220	20,220	20,220	20,220
591		Recruitment	0	0	0	0	0	0	0
3,646		Severance payments	0	0	0	0	0	0	0
<b>2,967,857</b>	<b>Employees Total</b>		<b>3,067,761</b>	<b>3,187,073</b>	<b>3,188,884</b>	<b>3,245,113</b>	<b>3,297,113</b>	<b>3,309,529</b>	<b>3,216,063</b>
26,409	Buildings	Rents	17,412	19,400	0	0	0	0	0
21,034		Repairs & Maintenance	11,119	82	82	82	82	82	82
398		Energy Costs	33	600	0	0	0	0	0
436		Water Services	200	200	0	0	0	0	0
2,700		Rates	0	4,443	0	0	0	0	0
822		Premises Cleaning	0	1,000	0	0	0	0	0
0		Premises Insurance	0	200	0	0	0	0	0
<b>51,799</b>	<b>Buildings Total</b>		<b>28,764</b>	<b>25,925</b>	<b>82</b>	<b>82</b>	<b>82</b>	<b>82</b>	<b>82</b>
524	Supplies & Services	Catering	0	100	100	100	100	100	100
114,168		Communication and computing	102,810	105,500	105,500	105,500	105,500	105,500	105,500
123,143		Services	129,886	128,505	198,505	198,505	198,505	198,505	198,505
95,082		Equipment, furniture & materials	19,864	7,431	7,431	7,431	7,431	7,431	7,431
35,382		Office expenses	46,389	47,560	47,560	47,560	47,560	47,560	47,560
<b>368,300</b>	<b>Supplies &amp; Services Total</b>		<b>298,948</b>	<b>289,096</b>	<b>359,096</b>	<b>359,096</b>	<b>359,096</b>	<b>359,096</b>	<b>359,096</b>
1,391	Transport	Mileage Allowance	2,356	3,100	3,000	3,000	3,000	3,000	3,000
13,306		Pool Car	9,249	9,110	9,110	9,110	9,110	9,110	9,110
10,857		Public Transport	7,110	8,280	8,280	8,280	8,280	8,280	8,280
<b>25,554</b>	<b>Transport Total</b>		<b>18,715</b>	<b>20,490</b>	<b>20,390</b>	<b>20,390</b>	<b>20,390</b>	<b>20,390</b>	<b>20,390</b>
1,010,746	Benefit & Transfer Payments	Contributions paid	1,092,251	952,000	1,273,000	626,000	626,000	626,000	626,000
33,836,410		Benefits	31,395,312	28,325,340	24,040,830	18,210,530	13,359,830	12,505,430	12,505,430
<b>34,847,156</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>32,487,563</b>	<b>29,277,340</b>	<b>25,313,830</b>	<b>18,836,530</b>	<b>13,985,830</b>	<b>13,131,430</b>	<b>13,131,430</b>
143,987	Reserve-Revenue Transfers	Bad Debts Provision	110,290	126,046	122,046	137,046	157,046	157,046	147,046
<b>143,987</b>	<b>Reserve-Revenue Transfers Total</b>		<b>110,290</b>	<b>126,046</b>	<b>122,046</b>	<b>137,046</b>	<b>157,046</b>	<b>157,046</b>	<b>147,046</b>
<b>2,504,242</b>	<b>Grand Total</b>		<b>2,486,240</b>	<b>2,532,925</b>	<b>2,676,853</b>	<b>3,159,586</b>	<b>3,339,730</b>	<b>3,358,443</b>	<b>3,255,977</b>

38,404,652	<b>Gross Service Expenditure</b>	36,012,042	32,925,970	29,004,328	22,598,257	17,819,557	16,977,573	16,874,107
(35,900,410)	<b>Gross Service Income</b>	(33,525,802)	(30,393,045)	(26,327,475)	(19,438,671)	(14,479,827)	(13,619,130)	(13,618,130)
<b>2,504,242</b>	<b>Net Service Expenditure</b>	<b>2,486,240</b>	<b>2,532,925</b>	<b>2,676,853</b>	<b>3,159,586</b>	<b>3,339,730</b>	<b>3,358,443</b>	<b>3,255,977</b>

63,378	Head of Customer Services	10,549	98,042	106,909	108,804	110,727	112,678	114,656
(156,193)	Council Tax Support	(129,076)	(127,354)	(122,896)	(121,896)	(120,896)	(119,896)	(118,896)
(226,059)	Local Tax Collection	(226,499)	(227,770)	(227,770)	(227,770)	(227,770)	(227,770)	(227,770)
1,123,120	Housing Benefits	966,570	919,948	1,050,444	1,439,063	1,573,708	1,561,899	1,439,420
863,797	Housing Needs	1,010,732	1,018,645	1,066,215	1,140,892	1,171,723	1,182,709	1,184,994
836,200	Customer Services	853,965	851,414	803,951	820,493	832,238	848,823	863,573
<b>2,504,242</b>	<b>Grand Total</b>	<b>2,486,240</b>	<b>2,532,925</b>	<b>2,676,853</b>	<b>3,159,586</b>	<b>3,339,730</b>	<b>3,358,443</b>	<b>3,255,977</b>



**Analysis of Budget Variations - Customer Services**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>2,532,925</b>	<b>2,604,212</b>	<b>2,742,836</b>	<b>2,823,007</b>	<b>2,884,145</b>	<b>2,884,145</b>
Services moved	0	0	0	0	0	0
<b>Adjusted Previous MTFS Totals</b>	<b>2,532,925</b>	<b>2,604,212</b>	<b>2,742,836</b>	<b>2,823,007</b>	<b>2,884,145</b>	<b>2,884,145</b>
<b>New Bids Added</b>						
Higher Net Cost of Homeless Benefits		129,000	575,000	575,000	575,000	575,000
Coneygear Court Homeless Accommodation		(44,000)	(44,000)	(44,000)	(44,000)	(44,000)
Crown Gardens Homeless Accommodation		0	(142,000)	(142,000)	(142,000)	(142,000)
Homeless Prevention		30,000	30,000	30,000	30,000	30,000
Homeless Bad Debt Provision		2,000	17,000	37,000	37,000	27,000
Joint Commissioning - Housing Support		40,000	40,000	40,000	40,000	40,000
Call Centre Interventions		39,000	39,000	39,000	39,000	39,000
Closure of Satellite Offices		(90,000)	(90,000)	(90,000)	(90,000)	(90,000)
Recovery Officer		(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Universal Credit Admin Grant Impact		45,952	67,952	67,952	67,952	67,952
Universal Credit Other Savings		0	0	0	(45,000)	(45,000)
New Burdens Grants		(77,069)	(77,069)	0	0	0
Council Tax Support Grant - Reduced Allocation		3,458	3,458	3,458	3,458	3,458
Revenues Shared Service - to explore the potential for a Revs & Bens Shared Service		0	0	0	0	(150,000)
Robotics Pilot		(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
<b>Adjustment to Inflation</b>		0	(370)	(726)	(1,065)	31,788
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		9,376	11,619	13,879	15,793	39,474
Grant Reduction - Council Tax Support		1,000	2,000	3,000	4,000	5,000
One-off Grant Budget removed		16,000	16,000	16,000	16,000	16,000
Other Minor Adjustments		(76)	160	160	160	160
<b>New MTFS Totals</b>	<b>2,532,925</b>	<b>2,676,853</b>	<b>3,159,586</b>	<b>3,339,730</b>	<b>3,358,443</b>	<b>3,255,977</b>

**Table 11**

**Head of 3C's ICT**

Actuals 2017/18	Subjective Analysis : Controllable Only		2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£			£	£	£	£	£	£	£
(2,317,130)	Income & Fees	Fees & charges	(2,063,674)	(1,357,641)	(1,400,175)	(1,413,211)	(1,426,433)	(1,439,843)	(1,439,843)
(38)		Sales	(4,731)	(5,407)	(5,407)	(5,407)	(5,407)	(5,407)	(5,407)
(3,042,903)		Other grants and contributions	(3,392,566)	(3,120,541)	(2,999,558)	(3,024,470)	(3,049,737)	(3,075,365)	(3,075,365)
(7,679)		Government grants	0	0	0	0	0	0	0
<b>(5,367,750)</b>	<b>Income &amp; Fees Total</b>		<b>(5,460,971)</b>	<b>(4,483,589)</b>	<b>(4,405,140)</b>	<b>(4,443,088)</b>	<b>(4,481,577)</b>	<b>(4,520,615)</b>	<b>(4,520,615)</b>
2,163,038	Employees	Salary	2,231,583	2,467,508	2,338,560	2,361,946	2,385,565	2,409,421	2,433,515
220,854		National Insurance	234,318	253,457	233,597	235,933	238,292	240,675	243,082
354,290		Pension	379,724	401,841	404,606	432,274	460,455	489,156	518,385
609,791		Hired Staff	134,429	0	92,000	92,000	92,000	92,000	92,000
47,484		Training	28,694	44,563	44,065	44,065	44,065	44,065	44,065
1,326		Uniform & laundry	310	530	1,326	1,326	1,326	1,326	1,326
29,259		Other staff costs	36,364	22,000	36,686	36,686	36,686	36,686	36,686
59,613		Recruitment	8,710	1,592	15,000	15,000	15,000	15,000	15,000
171		Employee Insurance	33	0	171	171	171	171	171
<b>3,485,826</b>	<b>Employees Total</b>		<b>3,054,163</b>	<b>3,191,491</b>	<b>3,166,011</b>	<b>3,219,401</b>	<b>3,273,560</b>	<b>3,328,500</b>	<b>3,384,230</b>
300	Buildings	Rents	0	0	300	300	300	300	300
6,317		Repairs & Maintenance	116,848	21,224	6,317	6,317	6,317	6,317	6,317
<b>6,617</b>	<b>Buildings Total</b>		<b>116,848</b>	<b>21,224</b>	<b>6,617</b>	<b>6,617</b>	<b>6,617</b>	<b>6,617</b>	<b>6,617</b>
508	Supplies & Services	Catering	101	0	508	508	508	508	508
629,431		Communication and computing	829,105	788,386	695,612	695,612	695,612	695,612	695,612
147,945		Services	(41,038)	(234,215)	43,409	43,409	43,409	43,409	43,409
2,820,420		Equipment, furniture & materials	3,525,475	2,801,927	2,600,942	2,544,942	2,544,942	2,544,942	2,544,942
(15,838)		Office expenses	43,984	36,374	13,386	13,386	13,386	13,386	13,386
0		Expenses	620	1,061	0	0	0	0	0
<b>3,582,466</b>	<b>Supplies &amp; Services Total</b>		<b>4,358,247</b>	<b>3,393,533</b>	<b>3,353,857</b>	<b>3,297,857</b>	<b>3,297,857</b>	<b>3,297,857</b>	<b>3,297,857</b>
10,292	Transport	Mileage Allowance	3,249	0	10,292	10,292	10,292	10,292	10,292
243		Operating Costs	75	0	243	243	243	243	243
2,682		Pool Car	2,508	3,820	3,745	3,745	3,745	3,745	3,745
8,366		Public Transport	2,641	1,624	8,365	8,365	8,365	8,365	8,365
798		Contract Hire & operating leases	0	0	798	798	798	798	798
<b>22,380</b>	<b>Transport Total</b>		<b>8,474</b>	<b>5,444</b>	<b>23,443</b>	<b>23,443</b>	<b>23,443</b>	<b>23,443</b>	<b>23,443</b>
11	Benefit & Transfer Payments	Contributions paid	0	0	11	11	11	11	11
<b>11</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>0</b>	<b>0</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>
<b>1,729,551</b>	<b>Grand Total</b>		<b>2,076,761</b>	<b>2,128,103</b>	<b>2,144,799</b>	<b>2,104,241</b>	<b>2,119,911</b>	<b>2,135,813</b>	<b>2,191,543</b>

7,097,300	Gross Service Expenditure	7,537,732	6,611,692	6,549,939	6,547,329	6,601,488	6,656,428	6,712,158
(5,367,750)	Gross Service Income	(5,460,971)	(4,483,589)	(4,405,140)	(4,443,088)	(4,481,577)	(4,520,615)	(4,520,615)
<b>1,729,551</b>	<b>Net Service Expenditure</b>	<b>2,076,761</b>	<b>2,128,103</b>	<b>2,144,799</b>	<b>2,104,241</b>	<b>2,119,911</b>	<b>2,135,813</b>	<b>2,191,543</b>

1,729,551	ICT Shared Service	2,076,761	2,128,103	2,144,799	2,104,241	2,119,911	2,135,813	2,191,543
<b>1,729,551</b>	<b>Grand Total</b>	<b>2,076,761</b>	<b>2,128,103</b>	<b>2,144,799</b>	<b>2,104,241</b>	<b>2,119,911</b>	<b>2,135,813</b>	<b>2,191,543</b>

**Analysis of Budget Variations - 3C's ICT**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>2,106,741</b>	<b>2,116,516</b>	<b>2,133,804</b>	<b>2,151,340</b>	<b>2,169,126</b>	<b>2,169,126</b>
MFD Budgets from Community	21,362	21,362	21,362	21,362	21,362	21,362
<b>Adjusted Previous MTFS Totals</b>	<b>2,128,103</b>	<b>2,137,878</b>	<b>2,155,166</b>	<b>2,172,702</b>	<b>2,190,488</b>	<b>2,190,488</b>
<b>New Bids Added</b>						
Income Management System Replacement		(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Security Enhancements		30,000	25,000	25,000	25,000	25,000
Eastnet Upgrade		27,000	10,000	10,000	10,000	10,000
Community Information MS Replacement		29,000	(10,000)	(10,000)	(10,000)	(10,000)
<b>Adjustment to Inflation</b>		0	(1,773)	(3,565)	(5,374)	26,019
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		(177,271)	(177,344)	(177,418)	(177,493)	(153,156)
Reduced Income from Partners		99,902	99,902	99,902	99,902	99,902
Operational Costs		18,290	23,290	23,290	23,290	23,290
<b>New MTFS Totals</b>	<b>2,128,103</b>	<b>2,144,799</b>	<b>2,104,241</b>	<b>2,119,911</b>	<b>2,135,813</b>	<b>2,191,543</b>

**Table 12**

**Head of Development**

Actuals 2017/18	Subjective Analysis : Controllable Only		2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£			£	£	£	£	£	£	£
(2,015,409)	Income & Fees	Fees & charges	(1,981,531)	(1,921,254)	(1,922,209)	(1,998,668)	(2,000,132)	(2,002,600)	(2,003,600)
(13,104)		Sales	(7,014)	(7,300)	(7,300)	(7,300)	(7,300)	(7,300)	(7,300)
(50,000)		Other grants and contributions	0	0	0	0	0	0	0
(20,000)		Government grants	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
(115,247)		Rent	(110,070)	(110,070)	(110,070)	(110,070)	(110,070)	(110,070)	(110,070)
<b>(2,213,760)</b>	<b>Income &amp; Fees Total</b>		<b>(2,118,615)</b>	<b>(2,058,624)</b>	<b>(2,059,579)</b>	<b>(2,136,038)</b>	<b>(2,137,502)</b>	<b>(2,139,970)</b>	<b>(2,140,970)</b>
1,634,034	Employees	Salary	1,628,650	1,775,304	1,805,946	1,824,293	1,842,823	1,861,538	1,880,153
161,715		National Insurance	167,177	177,758	177,698	179,504	181,326	183,169	185,001
283,309		Pension	281,492	307,156	309,684	330,861	352,429	374,395	396,767
41,860		Hired Staff	30,418	11,500	0	0	0	0	0
40		Training	69	0	0	0	0	0	0
89		Uniform & laundry	266	350	350	350	350	350	350
3,384		Other staff costs	1,457	0	0	0	0	0	0
13,450		Recruitment	9,373	5,000	0	0	0	0	0
<b>2,137,880</b>	<b>Employees Total</b>		<b>2,118,901</b>	<b>2,277,068</b>	<b>2,293,678</b>	<b>2,335,008</b>	<b>2,376,928</b>	<b>2,419,452</b>	<b>2,462,271</b>
5,552	Buildings	Rents	1,750	3,000	3,000	3,000	3,000	3,000	3,000
18,551		Repairs & Maintenance	7,000	5,000	5,000	5,000	5,000	5,000	5,000
22,837		Energy Costs	26,400	26,400	27,900	27,900	27,900	27,900	27,900
32,315		Water Services	31,518	28,000	28,000	28,000	28,000	28,000	28,000
0		Rates	648	648	667	687	708	729	751
<b>79,255</b>	<b>Buildings Total</b>		<b>67,316</b>	<b>63,048</b>	<b>64,567</b>	<b>64,587</b>	<b>64,608</b>	<b>64,629</b>	<b>64,651</b>
527	Supplies & Services	Catering	481	650	400	400	400	400	400
19,082		Communication and computing	9,962	11,250	5,250	5,250	5,250	5,250	5,250
811,172		Services	493,064	537,405	523,796	498,796	498,796	498,796	498,796
8,242		Equipment, furniture & materials	3,710	4,000	4,000	4,000	4,000	4,000	4,000
57,658		Office expenses	40,043	33,730	33,430	33,430	33,430	33,430	33,430
<b>896,681</b>	<b>Supplies &amp; Services Total</b>		<b>547,259</b>	<b>587,035</b>	<b>566,876</b>	<b>541,876</b>	<b>541,876</b>	<b>541,876</b>	<b>541,876</b>
6,685	Transport	Mileage Allowance	7,351	8,875	8,875	8,875	8,875	8,875	8,875
10,557		Pool Car	8,232	8,770	8,770	8,770	8,770	8,770	8,770
1,754		Public Transport	3,123	3,500	3,500	3,500	3,500	3,500	3,500
<b>18,995</b>	<b>Transport Total</b>		<b>18,707</b>	<b>21,145</b>	<b>21,145</b>	<b>21,145</b>	<b>21,145</b>	<b>21,145</b>	<b>21,145</b>
4	Benefit & Transfer Payments	Contributions paid	0	0	0	0	0	0	0
152,983		Grants	167,311	173,811	115,550	85,550	85,550	85,550	85,550
8,488		Irrecoverable V A T	5,800	5,800	5,800	5,800	5,800	5,800	5,800
<b>161,475</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>173,111</b>	<b>179,611</b>	<b>121,350</b>	<b>91,350</b>	<b>91,350</b>	<b>91,350</b>	<b>91,350</b>
0	Renewals Fund Contribution	Renewals Fund Contribution	1,620	1,620	1,620	1,620	1,620	1,620	1,620
<b>0</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>1,080,527</b>	<b>Grand Total</b>		<b>808,298</b>	<b>1,070,903</b>	<b>1,009,657</b>	<b>919,548</b>	<b>960,025</b>	<b>1,000,102</b>	<b>1,041,943</b>

3,294,287	Gross Service Expenditure	2,926,913	3,129,527	3,069,236	3,055,586	3,097,527	3,140,072	3,182,913
(2,213,760)	Gross Service Income	(2,118,615)	(2,058,624)	(2,059,579)	(2,136,038)	(2,137,502)	(2,139,970)	(2,140,970)
<b>1,080,527</b>	<b>Net Service Expenditure</b>	<b>808,298</b>	<b>1,070,903</b>	<b>1,009,657</b>	<b>919,548</b>	<b>960,025</b>	<b>1,000,102</b>	<b>1,041,943</b>

83,628	Head of Development	84,197	84,715	86,369	87,895	89,441	91,009	92,600
227,862	Building Control	97,829	152,540	152,540	152,540	152,540	152,540	152,540
169,834	Economic Development	148,127	160,822	181,240	184,047	186,893	189,779	192,389
446,328	Planning Policy	665,146	721,388	721,386	729,165	742,127	755,277	768,616
(99,217)	Development Management	(455,541)	(343,260)	(365,687)	(446,334)	(426,687)	(407,741)	(387,018)
178,162	Housing Strategy	190,835	212,478	182,709	186,135	189,611	193,138	196,716
23,834	Public Transport	21,586	26,100	26,100	26,100	26,100	26,100	26,100
50,096	Transportation Strategy	56,120	56,120	25,000	0	0	0	0
<b>1,080,527</b>	<b>Grand Total</b>	<b>808,298</b>	<b>1,070,903</b>	<b>1,009,657</b>	<b>919,548</b>	<b>960,025</b>	<b>1,000,102</b>	<b>1,041,943</b>

**Analysis of Budget Variations - Development**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>1,070,903</b>	<b>1,169,359</b>	<b>1,111,209</b>	<b>1,153,664</b>	<b>1,196,735</b>	<b>1,196,735</b>
Services moved	0	0	0	0	0	0
<b>Adjusted Previous MTFS Totals</b>	<b>1,070,903</b>	<b>1,169,359</b>	<b>1,111,209</b>	<b>1,153,664</b>	<b>1,196,735</b>	<b>1,196,735</b>
<b>New Bids Added</b>						
Increase in Pre-Application Fees		(24,000)	(25,000)	(26,000)	(28,000)	(29,000)
LEP Contribution removed		(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
LEAN Review savings (increase discharge of conditions fees and remove recruitment budget)		(16,000)	(16,000)	(16,000)	(16,000)	(16,000)
Reduce Appeals costs		(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Housing Strategy Savings		(22,000)	(22,000)	(22,000)	(22,000)	(22,000)
Transportation Grants Savings		(31,000)	(56,000)	(56,000)	(56,000)	(56,000)
Great Fen Contribution Saving		(15,000)	(20,000)	(20,000)	(20,000)	(20,000)
<b>Adjustment to Inflation</b>		0	(277)	(564)	(861)	23,352
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		(5,581)	(6,263)	(6,954)	(7,651)	10,977
Other Minor Adjustments		(1,121)	(1,121)	(1,121)	(1,121)	(1,121)
<b>New MTFS Totals</b>	<b>1,070,903</b>	<b>1,009,657</b>	<b>919,548</b>	<b>960,025</b>	<b>1,000,102</b>	<b>1,041,943</b>

Table 13

## Head of Leisure &amp; Health

Actuals 2017/18	Subjective Analysis : Controllable Only		2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£			£	£	£	£	£	£	£
(5,945,429)	Income & Fees	Fees & charges	(6,111,044)	(6,559,526)	(6,612,840)	(7,224,134)	(7,487,069)	(7,607,531)	(7,690,380)
(715,670)		Sales	(803,196)	(905,488)	(816,884)	(829,821)	(831,821)	(833,821)	(833,821)
(84,946)		Other grants and contributions	(147,498)	(94,290)	(36,471)	(19,341)	(17,523)	(17,723)	(17,723)
(5,000)		Rent	(4,166)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
<b>(6,751,045)</b>	<b>Income &amp; Fees Total</b>		<b>(7,065,903)</b>	<b>(7,564,304)</b>	<b>(7,471,195)</b>	<b>(8,078,296)</b>	<b>(8,341,413)</b>	<b>(8,464,075)</b>	<b>(8,546,924)</b>
3,639,046	Employees	Salary	3,635,264	3,963,583	3,982,719	4,016,626	4,056,791	4,097,362	4,138,334
206,625		National Insurance	218,098	226,302	221,129	222,706	224,935	227,184	229,456
397,706		Pension	411,115	447,275	475,283	507,779	540,887	574,607	608,942
9,629		Hired Staff	23,876	11,750	11,750	11,750	11,750	11,750	11,750
22,171		Training	23,776	25,800	3,200	200	200	200	200
8,505		Uniform & laundry	8,657	10,800	8,600	11,450	8,600	11,450	11,600
14,733		Other staff costs	8,716	0	0	0	0	0	0
3,385		Recruitment	28,689	1,150	150	150	150	150	150
12,480		Severance payments	0	0	0	0	0	0	0
<b>4,314,281</b>	<b>Employees Total</b>		<b>4,358,191</b>	<b>4,686,660</b>	<b>4,702,831</b>	<b>4,770,661</b>	<b>4,843,313</b>	<b>4,922,703</b>	<b>5,000,432</b>
10,728	Buildings	Rents	18,162	14,475	10,475	9,975	9,975	9,975	9,975
228,267		Repairs & Maintenance	219,912	236,400	200,100	199,700	214,500	199,700	199,700
453,925		Energy Costs	500,227	488,649	630,357	676,357	637,357	637,357	637,357
95,589		Water Services	98,653	93,339	117,328	117,328	117,328	117,328	117,328
468,821		Rates	473,480	466,236	480,222	494,628	509,468	524,751	540,494
24,254		Ground Maintenance Costs	226,231	21,300	22,480	20,310	20,310	20,310	20,310
120,416		Premises Cleaning	119,569	116,147	132,430	132,550	132,550	132,550	132,550
<b>1,402,001</b>	<b>Buildings Total</b>		<b>1,656,235</b>	<b>1,436,546</b>	<b>1,593,392</b>	<b>1,650,848</b>	<b>1,641,488</b>	<b>1,641,971</b>	<b>1,657,714</b>
23,719	Supplies & Services	Catering	16,264	24,050	16,250	16,250	16,250	16,250	16,250
98,031		Communication and computing	76,767	80,186	82,395	86,495	84,895	86,495	84,895
187,887		Services	178,842	190,193	195,404	221,147	220,707	220,267	220,267
618,437		Equipment, furniture & materials	635,300	685,956	591,859	559,659	555,459	560,959	560,459
118,356		Office expenses	146,512	144,054	142,178	140,820	140,820	140,820	140,820
382		Uniform & laundry	0	0	400	400	400	400	400
64		Expenses	2	0	0	0	0	0	0
0		Insurance - service related	700	0	0	0	0	0	0
<b>1,046,875</b>	<b>Supplies &amp; Services Total</b>		<b>1,054,387</b>	<b>1,124,439</b>	<b>1,028,486</b>	<b>1,024,771</b>	<b>1,018,531</b>	<b>1,025,191</b>	<b>1,023,091</b>
9,073	Transport	Mileage Allowance	10,297	10,345	9,640	9,515	9,515	9,515	9,515
6,696		Operating Costs	10,033	8,575	8,410	8,410	8,410	8,410	8,410
3,330		Public Transport	1,554	1,543	1,530	1,030	1,030	1,030	1,030
178		Contract Hire & operating leases	60	100	0	0	0	0	0
<b>19,276</b>	<b>Transport Total</b>		<b>21,944</b>	<b>20,563</b>	<b>19,580</b>	<b>18,955</b>	<b>18,955</b>	<b>18,955</b>	<b>18,955</b>
26	Benefit & Transfer Payments	Contributions paid	0	0	0	0	0	0	0
95,644		Irrecoverable V A T	76,625	81,000	81,000	81,000	81,000	81,000	81,000
<b>95,670</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>76,625</b>	<b>81,000</b>	<b>81,000</b>	<b>81,000</b>	<b>81,000</b>	<b>81,000</b>	<b>81,000</b>
0	Renewals Fund Contribution	Renewals Fund Contribution	0	25,000	25,000	25,000	25,000	25,000	25,000
<b>0</b>	<b>Renewals Fund Contribution Total</b>		<b>0</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>127,058</b>	<b>Grand Total</b>		<b>101,479</b>	<b>(190,096)</b>	<b>(20,906)</b>	<b>(507,061)</b>	<b>(713,126)</b>	<b>(749,255)</b>	<b>(740,732)</b>

6,878,103	Gross Service Expenditure	7,167,381	7,374,208	7,450,289	7,571,235	7,628,287	7,714,820	7,806,192
(6,751,045)	Gross Service Income	(7,065,903)	(7,564,304)	(7,471,195)	(8,078,296)	(8,341,413)	(8,464,075)	(8,546,924)
<b>127,058</b>	<b>Net Service Expenditure</b>	<b>101,479</b>	<b>(190,096)</b>	<b>(20,906)</b>	<b>(507,061)</b>	<b>(713,126)</b>	<b>(749,255)</b>	<b>(740,732)</b>

80,531	Head of Leisure & Health	81,333	81,788	82,576	84,038	85,521	87,026	88,552
197,463	One Leisure Active Lifestyles	354,267	205,371	176,686	149,571	145,633	141,299	146,915
(150,936)	One Leisure	(334,121)	(477,255)	(280,168)	(740,670)	(944,280)	(977,580)	(976,199)
<b>127,058</b>	<b>Grand Total</b>	<b>101,479</b>	<b>(190,096)</b>	<b>(20,906)</b>	<b>(507,061)</b>	<b>(713,126)</b>	<b>(749,255)</b>	<b>(740,732)</b>

**Analysis of Budget Variations - Leisure & Health**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>(190,096)</b>	<b>(262,952)</b>	<b>(302,487)</b>	<b>(281,746)</b>	<b>(279,826)</b>	<b>(279,826)</b>
Services moved	0	0	0	0	0	0
<b>Adjusted Previous MTFS Totals</b>	<b>(190,096)</b>	<b>(262,952)</b>	<b>(302,487)</b>	<b>(281,746)</b>	<b>(279,826)</b>	<b>(279,826)</b>
<b>New Bids Added</b>						
OLSI Outdoor - Fitness Offering		(24,122)	(110,616)	(160,026)	(184,379)	(184,379)
OLR 3G Pitch		(2,000)	(5,000)	(5,000)	(5,000)	(5,000)
Removal of The Club Alconbury Weald		6,000	6,000	6,000	6,000	6,000
Additional Utility Costs		177,616	223,616	184,616	184,616	184,616
General Price Increases		0	0	0	0	(75,000)
Burgess Hall Income Realignment		143,000	65,000	0	0	0
Exercise Referral & Physio Follow-on Income		(7,000)	(8,000)	(9,000)	(10,000)	(10,000)
OL Concessionary Pricing Scheme		(10,000)	(15,000)	(20,000)	(25,000)	(25,000)
Children & Families Activities Offer		0	(15,000)	(15,000)	(15,000)	(15,000)
Group Exercise Classes Income		(9,000)	(32,000)	(53,000)	(53,000)	(53,000)
OL St Ives Impressions Income		(38,000)	(144,000)	(167,000)	(167,000)	(167,000)
Swimming Pool Changing Rooms		(4,000)	(14,000)	(20,000)	(23,000)	(23,000)
OL Sawtry		(39,000)	(74,000)	(78,000)	(85,000)	(89,000)
<b>Adjustment to Inflation</b>		1	(606)	(1,280)	(1,941)	62,791
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		(115,987)	(121,769)	(120,796)	(119,812)	(91,222)
Adjustments to match current Income Trends		239,124	129,133	119,848	117,779	114,930
Changes to Operational Costs		(75,078)	(88,029)	(92,579)	(88,029)	(89,979)
Other Minor Adjustments		492	(303)	(163)	(663)	(1,663)
<b>New MTFS Totals</b>	<b>(190,096)</b>	<b>(20,906)</b>	<b>(507,061)</b>	<b>(713,126)</b>	<b>(749,255)</b>	<b>(740,732)</b>

Table 14

Head of Operations

Actuals 2017/18	Subjective Analysis : Controllable Only		2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£			£	£	£	£	£	£	£
(4,206,773)	Income & Fees	Fees & charges	(4,238,844)	(4,372,384)	(4,531,885)	(4,566,885)	(4,566,885)	(4,566,885)	(4,566,885)
(175,833)		Sales	(196,066)	(208,666)	(208,666)	(208,666)	(208,666)	(208,666)	(208,666)
(42,610)		Other grants and contributions	(4,946)	(5,260)	(5,260)	(5,260)	(5,260)	(5,260)	(5,260)
(144,943)		Rent	(160,604)	(277,474)	(277,474)	(277,474)	(277,474)	(277,474)	(277,474)
(30,623)		Government grants	(13,000)	(15,922)	(15,922)	(15,922)	(15,922)	(15,922)	(15,922)
0		Commuted sums	0	(151,331)	(151,331)	(151,331)	(151,331)	(151,331)	(151,331)
<b>(4,600,782)</b>	<b>Income &amp; Fees Total</b>		<b>(4,613,460)</b>	<b>(5,031,037)</b>	<b>(5,190,538)</b>	<b>(5,225,538)</b>	<b>(5,225,538)</b>	<b>(5,225,538)</b>	<b>(5,225,538)</b>
4,006,262	Employees	Salary	3,963,414	4,136,976	4,167,323	4,121,877	4,221,436	4,225,050	4,267,186
363,245		National Insurance	357,866	378,660	364,733	368,424	376,610	377,417	381,191
658,511		Pension	690,006	750,292	742,099	788,288	845,449	886,481	935,447
546,861		Hired Staff	379,859	131,909	188,309	188,309	188,309	188,309	188,309
9,960		Training	2,157	4	0	0	0	0	0
47,408		Uniform & laundry	37,320	32,200	32,200	32,200	32,200	32,200	32,200
208,454		Other staff costs	157,207	148,247	145,145	145,145	145,145	145,145	145,145
14,492		Recruitment	1,950	0	0	0	0	0	0
5,816		Severance payments	0	0	0	0	0	0	0
<b>5,861,009</b>	<b>Employees Total</b>		<b>5,589,779</b>	<b>5,578,288</b>	<b>5,639,809</b>	<b>5,644,243</b>	<b>5,809,149</b>	<b>5,854,602</b>	<b>5,949,478</b>
11,129	Buildings	Rents	11,187	13,104	13,104	13,104	13,104	13,104	13,104
356,729		Repairs & Maintenance	321,413	292,559	292,559	285,559	285,559	285,559	285,559
215,538		Energy Costs	198,086	220,635	225,019	229,019	229,019	229,019	229,019
13,695		Water Services	11,623	18,830	18,830	18,830	18,830	18,830	18,830
342,311		Rates	609,051	668,521	688,377	708,834	729,902	751,606	773,960
222		Ground Maintenance Costs	3,169	600	600	600	600	600	600
136,383		Premises Cleaning	83,099	93,720	93,720	93,720	93,720	93,720	93,720
37		Premises Insurance	81	140	140	140	140	140	140
<b>1,076,044</b>	<b>Buildings Total</b>		<b>1,237,708</b>	<b>1,308,109</b>	<b>1,332,349</b>	<b>1,349,806</b>	<b>1,370,874</b>	<b>1,392,578</b>	<b>1,414,932</b>
267	Supplies & Services	Catering	3,669	0	0	0	0	0	0
21,793		Communication and computing	10,383	7,545	7,545	7,545	7,545	7,545	7,545
457,499		Services	539,524	331,570	116,570	(75,430)	275,570	180,570	165,570
394,667		Equipment, furniture & materials	292,452	298,194	335,794	330,794	330,794	330,794	330,794
54,513		Office expenses	48,795	51,432	51,432	51,432	51,432	51,432	51,432
124		Expenses	0	0	0	0	0	0	0
9,185		Insurance - service related	7,363	4,000	4,000	4,000	4,000	4,000	4,000
<b>938,048</b>	<b>Supplies &amp; Services Total</b>		<b>902,185</b>	<b>692,741</b>	<b>515,341</b>	<b>318,341</b>	<b>669,341</b>	<b>574,341</b>	<b>559,341</b>
1,272	Transport	Mileage Allowance	2,991	3,800	3,800	3,800	3,800	3,800	3,800
977,925		Operating Costs	952,958	820,245	902,821	902,821	920,783	920,783	920,783
803		Public Transport	1,059	1,080	1,080	1,080	1,080	1,080	1,080
109,217		Contract Hire & operating leases	26,260	18,000	18,000	18,000	18,000	18,000	18,000
(31,430)		Pool Car	3,280	5,000	5,000	5,000	5,000	5,000	5,000
11,613		Vehicle Insurance	11,536	1,429	1,429	1,429	1,429	1,429	1,429
<b>1,069,400</b>	<b>Transport Total</b>		<b>998,085</b>	<b>849,554</b>	<b>932,130</b>	<b>932,130</b>	<b>950,092</b>	<b>950,092</b>	<b>950,092</b>
43	Benefit & Transfer Payments	Contributions paid	0	0	0	0	0	0	0
3,231		Irrecoverable V A T	8,050	9,200	9,200	9,200	9,200	9,200	9,200
485,486		Grants	467,939	503,864	503,864	503,864	503,864	503,864	503,864
<b>488,761</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>475,989</b>	<b>513,064</b>	<b>513,064</b>	<b>513,064</b>	<b>513,064</b>	<b>513,064</b>	<b>513,064</b>
<b>4,832,479</b>	<b>Grand Total</b>		<b>4,590,286</b>	<b>3,910,719</b>	<b>3,742,155</b>	<b>3,532,046</b>	<b>4,086,982</b>	<b>4,059,139</b>	<b>4,161,369</b>

9,433,262	Gross Service Expenditure	9,203,746	8,941,756	8,932,693	8,757,584	9,312,520	9,284,677	9,386,907
(4,600,782)	Gross Service Income	(4,613,460)	(5,031,037)	(5,190,538)	(5,225,538)	(5,225,538)	(5,225,538)	(5,225,538)
<b>4,832,479</b>	<b>Net Service Expenditure</b>	<b>4,590,286</b>	<b>3,910,719</b>	<b>3,742,155</b>	<b>3,532,046</b>	<b>4,086,982</b>	<b>4,059,139</b>	<b>4,161,369</b>

85,000	Head of Operations	91,334	79,568	80,329	81,742	83,175	84,630	86,105
1,315,242	Green Spaces	1,315,710	1,138,441	1,024,402	945,706	959,076	927,792	941,736
82,659	Environmental & Energy Mgt	64,437	82,760	0	1,757	3,540	5,347	7,180
817,756	Street Cleansing	822,658	772,646	721,433	673,050	651,237	658,602	671,147
3,668	Public Conveniences	9,752	13,400	18,400	6,400	6,400	6,400	6,400
2,738,335	Waste Management	2,503,852	2,196,001	2,399,322	2,403,246	2,932,720	2,894,002	2,934,993
1,081,090	Facilities Management	985,813	870,109	964,033	985,156	1,002,690	1,020,648	1,038,092
268,714	Fleet Management	259,278	238,846	265,383	269,167	273,005	276,900	280,850
(45,474)	Markets	(55,781)	(60,998)	(64,783)	(77,968)	(76,118)	(74,233)	(72,310)
(1,514,511)	Car Parks	(1,406,767)	(1,420,054)	(1,666,364)	(1,756,210)	(1,748,743)	(1,740,949)	(1,732,824)
<b>4,832,479</b>	<b>Grand Total</b>	<b>4,590,286</b>	<b>3,910,719</b>	<b>3,742,155</b>	<b>3,532,046</b>	<b>4,086,982</b>	<b>4,059,139</b>	<b>4,161,369</b>



**Analysis of Budget Variations - Operations**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>3,905,941</b>	<b>3,643,946</b>	<b>3,758,204</b>	<b>3,874,430</b>	<b>3,992,682</b>	<b>3,992,682</b>
Insurance from Resources	4,778	4,778	4,778	4,778	4,778	4,778
<b>Adjusted Previous MTFS Totals</b>	<b>3,910,719</b>	<b>3,648,724</b>	<b>3,762,982</b>	<b>3,879,208</b>	<b>3,997,460</b>	<b>3,997,460</b>
<b>New Bids Added</b>						
In Cab Technology		35,000	35,000	35,000	35,000	35,000
Climate Change Levy		28,000	28,000	28,000	28,000	28,000
Utility Bills		4,384	8,384	8,384	8,384	8,384
St Ives Park		35,000	30,000	30,000	35,000	35,000
Street Cleaning - Litter Minimisation		38,000	0	0	0	0
Waste Management						
Cost of Recycling		0	0	400,000	400,000	400,000
Agency Staff		60,000	60,000	60,000	60,000	60,000
Recycling Contamination		110,000	110,000	110,000	110,000	110,000
Household Waste Collection		0	0	90,000	90,000	90,000
Dry Recycling Collection		90,000	90,000	90,000	90,000	90,000
Residual Waste collection		90,000	90,000	90,000	90,000	90,000
Fuel		80,000	80,000	80,000	80,000	80,000
Household Recycling Rate (60%)		80,000	80,000	80,000	0	0
Increase Green Bin charge		(15,000)	(30,000)	(30,000)	(30,000)	(30,000)
Increase Bulky Waste charge		(10,000)	(15,000)	(15,000)	(15,000)	(15,000)
Replacement Bin Delivery charge		(25,000)	(30,000)	(30,000)	(30,000)	(30,000)
New Development Bins		(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Bag Delivery charge		(2,000)	(12,000)	(12,000)	(12,000)	(12,000)
Hire Vehicles		(5,000)	(15,000)	(15,000)	(15,000)	(15,000)
Split vehicles to sell parts		0	(5,000)	(5,000)	(5,000)	(5,000)
Car Park charges increase		(225,000)	(300,000)	(300,000)	(300,000)	(300,000)
Huntingdon Bus Station - short stay parking		(30,000)	(50,000)	(55,000)	(60,000)	(65,000)
Divest Subsidised Car Park		0	(7,000)	(7,000)	(7,000)	(7,000)
Hinchingsbrooke Country Park Master Plan		0	(70,000)	(80,000)	(90,000)	(100,000)
Paxton Pits Master Plan		0	0	0	(50,000)	(50,000)
Street Cleaning - increase charges by RPI		(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Management reduction (Street Cleaning)		0	(23,000)	(23,000)	(23,000)	(23,000)
Litter bin removal programme		(47,000)	(47,000)	(81,000)	(86,000)	(86,000)
Godmanchester Nursery- Disinvestment		(34,000)	(34,000)	(34,000)	(34,000)	(34,000)
Open Spaces - Events Management		0	(27,000)	(27,000)	(27,000)	(27,000)
Cease Highway weed spraying		(34,000)	(34,000)	(34,000)	(34,000)	(34,000)
Arboriculture Team changes		(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Community Toilet Scheme		5,000	(7,000)	(7,000)	(7,000)	(7,000)
Commercial Waste - Trade Option		(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
<b>Adjustment to Inflation</b>		47	2,303	3,662	5,716	82,845
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		0	(3,623)	(7,272)	(10,421)	29,680
Other Minor Adjustments		0	0	0	0	0
<b>New MTFS Totals</b>	<b>3,910,719</b>	<b>3,742,155</b>	<b>3,532,046</b>	<b>4,086,982</b>	<b>4,059,139</b>	<b>4,161,369</b>

Table 15

Head of Resources									
Actuals 2017/18	Subjective Analysis : Controllable Only		2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£			£	£	£	£	£	£	£
(276,590)	Income & Fees	Fees & charges	(166,125)	(166,642)	(177,573)	(225,163)	(195,632)	(195,632)	(195,632)
(4,505)		Sales	0	0	0	0	0	0	0
(544)		Interest	0	0	0	0	0	0	0
(3,047,072)		Rent	(3,307,321)	(5,075,680)	(5,402,879)	(5,685,689)	(5,191,633)	(5,217,033)	(5,384,033)
<b>(3,328,711)</b>	<b>Income &amp; Fees Total</b>		<b>(3,473,445)</b>	<b>(5,242,322)</b>	<b>(5,580,452)</b>	<b>(5,910,852)</b>	<b>(5,387,265)</b>	<b>(5,412,665)</b>	<b>(5,579,665)</b>
992,072	Employees	Salary	894,132	1,268,318	1,129,218	1,141,435	1,053,774	1,064,236	1,074,804
92,962		National Insurance	81,789	118,459	118,360	119,544	109,739	110,837	111,943
161,435		Pension	153,312	219,146	189,908	203,896	198,188	210,541	223,122
449,721		Hired Staff	525,300	0	0	0	0	0	0
129,060		Training	117,767	116,257	116,952	116,952	116,952	116,952	116,952
26,898		Other staff costs	3,725	4,400	4,400	4,400	4,400	4,400	4,400
3,945		Recruitment	464	0	0	0	0	0	0
192,096		Employee Insurance	195,245	187,016	195,174	215,746	238,375	238,375	238,375
<b>2,048,189</b>	<b>Employees Total</b>		<b>1,971,733</b>	<b>1,913,597</b>	<b>1,754,012</b>	<b>1,801,973</b>	<b>1,721,428</b>	<b>1,745,341</b>	<b>1,769,596</b>
124,647	Buildings	Rents	133,981	120,000	144,000	144,000	144,000	144,000	144,000
82,812		Repairs & Maintenance	104,592	122,502	143,502	143,502	143,502	143,502	143,502
4,367		Energy Costs	6,095	5,000	7,000	7,000	7,000	7,000	7,000
75,111		Premises Insurance	91,718	74,313	96,313	103,450	107,898	107,898	107,898
7,509		Premises Cleaning	12,882	14,640	14,640	14,640	14,640	14,640	14,640
215		Water Services	545	400	400	400	400	400	400
23,207		Rates	30,839	17,211	27,587	28,822	29,882	30,967	31,882
<b>317,869</b>	<b>Buildings Total</b>		<b>380,652</b>	<b>354,066</b>	<b>433,442</b>	<b>441,814</b>	<b>447,322</b>	<b>448,407</b>	<b>449,322</b>
2,189	Supplies & Services	Catering	26	0	0	0	0	0	0
6,821		Communication and computing	3,421	2,700	2,700	2,700	2,700	2,700	2,700
438,847		Services	595,723	2,399,820	2,496,298	2,503,498	2,487,398	2,506,704	2,506,704
63,551		Equipment, furniture & materials	47,584	45,834	49,834	49,834	49,834	49,834	49,834
26,185		Office expenses	27,303	31,505	31,055	31,055	31,055	31,055	31,055
97,670		Insurance - service related	69,637	73,065	69,087	70,990	73,039	73,039	73,039
<b>635,264</b>	<b>Supplies &amp; Services Total</b>		<b>743,694</b>	<b>2,552,924</b>	<b>2,648,974</b>	<b>2,658,077</b>	<b>2,644,026</b>	<b>2,663,332</b>	<b>2,663,332</b>
1,383	Transport	Mileage Allowance	728	750	750	750	750	750	750
590		Pool Car	386	600	600	600	600	600	600
2,422		Public Transport	1,594	1,150	1,480	1,480	1,592	1,711	1,711
146,343		Vehicle Insurance	165,330	80,737	165,737	171,099	176,099	176,099	176,099
<b>150,738</b>	<b>Transport Total</b>		<b>168,038</b>	<b>83,237</b>	<b>168,567</b>	<b>173,929</b>	<b>179,041</b>	<b>179,160</b>	<b>179,160</b>
2	Benefit & Transfer Payments	Contributions paid	0	0	0	0	0	0	0
33,961		Irrecoverable V A T	17,938	20,500	20,500	20,500	20,500	20,500	20,500
<b>33,962</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>17,938</b>	<b>20,500</b>	<b>20,500</b>	<b>20,500</b>	<b>20,500</b>	<b>20,500</b>	<b>20,500</b>
0	Reserve-Revenue Transfers	Reserve-Revenue Transfers	0	0	(113,000)	(4,000)	34,000	34,000	34,000
<b>0</b>	<b>Reserve-Revenue Transfers Total</b>		<b>0</b>	<b>0</b>	<b>(113,000)</b>	<b>(4,000)</b>	<b>34,000</b>	<b>34,000</b>	<b>34,000</b>
<b>(142,688)</b>	<b>Grand Total</b>		<b>(191,391)</b>	<b>(317,999)</b>	<b>(667,957)</b>	<b>(818,559)</b>	<b>(340,948)</b>	<b>(321,925)</b>	<b>(463,755)</b>
3,186,023	<b>Gross Service Expenditure</b>		3,282,054	4,924,324	4,912,495	5,092,293	5,046,317	5,090,740	5,115,910
(3,328,711)	<b>Gross Service Income</b>		(3,473,445)	(5,242,322)	(5,580,452)	(5,910,852)	(5,387,265)	(5,412,665)	(5,579,665)
<b>(142,688)</b>	<b>Net Service Expenditure</b>		<b>(191,391)</b>	<b>(317,999)</b>	<b>(667,957)</b>	<b>(818,559)</b>	<b>(340,948)</b>	<b>(321,925)</b>	<b>(463,755)</b>
88,804	Head of Resources		88,219	88,705	88,525	89,987	91,470	92,975	94,501
870,030	Finance		745,027	589,930	665,689	627,058	623,917	632,678	641,565
663,230	Audit & Risk Management		622,349	539,902	623,696	660,754	696,995	699,140	701,316
207,904	Legal		222,897	223,940	223,940	223,940	223,940	223,940	223,940
605,559	HR and Payroll Services		646,456	865,695	497,109	503,018	512,010	518,089	524,256
60,524	Procurement		59,954	30,868	25,534	26,236	26,945	27,664	28,391
(2,638,739)	Commercial Estates		(2,576,293)	(2,657,038)	(2,792,450)	(2,949,552)	(2,516,225)	(2,516,411)	(2,677,724)
<b>(142,688)</b>	<b>Grand Total</b>		<b>(191,391)</b>	<b>(317,999)</b>	<b>(667,957)</b>	<b>(818,559)</b>	<b>(340,948)</b>	<b>(321,925)</b>	<b>(463,755)</b>

**Analysis of Budget Variations - Resources**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>(313,221)</b>	<b>(354,373)</b>	<b>(361,356)</b>	<b>(298,740)</b>	<b>(267,798)</b>	<b>(267,798)</b>
Insurance to Operations	(4,778)	(4,778)	(4,778)	(4,778)	(4,778)	(4,778)
<b>Adjusted Previous MTFS Totals</b>	<b>(317,999)</b>	<b>(359,151)</b>	<b>(366,134)</b>	<b>(303,518)</b>	<b>(272,576)</b>	<b>(272,576)</b>
<b>New Bids Added</b>						
Internal Audit - Insurance Admin		6,000	6,000	6,000	6,000	6,000
Higher Insurance Premium Costs		91,000	94,000	94,000	94,000	94,000
NDR Vacant Properties		13,000	13,000	13,000	13,000	13,000
Repairs to Industrial Units		18,000	18,000	18,000	18,000	18,000
Caxton Road irrecoverable costs		2,000	2,000	2,000	2,000	2,000
Lower Consultants costs		(11,000)	(11,000)	(11,000)	(11,000)	(11,000)
Oaktree Car Park Development		0	0	0	0	(99,000)
Oaktree Lease Expiry		0	0	492,000	492,000	492,000
St Ives Redevelopment		0	0	0	0	(20,000)
Huntingdon Redevelopment		0	0	0	15,000	(31,000)
Alms Close		0	(85,000)	(85,000)	(85,000)	(85,000)
Commercial Estates Service		0	0	(81,000)	(83,000)	(85,000)
Resources Review		(29,000)	(40,000)	(52,000)	(52,000)	(52,000)
Apprenticeship Scheme (removal)		(299,000)	(299,000)	(299,000)	(299,000)	(299,000)
Debt Recovery		0	(37,000)	(37,000)	(37,000)	(37,000)
Commercial Investment Strategy		(101,100)	(111,300)	(92,100)	(111,300)	(111,300)
Internal Audit Shared Service		0	0	0	0	0
<b>Adjustment to Inflation</b>		(49)	(1,575)	(3,111)	(5,961)	8,733
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		(37,926)	(39,819)	(41,675)	(44,544)	(34,068)
Ground Rent		23,300	23,300	23,300	23,300	23,300
HR Operational Costs		10,375	10,375	10,375	10,375	10,375
Estates Additional Costs		4,006	4,006	4,006	4,006	4,006
Other Minor Adjustments		1,588	1,588	1,775	1,775	1,775
<b>New MTFS Totals</b>	<b>(317,999)</b>	<b>(667,957)</b>	<b>(818,559)</b>	<b>(340,948)</b>	<b>(321,925)</b>	<b>(463,755)</b>

Table 16

## Directors &amp; Corporate Team

Actuals 2017/18	Subjective Analysis : Controllable Only		2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£			£	£	£	£	£	£	£
(474,976)	Income & Fees	Fees & charges	(278,210)	(217,000)	(245,500)	(245,500)	(245,500)	(245,500)	(245,500)
(3,366)		Sales	(136)	0	0	0	0	0	0
(232,935)		Government grants	(7,016)	(20,000)	(17,000)	(17,000)	(17,000)	(17,000)	(17,000)
<b>(711,277)</b>	<b>Income &amp; Fees Total</b>		<b>(285,361)</b>	<b>(237,000)</b>	<b>(262,500)</b>	<b>(262,500)</b>	<b>(262,500)</b>	<b>(262,500)</b>	<b>(262,500)</b>
1,001,955	Employees	Salary	846,194	1,013,982	910,771	912,033	921,307	1,060,548	1,071,154
80,987		National Insurance	92,968	93,171	95,237	95,400	96,364	97,338	98,311
139,767		Pension	146,374	152,501	156,908	166,438	177,288	188,339	199,593
18,635		Hired Staff	13,010	22,300	22,300	22,300	22,300	22,300	22,300
6,848		Training	5,884	4,600	8,600	8,600	8,600	8,600	8,600
992		Other staff costs	197	0	0	0	0	0	0
2,051		Recruitment	0	0	0	0	0	0	0
<b>1,251,235</b>	<b>Employees Total</b>		<b>1,104,627</b>	<b>1,286,554</b>	<b>1,193,816</b>	<b>1,204,771</b>	<b>1,225,859</b>	<b>1,377,125</b>	<b>1,399,958</b>
44,603	Buildings	Rents	24,141	25,200	1,200	1,200	1,200	25,200	25,200
75		Repairs & Maintenance	260	0	0	0	0	0	0
<b>44,678</b>	<b>Buildings Total</b>		<b>24,401</b>	<b>25,200</b>	<b>1,200</b>	<b>1,200</b>	<b>1,200</b>	<b>25,200</b>	<b>25,200</b>
6,033	Supplies & Services	Catering	3,675	4,000	3,800	3,800	3,800	3,800	3,800
148,150		Communication and computing	75,708	126,463	67,463	67,463	67,463	110,463	110,463
34,654		Services	(59,892)	(158,333)	69,440	73,440	69,440	(171,833)	(171,833)
13,441		Equipment, furniture & materials	957	500	500	500	500	500	500
271,123		Office expenses	195,855	169,400	130,800	120,800	130,800	156,200	156,200
0		Insurance - service related	5,285	3,300	3,300	3,300	3,300	3,300	3,300
379,540		Members Allowances	376,742	404,864	402,364	402,364	402,364	402,364	402,364
<b>852,942</b>	<b>Supplies &amp; Services Total</b>		<b>598,330</b>	<b>550,194</b>	<b>677,667</b>	<b>671,667</b>	<b>677,667</b>	<b>504,794</b>	<b>504,794</b>
11,813	Transport	Mileage Allowance	12,904	12,700	12,800	12,800	12,800	12,800	12,800
165		Pool Car	100	200	200	200	200	200	200
3,465		Public Transport	2,811	2,240	2,540	2,540	2,540	2,540	2,540
<b>15,443</b>	<b>Transport Total</b>		<b>15,815</b>	<b>15,140</b>	<b>15,540</b>	<b>15,540</b>	<b>15,540</b>	<b>15,540</b>	<b>15,540</b>
2,000	Benefit & Transfer Payments	Grants	2,000	2,000	0	0	0	0	0
<b>2,000</b>	<b>Benefit &amp; Transfer Payments Total</b>		<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>1,455,022</b>	<b>Grand Total</b>		<b>1,459,811</b>	<b>1,642,088</b>	<b>1,625,723</b>	<b>1,630,678</b>	<b>1,657,766</b>	<b>1,660,159</b>	<b>1,682,992</b>

2,166,299	Gross Service Expenditure	1,745,172	1,879,088	1,888,223	1,893,178	1,920,266	1,922,659	1,945,492
(711,277)	Gross Service Income	(285,361)	(237,000)	(262,500)	(262,500)	(262,500)	(262,500)	(262,500)
<b>1,455,022</b>	<b>Net Service Expenditure</b>	<b>1,459,811</b>	<b>1,642,088</b>	<b>1,625,723</b>	<b>1,630,678</b>	<b>1,657,766</b>	<b>1,660,159</b>	<b>1,682,992</b>

715,266	Democratic & Elections	650,381	810,780	811,207	801,391	813,495	800,689	808,271
278,106	Corporate Team	303,867	339,256	318,853	325,060	331,357	337,744	344,056
461,651	Directors	505,562	492,052	495,663	504,227	512,914	521,726	530,665
<b>1,455,022</b>	<b>Grand Total</b>	<b>1,459,811</b>	<b>1,642,088</b>	<b>1,625,723</b>	<b>1,630,678</b>	<b>1,657,766</b>	<b>1,660,159</b>	<b>1,682,992</b>

**Analysis of Budget Variations - Directors & Corporate Team**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>1,642,088</b>	<b>1,663,876</b>	<b>1,688,642</b>	<b>1,705,711</b>	<b>1,718,084</b>	<b>1,718,084</b>
Services moved	0	0	0	0	0	0
<b>Adjusted Previous MTFS Totals</b>	<b>1,642,088</b>	<b>1,663,876</b>	<b>1,688,642</b>	<b>1,705,711</b>	<b>1,718,084</b>	<b>1,718,084</b>
<b>New Bids Added</b>						
<i>Transformation</i> - Member IT/Postage & Printing Savings		(10,000)	(20,000)	(10,000)	(20,000)	(20,000)
Democratic Services - Code of Conduct		5,000	5,000	5,000	5,000	5,000
Corporate Team Staff Savings		(15,000)	(25,000)	(25,000)	(25,000)	(25,000)
Civic Allowance Grant		(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Shared Service with Other Councils		(23,000)	(23,000)	(23,000)	(23,000)	(23,000)
<b>Adjustment to Inflation</b>		0	208	313	418	13,880
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		35,347	35,328	35,242	35,157	44,528
Charge to HDC Ventures		(24,000)	(24,000)	(24,000)	(24,000)	(24,000)
Other Minor Adjustments		(4,500)	(4,500)	(4,500)	(4,500)	(4,500)
<b>New MTFS Totals</b>	<b>1,642,088</b>	<b>1,625,723</b>	<b>1,630,678</b>	<b>1,657,766</b>	<b>1,660,159</b>	<b>1,682,992</b>

Table 17

## Head of Resources (Corporate Budgets)

Actuals 2017/18	Subjective Analysis : Controllable Only	2018/19 Forecast (August)	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget
£		£	£	£	£	£	£	£
(29,098)	Income & Fees	(289)	0	0	0	0	0	0
(462,315)	Fees & charges	(469,499)	(456,500)	(532,500)	(532,500)	(532,500)	(532,500)	(532,500)
(23,180)	Interest	0	0	0	0	0	0	0
	Government grants	0	0	0	0	0	0	0
<b>(514,593)</b>	<b>Income &amp; Fees Total</b>	<b>(469,787)</b>	<b>(456,500)</b>	<b>(532,500)</b>	<b>(532,500)</b>	<b>(532,500)</b>	<b>(532,500)</b>	<b>(532,500)</b>
921	Employees	0	0	(12,200)	(14,522)	(14,667)	(14,814)	(14,962)
1,585,050	National Insurance	0	0	(22,800)	(27,828)	(28,106)	(28,387)	(28,671)
0	Pension	1,584,000	1,584,000	1,584,000	1,599,840	1,615,838	1,631,996	1,648,316
268,196	Other staff costs	193,714	199,000	177,650	168,767	160,329	152,313	152,313
0	Severance Payments	0	0	(132,000)	(163,320)	(164,953)	(166,603)	(168,269)
<b>1,854,167</b>	<b>Employees Total</b>	<b>1,777,714</b>	<b>1,783,000</b>	<b>1,594,650</b>	<b>1,562,937</b>	<b>1,568,441</b>	<b>1,574,505</b>	<b>1,588,727</b>
2,577,122	Supplies & Services	2,840,672	2,922,086	3,288,162	3,322,338	3,556,211	3,647,594	4,064,963
0	Services	14	0	0	0	0	0	0
5	Equipment, furniture & materials	600	0	0	0	0	0	0
2,743	Office expenses	(675)	580	580	580	580	580	580
	Insurance - service related							
<b>2,579,870</b>	<b>Supplies &amp; Services Total</b>	<b>2,840,611</b>	<b>2,922,666</b>	<b>3,288,742</b>	<b>3,322,918</b>	<b>3,556,791</b>	<b>3,648,174</b>	<b>4,065,543</b>
13	Transport	0	0	0	0	0	0	0
13	Pool Car	0	0	0	0	0	0	0
<b>13</b>	<b>Transport Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
76,057	Benefit & Transfer Payments	76,000	76,000	76,000	76,000	76,000	76,000	76,000
4,056	Contributions paid	0	0	0	0	0	0	0
402,406	Irrecoverable V A T	403,065	402,278	407,868	407,868	407,868	407,868	407,868
0	Levies	0	0	39,000	39,000	0	0	0
	Discretionary Relief							
<b>482,519</b>	<b>Benefit &amp; Transfer Payments Total</b>	<b>479,065</b>	<b>478,278</b>	<b>522,868</b>	<b>522,868</b>	<b>483,868</b>	<b>483,868</b>	<b>483,868</b>
25,265	Reserve-Revenue Transfers	25,000	20,000	30,000	30,000	30,000	30,000	30,000
25,265	Bad Debts Provision							
<b>25,265</b>	<b>Reserve-Revenue Transfers Total</b>	<b>25,000</b>	<b>20,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
<b>4,427,242</b>	<b>Grand Total</b>	<b>4,652,603</b>	<b>4,747,444</b>	<b>4,903,760</b>	<b>4,906,223</b>	<b>5,106,600</b>	<b>5,204,047</b>	<b>5,635,638</b>
4,941,835	Gross Service Expenditure	5,122,390	5,203,944	5,436,260	5,438,723	5,639,100	5,736,547	6,168,138
(514,593)	Gross Service Income	(469,787)	(456,500)	(532,500)	(532,500)	(532,500)	(532,500)	(532,500)
<b>4,427,242</b>	<b>Net Service Expenditure</b>	<b>4,652,603</b>	<b>4,747,444</b>	<b>4,903,760</b>	<b>4,906,223</b>	<b>5,106,600</b>	<b>5,204,047</b>	<b>5,635,638</b>
4,427,242	Corporate Finance	4,652,603	4,747,444	4,903,760	4,906,223	5,106,600	5,204,047	5,635,638
<b>4,427,242</b>	<b>Grand Total</b>	<b>4,652,603</b>	<b>4,747,444</b>	<b>4,903,760</b>	<b>4,906,223</b>	<b>5,106,600</b>	<b>5,204,047</b>	<b>5,635,638</b>

**Analysis of Budget Variations - Resources (Corporate Budgets)**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£	£
<b>Previous MTFS Totals</b>	<b>4,747,444</b>	<b>5,048,038</b>	<b>5,097,777</b>	<b>5,111,712</b>	<b>4,959,313</b>	<b>4,959,313</b>
Services moved	0	0	0	0	0	0
<b>Adjusted Previous MTFS Totals</b>	<b>4,747,444</b>	<b>5,048,038</b>	<b>5,097,777</b>	<b>5,111,712</b>	<b>4,959,313</b>	<b>4,959,313</b>
<b>New Bids Added</b>						
Minimum Revenue Provision changes		(18,000)	32,000	314,000	566,000	983,000
Service Restructuring		(130,000)	(130,000)	(130,000)	(130,000)	(130,000)
NDR Hardship Relief Reimbursement		39,000	39,000	0	0	0
Pension Early Retirements		(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
Bad Debt Provision		10,000	10,000	10,000	10,000	10,000
BFG, Income scheme from the loan		(66,000)	(66,000)	(66,000)	(66,000)	(66,000)
Interest Rate Changes		(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
<i>Transformation</i> - Customer Portal for HDC		29,000	(67,000)	(121,000)	(121,000)	(121,000)
<b>Adjustment to Inflation</b>		0	(1,670)	(3,726)	(5,804)	8,418
<b>Minor Budget Adjustments</b>						
Misc. Salary , NI & Pension		0	0	0	0	0
Bank Charges		8,000	8,000	8,000	8,000	8,000
IDB Levies		5,590	5,590	5,590	5,590	5,590
Other Minor Adjustments		132	526	24	(52)	317
<b>New MTFS Totals</b>	<b>4,747,444</b>	<b>4,903,760</b>	<b>4,906,223</b>	<b>5,106,600</b>	<b>5,204,047</b>	<b>5,635,638</b>

## 3.0 CAPITAL

- 3.1 The detailed Draft Capital Programme for the period 2019/20 to 2023/24 is shown in **Table 18** 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 2019/20 Minimum Revenue Position (MRP) is £2.4m. In addition there is an MRP increase in 2020/21 of £0.1m as a result of the funding of the general 2019/20 Capital Programme. The MRP for the CIS programme is £1.9m.

**Table 18**

Capital Programme	Budget 2018/19 £000s	Medium Term Financial Strategy				
		2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
<b>Gross Expenditure</b>						
<b>Community</b>						
CCTV Camera Replacements	220					
CCTV Pathfinder House Resilience	20					
CCTV Wi-Fi	250					
Lone Worker Software	20					
Scanner		16				
Printing Equipment	176					
Environmental Health Software		40				
<b>Development</b>						
Alconbury Weald Remediation	980					
Disabled Facilities Grants	2,232	2,250	2,250	2,200	2,150	2,100
Huntingdon West Development	553					
A14 Upgrade		200	200	200	200	200
Housing Company		206				
<b>Leisure and Health</b>						
One Leisure St Neots Synthetic Pitch	390					
One Leisure Improvements	406	317	306	296	285	300
One Leisure Huntingdon Changing Facilities	9					
One Leisure Huntingdon Development	21					
One Leisure St Neots Pool	279					
One Leisure St Ives Burgess Hall	2					
One Leisure St Ives - New Fitness Offering	125					
One Leisure St Ives - New Fitness Offering (Rephase)		125				
One Leisure Ramsey 3G	334					
One Leisure Ramsey 3G (Rephase)		266				
One Leisure St Ives Swimming Changing Rooms		250				
One Leisure Impressions Equipment		531				
<b>Resources</b>						
Industrial Unit Roof Replacement	162					
Income Management Software		62				
Oak Tree Car Park Development			1,500	6,500		
Alms Close Development		1,022				
Huntingdon Redevelopment					8,000	8,095
St Ives Redevelopment					3,500	2,500
Financial Management System Replacement	46					
FMS Archive Solution	14					
Capita Upgrade	1					
Oak Tree Remedial Works		950				
Loan Facility to Huntingdon Town Council	800					
Investment in Trading Company	100					
Health and Safety Works on Commercial Properties	60					
Energy Efficiency Works at Commercial Properties	44	25	25	10	10	
VAT Partial Exemption	241	59	24	21	21	18
<b>Customer Services</b>						
E-forms						
Pathfinder House Reception DWP						
<b>3C ICT</b>						
Flexible Working - 3CSS	65					
Telephones - 3CSS						
Robotics		50				
ICT Transformation	520					



<b>Operations</b>						
Hinchingbrooke Country Park Wooden Bridge	55					
Fencing		10	12	13	13	13
Building Efficiencies - Salix	38					
Building Efficiencies - Salix (Rephase)		19				
Wheeled Bins	240	236	238	254	254	254
Vehicle Fleet Replacement	1,012	35	2,358	1,131	1,027	1,518
Play Equipment	40	35	53	30	30	30
Re-Fit Buildings	455					
Re-Fit Buildings (Rephase)		37				
Parking Strategy		315	37	80		
Bridge Place Car Park Godmanchester	27	107				
Bridge Place Car Park Godmanchester (Rephase)		277				
Operations Back Office	112					
Operations Back Office (Rephase)		253				
Pathfinder House Reception	139					
<b>Transformation</b>						
Customer Relationship Management	80					
<b>Total Gross Expenditure</b>	<b>10,268</b>	<b>7,693</b>	<b>7,003</b>	<b>10,735</b>	<b>15,490</b>	<b>15,028</b>

Capital Programme	Budget	Medium Term Financial Strategy				
	2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
<b>Financing</b>						
<b>Grants and Contributions</b>						
DFGs	(1,248)	(1,150)	(1,200)	(1,200)	(1,200)	(1,200)
Pathfinder House Reception	(256)					
Wheeled Bins	(120)	(92)	(93)	(101)	(101)	(101)
Health and Safety Works on Commercial Properties	(20)					
Play Equipment	(14)					
One Leisure Huntingdon Changing Rooms	(9)					
Synthetic Pitch	(274)	(116)				
One Leisure 3G Ramsey	(184)					
Back Office Reserve	(112)	(117)				
<b>Total Grants and Contributions</b>	<b>(2,237)</b>	<b>(1,475)</b>	<b>(1,293)</b>	<b>(1,301)</b>	<b>(1,301)</b>	<b>(1,301)</b>
<b>Use of Capital Reserves</b>						
Alconbury Remediation Works Reserve	(979)					
Community Infrastructure Levy Reserve	(553)					
<b>Total Capital Reserves</b>	<b>(1,532)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Receipts</b>						
Bridge Place Sale	(14)	(384)				
Loan Repayments	(320)	(320)	(320)	(320)	(320)	(320)
Housing Clawback Receipts	(500)	(500)	(450)	(400)	(400)	(400)
<b>Total Capital Receipts</b>	<b>(834)</b>	<b>(1,204)</b>	<b>(770)</b>	<b>(720)</b>	<b>(720)</b>	<b>(720)</b>
<b>Use of Earmarked Reserves</b>						
Financial Management System Replacement	(46)					
Capital Grant to Huntingdon Town Council						
Investment in Trading Company	(100)					
ICT Transformation	(520)					
FMS Archive	(14)					
<b>To Earmarked Reserves</b>	<b>(680)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net to be funded by borrowing (Internal)</b>	<b>4,985</b>	<b>5,014</b>	<b>4,940</b>	<b>8,714</b>	<b>13,469</b>	<b>13,007</b>

*Internal Borrowing – this is from internal cash resources (working capital) from within the balance sheet (cash, debtors and creditor).*

## 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 2019/20.

- **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 £5,000; this is based on an estimated daily cash flow balance of £13.0m and a cost of borrowing based on an estimated interest rate of 0.30%.

- **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 2019/20, it is forecast that the total balances in respect of long-term borrowing will be £20.4m. The estimated cost of long term borrowing in 2019/20 is £0.61m.

4.2 During 2019/20 further long-term borrowing will occur to finance the Commercial Investment Strategy. Borrowing of up to £30m is estimated, with an estimated cost of £1.9k in 2019/20 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 **Table 19** gives a summary of how, over the period of the MTFs, the Council's capital commitments and plans impact on its underlying need to borrow. **Tables 20** and **21** provide a more detailed breakdown of the CFR between the Council's mainstream Capital programme and the Capital Investment Strategy (CIS) respectively.

**Table 19**

Capital Financing Requirement - Total	Budget 2018/19 £000s	Medium Term Financial Strategy				
		2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
Opening Capital Financing Requirement	46,647	74,090	73,296	73,871	77,931	86,655
Closing Capital Financing Requirement	74,090	73,296	73,871	77,931	86,655	94,500
<b>Increase/(Decrease) in Underlying Need to Borrow</b>	<b>27,443</b>	<b>(794)</b>	<b>574</b>	<b>4,060</b>	<b>8,724</b>	<b>7,845</b>

**Table 20**

Capital Financing Requirement - General Capital Programme	Budget 2018/19 £000s	Medium Term Financial Strategy				
		2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
<b>Opening Capital Financing Requirement</b>	<b>41,637</b>	<b>44,574</b>	<b>47,166</b>	<b>49,637</b>	<b>55,593</b>	<b>66,213</b>
<b>Capital Investment</b>						
Property, Plant and Equipment	4,999	2,635	3,028	1,825	1,630	2,133
Investment Properties	266	1,997	1,525	6,510	11,510	10,595
Intangible Assets	338	405	0	0	0	0
Revenue Expenditure Funded From Capital Under Statute	2,785	2,450	2,450	2,400	2,350	2,300
Repayable Advances	1,880	206	0	0	0	0
<b>Additional Requirement</b>	<b>10,268</b>	<b>7,693</b>	<b>7,003</b>	<b>10,735</b>	<b>15,490</b>	<b>15,028</b>
<b>Sources of Finance</b>						
Capital Receipts	(834)	(1,204)	(770)	(720)	(720)	(720)
Capital Grants and Contributions	(2,237)	(1,475)	(1,293)	(1,301)	(1,301)	(1,301)
Use of Capital Grants Unapplied	(1,532)	0	0	0	0	0
Direct Revenue Financing	(680)	0	0	0	0	0
Minimum Revenue Provision	(2,048)	(2,422)	(2,470)	(2,758)	(2,849)	(3,266)
	(7,331)	(5,101)	(4,533)	(4,779)	(4,870)	(5,287)
<b>Closing Capital Financing Requirement</b>	<b>44,574</b>	<b>47,166</b>	<b>49,637</b>	<b>55,593</b>	<b>66,213</b>	<b>75,954</b>
<b>Increase/(Decrease) in Underlying Need to Borrow</b>	<b>2,937</b>	<b>2,592</b>	<b>2,470</b>	<b>5,956</b>	<b>10,620</b>	<b>9,741</b>

**Table 21**

Capital Financing Requirement - Commercial Investment Strategy	Budget	Medium Term Financial Strategy				
	2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
<b>Opening Capital Financing Requirement</b>	<b>5,010</b>	<b>29,516</b>	<b>26,130</b>	<b>24,234</b>	<b>22,338</b>	<b>20,442</b>
Capital Investment						
Investments	30,000					
<b>Additional Requirement</b>	<b>30,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources of Finance</b>						
Capital Investment Earmarked Reserve	(3,598)	(1,490)				
Minimum Revenue Provision	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)
	(5,494)	(3,386)	(1,896)	(1,896)	(1,896)	(1,896)
<b>Closing Capital Financing Requirement</b>	<b>29,516</b>	<b>26,130</b>	<b>24,234</b>	<b>22,338</b>	<b>20,442</b>	<b>18,546</b>
<b>Increase/(Decrease) in Underlying Need to Borrow</b>	<b>24,506</b>	<b>(3,386)</b>	<b>(1,896)</b>	<b>(1,896)</b>	<b>(1,896)</b>	<b>(1,896)</b>

## 6.0 Formal 2019/20 Council Tax Resolutions

6.1 The formal 2019/20 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 3 December 2018 (and subsequent publication as a key decision).  
**The tax base (T) which is the amount anticipated from a District Council Tax of £1 is** **£61,749**
- b) That the following amounts calculated by the Council for 2019/20 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 **£75,971,155**  
**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 **£61,245,848**  
**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 **£ 14,725,307**  
**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 2019/20 divided by the tax base (T) in accordance with Section 31B (1) of the Act **£238.47**  
**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. **£5,946,820**  
**The total value of Parish/Town precepts included in i and iii above.**
- (vi) the Basic Amount of Council Tax for 2019/20 being item iv less item v divided by the tax base (T) in accordance with Section 34 (2) of the Act. **£142.16**  
**The District Council’s Band D Tax for 2019/20**

- (vii) the basic amounts of Council Tax for 2019/20 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 2019/20 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 2019/20 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 2019/20 is not excessive. ***The basic amount at b(vi) above is not excessive as defined by the Government.***

## 6.2 Tax Base 2019/20

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 2019/20 be 61,749 and shall be as listed below for each Town or Parish of the District:

Abbotsley	261
Abbots Ripton	136
Alconbury	561
Alconbury Weston	292
Alwalton	115
Barham & Woolley	30
Bluntisham	735
Brampton	2,075
Brington & Molesworth	167
Broughton	92
Buckden (inc Diddington)	1,176
Buckworth	53
Bury	628
Bythorn & Keyston	145
Catworth	152
Chesterton	60
Colne	362
Conington	72
Covington	45
Denton & Caldecote	26
Earith	586
Easton	82
Ellington	237
Elton	288
Farcet	527
Fenstanton	1,229
Folksworth & Washingley	350
Glatton	131
Godmanchester	2,661
Grafham	238
Great & Little Gidding	127
Great Gransden	449
Great Paxton	366
Great Staughton	328
Haddon	24
Hail Weston	247
Hamerton & Steeple Gidding	51
Hemingford Abbots	330
Hemingford Grey	1,280
Hilton	455
Holme	237
Holywell-cum-Needingworth	979
Houghton & Wyton	777
Huntingdon	7,510
Kimbolton & Stonely	597
Kings Ripton	84
Leighton Bromswold	79
Little Paxton	1,553

Morborne	11
Offord Cluny & Offord D'Arcy	534
Old Hurst	101
Old Weston	98
Perry	268
Pidley-cum-Fenton	172
Ramsey	2,843
St Ives	5,985
St Neots	10,980
Sawtry	1,879
Sibson-cum-Stibbington	225
Somersham	1,397
Southoe & Midloe	154
Spaldwick	251
Stilton	773
Stow Longa	70
The Stukeleys	654
Tilbrook	123
Toseland	38
Upton & Coppingford	84
Upwood & The Raveleys	433
Warboys	1,470
Waresley-cum-Tetworth	143
Water Newton	45
Winwick	46
Wistow	227
Woodhurst	157
Woodwalton	82
Wyton-on-the-Hill	422
Yaxley	2,947
Yelling	152
	<b>61,749</b>



**6.3 2019/20 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 27 February when the Council receives the precepts from Cambridgeshire County Council, Fire and Police Authorities.***

**6.4 Total 2019/20 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 27 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 2019 to March 2020 have been included in **Annex A**. These fees and charges are correct at the time of reporting but there may be changes throughout the year that will be agreed by the Executive Councillor and the S151 Officer.

## **8.0 Robustness of the 2019/20 Budget and Medium Term Financial Strategy**

- 8.1 The Section 25 of Local Government Act 2003 requires me, as the Council's Responsible Financial Officer, to report on the robustness of the 2019/20 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 2018/19 Quarter 3 Integrated Performance Report is reporting a forecast overspend of £343k in respect of service expenditure. This is the second overspend that the Council has had in as many years. The overspend has reduced since the last quarter as a consequence of increase income. However, the main reasons for the overspend still centre around Operations and Leisure & Health and is due to the changing business of the Council and the market that the Council operates in.

- 8.2.2 As in previous years, the Council has reviewed its service expenditure; however, this time Executive Councillors have led the budget setting process. In liaison with the Senior Management Team, savings and growth proposals (£1.9m and £1.7m respectively) have been developed by officers and Executive Councillors have reviewed and individually agreed each proposal. As ever, the Finance Team has provided the central support to services and the whole process has been overseen by the Head of Resources (S151 officer).

- 8.2.3 In addition to the Executive Councillor review, the Council:

- continues to embed the Transformation programme (MOSAIC) into the core business of the Council. This includes the development of work-stream reviews, supported by an ongoing continuous improvement process that follows Lean principles, service Huddles, commercialisation through new ways of working, the development of a wholly owned company that will permit the Council to operate in a more private sector 'for profit' environment, and further expansion of the Commercial Investment Strategy,
- developed funding proposals that help to mitigate the current uncertainty relating to Fair Funding and the other 'known' impacts of the current Strategic Spending Review, and
- the Executive has chosen to increase Council Tax by 2.6% (£3.60 for a Band D equivalent property).

### **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 For the past few years, the public sector has, as a whole, been facing 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. More recently, independent insights into future government funding propositions are clearly showing a direction of travel that indicates an even more challenging financial environment. However, as discussed in previous financial performance reports, the Council continues to take proactive action to effectively manage the financial consequences of austerity.

8.3.3 Following the 2019/20 provisional settlement announced in December 2018, **Table 22** clearly shows that the grant funding streams for the Councils MTFs for 2019/20 and for the period up to 2023/24 has moved when compared to the preceding year. For:

- 2019/20 the total grant included in last year's MTFs was £10.4m; following the provisional settlement this has now increased to £10.7m; a increase of £314k (3%). This is mainly due to an increase in NDR of £949k and a reduction in NHB of £635k.
- 2020/21 the total grant in last year's MTFs was £10.3m, this has now decreased to £8.3m; this reflects a decrease of £2m. However, this reflects a reduction in s.31 grant of £150k, a prudent estimate of the impact of Fair Funding of £650k and a reduction in NHB of £1.2m.
- 2021/22 onwards the Councils net grants position continues to decline until 2023/24 when it will be £1.1m less than 2021/22.

Between 2019/20 and 2023/24, the net reduction in grant is £3.4m (32%).

**Table 22**

	Comparison of Grant Assumptions: 2018/19 Budget & 2019/20 Budget and MTFS (2020/21 to 2023/24)					
	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>2018/19 Budget &amp; MTFS</b>						
NDR	5,841	5,958	6,077	6,199	6,323	
S31	1,729	1,729	1,729	1,729	1,729	
RSG	604	0	(150)	(304)	(397)	
FFR Adjust	0	0	0	0	0	
NHB	2,718	2,673	2,673	2,673	2,673	
<b>Total</b>	<b>10,892</b>	<b>10,360</b>	<b>10,329</b>	<b>10,297</b>	<b>10,328</b>	
<b>2019/20 Budget &amp; MTFS</b>						
NDR		6,907	6,077	6,199	6,323	6,449
S31		1,729	1,579	1,579	1,579	1,579
RSG		0	(150)	(150)	(150)	(150)
FFR Adjust		0	(650)	(650)	(650)	(650)
NHB		2,038	1,474	881	427	0
<b>Total</b>		<b>10,674</b>	<b>8,330</b>	<b>7,859</b>	<b>7,529</b>	<b>7,228</b>
<b>Variance between Grant Assumptions</b>						
NDR	0	949	0	0	0	
S31	0	0	(150)	(150)	(150)	
RSG	0	0	0	154	247	
FFR Adjust	0	0	(650)	(650)	(650)	
NHB	0	(635)	(1,199)	(1,792)	(2,246)	
<b>Total</b>	<b>0</b>	<b>314</b>	<b>(1,999)</b>	<b>(2,438)</b>	<b>(2,799)</b>	
	%	%	%	%	%	
NDR	0.0	15.9	0.0	0.0	0.0	
S31	0.0	0.0	-8.7	-8.7	-8.7	
RSG	0.0	0.0	-100.0	-100.0	-100.0	
FFR Adjust	0.0	0.0	-100.0	-100.0	-100.0	
NHB	0.0	-23.8	-44.9	-67.0	-84.0	
<b>Total</b>	<b>0.0</b>	<b>3.0</b>	<b>-19.4</b>	<b>-23.7</b>	<b>-27.1</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 Executive have reviewed their budgets, with significant emphasis within the Leisure and Health and Operations services.

## 8.4 Governance

- 8.4.1 Noted within the 2017/18 Annual Governance Statement (AGS) both the Executive Leader and the Managing Director consider that:

*“After conducting a review of the governance arrangements across the Council and overall compliance with the Council’s Code of Corporate Governance, we are satisfied that the arrangements are effective.*

*Over the course of the year it has become clear there are a number of overarching issues that are regularly informing and influencing the budget, performance and service delivery discussions at both Member and Officer level (e.g. homelessness/working with partners to keep people in their own home/service transformation).*

*The National Audit Office amongst other Local Government organisations are increasingly identifying these challenges as the issues that are likely to exert pressure on how the Council operates and how its finances are deployed during the period of the medium term financial*

strategy. These issues will also impact upon Corporate Plan objectives and shape its future direction.

Traditionally this statement has contained matters for which the Council itself was wholly responsible. In a climate of increasing partnership and public service reform, it is felt that this approach does not address the risks that are of greatest potential impact to the authority and the achievement of its objectives. The statement reflects a more strategic outlook in considering matters that could severely impair the Council's financial position and, therefore, its ability to function (or indeed identifying new opportunities to be realised). Consequently this statement details five themes that will be required to be addressed across the forthcoming financial years."

The five themes that were included in the Annual Governance Statement are:

1	Housing Affordability	<i>Leading to homelessness and constraining growth.</i>
2	Morbidity/Growing number of years of ill health	<i>Impacting on people's ability to be self-reliant and generating additional cost through support needs.</i>
3	Wider economic environment	<i>Impact of Commercial Investment Strategy/Business rates receipts and level of need from residents.</i>
4	Skills level and educational attainment	<i>As a means by which residents are able to attract profitable work and in attracting employers to the area.</i>
5	Partner agency operational pressures	<i>Financial challenges of partners impacting on demand for our services or reducing existing support.</i>

8.4.2 In June 2018, the Council's Internal Audit and Risk Manager reported to the Corporate Governance Committee that the assurance given for the year to 31 March 2018 was:

".....the Council's internal control environment and systems of internal control as at 31 March 2018 provide adequate assurance over key business processes and financial systems".

## 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 to give 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.

### Mitigation of Unforeseen Events

8.5.2 The Council has always taken a very prudent position in ensuring that it maintains its General Fund (Unallocated) Reserve at percentage of Net Expenditure. In December 2015 the minimum threshold for the General Fund (Unallocated) Reserve was 15%.

However, to help mitigate a situation whereby an event could occur that would potentially have a negative financial impact on the Council, the Council has for a long time had a clear process in place. Where a situation has occurred that is 'service' specific, the

- first call for funding will be from compensating savings from elsewhere within the service, and if none are possible then savings from the wider Councils budget (service first, wider Council thereafter),
- second call for funding will be general service reductions. Such an approach will inevitably have an impact on service delivery,
- and finally, the use of General Fund reserves would be considered.

Where a situation arises that is 'corporate' in nature, then consideration will be given to the aforementioned first and second calls, but there is likely to be earlier considerations of using General Fund reserves.

8.5.3 During 2016/17 the Council introduced the Budget Surplus Earmarked Reserve; the aim of this reserve is to "mop-up" service underspends that would cause the General Fund to be higher than the minimum threshold. This has been developed further to provide a means by which surpluses could be distinguished between those due to unspent NHB or in-services savings. With regard to:

- Unspent NHB, such underspends are passported through to the Commercial Investment Earmarked Reserve. Therefore enabling the Council to ring-fence funds that are available for Commercial Investment and/or service development.
- In-service savings, such underspends can be ring-fenced to provide a 'smoothing' fund to meet future years estimated deficits.

8.5.4 The technical definition of General Fund Reserves includes the General Fund (Unallocated) Reserve as well as all 'revenue' Earmarked Reserves. In the context of making General Fund Reserve balances available to meet unforeseen events, the Council has self-limited this to the General Fund (Unallocated) Reserve itself as well as the Budget Surplus Earmarked Reserve. The Commercial Investment Reserve is not included in the following risk modelling assessment as this is the means by which the Council is able to invest to provide medium term financial sustainability – to include the Commercial Investment Reserve could give an overly 'optimistic' view of financial resilience. Consequently, to mitigate such events and secure the delivery (and security) of day-to-day business, the schedule of call-off would be:

- General Fund (Unallocated) Reserve, and then the
- Budget Surplus Earmarked Reserve.

As an absolute last resort, only then would the Commercial Investment Earmarked Reserve be applied.

#### Risk Modelling

8.5.5 It is essential that relevant risks are identified and appropriate sensitivity analysis applied to determine the impact of such risks on the Councils financial standing – and consequently the delivery of the Councils day-to-day business. The most significant potential risks to the budget are:

- Under achievement 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.
- estate property enhancement/development.
- increased demand on services (e.g. benefits and homelessness).
- level of retained business rates.

#### 8.5.6 Taking each of the above in turn:

- **Underachievement of Savings & Additional Income**

The savings included within the budget total £1.9m. 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 £582k.

- **Inflation**

With regard to:

- **Pay**  
The budget for 2019/20 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 £23m; a further 1% for sensitivity equates to £233k.
- **On-Boarding of Variable Hours Staff**  
A risk remains whereby variable hours Council staff should be fully contracted staff. Some staff may elect to remain on zero-hours contracts whereas others may wish to be formally contracted. This risk 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 hour’s contract is modelled, this would be £300k.
- **Business Rates (those payable by HDC)**  
The budget for 2019/20 includes a Business Rates budget of £1.2m. Considering the changing occupancy of the Council’s 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 £60k.
- **General Inflation**  
No general inflation has been included in the 2019/20 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 2019/20 assuming a borrowing cost of £53k (for non-CIS borrowing) based on a rate of between 3.4% and 4.4%. If this rate increased by 0.25% the cost



of borrow would increase proportionally, for sensitivity purposes a 75% impact is modelled which equates to £40k.

- **Reduced income: Fees and Charges**

Total fees and charges are £17.9m, therefore, for sensitivity analysis a 2% loss of income from fees and charges would amount to £358k. The largest income streams that are susceptible to variation include:

- Car Parks, £2.6m (Off-Street).
- Leisure Centres, £7.4m
- Commercial Estate, £5.6m
- Planning Fees, £1.7m

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

Total forecast CIS income is £5.6m; considering the reduced acquisition rate that has been encountered during 2018/19, for sensitivity analysis purposes if there was a 25% loss of income from rental income this would equate to £1.4m.

- **Reduced income: New Homes Bonus**

For 2019/20 the Council's NHB is £2.0m; it is expected that in due course the government will announce some significant changes to the scheme. The Council has modelled that by 2023/24 the Council will no longer receive such funding. However, for sensitivity purposes the Council is including a 10% reduction in NHB, reflecting £204k.

- **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. the development of new buildings, it is very difficult to judge when development will commence on allocated land even if planning permission has been granted.

Prior to 2017/18, it had been established that the government's assessment of growth for the District was somewhat optimistic when compared to actual growth. Similar to last year, for 2019/20 the Council has taken a more prudent line by formulating its own assessment for NDR receipts (£5.9m) and only increased thereafter by 2% per annum. Directly linked to NDR are S.31 grants, this is government grant that compensates local government for it being required to exceed the minimum statutory regulations for certain thresholds as a consequence of government priorities (i.e. increasing the 'small business relief' limit above that required by law). The assessed S.31 receipts for 2019/20 are £1.7m.

Although it is fair to say that any NDR reduction would be limited by the existence of the safety net (i.e. it provides a statutory limitation to losses), it is fair to apply sensitivity to the gap between the safety net and the estimated NDR receipt. Losses can be accrued in a number of ways; reduce NDR as a consequence of business failure, demolition or catastrophic event, but are more usually impacted due to rating appeals (some of which

can take many years to conclude). In respect of:

- NDR, the gap between the estimated income (£5.9m) and the safety net (£4.1m) is £1.8m; 10% sensitivity reduction will be applied giving £180k.
- S.31, a 5% sensitivity reduction will be applied giving £86k.

As noted in **Table 4** (paragraph 1.2.7), the Council's share of the NDR surplus in respect of Business Rates is £989k, a 15% sensitivity will be applied giving £148k.

The above is a more granular approach to sensitivity than in previous years; this is considered prudent as the Council moves closer to a position of full financial sustainability.

- **Failure of a Borrower**

The current counterparty limit is lending of £5.0m to a single institution.

The main "borrowing" risk rests whether the lending is either on a short or long term basis. 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. However, with Brexit drawing closer and the financial impacts still being relatively unknown, it would be prudent to include some sensitivity in respect of cash flow. Therefore, the average amount lent to an institution at any given time is around £4.0m; if this amount was lost and the Council had to borrow from the PWLB, at current rates this would amount to a cost of £85k. This block amount is included in the sensitivity analysis.

- **Emergency**

As is normal for a business, different types of risk are mitigated in many different ways. Some risks are insured against, so losses are limited to the excesses payable and also, the Government's Bellwin Scheme meets a large proportion, over a threshold, of the costs of any significant peacetime emergencies (e.g. severe flooding). Further, the Council does maintain its General Fund Reserves at a fair 'minimum' level and their use in respect of Mitigation of Unforeseen Events is discussed in detail at paragraphs 8.5.2 and 8.5.3.

With specific regard to 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 £500k, with retrospective reporting to Cabinet. A 50% allocation (£250k) of the £500k is included within the sensitivity analysis.

- **Estate property enhancement/development**

With the Council increasing its CIS Estate and the ‘aging’ of its current Operational Estate, it is fair to include a risk in respect of future property enhancement. For sensitivity modelling purposes, the currently estimated cost of enhancement is £155k, for sensitivity purposes if 80% of this was required this would give a cost of £124k.

- **Increased demands on services**

Many of the services provided by the Council are susceptible to an increase in demand. However, over the past few years the most susceptible that have had a significant revenue impact are homelessness and Council Tax Support.

With regard to homelessness, the budget for 2019/20 is £1.3m and for Council Tax Support is £6.6m; if there was a 10% increase in demand for each this would require an additional £795k (£130k and £665k respectively). In addition, ICT has identified savings totalling £2.1m, if say 7% of this was not achieved this would amount to £150k.

- **Council Tax**

The Council has chosen to increase Council Tax for a third year; 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 2.6% (£3.60) which it views as an amount that is affordable to its residents (and discussed in detail in the Draft Budget Report that went to Cabinet in January). An increase of 2.6% represents around £222k, as this is a marginal increase no further sensitivity has been undertaken. It should be noted that the Council could have chosen to have increased by the higher of either 3% or £5.

### **Sensitivity for 2019/20 Budget**

8.5.7 Considering the risks noted above and the stated budget assumptions, the accumulated total cash risk is £5m. 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 23** shows this detailed analysis and in summary the additional pressure within 2019/20, based on the likelihood of occurrence, is as follows:

- Pessimistic view, additional pressure of: £2.2m
- Middle-View, additional pressure of: £1.7m
- Optimistic View, additional pressure of: £1.2m

### **Table 23**

Table 23		Sensitivity of Risks to 2019/20 Budget & Funding Options									
Risk		Costs Included in 2019/20 budget £000	Sensitivity Impact		Likelihood of Occurrence						
			+/-	Cost £000	Pessimistic		Middle-Way		Optimistic		
					Factor	£000	Factor	£000	Factor	£000	
Underachievement of Savings & Additional Income		1,941	Savings not achieved	30%	582	0.7	407	0.2	116	0.1	58
Inflation	Pay	23,258	Pay increase from 1% to 2%	1%	233	0.6	140	0.3	70	0.1	23
	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)	1,197	Business Rates vary due to change in liability etc	5%	60	0.2	12	0.3	18	0.5	30
	Investment/Borrowing Costs	53	Difference between Borrowing increased from 3.4% to 4.4%	75%	40	0.2	8	0.5	20	0.3	12
Reduced Income	Fees & Charges	(17,894)	Reduction in income.	2%	358	0.3	107	0.4	143	0.3	107
	CIS Income	(5,580)	Reduction in income.	25%	1,395	0.3	419	0.4	558	0.3	419
	New Homes Bonus	(2,038)	Reduction in NHB following change to "needs" system and consequential redistribution.	10%	204	0.3	61	0.4	82	0.3	61
Government Grant	NDR - Difference between Safety Net and Budgeted Receipts	(1,800)	Reduced NDR receipts.	10%	180	0.6	108	0.3	54	0.1	18
	S.31 Grant	(1,729)	Not all grant received.	5%	86	0.6	52	0.3	26	0.1	9
	Collection Fund Surplus	(989)	Collection Fund Surplus not as significant as forecast.	15%	148	0.6	89	0.3	44	0.1	15
Failure of Borrower		85	Cost of borrowing from PWLB if Council lost £4m (average amount lent to a borrower)	100%	85	0.2	17	0.5	43	0.3	26
Emergency		500	Immediate use of funds in the event of a local emergency	50%	250	0.2	50	0.5	125	0.3	75
Maintenance	Property Maintenance and Enhancement	155	Estate property enhancement/development	80%	124	0.8	99	0.1	12	0.1	12
Increased Demand of Services	Homelessness	1,296	Increase in demand	10%	130	0.4	52	0.5	65	0.1	13
	ICT	2,145	Additional service requirement	7%	150	0.8	120	0.1	15	0.1	15
	Council Tax Support	6,645	Increase in demand	10%	665	0.4	266	0.3	200	0.3	200
<b>Total Sensitivity</b>					<b>4,990</b>		<b>2,187</b>		<b>1,651</b>		<b>1,153</b>
<b>OVERALL TEST FOR BUDGETARY RISK</b>											
Estimated General Fund (Unallocated) Reserve at 31 March 2020							2,573		2,573		2,573
Budget Surplus Reserve at 31 March 2020							3,820		3,820		3,820
<b>Total Estimated Reserves at 31 March 2020 (*)</b>							<b>6,393</b>		<b>6,393</b>		<b>6,393</b>
<b>Conclusion of Sensitivity i.e. Estimated Reserves less Sensitivity</b>											
- Upon comparing 'Total Sensitivity' to Total Estimated Reserves, do Reserves remain positive? (*)							<b>Yes</b>		<b>Yes</b>		<b>Yes</b>
- Upon comparing 'Total Sensitivity' to the Minimum Level of General Fund (Unallocated) Reserves (15% of Net Expenditure), does Reserve Remain Positive							<b>Yes</b>		<b>Yes</b>		<b>Yes</b>
- If 'Total Sensitivity' Risk occurred, what would be the reduction in General Fund (Unallocated) Reserves							<b>85.0%</b>		<b>64.2%</b>		<b>44.8%</b>
* Note: HDC has set a minimum level of General Fund (unallocated) Reserves of 15%. However, in a 'crisis' situation the Council has immediately available, as well as the General Fund, the Budget Surplus Reserve. Therefore, for this 'Sensitivity Exercise' both Reserves will be considered.											

8.5.8 This analysis shows that if the most 'pessimistic' position occurred, the Councils General Fund (Unallocated) Reserves alone would be insufficient to meet this additional cost. However, if it also included the Budget Surplus Reserve it would have sufficient resources to meet this cost.

## 8.6 Revenue Reserves

### Reserves for 2019/20 and the MTFs Period (2020/21 to 2023/24)

8.6.1 There is no statutory minimum level of reserves; however, as noted at 8.5.2 Cabinet has approved a new minimum threshold for its General Fund (Unallocated) Reserves of 15% of the Net Revenue Budget of the Council. The primary aim of the General Fund is to provide a safety net for unforeseen expenditure.

8.6.2 In addition to the General Fund, and as shown in 8.5.2 to 8.5.3 the operates a number of reserves; including the Budget Surplus Reserve, the Commercial Investment Reserve and a number of specific Earmarked Reserves. The purpose of the latter is to meet known potential liabilities arising from Statutory Commitments, Know Risks, Future or Political Commitments and costs associated with Transformation and Commercialisation.

8.6.3 However, to ensure the adequacy of the Councils Reserves (i.e. their robustness) it is essential to determine if the Councils revenue reserves are sufficient to meet the assessed risks (8.5.7). To determine this, a two stage comparison will be undertaken in that the “likelihood of occurrence” of a risk will be compared to two sets of reserves. The detailed analysis is shown in **Table 24** and relevant commentary is shown below.

#### **Stage 1 – The Primary Test of Financial Resilience**

The “likelihood of occurrence” of the assessed risks will be compared against the General Fund (Unallocated) Reserve and the Budget Surplus Reserve – in this way the CIS Reserve can be used over the life of the MTFS to invest in commercial property that will generate a long term revenue stream.

As shown in **Table 24**, both reserves can meet the assessed risks until 2021/22; thereafter the minimum level of reserves threshold is breached.

#### **Stage 2 – The Secondary Test of Financial Resilience**

The Stage 2 assessment is a ‘complete’ test, in that it also brings into the assessment the Commercial Investment Reserve. This clearly shows that the Council would have sufficient resources to meet the modelled risks but this does mean that the Council would not be able to invest all the Commercial Investment Reserve as planned and therefore it would negate future income streams that would have supported ongoing service delivery obligations. However, it is highly unlikely that the Stage 2 scenario would occur as management would significantly intervened before the Council got anywhere near to this position.

**Table 24**

<b>Table 24</b>		<b>Impact of 2019/20 Sensitivity of Risks on the MTF5 General Fund Reserves Profile</b>														
<b>General Fund Reserve and Budget Surplus Reserve</b>		<b>2019/20 £000</b>			<b>2020/21 £000</b>			<b>2021/22 £000</b>			<b>2022/23 £000</b>			<b>2023/24 £000</b>		
General Fund Reserve c/f		2,573			2,505			2,702			2,726			2,795		
Budget Surplus Reserve c/f		3,820			3,164			1,408			155			1		
<b>Minimum Level of Reserves (*)</b>		<b>6,393</b>			<b>5,669</b>			<b>4,110</b>			<b>2,881</b>			<b>2,796</b>		
		2,573			2,505			2,702			2,726			2,795		
		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)		2,187	1,651	1,153	2,187	1,651	1,153	2,187	1,651	1,153	2,187	1,651	1,153	2,187	1,651	1,153
<b>Estimated Reserves c/f</b>		<b>4,206</b>	<b>4,742</b>	<b>5,240</b>	<b>3,482</b>	<b>4,018</b>	<b>4,516</b>	<b>1,923</b>	<b>2,459</b>	<b>2,957</b>	<b>694</b>	<b>1,230</b>	<b>1,728</b>	<b>609</b>	<b>1,145</b>	<b>1,643</b>
- Do Reserves remain above Minimum Level of Reserves		Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	No	No	No	No	No
<b>General Fund Reserve, Budget Surplus Reserve and Commercial Investment Reserve</b>		<b>2018/19 £'000</b>			<b>2019/20 £'000</b>			<b>2020/21 £'000</b>			<b>2021/22 £'000</b>			<b>2022/23 £'000</b>		
General Fund Reserve c/f		2,573			2,505			2,702			2,726			2,795		
Budget Surplus Reserve c/f		3,820			3,164			1,408			155			1		
Commercial Investment Reserve c/f		7,037			8,511			9,392			9,819			8,724		
<b>Minimum Level of Reserves (*)</b>		<b>13,430</b>			<b>14,180</b>			<b>13,502</b>			<b>12,700</b>			<b>11,520</b>		
		2,573			2,505			2,702			2,726			2,795		
		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)		2,187	1,651	1,153	2,187	1,651	1,153	2,187	1,651	1,153	2,187	1,651	1,153	2,187	1,651	1,153
<b>Estimated Reserves c/f</b>		<b>11,243</b>	<b>11,779</b>	<b>12,277</b>	<b>11,993</b>	<b>12,529</b>	<b>13,027</b>	<b>11,315</b>	<b>11,851</b>	<b>12,349</b>	<b>10,513</b>	<b>11,049</b>	<b>11,547</b>	<b>9,333</b>	<b>9,869</b>	<b>10,367</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 the General Fund (Unallocated) Reserve, the Budget Surplus and Commercial Investment 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 2018/19 and 2019/20 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 6% of its net expenditure – as summarised in **Table 25** below and shown on the “Plan on a Page” at **Appendix 3**.

**Table 25**

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<b>Plan on a Page - Approved MTFS 2019/20 - 2022/23</b>				
<b>Approved MTFS Net Expenditure</b>	<b>16,699</b>	<b>18,010</b>	<b>18,172</b>	<b>18,631</b>
Plan on a Page - new savings required from MTFS	(724)	(1,559)	(1,229)	(1,180)
Plan on a Page - % savings required from MTFS	-4%	-9%	-7%	-6%
<b>Budget Requirement (adjusted for savings required)</b>	<b>15,975</b>	<b>16,451</b>	<b>16,943</b>	<b>17,451</b>

8.6.6 The Council should be rightly proud of the progress it has made over the past few years, especially as it has been able to maintain a similar gap at the end of the new MTFS to that of last year even with the significant grant reductions. And with the “MOSAIC” Transformation programme underway and the continued commercialisation of its services, this gap should close in the near future.

## 8.7 Conclusion

- **2019/20 Budget**

Considering all the factors noted within the “Robustness” statement in respect of 2019/20, 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 2019/20 should not give Members any significant concerns over the Council’s financial position.

- **Medium Term Financial Strategy (2020/21 to 2023/24)**

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

- expected reduction in NHB,
- the implications of Fair Funding 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 FCPFA**

Responsible Financial Officer (Section 151)

**ADDENDUM TO S.25 STATEMENT**

The Chartered Institute of Public Finance and Accountancy (CIPFA) has issued a “Financial Resilience Index” (the index) and it has recommended that S.151 officers should refer to the index when they make comment within their S.25 statements. However, as the index is a ‘beta-version’ (draft) CIPFA has elected that the index must not be made public.

Upon reviewing the draft index, 7 of the 10 are in respect of reserves; especially how a council’s reserves have moved over the past three financial years. For Huntingdonshire, this shows an unfavourable result because over the period the council has chosen to use its reserves to generate a sustainable, medium term income stream.

**Initial conclusions on draft index**

With this index concentrating its view on the use of reserves, I consider this is a very narrow view and have consequently robustly challenged ‘its worth’ with CIPFA; other senior officers have similarly challenged with the Local Government Association.

**RFO reflection on index**

As CIPFA requires me to reflect on the index, my commentary is as follows:

The index shows a skewed view of the Councils ‘Financial Resilience’ because the council has made sound decisions on how it wants to use its reserves; further it has in place robust financial and performance management process and practices that ensure that it has good financial and performance governance. Some detailed commentary is shown below:

- The primary reason that the Council has reduced its General Fund (Unallocated) Reserves from £9.3m at the end of March 2015 to £2.5m at the end of March 2016 was to release funds to enable it to invest in Commercial Property. When the council was holding £9.3m in its General Fund (Unallocated) Reserve, it would have been investing these funds at less than 1%; this would have generated an optimistic annual income of approximately £93k. However, by releasing the £6.8m it has been able to invest in commercial assets which are generating a return of well above 5%



e.g. the Shawlands Retail Park, one of 5 commercial investments acquired since early 2016, cost the council £6.5m and is currently generating a return of 7.1%, £465k per annum – significantly more than would have been generated if the funds had been left in the bank. ***This is good Treasury Management.***

- Since the Council reduced its General Fund (Unallocated) Reserve, it has proactively monitored the Reserve to ensure that it is maintained at the currently agreed minimum threshold of 15% of Net Expenditure; this threshold has never been breached. ***This is good Financial Management.***
- Along with the General Fund (Unallocated) Reserve, the Council also maintains the Budget Surplus Reserves (used to meet the ‘peaks and troughs’ of service budgetary performance) and the Commercial Investment Reserve (ring-fenced funds to invest in commercial property, thereby securing long term sustainable income). In addition, the Council maintains a series of Earmarked Reserves to meet a number of organisational, political and transformational risks. ***This is good Risk Management and is Financially Prudent.***
- The Council has invested in a wide range of soft and hard assets and continues to invest in its workforce. Further, the council has in placed a Transformation and Commercialisation programme that will fundamentally change the councils ‘ways of working’ and how it will work with its broad range of customers. All supported by good financial, service and corporate plans that, in detail, provide the guidance to achieve corporate and political objectives. ***This is good Organisational and Financial Planning.***
- The Council has good processes and practices in place to identify its strategic and tactical risks, financial and operational performance; including reporting to respective stakeholders. These include, but not limited to, the Budget Report, Annual Financial Report, Annual Governance Statement, Integrated Performance Report. In addition, the council has a robust Internal Audit service that is operationally independent. ***This is good Financial and Performance Management.***

Over and above, the Council’s external auditors have consistently given the Council an unqualified opinion on both the Statement of Accounts and Value for Money.

#### **RFO conclusion**

In conclusion, I consider CIPFA’s Index is too simplistic a tool to enable a constructive commentary on the financial strength and resilience of the Council. The Council has used its surplus reserves effectively to maximise the long term benefits to the Council, in addition it has strong processes and practices in place to ensure good financial resilience which have been consistently endorsed by the Council’s external auditor.





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**ANNEX A - FEES AND CHARGES**

Huntingdonshire District Council - Fees and Charges as at April 2019											% Change from 2018/19
Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Net charge	VAT	Total Charge		
							£	£	£		
<b>Development</b>											
<b>Planning Application Fees - these are set Nationally and were last changed on 15th April 2015</b>											
	Prior Approval	Agricultural and Forestry buildings and operations or demolition of buildings		S	Apr-15	N	80.00	0.00	80.00	0.00%	
		Telecommunications code systems operators		S	Apr-15	N	385.00	0.00	385.00	0.00%	
		Proposed change of use to state funded or registered nursery		S	Apr-15	N	80.00	0.00	80.00	0.00%	
		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	0.00%	
		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	0.00%	
		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	0.00%	
		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	0.00%	
		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	0.00%	
		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	0.00%	
		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	0.00%	
	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	0.00%	
	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	0.00%	
		Request for confirmation that one or more planning conditions have been complied with	Per request for householder	S	Apr-15	N	28.00	0.00	28.00	0.00%	
			otherwise per request	S	Apr-15	N	97.00	0.00	97.00	0.00%	
	Change of use of a building to use as one or more separate dwelling houses, or other cases		Not more than 50 dwellings for each	S	Apr-15	N	385.00	0.00	385.00	0.00%	
		More than 50 dwellings		S	Apr-15	N	19,049.00	0.00	19,049.00	0.00%	
			plus for each in excess of 50 up to a maximum of	S	Apr-15	N	115.00	0.00	115.00	0.00%	
	Other changes of use of a building or land			S	Apr-15	N	385.00	0.00	385.00	0.00%	
	Advertising	Relating to the business on the premises		S	Apr-15	N	110.00	0.00	110.00	0.00%	
		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	0.00%	
		Other advertisements		S	Apr-15	N	385.00	0.00	385.00	0.00%	
	Application for a new planning permission to replace an extant planning permission	Application in respect of major developments		S	Apr-15	N	575.00	0.00	575.00	0.00%	
		Applications in respect of householder developments		S	Apr-15	N	57.00	0.00	57.00	0.00%	
		Application in respect of other developments		S	Apr-15	N	195.00	0.00	195.00	0.00%	
	Application for a non-material amendment following a grant of planning permission	Application in respect of householder development		S	Apr-15	N	28.00	0.00	28.00	0.00%	
		Application in respect of other developments		S	Apr-15	N	195.00	0.00	195.00	0.00%	
<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		D	Mar-16	S	152.00	30.40	182.40	0.00%	
		2-9 additional dwellings proposed		D	Mar-16	S	304.00	60.80	364.80	0.00%	
		10-59 additional dwellings proposed		D	Mar-16	S	1,518.00	303.60	1,821.60	0.00%	
		60-200 additional dwellings proposed		D	Mar-16	S	6,900.00	1,380.00	8,280.00	0.00%	
		200+ additional dwellings proposed		D	Mar-16	S	13,800.00	2,760.00	16,560.00	0.00%	
	Written Advice only - Agricultural buildings	0 - 465 sq m additional floor space		D	Mar-16	S	76.60	15.32	91.92	0.00%	
		466 sq m additional floor space		D	Mar-16	S	152.00	30.40	182.40	0.00%	
	Written Advice only - Other buildings	0 - 99 sq m additional floor space		D	Mar-16	S	152.00	30.40	182.40	0.00%	
		100 - 1000 sq m additional floor space		D	Mar-16	S	304.00	60.80	364.80	0.00%	
		1001 - 5000 sq m additional floor space		D	Mar-16	S	1,518.00	303.60	1,821.60	0.00%	
		5001 - 10,000 sq m additional floor space		D	Mar-16	S	4,140.00	828.00	4,968.00	0.00%	
		10,001 + sq m additional floor space		D	Mar-16	S	5,520.00	1,104.00	6,624.00	0.00%	
	Written Advice only - Plant, machinery, car parks, service roads & other means of access	0 - 1 Hectare		D	Mar-16	S	76.60	15.32	91.92	0.00%	
		1+ hectare		D	Mar-16	S	152.00	30.40	182.40	0.00%	

## Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Net charge	VAT	Total Charge	% Change from 2018/19
	Written Advice only - Change of use land or buildings	Per site		D	Mar-16	S	152.00	30.40	182.40	0.00%
	Written Advice only - advertisements	Per business premises or site		D	Mar-16	S	76.60	15.32	91.92	0.00%
	Meeting at Pathfinder House prior to written advice	With Head of Development as most senior officer in attendance	per hour	D	Mar-16	S	198.00	39.60	237.60	0.00%
		With Planning Services Manager as most senior officer in attendance	per hour	D	Mar-16	S	171.00	34.20	205.20	0.00%
		With Planning Team Leader as most senior officer in attendance	per hour	D	Mar-16	S	79.00	15.80	94.80	0.00%
		With development Management officer/Specialist officer as most senior officer in attendance	per hour	D	Mar-16	S	66.00	13.20	79.20	0.00%
	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	396.00	79.20	475.20	0.00%
		With Planning Services Manager as most senior officer in attendance	per hour	D	Mar-16	S	343.00	68.60	411.60	0.00%
		With Planning Team Leader as most senior officer in attendance	per hour	D	Mar-16	S	158.00	31.60	189.60	0.00%
		With development Management officer/Specialist officer as most senior officer in attendance	per hour	D	Mar-16	S	79.00	15.80	94.80	0.00%
	Major Development - meeting only at Pathfinder House	With Head of Development as most senior officer in attendance	per hour	D	Mar-16	S	198.00	39.60	237.60	0.00%
		With Planning Services Manager as most senior officer in attendance	per hour	D	Mar-16	S	171.00	34.20	205.20	0.00%
		With Planning Team Leader as most senior officer in attendance	per hour	D	Mar-16	S	79.00	15.80	94.80	0.00%
		With development Management officer/Specialist officer as most senior officer in attendance	per hour	D	Mar-16	S	66.00	13.20	79.20	0.00%
	Major Development - meeting only away from Pathfinder House	With Head of Development as most senior officer in attendance	per hour	D	Mar-16	S	396.00	79.20	475.20	0.00%
		With Planning Services Manager as most senior officer in attendance	per hour	D	Mar-16	S	343.00	68.60	411.60	0.00%
		With Planning Team Leader as most senior officer in attendance	per hour	D	Mar-16	S	158.00	31.60	189.60	0.00%
		With development Management officer/Specialist officer as most senior officer in attendance	per hour	D	Mar-16	S	79.00	15.80	94.80	0.00%
	Major Development - specific work	By Planning Service Manager	per hour	D	Mar-16	S	92.00	18.40	110.40	0.00%
		By Planning Team Leader	per hour	D	Mar-16	S	79.00	15.80	94.80	0.00%
		By Development Management Officer or Specialist Officer	per hour	D	Mar-16	S	66.00	13.20	79.20	0.00%
	Planning History searches	Per Search	per hour	D	Mar-16	S	89.00	17.80	106.80	0.00%
	Admin fee on Invalid Planning Application refunds		per refund	D	Mar-16	S	66.00	13.20	79.20	0.00%
<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 information</b>										
		Extension or annex with a floor area over 10m2 but under 40m2	Plan charge	S	Apr-16	S	150.00	30.00	180.00	0.00%
		Extension or annex with a floor area over 10m2 but under 40m2	Inspection charge	S	Apr-16	S	285.00	57.00	342.00	0.00%
		Extension or annex with a floor area over 40m2 but under 100m2	Plan charge	S	Apr-16	S	150.00	30.00	180.00	0.00%
		Extension or annex with a floor area over 40m2 but under 100m2	Inspection charge	S	Apr-16	S	390.00	78.00	468.00	0.00%
		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	0.00%
		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	0.00%
		Extension or annex. Floor does not exceed 40m2	Full Plans	S	Apr-16	S	440.00	88.00	528.00	0.00%
		Extension or anne. Floor area 40m2 but not exceeding 70m2	Full Plans	S	Apr-16	S	550.00	110.00	660.00	0.00%
		Garage, car port or store building. Floor area does not exceed 60m2	Full Plans	S	Apr-16	S	350.00	70.00	420.00	0.00%
	Domestic loft and garage conversions	Loft conversion with a floor area up to 40m2	Plan charge	S	Apr-16	S	154.00	30.80	184.80	3.00%
		Loft conversion with a floor area up to 40m2	Inspection charge	S	Apr-16	S	286.00	57.20	343.20	0.00%
		Loft conversion with a floor area over 40m2 but less than 60m2	Plan charge	S	Apr-16	S	175.00	35.00	210.00	17.00%
		Loft conversion with a floor area over 40m2 but less than 60m2	Inspection charge	S	Apr-16	S	325.00	65.00	390.00	-6.00%
		Conversion of garage to living accommodation	Plan charge	S	Apr-16	S	160.00	32.00	192.00	7.00%
		Loft conversion. Floor area does not exceed 40m2	Full Plans	S	Apr-16	S	440.00	88.00	528.00	0.00%
		Loft conversion. Floor area 40m2 but not exceeding 60m2	Full Plans	S	Apr-16	S	500.00	100.00	600.00	0.00%
		Domestic garage conversion. Floor area does not exceed 40m2	Full Plans	S	Apr-16	S	270.00	54.00	324.00	0.00%
	Domestic alterations	Conversion of garage to living accommodation	Inspection charge	S	Apr-16	S	110.00	22.00	132.00	0.00%
		Internal alterations £0 - £5,000	Plan charge	S	Apr-16	S	180.00	36.00	216.00	0.00%
		Internal alterations £0 - £5,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Internal alterations £5,001 - £10,000	Plan charge	S	Apr-16	S	300.00	60.00	360.00	7.00%
		Internal alterations £5,001 - £10,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Estimated cost of work over £10000 but less than £20000	Plan charge	S	Apr-16	S	140.00	28.00	168.00	-7.00%
		Estimated cost of work over £10000 but less than £20000	Inspection charge	S	Apr-16	S	220.00	44.00	264.00	18.00%
		Estimated cost of work over £20000 but less than £50000	Plan charge	S	Apr-16	S	157.50	31.50	189.00	5.00%
		Estimated cost of work over £20000 but less than £50000	Inspection charge	S	Apr-16	S	292.50	58.50	351.00	3.00%
		Estimated cost of work over £50000 but less than £75000	Plan charge	S	Apr-16	S	192.50	38.50	231.00	28.00%
		Estimated cost of work over £50000 but less than £75000	Inspection charge	S	Apr-16	S	357.50	71.50	429.00	-7.00%
		Internal alterations £10,001 - £20,000	Full Plans	S	Apr-16	S	400.00	80.00	480.00	0.00%
		Internal alterations £20,001 - £50,000	Full Plans	S	Apr-16	S	450.00	90.00	540.00	0.00%
		Internal alterations £50,001 - £75,000	Full Plans	S	Apr-16	S	550.00	110.00	660.00	0.00%
		Replacement of windows, roof lights and external glazed doors	Plan Charge	S	Apr-16	S	150.00	30.00	180.00	50.00%
		Replacement of windows, roof lights and external glazed doors	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Renewable Energy systems up to £20,000	Plan Charge	S	Apr-16	S	160.00	32.00	192.00	14.00%
		Renewable Energy systems up to £20,000	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Notifiable electrical Work - Not carried out under Part P registered electrician	Plan Charge	S	Apr-16	S	250.00	50.00	300.00	4.00%
		Notifiable electrical Work - Not carried out under Part P registered electrician	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Drainage works up to £5,000	Plan Charge	S	Apr-16	S	150.00	30.00	180.00	50.00%
		Drainage works up to £5,000	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Renovation of thermal elements	Plan Charge	S	Apr-16	S	150.00	30.00	180.00	7.00%
		Renovation of thermal elements	Inspection Charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
	New dwellings and conversion to dwellings	1 dwelling	Plan charge	S	Apr-16	S	199.50	39.90	239.40	11.00%
		1 dwelling	Inspection charge	S	Apr-16	S	370.50	74.10	444.60	-4.00%
		2 dwellings	Plan charge	S	Apr-16	S	357.00	71.40	428.40	43.00%
		2 dwellings	Inspection charge	S	Apr-16	S	663.00	132.60	795.60	-14.00%

**Huntingdonshire District Council - Fees and Charges as at April 2019**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Charges			% Change from 2018/19
							Net charge	VAT	Total Charge	
							£	£	£	
	3 dwellings	Plan charge		S	Apr-16	S	484.75	96.95	581.70	51.00%
	3 dwellings	Inspection charge		S	Apr-16	S	900.25	180.05	1,080.30	-15.00%
	4 dwellings	Plan charge		S	Apr-16	S	584.50	116.90	701.40	50.00%
	4 dwellings	Inspection charge		S	Apr-16	S	1,085.50	217.10	1,302.60	-15.00%
	5 dwellings	Plan charge		S	Apr-16	S	644.00	128.80	772.80	40.00%
	5 dwellings	Inspection charge		S	Apr-16	S	1,196.00	239.20	1,435.20	-13.00%
	6 dwellings	Plan charge		S	Apr-16	S	530.00	106.00	636.00	0.00%
	6 dwellings	Inspection charge		S	Apr-16	S	1,480.00	296.00	1,776.00	0.00%
	7 dwellings	Plan charge		S	Apr-16	S	550.00	110.00	660.00	0.00%
	7 dwellings	Inspection charge		S	Apr-16	S	1,560.00	312.00	1,872.00	0.00%
	8 dwellings	Plan charge		S	Apr-16	S	570.00	114.00	684.00	0.00%
	8 dwellings	Inspection charge		S	Apr-16	S	1,640.00	328.00	1,968.00	0.00%
	9 dwellings	Plan charge		S	Apr-16	S	590.00	118.00	708.00	0.00%
	9 dwellings	Inspection charge		S	Apr-16	S	1,720.00	344.00	2,064.00	0.00%
	10 dwellings	Plan charge		S	Apr-16	S	620.00	124.00	744.00	0.00%
	10 dwellings	Inspection charge		S	Apr-16	S	1,880.00	376.00	2,256.00	0.00%
	1 dwelling	Full Plans		S	Apr-16	S	570.00	114.00	684.00	0.00%
	2 dwellings	Full Plans		S	Apr-16	S	1,020.00	204.00	1,224.00	0.00%
	3 dwellings	Full Plans		S	Apr-16	S	1,385.00	277.00	1,662.00	0.00%
	4 dwellings	Full Plans		S	Apr-16	S	1,670.00	334.00	2,004.00	0.00%
	5 dwellings	Full Plans		S	Apr-16	S	1,840.00	368.00	2,208.00	0.00%
<p>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.</p>										
Domestic Extensions and annexes	Extensions or annexes with a floor area over 10m2 but under 40m2	Building notice		S	Apr-16	S	480.00	96.00	576.00	0.00%
	Extensions or annexes with a floor area over 10m2 but under 40m2	Regularisation		S	Apr-16	N	720.00	0.00	720.00	16.00%
	Extensions or annexes with a floor area over 40m2 but under 100m2	Building notice		S	Apr-16	S	600.00	120.00	720.00	1.00%
	Extensions or annexes with a floor area over 40m2 but under 100m2	Regularisation		S	Apr-16	N	900.00	0.00	900.00	17.00%
	Garage, car port or covered way extension with floor area up to 60m2	Building notice		S	Apr-16	S	380.00	76.00	456.00	2.00%
	Garage, car port or covered way extension with floor area up to 60m2	Regularisation		S	Apr-16	N	570.00	0.00	570.00	17.00%
Domestic loft and garage conversions	Loft conversion with a floor area up to 40m2	Building notice		S	Apr-16	S	480.00	96.00	576.00	0.00%
	Loft conversion with a floor area up to 40m2	Regularisation		S	Apr-16	N	720.00	0.00	720.00	16.00%
	Loft conversion with a floor area over 40m2 but less than 60m2	Building notice		S	Apr-16	S	550.00	110.00	660.00	1.00%
	Loft conversion with a floor area over 40m2 but less than 60m2	Regularisation		S	Apr-16	N	825.00	0.00	825.00	16.00%
	Conversion of garage to living accommodation	Building notice		S	Apr-16	S	290.00	58.00	348.00	1.00%
	Conversion of garage to living accommodation	Regularisation		S	Apr-16	N	435.00	0.00	435.00	17.00%
Domestic alterations	Estimated cost of work less than £5000	Building notice		S	Apr-16	S	200.00	40.00	240.00	1.00%
	Estimated cost of work less than £5000	Regularisation		S	Apr-16	N	300.00	0.00	300.00	17.00%
	Estimated cost of work over £5000 but less than £10000	Building notice		S	Apr-16	S	310.00	62.00	372.00	1.00%
	Estimated cost of work over £5000 but less than £10000	Regularisation		S	Apr-16	N	465.00	0.00	465.00	16.00%
	Estimated cost of work over £10000 but less than £20000	Building notice		S	Apr-16	S	410.00	82.00	492.00	1.00%
	Estimated cost of work over £10000 but less than £20000	Regularisation		S	Apr-16	N	615.00	0.00	615.00	16.00%
	Estimated cost of work over £20000 but less than £50000	Building notice		S	Apr-16	S	500.00	100.00	600.00	5.00%
	Estimated cost of work over £20000 but less than £50000	Regularisation		S	Apr-16	N	750.00	0.00	750.00	21.00%
	Estimated cost of work over £50000 but less than £75000	Building notice		S	Apr-16	S	600.00	120.00	720.00	9.00%
	Estimated cost of work over £50000 but less than £75000	Regularisation		S	Apr-16	N	900.00	0.00	900.00	26.00%
	Renovation of thermal element	Building notice		S	Apr-16	S	150.00	30.00	180.00	7.00%
	Renovation of thermal element	Regularisation		S	Apr-16	N	225.00	0.00	225.00	24.00%
	Replacement of windows, roof light and external glazed doorways	Building notice		S	Apr-16	S	160.00	32.00	192.00	45.00%
	Replacement of windows, roof light and external glazed doorways	Regularisation		S	Apr-16	N	240.00	0.00	240.00	68.00%
	Installation of renewable energy systems up to £20,000	Building notice		S	Apr-16	S	170.00	34.00	204.00	10.00%
	Installation of renewable energy systems up to £20,000	Regularisation		S	Apr-16	N	255.00	0.00	255.00	28.00%
	Drainage works up to the value of £5000	Building notice		S	Apr-16	S	150.00	30.00	180.00	50.00%
	Drainage works up to the value of £5000	Regularisation		S	Apr-16	N	225.00	0.00	225.00	73.00%
	Notifiable electrical Work - Not carried out under Part P registered electrician	Building notice		S	Apr-16	S	250.00	50.00	300.00	0.00%
	Notifiable electrical Work - Not carried out under Part P registered electrician	Regularisation		S	Apr-16	N	375.00	0.00	375.00	0.00%
New dwellings and conversion to dwellings	1 dwelling	Building notice		S	Apr-16	S	630.00	126.00	756.00	1.00%
	1 dwelling	Regularisation		S	Apr-16	N	945.00	0.00	945.00	17.00%
	2 dwellings	Building notice		S	Apr-16	S	1,130.00	226.00	1,356.00	1.00%
	2 dwellings	Regularisation		S	Apr-16	N	1,695.00	0.00	1,695.00	16.00%
	3 dwellings	Building notice		S	Apr-16	S	1,530.00	306.00	1,836.00	0.00%
	3 dwellings	Regularisation		S	Apr-16	N	2,295.00	0.00	2,295.00	16.00%
	4 dwellings	Building notice		S	Apr-16	S	1,850.00	370.00	2,220.00	1.00%
	4 dwellings	Regularisation		S	Apr-16	N	2,775.00	0.00	2,775.00	16.00%
	5 dwellings	Building notice		S	Apr-16	S	2,030.00	406.00	2,436.00	0.00%
	5 dwellings	Regularisation		S	Apr-16	N	3,042.00	0.00	3,042.00	16.00%
	6 dwellings	Building notice		S	Apr-16	S	2,211.00	442.20	2,653.20	0.00%
	6 dwellings	Regularisation		S	Apr-16	N	2,874.00	0.00	2,874.00	0.00%
	7 dwellings	Building notice		S	Apr-16	S	2,321.00	464.20	2,785.20	0.00%
	7 dwellings	Regularisation		S	Apr-16	N	3,017.00	0.00	3,017.00	0.00%
	8 dwellings	Building notice		S	Apr-16	S	2,431.00	486.20	2,917.20	0.00%
	8 dwellings	Regularisation		S	Apr-16	N	3,155.00	0.00	3,155.00	0.00%
	9 dwellings	Building notice		S	Apr-16	S	2,541.00	508.20	3,049.20	0.00%
	9 dwellings	Regularisation		S	Apr-16	N	3,303.00	0.00	3,303.00	0.00%
	10 dwellings	Building notice		S	Apr-16	S	2,750.00	550.00	3,300.00	0.00%
	10 dwellings	Regularisation		S	Apr-16	N	3,575.00	0.00	3,575.00	0.00%
Non-domestic alterations	Replacement windows, roof light and glazed doors up to £20,000	Plan charge		S	Apr-16	S	200.00	40.00	240.00	82.00%
	Replacement windows, roof light and glazed doors up to £20,000	Inspection charge		S	Apr-16	S	0.00	0.00	0.00	0.00%
	Replacement windows, roof light and glazed doors up to £20,000	Regularisation		S	Apr-16	N	300.00	0.00	300.00	110.00%

## Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Net charge	VAT	Total Charge	% Change from 2018/19
		Replacement windows, roof light and glazed doors £20,000 to £100,000	Plan charge	S	Apr-16	S	250.00	50.00	300.00	11.00%
		Replacement windows, roof light and glazed doors £20,000 to £100,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Replacement windows, roof light and glazed doors £20,000 to £100,000	Regularisation	S	Apr-16	N	375.00	0.00	375.00	28.00%
		Renovation of a thermal element with an estimated cost up to £50,000	Plan charge	S	Apr-16	S	200.00	40.00	240.00	43.00%
		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	0.00%
		Renovation of a thermal element with an estimated cost up to £50,000	Regularisation	S	Apr-16	N	300.00	0.00	300.00	65.00%
		Renewable energy systems up to £50,000	Plan charge	S	Apr-16	S	200.00	40.00	240.00	43.00%
		Renewable energy systems up to £50,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Renewable energy systems up to £50,000	Regularisation	S	Apr-16	N	300.00	0.00	300.00	65.00%
		Estimated cost of works up to £5,000	Plan charge	S	Apr-16	S	250.00	50.00	300.00	25.00%
		Estimated cost of works up to £5,000	Inspection charge	S	Apr-16	S	0.00	0.00	0.00	0.00%
		Estimated cost of works up to £5,000	Regularisation	S	Apr-16	N	375.00	0.00	375.00	44.00%
		Estimated cost of work over £5000 but less than £10000	Plan charge	S	Apr-16	S	150.00	30.00	180.00	0.00%
		Estimated cost of work over £5000 but less than £10000	Inspection charge	S	Apr-16	S	160.00	32.00	192.00	0.00%
		Estimated cost of work over £5000 but less than £10000	Regularisation	S	Apr-16	N	510.00	0.00	510.00	27.00%
		Estimated cost of work over £10000 but less than £20000	Plan charge	S	Apr-16	S	150.00	30.00	180.00	0.00%
		Estimated cost of work over £10000 but less than £20000	Inspection charge	S	Apr-16	S	250.00	50.00	300.00	0.00%
		Estimated cost of work over £10000 but less than £20000	Regularisation	S	Apr-16	N	660.00	0.00	660.00	27.00%
		Estimated cost of work over £20000 but less than £50000	Plan charge	S	Apr-16	S	175.00	35.00	210.00	0.00%
		Estimated cost of work over £20000 but less than £50000	Inspection charge	S	Apr-16	S	350.00	70.00	420.00	0.00%
		Estimated cost of work over £20000 but less than £50000	Regularisation	S	Apr-16	N	847.00	0.00	847.00	24.00%
		Estimated cost of work over £50000 but less than £100000	Plan charge	S	Apr-16	S	225.00	45.00	270.00	0.00%
		Estimated cost of work over £50000 but less than £100000	Inspection charge	S	Apr-16	S	450.00	90.00	540.00	0.00%
		Alteration £20,001 - £50,000	Regularisation	S	Apr-16	N	1,072.00	0.00	1,072.00	22.00%
		Alteration £5,001 - £10,000	Full Plans	S	Apr-16	S	340.00	68.00	408.00	0.00%
		Alteration 10,001 - £20,000	Full Plans	S	Apr-16	S	440.00	88.00	528.00	0.00%
		Alteration £20,001 - £50,000	Full Plans	S	Apr-16	S	565.00	113.00	678.00	0.00%
		Alteration £50,001 - £75,000	Full Plans	S	Apr-16	S	715.00	143.00	858.00	0.00%
<b>Operations</b>										
<b>Refuse Collection</b>										
	Household Bulky		1-3 items	D		N	35.00	0.00	35.00	52.00%
	Household Bulky		4-6 items	D		N	50.00	0.00	50.00	56.00%
	Household Bulky		7-10 items	D		N	75.00	0.00	75.00	56.00%
	Commercial Bulky		Per hour	D		N	150.00	0.00	150.00	50.00%
	Second Green Bin		Per annum	D		N	50.00	0.00	50.00	25.00%
	Bins for New			D		N				
	Developments		set of 3	D		N	150.00	0.00	0.00	0.00%
	Delivery Charge	Domestic wheel bin	per bin	D		N	14.00	0.00	0.00	0.00%
	Commercial Waste	1100L Residual	per lift	D		N	15.80	0.00	15.30	3.00%
	Commercial Waste	1100L Recycling	per lift	D		N	10.30	0.00	10.00	3.00%
	Commercial Waste	660L Residual	per lift	D		N	11.30	0.00	11.00	3.00%
	Commercial Waste	660 Recycling	per lift	D		N	7.70	0.00	7.50	3.00%
	Commercial Waste	240L Residual	per lift	D		N	4.65	0.00	4.50	3.00%
	Commercial Waste	240L Recycling	per lift	D		N	4.10	0.00	4.00	3.00%
	Commercial Waste	1100L Residual	collection only	D		N	9.50	0.00	9.20	3.00%
	Commercial Waste	1100L Recycling	collection only	D		N	10.30	0.00	10.00	3.00%
	Commercial Waste	660L Residual	collection only	D		N	6.80	0.00	6.60	3.00%
	Commercial Waste	661 Recycling	collection only	D		N	7.70	0.00	7.50	3.00%
	Commercial Waste	240L Residual	collection only	D		N	3.15	0.00	3.05	3.00%
	Commercial Waste	240L Recycling	collection only	D		N	4.10	0.00	4.00	3.00%
								0.00		
<b>Markets</b>										
	St Ives Weekly	Casual Traders - per pitch	10ft Pitch			E	24.20	0.00	24.20	3.00%
	Markets	Permanent traders - per pitch	10ft Pitch			E	18.00	0.00	18.00	3.00%
		Additional Pitches Friday	10ft Pitch			E	10.30	0.00	10.30	3.00%
		Additional Pitches Monday	10ft Pitch			E	11.35	0.00	11.35	3.00%
	Huntingdon Weekly	Huntingdon Wednesday Market	10ft Pitch (Prime Pitch)			E	19.50	0.00	19.50	3.00%
	Market	Huntingdon Wednesday Market	10ft Pitch (Intermediate 1)			E	15.40	0.00	15.40	3.00%
		Huntingdon Wednesday Market	10ft Pitch (Intermediate 2)			E	14.40	0.00	14.40	3.00%
		Huntingdon Wednesday Market	10ft Pitch (Intermediate 3)			E	13.40	0.00	13.40	3.00%
		Huntingdon Wednesday Market	10ft Pitch (End Pitch)			E	10.25	0.00	10.25	3.00%
		Huntingdon Saturday Market	10ft Pitch (Prime Pitch)			E	22.70	0.00	22.70	3.00%
		Huntingdon Saturday Market	10ft Pitch (Intermediate 1)			E	20.60	0.00	20.60	3.00%
		Huntingdon Saturday Market	10ft Pitch (Intermediate 2)			E	19.00	0.00	19.00	3.00%
		Huntingdon Saturday Market	10ft Pitch (Intermediate 3)			E	18.00	0.00	18.00	3.00%
		Huntingdon Saturday Market	10ft Pitch (Intermediate 4)			E	15.50	0.00	15.50	3.00%
		Huntingdon Saturday Market	10ft Pitch (Intermediate 5)			E	14.40	0.00	14.40	3.00%
		Huntingdon Saturday Market	10ft Pitch (End Pitch)			E	10.30	0.00	10.30	3.00%
	St Ives Bank Holiday	Market Hill regular trader	10ft Pitch			E	26.00	0.00	26.00	0.00%
	Markets	Market Hill non - regular trader	10ft Pitch			E	34.00	0.00	34.00	0.00%
		Market Hill casual trader (on the day) RAINING AT 8am	10ft Pitch			E	36.00	0.00	36.00	0.00%
		Market Hill casual trader (on the day) DRY AT 8am	10ft Pitch			E	45.00	0.00	45.00	0.00%
	Electricity supply	per day				S	4.90	0.25	5.15	3.00%
		per day	1100 L			N	0.00	0.00	0.00	
<b>Fair</b>										
	Fair Huntingdon	Riverside car park	per day	D		Z	1,020.00	0.00	1,020.00	2.00%



## Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Net charge	VAT	Total Charge	% Change from 2018/19
<b>Car parking</b>										
Car Parking charges	Huntingdon - Riverside - Short stay	Up to 1hr	D	S			0.33	0.07	0.40	0.00%
		Up to 2hr	D	S			0.50	0.10	0.60	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon -Riverside - Long stay	Up to 1 hr	D	S			0.33	0.07	0.40	0.00%
		Up to 2 hr	D	S			0.50	0.10	0.60	0.00%
		Up to 3 hr	D	S			0.75	0.15	0.90	0.00%
		Up to 4 hr	D	S			1.00	0.20	1.20	0.00%
		4hr to 10 hr	D	S			1.67	0.33	2.00	0.00%
		10hr to 23 hr	D	S			2.50	0.50	3.00	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Godmanchester - Bridge Place - Long stay	Up to 1 hr	D	S			0.33	0.07	0.40	0.00%
		Up to 2 hr	D	S			0.50	0.10	0.60	0.00%
		Up to 3 hr	D	S			0.75	0.15	0.90	0.00%
		Up to 4 hr	D	S			1.00	0.20	1.20	0.00%
		4hr to 10 hr	D	S			1.67	0.33	2.00	0.00%
		10hr to 23 hr	D	S			2.50	0.50	3.00	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	St Neots - Riverside - Long stay	Up to 1 hr	D	S			0.33	0.07	0.40	0.00%
		Up to 2 hr	D	S			0.50	0.10	0.60	0.00%
		Up to 3 hr	D	S			0.75	0.15	0.90	0.00%
		Up to 4 hr	D	S			1.00	0.20	1.20	0.00%
		4hr to 23 hr	D	S			1.67	0.33	2.00	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Hinchingsbrooke Country Park	Up to 2 hr	D	S			0.83	0.17	1.00	0.00%
		2 hr to a maximum of 6 hr	D	S			1.67	0.33	2.00	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Sainsbury	Up to 1 hr	D	S			0.67	0.13	0.80	0.00%
		Up to 2 hr	D	S			1.00	0.20	1.20	0.00%
		Up to 3 hr	D	S			1.83	0.37	2.20	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Princes Street	Up to 1 hr	D	S			0.67	0.13	0.80	0.00%
		Up to 2 hr	D	S			1.00	0.20	1.20	0.00%
		Up to 3 hr	D	S			1.83	0.37	2.20	0.00%
		Up to 4 hr	D	S			2.67	0.53	3.20	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Trinity Place	Up to 1 hr	D	S			0.00	0.00	0.80	0.00%
		Up to 2 hr	D	S			0.00	0.00	1.20	0.00%
		Up to 3 hr	D	S			0.00	0.00	2.20	0.00%
		Up to 4 hr	D	S			0.00	0.00	3.20	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	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	0.00%
		Up to 4 hr	D	S			0.00	0.00	3.20	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Mill Common	Up to 1hr	D	S			0.67	0.13	0.80	0.00%
		Up to 2 hr	D	S			1.00	0.20	1.20	0.00%
		Up to 3 hr	D	S			1.50	0.30	1.80	0.00%
		Up to 4 hr	D	S			2.00	0.40	2.40	0.00%
		Up to 23 hr	D	S			2.50	0.50	3.00	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Great Northern Street	Up to 1hr	D	S			0.67	0.13	0.80	0.00%
		Up to 2 hr	D	S			1.00	0.20	1.20	0.00%
		Up to 3 hr	D	S			1.50	0.30	1.80	0.00%
		Up to 4 hr	D	S			2.00	0.40	2.40	0.00%
		Up to 23 hr	D	S			2.50	0.50	3.00	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Ingram Street	Up to 1hr	D	S			0.67	0.13	0.80	0.00%
		Up to 2 hr	D	S			1.00	0.20	1.20	0.00%
		Up to 3 hr	D	S			1.50	0.30	1.80	0.00%
		Up to 4 hr	D	S			2.00	0.40	2.40	0.00%
		Up to 23 hr	D	S			2.50	0.50	3.00	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - St Germain Street (Minor)	Up to 30 minutes	D	S			0.33	0.07	0.40	0.00%
		Up to 1 hr	D	S			0.67	0.13	0.80	0.00%
		Up to 2 hr	D	S			1.00	0.20	1.20	0.00%
		Up to 3 hr	D	S			1.83	0.37	2.20	0.00%
		Up to 4 hr	D	S			2.67	0.53	3.20	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Chequers Way - Disabled	Free	D				0.00	0.00	0.00	0.00%
	to be closed March 2017									0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	Huntingdon - Anglian Water car park closed	All day	D	S			0.00	0.00	0.00	0.00%
		Daily bay suspension inc events	D	S			0.00			0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%
	St Neots - Priory Lane	Up to 1 hr	D	S			0.67	0.13	0.80	0.00%
		Up to 2 hr	D	S			1.00	0.20	1.20	0.00%
		Up to 3 hr	D	S			1.83	0.37	2.20	0.00%
		Up to 4 hr	D	S			2.67	0.53	3.20	0.00%
		Daily bay suspension inc events	D	S			5.00			0.00%

**Huntingdonshire District Council - Fees and Charges as at April 2019**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Net charge	VAT	Total Charge	% Change from 2018/19
		St Neots - Brook Street	Up to 30 minutes	D		S	0.33	0.07	0.40	0.00%
			Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Up to 3 hr	D		S	1.83	0.37	2.20	0.00%
			Up to 4 hr	D		S	2.67	0.53	3.20	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		St Neots - Tan Yard	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Up to 3 hr	D		S	1.83	0.37	2.20	0.00%
			Up to 4 hr	D		S	2.67	0.53	3.20	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		St Neots - The Priory	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Up to 3 hr	D		S	1.50	0.30	1.80	0.00%
			Up to 4 hr	D		S	2.00	0.40	2.40	0.00%
			Up to 23 hr	D		S	2.50	0.50	3.00	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		St Neots - Tebbutts Road	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Up to 3 hr	D		S	1.50	0.30	1.80	0.00%
			Up to 4 hr	D		S	2.00	0.40	2.40	0.00%
			Up to 23 hr	D		S	2.50	0.50	3.00	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		St Ives - Cattle market - short stay	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Up to 3 hr	D		S	1.83	0.37	2.20	0.00%
			Up to 4 hr	D		S	2.67	0.53	3.20	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		St Ives - Cattle market - Harrison Road)	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Up to 3 hr	D		S	1.50	0.30	1.80	0.00%
			Up to 4 hr	D		S	2.00	0.40	2.40	0.00%
			Up to 23 hr	D		S	2.50	0.50	3.00	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		St Ives - Darwoods Pond	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Up to 3 hr	D		S	1.50	0.30	1.80	0.00%
			Up to 4 hr	D		S	2.00	0.40	2.40	0.00%
			Up to 23 hr	D		S	2.50	0.50	3.00	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		St Ives - Globe Place	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Up to 3 hr	D		S	1.50	0.30	1.80	0.00%
			Up to 4 hr	D		S	2.00	0.40	2.40	0.00%
			Up to 23 hr	D		S	2.50	0.50	3.00	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		Ramsey - Mews Close	All spaces free of charge	D						0.00%
		Godmanchester - Park Lane	All spaces free of charge	D						0.00%
		Godmanchester - Post Street	All spaces free of charge	D						0.00%
		Huntingdon - Buttsgrove Way	All spaces free of charge	D						0.00%
		On street parking	Maximum 1 hr stay	D		N	0.80	0.00	0.80	0.00%
		St Ives - Waitrose	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
		St Neots - Waitrose	Up to 1 hr	D		S	0.67	0.13	0.80	0.00%
			Up to 2 hr	D		S	1.00	0.20	1.20	0.00%
			Daily bay suspension inc events	D		S	5.00			0.00%
Permit Charges		Resident season ticket permit	6 months	D		S	129.17	25.83	155.00	0.00%
			12 months	D		S	250.00	50.00	300.00	0.00%
		Resident season ticket permit (Low emission discount)	6 months	D		S	64.58	12.92	77.50	0.00%
		Resident season ticket permit (Low emission discount)	12 months	D		S	125.00	25.00	150.00	0.00%
		Residents Historic car park permits	12 months	D		S	83.33	16.67	100.00	0.00%
		Residents Historic car park permits(low emission discount)	12 months	D		S	41.67	8.33	50.00	0.00%
		Resident CCC on street parking permit	12 months	D		N	26.00	0.00	26.00	0.00%
		Season ticket permit	6 months	D		S	129.17	25.83	155.00	0.00%
			12 months	D		S	250.00	50.00	300.00	0.00%
		HDC Permit	daily	D		S	1.67	0.33	2.00	0.00%
		Season ticket permit(Low emission discount)	6 months	D		S	64.58	12.92	77.50	0.00%
		Season ticket permit(Low emission discount)	12 months	D		S	125.00	25.00	150.00	0.00%
		Huntingdon - Hinchbrooke Country Park	6 months	D		S	25.00	5.00	30.00	0.00%
			12 months	D		S	41.67	8.33	50.00	0.00%
		Coach Permit	daily	D		S	12.50	2.50	10.00	50.00%
		Skip Permit	weekly	D		S	29.17	5.83	30.00	17.00%
		Administration (amend permit/refund/reprint)	per change	D		S	8.34	1.67	5.00	100.00%
		Administration (relating to events)	staff cost (recharged hourly - max hourly cost listed)	D		S	30.00	6.00	0.00	0.00%
Other Charges & Fees		Parking Excess Charges Off-Street		D		N	60.00	0.00	60.00	0.00%
		Parking Excess Charges Off-Street if paid within 14 days		D		N	40.00	0.00	40.00	0.00%
		Parking Excess Charges on-street		D		N	40.00	0.00	40.00	0.00%
		Parking Excess Charges on-street if paid within 14 days		D		N	20.00	0.00	20.00	0.00%
		Release Charge (barrier car park)	per release	D		S	129.17	25.83	150.00	3.00%
		Removal Charge	per removal	D		S	129.17	25.83	150.00	3.00%
		Storage charge	per day	D		S	20.84	4.17	20.00	25.00%

## Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Net charge	VAT	Total Charge	% Change from 2018/19
<b>Countryside</b>										
Room Hire	Kestrel room	full day	D	E	200.00	0.00	200.00	14.00%		
		half day	D	E	125.00	0.00	125.00	25.00%		
		Wren room	full day	D	E	175.00	0.00	175.00	17.00%	
		Wren room	half day	D	E	100.00	0.00	100.00	33.00%	
		Both Rooms	full day	D	E	300.00	0.00	300.00	20.00%	
		Both Rooms	half day	D	E	175.00	0.00	175.00	25.00%	
		Set Buffets	per person	D	S	6.75	1.35	8.10	8.00%	
		Tea & Coffee	whole day per person	D	S	2.60	0.52	3.12	4.00%	
		Tea & Coffee	half day per person	D	S	1.80	0.36	2.16	3.00%	
Special Request Buffets Costed on Request										
Paxton Pits VC	Ranger Present	per hour	D	E	22.00	0.00	22.00	10.00%		
		No Ranger Present	per hour	D	E	16.00	0.00	16.00	7.00%	
Rangers price list	Bell boat sessions	per hour	D	N	No longer have boats					
		Forest school sessions	per 1.5hr session	D	N	51.00	0.00	51.00	2.00%	
		Evening activities	per hour	D	N	40.00	0.00	40.00	14.00%	
		Guided walk for groups	per hour (Plus travel)	D	N	40.00	0.00	40.00	14.00%	
		School visits	per child	D	N	5.50	0.00	5.50	11.00%	
		Special Needs Groups upto 10	per day	D	N	55.00	0.00	55.00	10.00%	
		Special needs placements	per day	D	N	70.70	0.00	70.70	102.00%	
		Corporate Work Parties Commercial Business	no charge for EA NE (govt bodies)	D	D	10.50	2.10	12.60	5.00%	
		Corporate Away Day with Activities and Refreshments	per person varies depending on activities	D	S	28.50	5.70	34.20	0.00%	
		Drop in Children Events	minibeast hunting etc	per person	D	S	2.50	0.50	3.00	25.00%
if prizes offered	per person			D	S	3.10	0.62	3.72	3.00%	
craft session with refreshments	per person			D	S	5.15	1.03	6.18	3.00%	
special events / workshops costed on request				D						
camping	per person			D	S	2.50	0.50	3.00	25.00%	
craft fairs	per table			D	S	16.00	3.20	19.20	7.00%	
equipment hire for public	per set			D	S	2.10	0.42	2.52	5.00%	
equipment hire no ranger inc pond dipping nets	per set			D	S	1.05	0.21	1.26	5.00%	
green willow	3 ft bundle			D	S	3.50	0.70	4.20	17.00%	
	4 ft bundle			D	S	4.50	0.90	5.40	13.00%	
	5 ft bundle	D	S	5.50	1.10	6.60	10.00%			
	6 ft bundle	D	S	6.50	1.30	7.80	8.00%			
	7 ft bundle	D	S	7.50	1.50	9.00	7.00%			
	8 ft bundle	D	S	8.50	1.70	10.20	6.00%			
charcoal	logs	1,5kg bag	D	S	3.50	0.70	4.20	17.00%		
		m3	D	S	127.50	25.50	153.00	2.00%		
		tonne bag unsplit	D	S	61.20	12.24	73.44	2.00%		
		net bag	D	S	5.10	1.02	6.12	2.00%		
flowers vegetables and plants from nursery	individually priced	D	S							
activity sheets/ trails /spotter charts	individually priced from 2.00	D	Z							
memorial trees	planting only	D	S	40.00	8.00	48.00	14.00%			
memorial benches HCP	installation and	D	S	155.00	31.00	186.00	3.00%			
memorial perch PP	donation to Friends	D								
Paxton Pits	Mooring (Between 8m -20m)	per ft boat	D	Yr 17/18	S	11.50	2.30	13.80	0.00%	
			D	Yr 18/19	S	12.00	2.40	14.40	0.00%	
			D	Yr19/20	S	15.75	3.15	18.90	0.00%	
			D	YR 20/21	S	15.75	3.15	18.90	0.00%	
			D	YR 21/22	S	17.25	3.45	20.70	0.00%	
			D	YR 22/23	S	17.25	3.45	20.70	0.00%	
			D	YR 23/24	S	18.00	3.60	21.60	0.00%	
<b>5 YEAR LICENCES already agreed by Jo Lancaster Any new licence holders since 2016 have already been paying £15.75 per foot</b>										
<b>Facilities</b>										
Civic Suite hire	Monday - Friday	Combined room (8am-6pm)		S	280.00	56.00	336.00	2.00%		
		per day								
		per hour		S	41.00	8.20	49.20	3.00%		
		Half room(8am-6pm) per day		S	160.00	32.00	192.00	3.00%		
		per hour		S	23.00	4.60	27.60	2.00%		
		Combined room after 6pm		S	92.00	18.40	110.40	2.00%		
		Half room after 6pm per hour		S	41.00	8.20	49.20	3.00%		
		Weekends	Combined room (8am-6pm)		S	450.00	90.00	540.00	2.00%	
		per day								
		per hour		S	58.00	11.60	69.60	3.00%		
Half room (8am - 6pm) per hour		S	280.00	56.00	336.00	2.00%				
	per hour		S	34.50	6.90	41.40	2.00%			

## Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	£			% Change from 2018/19
							Net charge	VAT	Total Charge	
			Combined room after 6pm per hour			S	112.00	22.40	134.40	2.00%
			Half room after 6pm per hour			S	69.00	13.80	82.80	2.00%
<b>Community</b>										
<b>Animal Welfare</b>										
Animal Boarding Establishments		First application	per application	D		N	249.90	0.00	249.90	2.00%
		Renewal of licence	per application	D		N	147.90	0.00	147.90	0.00%
Pet shop licence		Where an animal boarding establishment fails to meet the terms and conditions of the licence additional charges may be levied at the time of renewal of the licence Additional Fees from third parties, e.g. veterinary surgeon's fee, specialist advisor fee; recharged in full	per visit	D		N	98.95	0.00	98.95	2.00%
		First application	per application	D		N	237.65	0.00	237.65	2.00%
		Renewal of licence	per application	D		N	140.75	0.00	140.75	2.00%
		Where a pet shop fails to meet the terms and conditions of the licence, additional charges may be levied at the time of renewal of the licence Additional Fees from third parties, e.g. veterinary surgeon's fee, specialist advisor fee; recharged in full	per visit	D		N	98.95	0.00	98.95	2.00%
Riding establishment licence		Administration fee	per application	D		N	45.15	0.00	45.15	2.00%
		Council inspector's time								
		Fewer than 5 horses		D		N	49.45	0.00	49.45	2.00%
		5 to 10 horses		D		N	61.70	0.00	61.70	2.00%
		11 to 20 horses		D		N	74.45	0.00	74.45	2.00%
		21 to 40 horses		D		N	86.70	0.00	86.70	2.00%
		40 to 50 horses		D		N	98.95	0.00	98.95	2.00%
		Where a riding establishment 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	98.95	0.00	98.95	2.00%
Dog breeding (Statutory)		Administration fee	per application	D		N	45.15	0.00	45.15	2.00%
		Officer time	per application	D		N	98.95	0.00	98.95	2.00%
		Where a dog breeding establishment 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	98.95	0.00	98.95	2.00%
		Additional Fees from third parties, e.g. veterinary surgeon's fee, specialist advisor fee; recharged in full							0.00	
Stray dogs		Statutory Fine	per dog	S		N	25.00	0.00	25.00	0.00%
		Administration fee	per dog	S		S	25.00	0.00	25.00	0.00%
		Transport Charge to Holding Kennels	per dog	S		S	20.00	0.00	20.00	33.00%
		Kennelling Charge	per dog per period of 24 hours	S		S	20.00	0.00	20.00	0.00%
		Dog returned directly to owner without kennelling, plus statutory fine	per dog	S		S	65.00	0.00	65.00	63.00%
Dangerous wild animal		Administration fee	per application			N	45.15	0.00	45.15	2.00%
		Officer time	per application			N	98.95	0.00	98.95	2.00%
		Where a dangerous wild animal 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	98.95	0.00	98.95	2.00%
Zoo licences		Additional Fees from third parties, e.g. veterinary surgeon's fee, specialist advisor fee; recharged in full							0.00	
		Administration fee	per application			N	45.15	0.00	45.15	2.00%
		Officer time	per application			N	40.80	0.00	40.80	2.00%
		Where a zoo licensed premise 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	40.80	0.00	40.80	2.00%
<b>Caravan site licences</b>										
		No charge		S		N	0.00	0.00	0.00	0.00%
Relevant Protected Sites		Licence Application	4 - 15 pitches	D		N	333.55	0.00	333.55	2.00%
			16 - 39 pitches	D		N	413.10	0.00	413.10	2.00%
			40 - 75 pitches	D		N	459.00	0.00	459.00	2.00%
			76 - 123 pitches	D		N	527.35	0.00	527.35	2.00%
			Over 124 pitches	D		N	572.20	0.00	572.20	2.00%
		Annual Licence Fee	4 - 15 pitches	D		N	196.85	0.00	196.85	2.00%
			16 - 39 pitches	D		N	246.85	0.00	246.85	2.00%
			40 - 75 pitches	D		N	284.60	0.00	284.60	2.00%
			76 - 123 pitches	D		N	333.55	0.00	333.55	2.00%
			Over 124 pitches	D		N	383.50	0.00	383.50	2.00%
		Licence Transfer		D		N	102.00	0.00	102.00	2.00%
		Licence Variation		D		N	204.00	0.00	204.00	2.00%
Deposit of site rules		Charge for depositing site rules	Initial and then when amended	D		N	51.00	0.00	51.00	2.00%
<b>CCTV</b>										
		No charge							0.00	
Subject Access Request		Request for CCTV footage relating directly to the person making the request	per request	S		N	0.00	0.00	0.00	-100.00%
		Request for CCTV footage relating to insurance claims etc. relating to third party data	per request	D		S	83.33	16.67	100.00	0.00%
<b>Cooling Towers and Evaporative Condensers</b>										
		Registrations	No charge	S			0.00	0.00	0.00	0.00%

**Huntingdonshire District Council - Fees and Charges as at April 2019**

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Net charge	VAT	Total Charge	% Change from 2018/19
<b>Environmental Permits</b>										
Fees as defined in the Local Authority Permits for Part A(2) Installations and Small Waste Incineration Plant (Fees and Charges) (England) Scheme 2017; and the Local Authority Permits for part B Installations and Mobile Plant and Solvent Emission Activities (Fees and Charges) (England) Scheme 2017. In the case of error, the statutory scheme issued by the Department for Environment Food and Rural Affairs (Defra) will take precedence										
	Application Fee	Part A2	Application	S		N	3,363.00	0.00	3,363.00	0.00%
			Additional fee for operating without a permit	S		N	1,188.00	0.00	1,188.00	0.00%
			Surrender/ partial surrender	S		N	698.00	0.00	698.00	0.00%
			Transfer	S		N	235.00	0.00	235.00	0.00%
			Partial Transfer	S		N	698.00	0.00	698.00	0.00%
			Substantial variation	S		N	1,368.00	0.00	1,368.00	0.00%
			Reimbursement of the advertising costs incurred in informing public consultees, Application	S		N	1,650.00	0.00	1,650.00	0.00%
		Part B	Additional fee for operating without a permit	S		N	1,188.00	0.00	1,188.00	0.00%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	0.00%
			Transfer	S		N	169.00	0.00	169.00	0.00%
			Substantial variation	S		N	1,050.00	0.00	1,050.00	0.00%
		Reduced fee (except vehicle refinishers)	Application	S		N	155.00	0.00	155.00	0.00%
			Additional fee for operating without a permit	S		N	71.00	0.00	71.00	0.00%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	0.00%
			Transfer	S		N	0.00	0.00	0.00	0.00%
			Substantial variation	S		N	102.00	0.00	102.00	0.00%
		Vehicle refinishers	Application	S		N	362.00	0.00	362.00	0.00%
			Additional fee for operating without a permit	S		N	71.00	0.00	71.00	0.00%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	0.00%
			Transfer	S		N	0.00	0.00	0.00	0.00%
			Substantial variation	S		N	102.00	0.00	102.00	0.00%
		Petrol vapour recovery stages 1&2 combined	Application	S		N	257.00	0.00	257.00	0.00%
			Additional fee for operating without a permit	S		N	71.00	0.00	71.00	0.00%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	0.00%
			Transfer	S		N	0.00	0.00	0.00	0.00%
			Substantial variation	S		N	102.00	0.00	102.00	0.00%
		Mobile crushing and screening plant	Application	S		N	1,650.00	0.00	1,650.00	0.00%
			Additional fee for operating without a permit	S		N	1,188.00	0.00	1,188.00	0.00%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	0.00%
			Transfer	S		N	0.00	0.00	0.00	0.00%
			Substantial variation	S		N	1,050.00	0.00	1,050.00	0.00%
		Mobile crushing and screening plant 3rd to 7th applications	Application	S		N	985.00	0.00	985.00	0.00%
			Additional fee for operating without a permit	S		N	1,188.00	0.00	1,188.00	0.00%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	0.00%
			Transfer	S		N	0.00	0.00	0.00	0.00%
			Substantial variation	S		N	1,050.00	0.00	1,050.00	0.00%
		Mobile crushing and screening plant 8th and subsequent applications	Application	S		N	498.00	0.00	1,188.00	0.00%
			Additional fee for operating without a permit	S		N	1,188.00	0.00	0.00	0.00%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	0.00%
			Transfer	S		N	0.00	0.00	0.00	0.00%
			Substantial variation	S		N	1,050.00	0.00	1,050.00	0.00%
		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	0.00%
			Additional fee for operating without a permit	S		N	1,188.00	0.00	0.00	0.00%
			Surrender/ partial surrender	S		N	0.00	0.00	0.00	0.00%
			Transfer	S		N	0.00	0.00	0.00	0.00%
			Substantial variation	S		N	1,050.00	0.00	1,050.00	0.00%
	Annual subsistence fees	Part A2	Low Risk	S		N	1,343.00	0.00	1,343.00	0.00%
			Medium Risk	S		N	1,507.00	0.00	1,507.00	0.00%
			High Risk	S		N	2,230.00	0.00	2,230.00	0.00%
			Additional Fee for payment by installments	S		N	38.00	0.00	38.00	0.00%
			Late payment charge	S		N	52.00	0.00	52.00	0.00%
		Part B	Low Risk	S		N	772.00	0.00	772.00	0.00%
			plus	S		N	104.00	0.00	104.00	0.00%
			Medium Risk	S		N	1,161.00	0.00	1,161.00	0.00%
			plus	S		N	156.00	0.00	156.00	0.00%
			High Risk	S		N	2,230.00	0.00	2,230.00	0.00%
			plus	S		N	207.00	0.00	207.00	0.00%
		Reduced fee (except vehicle refinishers)	Low Risk	S		N	79.00	0.00	79.00	0.00%
			Medium Risk	S		N	158.00	0.00	158.00	0.00%
			High Risk	S		N	237.00	0.00	237.00	0.00%
		Vehicle refinishers	Low Risk	S		N	228.00	0.00	228.00	0.00%
			Medium Risk	S		N	365.00	0.00	365.00	0.00%
			High Risk	S		N	548.00	0.00	548.00	0.00%
		Petrol vapour recovery stages 1&2 combined	Low Risk	S		N	113.00	0.00	113.00	0.00%
			Medium Risk	S		N	226.00	0.00	226.00	0.00%
			High Risk	S		N	341.00	0.00	341.00	0.00%
		Mobile crushing and screening plant	Low Risk	S		N	626.00	0.00	626.00	0.00%
			Medium Risk	S		N	1,034.00	0.00	1,034.00	0.00%
			High Risk	S		N	1,551.00	0.00	1,551.00	0.00%
		Mobile crushing and screening plant 3rd to 7th applications	Low Risk	S		N	385.00	0.00	385.00	0.00%
			Medium Risk	S		N	617.00	0.00	617.00	0.00%
			High Risk	S		N	924.00	0.00	924.00	0.00%
		Mobile crushing and screening plant 8th and subsequent applications	Low Risk	S		N	198.00	0.00	198.00	0.00%
			Medium Risk	S		N	314.00	0.00	314.00	0.00%
			High Risk	S		N	473.00	0.00	473.00	0.00%
		Late payment	High Risk	S		N	52.00	0.00	52.00	0.00%

## Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	Net charge	VAT	Total Charge	% Change from 2018/19
<b>Food Hygiene &amp; Safety</b>										
	Food Premises	Cost of approval	No charge	S		N	0.00	0.00	0.00	0.00%
	FHRS Rescore Visits	Cost of Visit		D		S	150.00	18.00	168.00	47.00%
	Health Certificate			D		N	90.00	0.00	90.00	18.00%
	Food examination certificate		Small & simple	D		S	101.08	9.78	110.86	207.00%
			Larger & more complex per hour (min £58.70)	D		S	61.30	12.02	73.32	2.00%
	Food hygiene courses		Level 2	D		E	61.20	0.00	61.20	2.00%
			Level 3	D		E	305.00	0.00	305.00	2.00%
			CD	D		S	48.00	9.42	57.42	2.00%
									0.00	
<b>Housing</b>										
	Houses in Multiple Occupation	Initial licence		D		N	357.00	0.00	357.00	2.00%
		Renewal of licence		D		N	178.50	0.00	178.50	2.00%
		Revocation of licence		D		N	102.00	0.00	102.00	2.00%
		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	0.00%
	Accommodation certificate	Issue		D		S	136.70	22.33	159.03	2.00%
<b>Information Requests</b>										
	Environmental Information Enquiry		Contaminated land - site specific	D		N	156.70	0.00	156.70	2.00%
			Simple request	D		N	45.15	0.00	45.15	2.00%
									0.00	
<b>Pest control</b>										
	Wasps nests	Treatment charge				S	55.00	10.00	65.00	10.00%
			First nest			S	15.00	2.40	17.40	25.00%
			Subsequent nests treated at the same visit			S	62.50	10.00	72.50	25.00%
	Rats and mice	Treatment charge				S	62.50	10.00	72.50	25.00%
	Ants, booklice, carpet beetles, fleas, larder beetles and other	Treatment charge				S	62.50	10.00	72.50	25.00%
			First visit			S	62.50	10.00	72.50	25.00%
			Second visit			S	31.25	5.00	36.25	25.00%
	Call out charge or missed appointment					S	41.25	6.60	47.85	25.00%
	Invoicing charge					S	12.50	2.50	15.00	0.00%
	Rat Boxes		Per treatment			S	4.90	0.98	5.88	20.00%
	Mouse Boxes		Per treatment			S	0.26	0.05	0.31	18.00%
	Difenacoum		Per Kilo			S	2.40	0.48	2.88	39.00%
	Rat bait per tray		Per treatment			S	0.24	0.05	0.29	41.00%
	Rat bait per box		Per treatment			S	0.48	0.10	0.58	37.00%
	Rat bait per pipe		Per treatment			S	0.48	0.10	0.58	37.00%
	Brodifacoum		Per Kilo			S	6.30	1.26	7.56	44.00%
	Mouse bait per tray		Per treatment			S	0.63	0.13	0.76	43.00%
	Mouse bait per box		Per treatment			S	0.63	0.13	0.76	43.00%
	Brodifacoum wax blocks 20gm					S	0.15	0.03	0.18	15.00%
	Hourly rate					S	70.11	14.02	84.13	68.00%
	Invoicing charge					S	10.42	2.08	12.50	0.00%
<b>Licensing</b>										
Fees associated with the Gambling Act 2005 are determined in accordance with The Gambling (Premises Licence Fees) (England and Wales) Regulations 2007. In the case of error, the Regulations, or any update thereto will take precedence										
	Gambling Act 2005	Club Machine Permit		S		N	200.00	0.00	200.00	0.00%
		Gaming Machine two or less		S		N	50.00	0.00	50.00	0.00%
		Gaming Machine Permit		S		N	200.00	0.00	200.00	0.00%
		Adult Gaming Centre - new		S		N	2,000.00	0.00	2,000.00	0.00%
		Adult Gaming Centre - renewal		S		N	1,000.00	0.00	1,000.00	0.00%
		Unlicensed Family Entertainment Centre		S		N	30.00	0.00	30.00	0.00%
		Other Gambling Premises- new		S		N	3,000.00	0.00	3,000.00	0.00%
		Other Gambling Premises- renewal		S		N	600.00	0.00	600.00	0.00%
		Lotteries(Small society)- new		S		N	40.00	0.00	40.00	0.00%
		Lotteries(Small society)-renewal		S		N	20.00	0.00	20.00	0.00%
Fees associated with the Licensing Act 2003 are determined in accordance with The Licensing Act 2003 (Fees) Regulations 2005. In the case of error, the Regulations, or any update thereto will take precedence										
	Licensing Act 2003	Club Premises - Change of relevant registered address of club		S		N	10.50	0.00	10.50	0.00%
		Club Premises - Notification of change of name or alteration of club rules		S		N	10.50	0.00	10.50	0.00%
		Club Premises - Theft, loss etc. of club certificate		S		N	10.50	0.00	10.50	0.00%
		Application for a provisional statement where premises being built		S		N	315.00	0.00	315.00	0.00%
		Duty to notify change of name or address		S		N	10.50	0.00	10.50	0.00%
		Interim authority notice following death etc. of licence holder		S		N	23.00	0.00	23.00	0.00%
		Minor Variation		S		N	89.00	0.00	89.00	0.00%
		Notification of change of name or address		S		N	10.50	0.00	10.50	0.00%
		Removal of DPS Community Premises		S		N	23.00	0.00	23.00	0.00%
		Right of freeholder etc. to be notified of licensing matters		S		N	21.00	0.00	21.00	0.00%
		Personal Licences - Initial Application		S		N	37.00	0.00	37.00	0.00%
		Personal Licences - Renewal		S		N	0.00	0.00	0.00	0.00%
		Personal Licences - Theft, Loss etc.		S		N	10.50	0.00	10.50	0.00%
		Premises Licence - Application for Transfer		S		N	23.00	0.00	23.00	0.00%
		Premises Licence - Application to vary licence to specify individual as designated premises supervisor (DPS)		S		N	23.00	0.00	23.00	0.00%
		Premises Licence - Loss of Premises Summary		S		N	10.50	0.00	10.50	0.00%
		Premises Licence - Theft, loss etc.		S		N	10.50	0.00	10.50	0.00%
		Temporary Event Notices - Application		S		N	21.00	0.00	21.00	0.00%
		Temporary Event Notices - Theft, loss etc.		S		N	10.50	0.00	10.50	0.00%

## Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	£			% Change from 2018/19
							Net charge	VAT	Total Charge	
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		Additional fee for large venues and events (50,000 - 59,999 attendance at any one time)- renewal		S		N	16,000.00	0.00	16,000.00	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		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	0.00%
		Premise - A (£0 - £4300) (initial issue)		S		N	100.00	0.00	100.00	0.00%
		Premise - A (£0 - £4300) (renewal)		S		N	70.00	0.00	70.00	0.00%
		Premise - B (£4301 - £33,000) (initial issue)		S		N	190.00	0.00	190.00	0.00%
		Premise - B (£4301 - £33,000) (renewal)		S		N	180.00	0.00	180.00	0.00%
		Premise - C (£33,001 - £87,000) (initial issue)		S		N	315.00	0.00	315.00	0.00%
		Premise - C (£33,001 - £87,000) (renewal)		S		N	295.00	0.00	295.00	0.00%
		Premise - D (£87,000 - £125,000) (initial issue)		S		N	450.00	0.00	450.00	0.00%
		Premise - D (£87,000 - £125,000) (renewal)		S		N	320.00	0.00	320.00	0.00%
		Premise - D (£87,000 - £125,000) and primary business is Alcohol sales (initial issue)		S		N	900.00	0.00	900.00	0.00%
		Premise - D (£87,000 - £125,000) and primary business is Alcohol sales (renewal)		S		N	640.00	0.00	640.00	0.00%
		Premise - E (£125,000 and above) (initial issue)		S		N	635.00	0.00	635.00	0.00%
		Premise - E (£125,000 and above) (renewal)		S		N	350.00	0.00	350.00	0.00%
		Premise - E (£125,000 and above) and primary business is Alcohol sales (initial issue)		S		N	1,905.00	0.00	1,905.00	0.00%
		Premise - E (£125,000 and above) and primary business is Alcohol sales (renewal)		S		N	1,905.00	0.00	1,905.00	0.00%
Miscellaneous Licences		One of Electrolysis, Ear Piercing, Acupuncture or Tattooing		S		N	119.00	0.00	119.00	0.00%
Miscellaneous Licences		Two or more of Electrolysis, Ear Piercing, Acupuncture or Tattooing on a single premises		S		N	155.00	0.00	155.00	0.00%
Sex Establishment		Sex Establishment - New		S		N	2,824.00	0.00	2,824.00	0.00%
		Sex Establishment - Renewal		S		N	2,824.00	0.00	2,824.00	0.00%
Taxi & Private Hire		DBS		D		N	44.00	0.00	44.00	0.00%
		Digital Advertising		D		N	10.20	0.00	10.20	2.00%
		Private Hire Operator -New /Renewal		D		N	120.35	0.00	120.35	2.00%
		Hackney Carriage - Initial test for Wheelchair Accessibility		D		N	283.55	0.00	283.55	2.00%
		Hackney Carriage - Renewal for Wheelchair Accessibility		D		N	268.25	0.00	268.25	2.00%
		Hackney Carriage & Private Hire Vehicle - Driver Renewal		D		N	46.92	0.00	46.92	2.00%
		Hackney Carriage & Private Hire Vehicle - New Driver		D		N	82.60	0.00	82.60	2.00%
		Hackney Carriage & Private Hire Vehicle - replacement Drivers badge/Licence		D		N	7.15	0.00	7.15	2.00%
		Hackney Carriage New/Renewal Vehicle		D		N	268.25	0.00	268.25	2.00%
		Private Hire - New/Renewal Vehicle		D		N	250.90	0.00	250.90	2.00%
		Meter Test		D		N	15.30	0.00	15.30	2.00%
		Re-test (includes £6 admin fee)		D		N	46.40	0.00	46.40	2.00%
		Replacement Plate		D		N	15.30	0.00	15.30	2.00%
		Miscellaneous admin fee		D		N	7.15	0.00	7.15	2.00%
							59.15	0.00	59.15	2.00%
Street Trading		Street Trading Consents - 1 Day		D		N				
		Street Trading Consents - 1 Month		D		N	219.30	0.00	219.30	2.00%
		Street Trading Consents - 6 Months		D		N	1,202.60	0.00	1,202.60	2.00%
		Street Trading Consents - Annual		D		N	1,965.55	0.00	1,965.55	2.00%
		Street Trading Consents - Seasonal		D		N	609.95	0.00	609.95	2.00%
		Street Trading Licences		D		N	1,759.50	0.00	1,759.50	2.00%

## Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Detail	Rate per	Statutory (S) Discretionary (D)	Date of Last Increase	VAT *	£			% Change from 2018/19
							Net charge	VAT	Total Charge	
Scrap dealers income	Site licence		Every 3 years	D		N	423.30	0.00	423.30	2.00%
	Mobile collector		Every 3 years	D		N	290.70	0.00	290.70	2.00%
	Collectors licence with existing licence with another LA			D		N	255.00	0.00	255.00	2.00%
	Variation of licence (person)			D		N	107.10	0.00	107.10	2.00%
<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	0.00%
	Name added to a numbered property					N	30.00	0.00	30.00	0.00%
	New developments - naming and numbering scheme		1 plot			N	50.00	0.00	50.00	0.00%
			2 to 5 plots			N	100.00	0.00	100.00	0.00%
			6 to 10 plots			N	150.00	0.00	150.00	0.00%
			11 to 25 plots			N	200.00	0.00	200.00	0.00%
			26 to 50 plots			N	250.00	0.00	250.00	0.00%
			51 to 100 plots			N	400.00	0.00	400.00	0.00%
			101 plus plots			N	500.00	0.00	500.00	0.00%
			plus per additional property			N	10.00	0.00	10.00	0.00%
	New developments - amendments to street names and numbering after developer redesign					N	500.00	0.00	500.00	0.00%
			plus per property			N	10.00	0.00	10.00	0.00%
	Renaming of existing streets					N	250.00	0.00	250.00	0.00%
			plus per affected property			N	10.00	0.00	10.00	0.00%
	Supplying of extra addressing plans					N	30.00	0.00	30.00	0.00%
<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	126.00	0.00	126.00	0.00%
	Basic commercial search fee			S		N	176.64	0.00	176.64	0.00%
	LLC1		Several parcels of land	D		N	24.00	0.00	24.00	0.00%
			plus each additional parcel	D		N	6.00	0.00	6.00	0.00%
	Residential CON 29R		One parcel of land	D		S	85.00	17.00	102.00	0.00%
			Several parcels of land - each additional parcel	D		S	28.00	5.60	33.60	0.00%
	Commercial CON 29R		One parcel of land	D		S	127.20	25.44	152.64	0.00%
			Several parcels of land - each additional parcel	D		S	55.80	11.16	66.96	0.00%
	CON 29O					S	6.00	1.20	7.20	0.00%
			Question 8	D		S	8.00	1.60	9.60	0.00%
			Question 16 (County)	D		S	9.00	1.80	10.80	0.00%
			Question 21 (County)	D		S	9.00	1.80	10.80	0.00%
			Question 22 (County)	D		S	9.00	1.80	10.80	0.00%
	Solicitors own enquiry		Each	D		S	13.00	2.60	15.60	0.00%
	Copies of Section 106 Town & Country Planning Act 1990 documents or similar		Per document	D		N	10.00	0.00	10.00	0.00%
<b>Electoral Registration</b>										
Statutory fees	Open register - data		Admin	S		N	20.00	0.00	20.00	0.00%
			plus per thousand entries(or part)	S		N	1.50	0.00	1.50	0.00%
	Open register - paper		Admin	S		N	10.00	0.00	10.00	0.00%
			plus per thousand entries(or part)	S		N	5.00	0.00	5.00	0.00%
	These rates of charge equally apply to the sale of monthly alterations to the electoral register.									
	Overseas electors - data		Admin	S		N	20.00	0.00	20.00	0.00%
			plus per thousand entries(or part)	S		N	1.50	0.00	1.50	0.00%
	Overseas electors - paper		Admin	S		N	10.00	0.00	10.00	0.00%
			plus per thousand entries(or part)	S		N	5.00	0.00	5.00	0.00%
<p>* <b>Key to VAT Indicators</b>  S = Standard Rated  N = Non-Business (outside scope of VAT)  Z = Zero Rated  E = Exempt</p>										



## LEISURE & HEALTH FEES & CHARGES

### Huntingdonshire District Council - Fees and Charges as at April 2019

Service	Element	Total Charge	% Change from 2018/19
		£	%

#### Leisure & Health

##### Swimming

PAY AS YOU GO	ONE CARD	
Swim Session (under 3's)	1.60	7%
Swim Session (3 to 15 years)	3.10	3%
Swim Session (16+ years)	4.10	3%
Family Swim Pass (2 adults and 2 children)	12.90	3%
Aquafit and Aquanatal Classes	5.50	6%
	FULL PRICE	
Swim Session (under 3's)	2.80	4%
Swim Session (3 to 15 years)	4.30	2%
Swim Session (16+ years)	5.30	2%
Family Swim Pass (2 adults and 2 children)	15.40	3%
Aquafit and Aquanatal Classes	6.80	5%

AQUA MEMBERSHIPS	ONE CARD	
Monthly DD (all ages)	23.99	0%
Annual Swim Pass (all ages)	249.00	0%
Student Aqua per mth	14.99	0%
	FULL PRICE	
Monthly DD (all ages)	Not Available	
Annual Swim Pass (all ages)	Not Available	
Student Aqua per mth	Not Available	

Service	Element	Total Charge	% Change from 2018/19
		£	%
<b><u>Swimming Lessons</u></b>			
<b>BABY/JUNIOR LESSONS</b>		<b>DIRECT DEBIT per month</b>	
	30 minute lessons	25.50	2%
	45 minute lessons	38.25	2%
	60 minute lessons	51.00	2%
		<b>CASH BLOCK per 15 weeks</b>	
	30 minute lessons	100.00	7%
	45 minute lessons	150.00	7%
	60 minute lessons	200.00	7%
<b>ADULT LESSONS</b>		<b>PAY AS YOU GO</b>	
	30 minute lessons	Not Available	
	45 minute lessons	7.50	0%
	60 minute lessons	10.00	0%
		<b>6 WEEK BLOCK per lesson</b>	
	30 minute lessons	4.50	0%
	45 minute lessons	6.75	0%
	60 minute lessons	9.00	0%
<b>PRIVATE LESSONS</b>		<b>ONE CARD per lesson</b>	
	1:1 30 minute lesson	15.50	3%
	2:1 30 minute lesson	28.00	2%
		<b>FULL PRICE</b>	
	1:1 30 minute lesson	Not Available	
	2:1 30 minute lesson	Not Available	

Service	Element	Total Charge	% Change from 2018/19
		£	%
<b><u>Fitness Classes</u></b>			
		<b>ONE CARD</b>	
	Fitness Class Pass (10 fitness classes)	46.00	0%
	All Fitness Classes (except below)	5.50	6%
	30 Minute Fitness Classes	3.70	6%
	Right Start Classes	3.70	6%
		<b>FULL PRICE</b>	
	Fitness Class Pass (10 fitness classes)	Not Available	
	All Fitness Classes (except below)	6.80	5%
	30 Minute Fitness Classes	4.90	4%
	Right Start Classes	Not Available	
<b><u>New Memberships (from 1st April 2015)</u></b>			
	<b>PREMIER MEMBERSHIP</b>	<b>Monthly</b>	
	Single membership	40.00	3%
	Joint membership	61.00	-13%
		<b>Annual</b>	
	Single membership	425.00	7%
	Joint membership	665.00	-11%
	<b>PREMIER (BUSINESS) MEMBERSHIP</b>		
	Single membership	36.00	3%
		<b>Annual</b>	
	Single membership	355.00	-1%

Service	Element	Total Charge	% Change from 2018/19
		£	%
	<b>SOLO MEMBERSHIP</b>	<b>Monthly</b>	
	Single membership <b>(Huntingdon, St Ives &amp; St Neots)</b>	33.99	0%
	Single membership <b>(Ramsey &amp; Sawtry)</b>	28.99	0%
		<b>Annual</b>	
	Single membership <b>(Huntingdon, St Ives &amp; St Neots)</b>	349.00	0%
	Single membership <b>(Ramsey &amp; Sawtry)</b>	299.00	0%
	<b>SOLO (BUSINESS) MEMBERSHIP</b>	<b>Monthly</b>	
	Single membership <b>(Huntingdon, St Ives &amp; St Neots)</b>	30.59	0%
	Single membership <b>(Ramsey &amp; Sawtry)</b>	26.09	0%
		<b>Annual</b>	
	Single membership <b>(Huntingdon, St Ives &amp; St Neots)</b>	314.10	0%
	Single membership <b>(Ramsey &amp; Sawtry)</b>	269.10	0%

Service	Element	Total Charge	% Change from 2018/19
		£	%
	<b>STUDENT MEMBERSHIP</b>	<b>Monthly</b>	
	Single membership <b>(Huntingdon, St Ives &amp; St Neots)</b>	22.99	0%
	Single membership <b>(Ramsey &amp; Sawtry)</b>	17.99	0%
		<b>Annual</b>	
	Single membership <b>(Huntingdon, St Ives &amp; St Neots)</b>	Not Available	
	Single membership <b>(Ramsey &amp; Sawtry)</b>	Not Available	
	<b><u>Impressions Casual Use</u></b>		
	<b>CASUAL USE</b>	<b>ONE CARD</b>	
	<b>Adult</b> (Huntingdon, St Ives & St Neots)	7.20	0%
	<b>Adult</b> (Ramsey & Sawtry)	5.20	0%
	<b>Student</b> (Huntingdon, St Ives & St Neots)	3.70	0%
	<b>Student</b> (Ramsey & Sawtry)	3.20	
	<b><u>Heat Experience Suites</u></b>		
	<b>CASUAL USE</b>		
	Casual Use per visit	8.00	7%
	<b>HEAT EXPERIENCE PASSES</b>		
	Monthly Pass (with monthly prepaid membership)	8.00	7%
	Annual Pass (with annual prepaid membership)	90.00	0%
	Monthly Pass (dd)	13.00	4%
	Annual Pass	125.00	4%

Service	Element	Total Charge	% Change from 2018/19
		£	%
<b><u>Sports Halls</u></b>			
<b>HUNTINGDON</b>		<b>ONE CARD</b>	
Whole Sports Hall (3 courts)		44.00	5%
		<b>FULL PRICE</b>	
Whole Sports Hall (3 courts)		44.00	0%
<b>RAMSEY</b>		<b>ONE CARD</b>	
Whole Sports Hall (3 courts)		44.00	5%
Cricket Nets		Price On Application	
		<b>FULL PRICE</b>	
Whole Sports Hall (3 courts)		44.00	5%
Cricket Nets		Price On Application	
<b>SAWTRY</b>		<b>ONE CARD</b>	
Whole Sports Hall (3 courts)		44.00	5%
Cricket Nets		Price On Application	
		<b>FULL PRICE</b>	
Whole Sports Hall (3 courts)		44.00	5%
Cricket Nets		Price On Application	
<b>ST IVES INDOOR</b>		<b>ONE CARD</b>	
Whole Sports Hall (6 courts)		68.00	5%
Half Sports Hall (3 courts)		44.00	5%
Cricket Nets		Price On Application	
		<b>FULL PRICE</b>	
Whole Sports Hall (6 courts)		68.00	5%
Half Sports Hall (3 courts)		44.00	5%
Cricket Nets		Price On Application	

Service	Element	Total Charge	% Change from 2018/19
		£	%
	<b>ST NEOTS</b>	<b>ONE CARD</b>	
	Whole Sports Hall (5 courts)	57.50	5%
		<b>FULL PRICE</b>	
	Whole Sports Hall (5 courts)	57.50	5%
	<b><u>Racquet Sports</u></b>		
	<b>BADMINTON</b>	<b>ONE CARD</b>	
	Badminton Court (anytime)	10.00	5%
	Badminton Court (school holidays offer)	3.00	0%
	Badminton Pass (block of five badminton courts)	47.50	0%
		<b>FULL PRICE</b>	
	Badminton Court (anytime)	11.50	5%
	Badminton Court (school holidays offer)	Not Available	
	Badminton Pass (block of five badminton courts)	Not Available	
	<b>SQUASH / RACKETBALL</b>	<b>ONE CARD</b>	
	Squash Court (anytime)	6.80	1%
	Squash Court (school holidays offer)	3.00	0%
	Squash Pass (block of five squash courts)	33.50	0%
		<b>FULL PRICE</b>	
	Squash Court (anytime)	8.80	1%
	Squash Court (school holidays offer)	Not Available	
	Squash Pass (block of five squash courts)	Not Available	

Service	Element	Total Charge	% Change from 2018/19
		£	%
	<b>TABLE TENNIS</b>	<b>ONE CARD</b>	
	Table Tennis (anytime)	6.30	2%
	Table Tennis (school holiday offer)	3.00	0%
		<b>FULL PRICE</b>	
	Table Tennis (anytime)	7.60	1%
	Table Tennis (school holiday offer)	3.00	0%
	<b>TENNIS</b>	<b>ONE CARD</b>	
	Tennis Court (anytime)	5.00	0%
	Tennis Court (annual tennis pass)	35.00	0%
	Tennis Court (school holidays offer)	3.00	0%
		<b>FULL PRICE</b>	
	Tennis Court (anytime)	6.60	2%
	Tennis Court (annual tennis pass)	Not Available	
	Tennis Court (school holidays offer)	Not Available	
	<b><u>Basement Lanes (Tenpin Bowling)</u></b>		
		<b>ONE CARD</b>	
	One game of bowling	4.50	0%
	Two games of bowling	7.50	0%
	Three games of bowling	10.00	0%
		<b>FULL PRICE</b>	
	One game of bowling	4.50	0%
	Two games of bowling	7.50	0%
	Three games of bowling	10.00	0%
		<b>ONE CARD (per game)</b>	
	One game of bowling for	12.00	0%
		<b>FULL PRICE</b>	
	One game of bowling for 4 people of any age	12.00	0%



Service	Element	Total Charge	% Change from 2018/19
		£	%
<b><u>Leo's Funzone (Play &amp; Party Centres)</u></b>			
<b>HUNTINGDON</b>		<b>ONE CARD</b>	
	Under 1's	Free	
	Monday to Friday (term time only)	3.75	50%
	Weekends and School Holidays	4.75	13%
		<b>FULL PRICE</b>	
	Under 1's	2.00	0%
	Monday to Friday (term time only)	5.75	55%
	Weekends and School Holidays	5.75	6%
<b>ST NEOTS</b>		<b>ONE CARD</b>	
	Under 1's	Free	
	Monday to Friday (term time only)	2.50	0%
	Weekends and School Holidays	3.80	0%
		<b>FULL PRICE</b>	
	Under 1's	2.00	0%
	Monday to Friday (term time only)	3.70	0%
	Weekends and School Holidays	5.00	0%
<b><u>Creche</u></b>			
		<b>ONE CARD</b>	
	30 minutes	3.00	0%
	Creche Pass (20 x 30 minutes)	25.00	0%
		<b>FULL PRICE</b>	
	30 minutes	Not Available	
	Creche Pass (20 x 30 minutes)	Not Available	

Service	Element	Total Charge	% Change from 2018/19
		£	%
<b><u>Roller Skating</u></b>			
		<b>ONE CARD</b>	
	Roller Skating	4.00	0%
		<b>FULL PRICE</b>	
	Roller Skating	5.20	0%
<b><u>Outdoor Synthetic Pitches</u></b>			
<b>HUNTINGDON</b>		<b>ONE CARD</b>	
	3G 5-a-side Pitch (anytime)	28.00	0%
	3G 5-a-side Pitch (school holidays offer)	10.00	0%
		<b>FULL PRICE</b>	
	3G 5-a-side Pitch (anytime)	28.00	0%
	3G 5-a-side Pitch (school holidays offer)	10.00	0%
<b>RAMSEY</b>		<b>ONE CARD</b>	
	Small Astro Pitch (anytime)	34.00	0%
	Small Astro Pitch (school holidays offer)	10.00	0%
		<b>FULL PRICE</b>	
	Small Astro Pitch (anytime)	34.00	0%
	Small Astro Pitch (school holidays offer)	10.00	0%
<b>SAWTRY</b>		<b>ONE CARD</b>	
	Small Astro Pitch (anytime)	45.00	0%
	Small Astro Pitch (school holidays offer)	10.00	0%
		<b>FULL PRICE</b>	
	Small Astro Pitch (anytime)	45.00	0%
	Small Astro Pitch (school holidays offer)	10.00	0%

Service	Element	Total Charge	% Change from 2018/19
		£	%
	<b>ST IVES INDOOR</b>	<b>ONE CARD</b>	
	3G Full Pitch (anytime)	90.00	0%
	3G Third Pitch (weekday)	35.00	3%
	3G Third Pitch (weekend)	35.00	3%
	Large Astro Pitch (anytime)	60.00	0%
	Half Large Astro Pitch (anytime)	45.00	0%
	Half Large Astro Pitch (school holidays offer)	10.00	0%
		<b>FULL PRICE</b>	
	3G Full Pitch (anytime)	90.00	0%
	3G Third Pitch (weekday)	35.00	3%
	3G Third Pitch (weekend)	35.00	3%
	Large Astro Pitch (anytime)	60.00	0%
	Half Large Astro Pitch (anytime)	45.00	0%
	Half Large Astro Pitch (school holidays offer)	10.00	0%
	<b>ST NEOTS</b>	<b>ONE CARD</b>	
	Large Astro Pitch (anytime)	60.00	0%
	Third Large Astro Pitch (anytime)	28.00	0%
	Small Astro Pitch (anytime)	35.00	3%
	Small Astro Pitch (school holidays offer)	10.00	0%

Service	Element	Total Charge	% Change from 2018/19
		£	%
<b><u>Netball Courts</u></b>			
<b>HUNTINGDON</b>		<b>ONE CARD</b>	
	Netball Court	24.00	4%
		<b>FULL PRICE</b>	
	Netball Court	24.00	4%
<b>ST IVES OUTDOOR</b>		<b>ONE CARD</b>	
	Netball Court	24.00	4%
		<b>FULL PRICE</b>	
	Netball Court	24.00	4%
<b>ST NEOTS</b>		<b>ONE CARD</b>	
	Netball Court	18.00	13%
		<b>FULL PRICE</b>	
	Netball Court	18.00	13%
<b><u>Active Lifestyles</u></b>			
	Walking Sports	£3.20	7%
	Walking Sports Pass	£30.00	0%
	Active and Able	£2.50	0%
	Mini-Movers/dribblers	£3.00	0%
	PEDALS	£3.00	0%
* <b>Key to VAT Indicators</b>			
S = Standard Rated			
N = Non-Business (outside scope of VAT)			
Z = Zero Rated			
E = Exempt			

Changes to 2019/20 Draft Budget to Final Budget & MTFS

Appendix 2

Services Changes to the Draft Budget 2019/20	Budget 2019/20			MTFS				Comments
	Gross		Net	2020/21	2021/22	2022/23	2023/24	
	Expenditure	Income	£000	£000	£000	£000	£000	
	£000	£000	£000	£000	£000	£000	£000	
<b>Service &amp; Other Recommended Changes</b>								
1 One Leisure St Ives - Outdoor Training	0	44	44	(5)	2	(5)	(5)	Rescheduling of income due to delays in the sign-off of the management agreement.
2 One Leisure Ramsay - 3G Pitch	0	2	2	0	0	0	0	Reduction in income in 2019/20 due to protracted discussions on lease obligations
3 Commercial Estates - Little End Road Net Income	0	(101)	(101)	(111)	(91)	(111)	(112)	Newly purchased commercial property income stream
4 Changes to Grant Assumptions	0	(107)	(107)	(107)	(30)	(30)	(31)	Additional Housing Benefit Administration Grant and New Burdens Grants
	<b>0</b>	<b>(162)</b>	<b>(162)</b>	<b>(223)</b>	<b>(119)</b>	<b>(146)</b>	<b>(148)</b>	
<b>Total Changes</b>	<b>0</b>	<b>(162)</b>	<b>(162)</b>	<b>(223)</b>	<b>(119)</b>	<b>(146)</b>	<b>(148)</b>	
<b>Draft Budget Net Expenditure</b>			<b>17,318</b>					
Net Expenditure Changes since Draft Budget			(162)					
<b>Final Budget Net Expenditure</b>			<b>17,156</b>					

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Plan on a Page

<b>Corporate Plan</b>	VISION	We want to improve the quality of life, deliver economic growth and provide value for money services for the people of Huntingdonshire		
	STRATEGIC PRIORITIES	Enabling Communities	delivering Sustainable Growth	Becoming a More Efficient and Effective Council

143 Strategic Resource Plan

BEFORE	INCOME GENERATION			EFFICIENCIES & GROWTH			AFTER
2018/19 Budget & MTFS	Council Tax	Commercialisation	Funding Changes	Budget Review	Service Growth	Transformation Savings	2019/20 Budget & MTFS
Savings required 2022/23	(£0.6m)	£Nil	£0.4m	£0.8m	£0.2m	(£0.6m)	Savings required 2023/24
£1.0m							£1.2m

Financial Strategy

	2019/20	2020/21	2021/22	2022/23	2023/24
Net Expenditure	£17.2m	£16.7m	£18.0m	£18.2m	£18.6m
Budget surplus / (deficit)	£1.2m	(£0.7m)	(£1.6m)	(£1.2m)	(£1.2m)
Earmarked Reserves Adjustment	£2.0m	£1.5m	£0.9m	£0.4m	0
Budget requirement	£20.4m	£17.5m	£17.3m	£17.4m	£17.4m

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Public  
Key Decision – Yes

## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title:</b>	2019/20 Treasury Management, Capital and Investment Strategies
<b>Meeting/Date:</b>	Overview and Scrutiny Panel (Performance and Growth) – Date 5th February 2019
<b>Executive Portfolio:</b>	Executive Councillor for Strategic Resources: Councillor J A Gray
<b>Report by:</b>	Head of Resources
<b>Wards affected:</b>	All Wards

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### Recommendation

The Overview and Scrutiny Panel is invited to comment on the attached;

- Treasury Management Strategy
- Capital Strategy
- Investment Strategy
- Minimum Revenue Provision Statement
- Flexible use of Capital Receipts Strategy

**HUNTINGDONSHIRE DISTRICT COUNCIL**

<b>Title:</b>	2019/20 Treasury Management, Capital and Investment Strategies
<b>Meeting/Date:</b>	Cabinet – Date 14th February 2019
<b>Executive Portfolio:</b>	Executive Councillor for Strategic Resources: 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 now required by law to approve, on an annual basis;

- Treasury Management Strategy;
- Capital Strategy
- Investment Strategy
- Minimum Revenue Provision Statement
- The Flexible use of Capital Receipts Strategy

This requirement is within CIPFA's Treasury Management in the Public Services: Code of Practice (2017), CIPFA's Prudential Code (2017), and MHCLG Guidance on Local Government Investments 2018. The revision of these codes and guidance has required the Council to produce and approve two new strategies the Capital Strategy and the Investment Strategy. The intention is that these strategies will be iterative documents and will be developed so that they contain an increasing amount of detail of the Council's plans and procedures in addition to the financial information.

The aim of the Treasury Management Strategy 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.

The 2019/20 Treasury Management Strategy includes:

- The operation of the strategy within an economic climate that is weak, where inflation is maintaining an above target level, and interest rates that have moved upward slightly but are forecast to remain low although possibly rising slowly 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 Capital Strategy includes;**

- A high level overview of the Council's capital programme and borrowing.
- The borrowing strategy and the borrowing limits

**The Investment Strategy includes;**

- The strategy relating to the CIS
- The management of service loans
- An overview of financial guarantees

**The Minimum Revenue Provision Statement;**

- The various policies to deal with the financing of capital projects
- A new policy dealing with voluntary MRP for CIS purchases

**The Flexible Use of Capital Receipts Strategy;**

- Outlining how Capital Receipts will be used
- Whether any receipts will be used on transformation schemes (which fit the strict criteria set out in the strategy)

**Recommendations:**

That the Cabinet is recommended to Council the approval of the;

1. The Treasury Management Strategy, Appendix 1.
2. The Capital Strategy, Appendix 2.
3. The Investment Strategy, Appendix 3.
4. The Minimum Revenue Provision Statement, Appendix 4.
5. The Flexible Use of Capital Receipts Strategy 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 and 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 Treasury Management Strategy is a key element of the Council's Code of Financial Management.

1.3 The Capital Strategy gives an overview of capital expenditure and financing. The strategy includes;

- The borrowing strategy
- The investment strategy
- Governance

1.4 The Investment Strategy, which includes;

- Service loans
- Property investments
- Financial guarantees

1.5 The Flexible Use of Capital Receipts Strategy, outlines how the Council intends to make use of Capital Receipts.

1.6 In addition to complying with CIPFA's Treasury Management in the Public Services: Code of Practice 2017 Edition, the Council must also comply with the MHCLG's Guidance on Local Authority Investments (2017), both of which require the approval of an annual Treasury, Investment and Capital strategies before the start of each financial year. This strategy fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the MHCLG Guidance.

## 2. WHY IS THIS REPORT NECESSARY/BACKGROUND

2.1 To seek Council approval for the:

- i. Treasury Management Strategy, as attached at **Appendix 1** including the required indicators. 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.

- ii. The Capital Strategy, which gives an overview of the capital programme and financing. **Appendix 2**
  - iii. The Investment Strategy, giving an overview of the CIS approved in 2015 and service based loans. **Appendix 3**
  - iv. The Minimum Revenue Provision policy including a new section on voluntary MRP. **Appendix 4**
  - v. The Flexible Use of Capital Receipts Strategy, detailing any use of capital receipts for revenue. **Appendix 5**
- 2.2 For 2019/20, the Council is anticipating having a total capital financing requirement (which is both past and new capital expenditure) of £74.6m (rising to £85.6m by 2021/22), of which £30.0m will be new capital expenditure relating to the CIS. The Council has an authorised limit for 2019/20 of £135m. 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 MTF5.
- 2.3 The authority has and will borrow and invest substantial sums of money and is therefore exposed to financial risks including the loss of funds and the revenue effect of changes in interest rates. The identification, monitoring and control of such risks are central to the Council's Treasury Management and Investment Strategy.
- 2.4 In accordance with MHCLG guidance, the Council will be asked to approve a revised Treasury Management, Capital Investment Strategy, MRP Policy and a Flexible Use of Capital Receipts Strategy, should the assumptions on which it is based change significantly. Such circumstances could include an unexpected change in interest rates, a change in the capital programme or in the level of investment balance.

### **3. OPTIONS CONSIDERED/ANALYSIS**

- 3.1 The Treasury Management, Capital and Investment Strategies are 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, Investment and Capital 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 (both treasury and commercial), and the management of that risk.

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

- 5.1 The comments of Overview & Scrutiny Panel (Performance and Growth) will be included in this section prior to its consideration by Cabinet.

## **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, Commercial and Service Investments, as well as management of capital expenditure and financing.

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

- 7.1 Treasury Management comes under the “Becoming a more efficient and effective council”.

## **8. CONSULTATION**

- 8.1 No consultation was needed.

## **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:
- The Treasury Management Strategy. The purpose of which is to provide the framework within which the Council can operate its Treasury related activity.
  - The Capital Strategy. The purpose of which is to give a high level overview of how capital expenditure is managed.
  - The Investment Strategy. The purpose of which is to provide the framework to support service investments and commercial investments.
  - Policy in respect of its Minimum Revenue Provision so it can prudently account for the revenue impacts of capital investment decisions.
  - The Flexible Use of Capital Receipts Strategy, which describes if and how the Council will use capital receipts on transformation projects.

## **13. LIST OF APPENDICES INCLUDED**

Appendix 1: The Treasury Management Strategy  
Appendix 2: The Capital Strategy  
Appendix 3: The Investment Strategy  
Appendix 4: The Minimum Revenue Provision Statement  
Appendix 5: The Flexible Use of Capital Receipts Strategy

## **BACKGROUND PAPERS**

Working papers held in Finance

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## Treasury Management Strategy 2019/20

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## **1.0 Introduction**

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

## **2.0 External Context (See also Appendix B)**

### **2.1 Economic Background**

The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Council's treasury management strategy for 2019/20.

Following a weak performance in the first quarter of 2018 attributed to weather-related factors, UK GDP growth rebounded in the second quarter to 0.4%, but at an annual rate of only 1.2% this remains below trend. As economic growth had evolved broadly in line with its May Inflation Report forecast, the Bank of England's Monetary Policy Committee (MPC) voted unanimously for a rate rise of 0.25% in August, taking Bank Rate to 0.75%. In November 2018 the MPC maintained Bank Rate at 0.75% while the Inflation Report showed that compared to the August report further interest rate increases may be required to bring inflation down to the 2% target over the forecast horizon.

The headline rate of UK Consumer Price Inflation fell back to 2.4% year-on-year in September 2018 from 2.7% in August, as higher import and energy prices continued to hold inflation above the BoE target. Labour market data is positive. The ILO (International Labour Organisation) unemployment rate fell to 4%, its lowest level since 1975. The 3-month average annual growth rate for pay excluding bonuses rose to 3.1% in August providing some evidence that a shortage of labour is supporting wages.

However, adjusting for inflation this means real wages were only up by 0.7% and only likely to have a moderate impact on household spending.

While external inflationary pressures from energy costs and import prices are expected to subside, domestic pressures are projected to build over the forecast horizon with the balance of these effects likely to keep inflation above the Bank of England's target throughout most of their forecast horizon, meaning that strong real income growth is unlikely to materialise any time soon.

As the US economy has continued to perform well, the Federal Reserve maintained its monetary tightening stance and pushed up its target range for the Fed Funds Rate in September 2018 by 0.25% to 2% - 2.25%. One further rise is expected in 2018 and two more in 2019.

The fallout from the US-China trade war continues which, combined with tighter monetary policy, risks contributing to a slowdown in global economic activity in 2019. Despite slower growth in the region, the European Central Bank has started conditioning markets for the end of quantitative easing as well as the timing of the first interest rate hike, currently expected in 2019, and the timing and magnitude of increases thereafter.

## **2.2 Credit outlook**

The big four UK banking groups have now divided their retail and investment banking divisions into separate legal entities under ring-fencing legislation. Bank of Scotland, Barclays Bank UK, HSBC UK Bank, Lloyds Bank, National Westminster Bank, Royal Bank of Scotland and Ulster Bank are the ring-fenced banks that now only conduct lower risk retail banking activities. Barclays Bank, HSBC Bank, Lloyds Bank Corporate Markets and NatWest Markets are the investment banks. Credit rating agencies have adjusted the ratings of some of these banks with the ring-fenced banks generally being better rated than their non-ringfenced counterparts.

European banks are considering their approach to Brexit, with some looking to create new UK subsidiaries to ensure they can continue trading here. The credit strength of these new banks remains unknown, although the chance of parental support is assumed to be very high if ever needed. The uncertainty caused by protracted negotiations between the UK and EU is weighing on the creditworthiness of both UK and European banks with substantial operations in both jurisdictions.

## **2.3 Interest rate forecast**

Following the increase in Bank Rate to 0.75% in August 2018, the Council's treasury management adviser Arlingclose is forecasting two more 0.25% hikes during 2019 to take official UK interest rates to 1.25%. The Bank of England's MPC has maintained expectations for slow and steady rate rises over the forecast horizon. The MPC continues to have a bias towards tighter monetary policy but is reluctant to push interest

rate expectations too strongly. Arlingclose believes that MPC members consider both that ultra-low interest rates result in other economic problems, and that higher Bank Rate will be a more effective policy weapon should downside Brexit risks crystallise when rate cuts will be required.

The UK economic environment remains relatively soft, despite seemingly strong labour market data. Arlingclose’s view is that the economy still faces a challenging outlook as it exits the European Union and Eurozone growth softens. Whilst assumptions are that a Brexit deal is struck and some agreement reached on transition and future trading arrangements before the UK leaves the EU, the possibility of a “no deal” Brexit still hangs over economic activity. As such, the risks to the interest rate forecast are considered firmly to the downside.

Gilt yields and hence long-term borrowing rates have remained at low levels but some upward movement from current levels is expected based on Arlingclose’s interest rate projections, due to the strength of the US economy and the ECB’s forward guidance on higher rates. 10-year and 20-year gilt yields are forecast to remain around 1.5% and 2% respectively over the interest rate forecast horizon, however volatility arising from both economic and political events are likely to continue to offer borrowing opportunities.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix A.

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.8%, and that new long-term loans will be borrowed at an average rate of 3.0%.

### 3.0 Local Context

On the 31st December 2018, the Council held £20.8m of borrowing and £18.1m of investments. This is set out in further detail at Appendix C. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	<b>31.3.18 Actual £m</b>	<b>31.3.19 Estimate £m</b>	<b>31.3.20 Forecast £m</b>	<b>31.3.21 Forecast £m</b>	<b>31.3.22 Forecast £m</b>
General Fund CFR	41.6	44.6	47.2	49.6	55.6
Less: Other debt liabilities *	0.5	0.5	0.5	0.5	0.5
<b>Loans CFR</b>	<b>41.1</b>	<b>44.1</b>	<b>46.7</b>	<b>49.1</b>	<b>55.1</b>
Less: External borrowing **	20.9	20.7	20.4	20.2	19.9
<b>Internal (over) borrowing</b>	<b>20.2</b>	<b>23.4</b>	<b>26.3</b>	<b>28.9</b>	<b>35.2</b>

Less: Usable reserves	35.0	39.4	42.3	42.4	41.5
Less: Working capital	4.2	4.0	3.8	3.6	3.4
<b>Investments or New borrowing</b>	<b>(19.0)</b>	<b>(20.0)</b>	<b>(19.8)</b>	<b>(17.1)</b>	<b>(9.7)</b>

\* finance leases, PFI liabilities and transferred debt that form part of the Council's total debt

\*\* shows only loans to which the Council is committed and excludes optional refinancing

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, known as internal borrowing.

The Council has an increasing CFR due to the capital programme, but minimal investments and will therefore not be required to borrow up to 2021/22 but is estimated be required to borrow an estimated £17m over the years 2022/23 and 2023/24.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during 2019/20.

#### 4.0 Liability Benchmark

To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £5.0m at each year-end to maintain sufficient liquidity but minimise credit risk.

Table 2: Liability benchmark

	<b>31.3.18 Actual £m</b>	<b>31.3.19 Estimate £m</b>	<b>31.3.20 Forecast £m</b>	<b>31.3.21 Forecast £m</b>	<b>31.3.22 Forecast £m</b>
CFR	41.1	44.1	46.7	49.1	55.1
Less: Usable reserves	35.0	39.4	42.3	42.4	41.5
Less: Working capital	4.2	4.0	3.8	3.6	3.4
Plus: Minimum investments	5.0	5.0	5.0	5.0	5.0
<b>Liability Benchmark</b>	<b>6.9</b>	<b>5.7</b>	<b>5.6</b>	<b>8.1</b>	<b>15.2</b>

## **5.0 Borrowing Strategy**

The Council currently holds £20.7m of loans, a decrease of £0.2m on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Council does not expect to need to borrow in 2019/20. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £135.0m.

### **5.1 Objectives**

The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

### **5.2 Strategy**

Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal and short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2019/20 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively, the Council may arrange forward starting loans during 2019/20, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Council may borrow short-term loans to cover unplanned cash flow shortages.

### **5.3 Sources of Borrowing**

The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body

- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

#### **5.4 Other sources of debt finance**

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

The Council has previously raised all of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local Council loans and bank loans, that may be available at more favourable rates.

#### **5.5 Municipal Bonds Agency**

UK Municipal Bonds Agency (UK MBA) plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities at a rate below PWLB. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a joint and several guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. When the Council makes the decision to borrow, the option will be taken to consider whether the PWLB or the Municipal Bonds Agency are the most effective and efficient lender. Prior to approval to borrow from the UK MBA, separate approval will be sought from Cabinet.

#### **5.6 LOBOs**

The Council does not hold any LOBOs (Lender's Option Borrower's Option) loans. This where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost.



## **5.7 Short-Term and Variable Rate Loans**

These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

## **5.8 Debt rescheduling**

The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

## **6.0 Investment Strategy**

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the year 2018/19 to December, the Council's investment balance has ranged between £1.9m in June and £31.7m in December, and similar levels are expected to be maintained in the forthcoming year.

### **6.1 Objectives**

The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

### **6.2 Negative interest rates**

If the UK enters into a recession in 2019/20, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

### 6.3 Strategy

Given the increasing risk and very low returns from short-term unsecured bank investments, the Council aims to continue to diversify its long-term investments into more secure and higher yielding asset classes, such as those offered through the Commercial Investment Strategy during 2019/20. The majority of the Council's surplus cash is currently invested in short-term unsecured bank deposits, and money market funds.

### 6.4 Business models

Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

### 6.5 Approved counterparties

The Council may invest its surplus funds with any of the counterparty types in table 3 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 3: Approved investment counterparties and limits

Credit rating	Banks unsecured	Banks secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
Public Authorities	n/a	n/a	£4m 50 Years	n/a	n/a
AAA F1+	£4m 2 years	£4m 20 years	£2m 50 years	£1m 20 years	£2m 20 years
AA+ F1+	£4m 2 years	£4m 10 years	£2m 25 years	£1m 10 years	£2m 10 years
AA F1+	£4m 2 years	£4m 5 years	£2m 15 years	£1m 5 years	£2m 10 years
AA- F1+	£4m 2 years	£4m 4 years	£2m 10 years	£1m 4 years	£2m 10 years
A+ F1	£4m 2 years	£4m 3 years	£2m 5 years	£1m 3 years	£2m 5 years
A F1	£4m 13 months	£4m 2 years	£2m 5 years	£1m 2 years	£2m 5 years
A-	£4m	£4m	£2m	£1m	£2m

F2	6 months	13 months	5 years	13 months	5 years
None	£1m 6 months	n/a	£2m 25 years	£50,000 1 year	£2m 5 years
<b>Pooled funds and real estate investment trusts</b>		£5m per fund or trust			

This table must be read in conjunction with the notes below

## 6.6 Credit rating

Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

## 6.7 Banks unsecured

Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

## 6.8 Banks secured

Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

## 6.9 Government

Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

## **6.10 Corporates**

Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made either following an external credit assessment or to a maximum of £50,000 per company as part of a diversified pool in order to spread the risk widely.

## **6.11 Registered providers**

Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing. As providers of public services, they retain the likelihood of receiving government support if needed. This does not include service loans which are subject to separate authorisation by Cabinet.

## **6.12 Pooled funds**

Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

## **6.13 Real estate investment trusts**

Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

## **6.14 Operational Bank Accounts**

The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £1,000,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

## **6.15 Risk assessment and credit ratings**

Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

## **6.16 Other information on the security of investments**

The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the

maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

## 6.17 Investment Limits

The Council's revenue reserves available to cover investment losses are forecast to be £39.4m on 31<sup>st</sup> March 2019. In order that no more than 15% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5m. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Investment limits

	<b>Cash limit</b>
Any single organisation, except the UK Central Government	£5m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£5m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker's nominee account	£4m per broker
Foreign countries	£2m per country
Registered providers and registered social landlords	£4m in total
Unsecured investments with building societies	£4m in total
Loans to unrated corporates	£1m in total
Money market funds	£5m in total
Real estate investment trusts	£5m in total
Note: These limits are for Treasury Management investments and does not include investments made for service or community purposes.	

## 6.18 Liquidity management

The Council uses a cash flow forecasting spreadsheet to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

## 7.0 Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

### 7.1 Security

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit rating	A-

### 7.2 Liquidity

The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling 3 month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£2m

### 7.3 Interest Rate Exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£128,000
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£128,000

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

#### 7.4 Maturity structure of borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	80%	0%
12 months and within 24 months	80%	0%
24 months and within 5 years	80%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%
20 years and above	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

#### 7.5 Principal sums invested for periods longer than a 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. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2019/20	2020/21	2021/22
Limit on principal invested beyond year end	£10m	£10m	£10m

### 8.0 Related Matters

The CIPFA Code requires the Council to include the following in its treasury management strategy.

#### 8.1 Financial Derivatives

Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).



The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

## **8.2 Markets in Financial Instruments Directive**

The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Chief Financial Officer believes this to be the most appropriate status.

## **9.0 Financial Implications**

The budget for investment income in 2019/20 is £0.37m, based on an average investment portfolio of £13.0m at an interest rate of 0.49%. The budget for debt interest paid in 2019/20 is £0.60m, based on an average debt portfolio of £20.0m at an average interest rate of 2.9%. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

## **10.0 Other Options Considered**

The CIPFA Treasury Management Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Financial Officer, having consulted the Executive Councillor for Strategic Resources believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Alternative strategies, with their financial and risk management implications, are listed below.

<b>Alternative</b>	<b>Impact on income and expenditure</b>	<b>Impact on risk management</b>
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

### Arlingclose Economic & Interest Rate Forecast October 2018

#### Underlying assumptions:

- The MPC left Bank Rate unchanged at the September meeting, after voting unanimously to increase Bank Rate to 0.75% in August.
- Our projected outlook for the UK economy means we maintain the significant downside risks to our interest rate forecast. The UK economic environment is relatively soft, despite seemingly strong labour market data. GDP growth recovered somewhat in Q2 2018, but the annual growth rate of 1.2% remains well below the long term average. Our view is that the UK economy still faces a challenging outlook as the country exits the European Union and Eurozone economic growth softens.
- Cost pressures were projected to ease but have risen more recently and are forecast to remain above the Bank's 2% target through most of the forecast period. The rising price of oil and tight labour market means inflation may remain above target for longer than expected. This means that strong real income growth is unlikely in the near future.
- The MPC has a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. We believe that MPC members consider both that: 1) ultra-low interest rates result in other economic problems, and 2) higher Bank Rate will be a more effective policy weapon should downside Brexit risks crystallise and cuts are required.
- The global economy appears to be slowing, particularly the Eurozone and China, where the effects of the trade war has been keenly felt. Despite slower growth, the European Central Bank is adopting a more strident tone in conditioning markets for the end of QE, the timing of the first rate hike (2019) and their path thereafter. Meanwhile, European political issues, mostly lately with Italy, continue.
- The US economy is expanding more rapidly. The Federal Reserve has tightened monetary policy by raising interest rates to the current 2%-2.25% range; further rate hikes are likely, which will start to slow economic growth. Central bank actions and geopolitical risks have and will continue to produce significant volatility in financial markets, including bond markets.

#### Forecast:

- The MPC has maintained expectations of a slow rise in interest rates over the forecast horizon. Our central case is for Bank Rate is to rise twice in 2019. The risks are weighted to the downside.

- Gilt yields have remained at low levels. We expect some upward movement from current levels based on our interest rate projections, the strength of the US economy and the ECB's forward guidance on higher rates. However, volatility arising from both economic and political events will continue to offer borrowing opportunities.

	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Average
<b>Official Bank Rate</b>														
Upside risk	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.17
<b>Arlingclose Central Case</b>	<b>0.75</b>	<b>1.00</b>	<b>1.00</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>	<b>1.17</b>
Downside risk	0.00	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.65
<b>3-mth money market rate</b>														
Upside risk	0.10	0.10	0.10	0.10	0.15	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.17
<b>Arlingclose Central Case</b>	<b>0.80</b>	<b>1.00</b>	<b>1.10</b>	<b>1.20</b>	<b>1.30</b>	<b>1.30</b>	<b>1.25</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.17</b>
Downside risk	0.20	0.50	0.60	0.70	0.80	0.80	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.68
<b>1-yr money market rate</b>														
Upside risk	0.20	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.33
<b>Arlingclose Central Case</b>	<b>1.05</b>	<b>1.25</b>	<b>1.35</b>	<b>1.40</b>	<b>1.50</b>	<b>1.45</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.37</b>
Downside risk	0.35	0.50	0.60	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.69
<b>5-yr gilt yield</b>														
Upside risk	0.15	0.20	0.25	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.32
<b>Arlingclose Central Case</b>	<b>1.15</b>	<b>1.20</b>	<b>1.25</b>	<b>1.35</b>	<b>1.40</b>	<b>1.40</b>	<b>1.35</b>	<b>1.35</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>
Downside risk	0.30	0.35	0.45	0.50	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.54
<b>10-yr gilt yield</b>														
Upside risk	0.20	0.25	0.25	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.32
<b>Arlingclose Central Case</b>	<b>1.60</b>	<b>1.65</b>	<b>1.65</b>	<b>1.70</b>	<b>1.75</b>	<b>1.75</b>	<b>1.75</b>	<b>1.70</b>	<b>1.70</b>	<b>1.70</b>	<b>1.70</b>	<b>1.70</b>	<b>1.70</b>	<b>1.70</b>
Downside risk	0.30	0.45	0.50	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.55
<b>20-yr gilt yield</b>														
Upside risk	0.20	0.25	0.25	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.32
<b>Arlingclose Central Case</b>	<b>1.90</b>	<b>1.95</b>	<b>1.95</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>1.98</b>
Downside risk	0.30	0.40	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.43
<b>50-yr gilt yield</b>														
Upside risk	0.20	0.25	0.25	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.32
<b>Arlingclose Central Case</b>	<b>1.80</b>	<b>1.85</b>	<b>1.85</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>	<b>1.88</b>
Downside risk	0.30	0.40	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.43

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%

PWLB Local Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

### Local Context for Economic and Credit Environment

#### Economic Background

A reduction in economic activity could have an adverse effect on the Council's trading operations (e.g. CIS, Markets, Car Parks, Building Control, Development Control, leisure) as well as receipts from business rates and council tax.

In addition restricted economic growth will increase financial strain on household which may result in increased demand for Council services such as benefits, homelessness, and housing services.

Inflationary pressures could start to effect council spending. As a result there could be pressure on some budgets where costs are rising. There will also be increased pressure in the MTFS to mitigate this pressure through changes in spending and income generation. The increase in Business Rates is set on the September CPI, so this will rise by 2.4%

In a positive labour market where there are few vacancies, the Council may find it harder to recruit suitably skilled staff.

#### Credit Outlook

The Council monitors credit ratings and credit default swaps, these are used to make decision about which institutions to invest with, based on the parameters set within the Treasury Management strategy

The council receives a monthly listing from its treasury management advisors (Arlingclose) showing the rates and durations for a range of financial institutions.

The Council's investments are in the majority of short duration as a consequence, any adverse movements in credit ratings would be a signal to remove investments from those institutions.

The Council uses Natwest for its transactional banking, but keeps the investment balance held with Natwest to a maximum of £1m.

#### Interest Rate Forecast

Increases in the Bank of England rate have pushed up other market rate e.g. Money Market Funds and deposit accounts rates. Whilst this is good news, interest rates are

still at historically low levels, combined with the prediction that rates will rise slowly, total interest receipts will not increase significantly in the medium term.

## Existing Investment &amp; Debt Portfolio Position

	<b>31/12/18 Actual Portfolio £m</b>	<b>31/12/18 Average Rate %</b>
<b>External borrowing:</b>		
Public Works Loan Board	20.8	<b>2.9</b>
Local authorities	0	
Other loans	0	
<b>Total external borrowing</b>	<b>20.8</b>	
<b>Other long-term liabilities:</b>		
Finance Leases	0.5	n/a
<b>Total other long-term liabilities</b>	<b>0.5</b>	
<b>Total gross external debt</b>	<b>21.0</b>	
<b>Treasury investments:</b>		
Banks & building societies (unsecured)	6.7	0.4
Government (incl. local authorities)	1.0	0.5
Corporate bonds and loans	0	n/a
Money Market Funds	6.4	0.7
Pooled property fund	4.0	n/a
<b>Total treasury investments</b>	<b>18.1</b>	
<b>Net debt</b>	<b>2.9</b>	

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## Capital Strategy 2019/20

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## 1.0 Why is a Strategy Needed?

### 1.1 Introduction

This capital strategy is a new report for 2019/20, giving a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

## 2.0 Capital Expenditure and Financing

### 2.1 Capital Expenditure

Capital expenditure is where the Council spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

- For details of the Council's policy on capitalisation, see the Council's Code of Financial Management.

In 2019/20, the Council is planning capital expenditure of £7.7m as summarised below:

*Table 1: Prudential Indicator: Estimates of Capital Expenditure in £m*

	<b>2017/18 actual</b>	<b>2018/19 forecast</b>	<b>2019/20 budget</b>	<b>2020/21 budget</b>	<b>2021/22 budget</b>
General Fund services	8.5	10.3	7.7	7.0	10.7
Capital investments	5.7	0	0	0	0
<b>TOTAL</b>	<b>14.2</b>	<b>10.3</b>	<b>7.7</b>	<b>7.0</b>	<b>10.7</b>

The main capital projects include Disabled Facilities Grants (£2.2m), Alms Close Industrial Unit Construction (£1.0m) and Oak Tree Centre (£1.0m).

### 2.2 Governance

Service managers bid annually in August to include projects in the Council's capital programme. Bids are collated by the Finance team who calculate the financing cost (which can be nil if the project is fully externally financed). The Finance and Procurement Governance Board appraises all bids based on a comparison of

service priorities against financing costs and makes recommendations to the Senior Leadership Team. The final capital programme is then presented to Cabinet in January and to Council in February each year.

The capital project will be monitored through its lifecycle by the Project Management Governance Board.

- For full details of the Council’s capital programme, including the project appraisals undertaken, see here [Capital Bids](#)

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council’s own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

*Table 2: Capital financing in £m*

	<b>2017/18 actual</b>	<b>2018/19 forecast</b>	<b>2019/20 budget</b>	<b>2020/21 budget</b>	<b>2021/22 budget</b>
External sources	2.8	2.2	1.5	1.3	1.3
Own resources	3.6	3.1	1.2	0.8	0.7
Debt	7.8	5.0	5.0	4.9	8.7
<b>TOTAL</b>	<b>14.2</b>	<b>10.3</b>	<b>7.7</b>	<b>7.0</b>	<b>10.7</b>

Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP and use of capital receipts are as follows:

*Table 3: Replacement of debt finance in £m*

	<b>2017/18 actual</b>	<b>2018/19 forecast</b>	<b>2019/20 budget</b>	<b>2020/21 budget</b>	<b>2021/22 budget</b>
Own resources	1.8	2.0	2.4	2.5	2.8

- The Council’s full minimum revenue provision statement is available as part of the MTFS report.

The Council’s cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £2.6m during 2019/20. Based on the above figures for expenditure and financing, the Council’s estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £m

	31.3.2018 actual	31.3.2019 forecast	31.3.2020 budget	31.3.2021 budget	31.3.2022 budget
General Fund services	36.6	44.6	47.2	49.6	55.6
Capital investments	5.0	0	0	0	0
<b>TOTAL CFR</b>	<b>41.6</b>	<b>44.6</b>	<b>47.2</b>	<b>49.6</b>	<b>55.6</b>

## 2.3 Asset management

To ensure that capital assets continue to be of long-term use, the Council has various strategies to manage assets held by services

## 2.4 Asset disposals

When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2021/22. Repayments of capital grants, loans and investments also generate capital receipts. The Council plans to receive £0.8m of capital receipts in the coming financial year as follows:

Table 5: Capital receipts in £m

	2017/18 actual	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget
Asset sales	0.42	0.52	0.88	0.45	0.40
Loans repaid	0.27	0.32	0.32	0.32	0.32
<b>TOTAL</b>	<b>0.69</b>	<b>0.84</b>	<b>1.20</b>	<b>0.77</b>	<b>0.72</b>

## 3.0 Borrowing, debt and investments

### 3.1 Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Due to decisions taken in the past, the Council currently has £20.5m borrowing at an average interest rate of 2.94% and £18.1m treasury investments at an average rate of 0.5%.

### 3.2 Borrowing strategy

The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.75%) and long-term fixed rate loans where the future cost is known but higher (currently 2.0 to 3.0%).

Projected levels of the Council's total outstanding debt (which comprises borrowing, and leases are shown below, compared with the capital financing requirement (see above).

*Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £m*

	<b>31.3.2018 actual</b>	<b>31.3.2019 forecast</b>	<b>31.3.2020 budget</b>	<b>31.3.2021 budget</b>	<b>31.3.2022 budget</b>
Debt (incl. PFI & leases)	20.9	20.7	20.4	20.2	19.9
Capital Financing Requirement	41.6	44.6	47.2	49.6	55.6

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term.

### 3.3 Liability benchmark

To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to £5m at each year-end. This benchmark is currently £5.7m and is forecast to rise to £15.2m over the next three years.

*Table 7: Borrowing and the Liability Benchmark in £m*

	<b>31.3.2018 actual</b>	<b>31.3.2019 forecast</b>	<b>31.3.2020 budget</b>	<b>31.3.2021 budget</b>	<b>31.3.2022 budget</b>
Outstanding borrowing	20.9	20.7	20.4	20.2	19.9
Liability benchmark	6.9	5.7	5.6	8.1	15.2

The table shows that the Council expects to remain borrowed above its liability benchmark.

### 3.4 Affordable borrowing limit

The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

*Table 7: Prudential Indicators: Authorised limit and operational boundary for external debt in £m*

	<b>2018/19 limit</b>	<b>2019/20 limit</b>	<b>2020/21 limit</b>	<b>2021/22 limit</b>
Authorised limit – General	78	80	80	80
Authorised limit – Loans	15	20	20	20
Authorised limit – CIS	30	35	35	35
<b>Authorised limit – total external debt</b>	<b>123</b>	<b>135</b>	<b>135</b>	<b>135</b>
Operational boundary – General	73	70	70	70
Authorised limit – Loans	15	15	15	15
Authorised limit – CIS	30	30	30	30
<b>Operational boundary – total external debt</b>	<b>118</b>	<b>115</b>	<b>115</b>	<b>115</b>

- Further details on borrowing are in detailed in the Treasury Management Strategy.

### 3.5 Investment strategy

Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council’s policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that could be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which

particular investments to buy and the Council may request its money back at short notice.

*Table 8: Treasury management investments in £m*

	<b>31.3.2018 actual</b>	<b>31.3.2019 forecast</b>	<b>31.3.2020 budget</b>	<b>31.3.2021 budget</b>	<b>31.3.2022 budget</b>
Near-term investments	3.5	16.0	15.8	13.1	5.7
Longer-term investments	4.0	4.0	4.0	4.0	4.0
<b>TOTAL</b>	<b>7.5</b>	<b>20.0</b>	<b>19.8</b>	<b>17.1</b>	<b>9.7</b>

- Further details on treasury investments are in the Council's Treasury Management Strategy 2019/20.

### **3.6 Governance**

Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Finance and staff, who must act in line with the treasury management strategy approved by Council. Half-yearly reports on treasury management activity are presented to Council. The Overview and Scrutiny Panel (Performance and Growth) is responsible for scrutinising treasury management decisions

### **4.0 Investments for Service Purposes**

#### **4.1 Service Investments**

The Council makes investments to assist local public services, including making loans to local organisations. In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break-even / generate a profit after all costs.

#### **4.2 Governance**

Decisions on service investments are made by the relevant service manager in consultation with the Director of Finance and must meet the criteria and limits laid down in the Treasury Management Strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.

- Further details on service investments are in pages in the Investment Strategy.



## **5.0 Commercial Activities**

### **5.1 Purpose of commercial activity**

With central government financial support for local public services declining, the Council invests in commercial property purely or mainly for financial gain. Total commercial investments are currently valued at £35.169m with the largest being Shawlands Retail Park, Sudbury at £5m. The total portfolio provides a net yield (rental income/valuation) of 8.66%.

With financial return being the main objective, the Council accepts higher risk on commercial investment than with treasury investments. The principal risk exposures include see also Appendix A for further description and mitigation.

- Declining capital values risk
- Rising borrowing costs risk
- Illiquidity of assets risk
- Void risk
- Economic environment risk
- Regulatory risk
- Policy risk
- Resource risk

In order that commercial investments remain proportionate to the size of the authority, these are subject to a 6% gross yield and contingency plans are in place should expected yields not materialise.

### **5.2 Governance**

Decisions on commercial investments are made by the Responsible Financial Officer in line with the criteria and limits approved by Council in the Treasury Management Strategy. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

- Further details on commercial investments and limits on their use are in the Investment Strategy
- Further details on the risk management of commercial investments are in the Investment Strategy

## 6.0 Liabilities and guarantees

### 6.1 Liabilities

In addition to debt of £20.5m detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £216m). The Council has also set aside £1.6m to cover risks from NDR Appeals Provision. The Council is also at risk of having to pay for contingent liabilities (as at 31<sup>st</sup> March 2018), including Contaminated Land (£3.3m), NHS Trust (£2.0m) and Municipal Mutual Insurance Liquidation (£0.6m). The Council has not put aside any money because the requirement to pay will only materialise if a future event outside the control of the council occurs.

### 6.2 Governance

Decisions on incurring new discretionary liabilities are taken by service managers in consultation with the Responsible Financial Officer. The risk of liabilities crystallising and requiring payment is monitored by Finance. New liabilities are reported to the Responsible Financial Officer for approval/notification as appropriate.

- Further details on liabilities are included in the 2017/18 statement of accounts (page 94) [Statement of Accounts 2017-18](#)

## 7.0 Revenue Budget Implications

### 7.1 Minimum Revenue Provision

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

*Table 9: Prudential Indicator: Proportion of financing costs to net revenue stream*

	<b>2017/18 actual</b>	<b>2018/19 forecast</b>	<b>2019/20 budget</b>	<b>2020/21 budget</b>	<b>2021/22 budget</b>
Financing costs (£m)	1.915	4.186	4.503	4.607	4.875
Proportion of net revenue stream	9.5%	24%	26%	28%	27%

Note that the above include around £2m of MRP for CIS which may not materialise.

- Further details on the revenue implications of capital expenditure are set out in the 2019/20 revenue budget.

## **7.2 Sustainability**

Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 35 years into the future. The Responsible Financial Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable, on the basis that;

- Services have been involved in the process to identify future capital requirements.
- Bids for capital expenditure have been scrutinised by the Finance and Procurement Governance Board, including a presentation to the board.
- MRP has been calculated according to the approved policy.
- A business plan will need to be produced for each project before it commences
- The capital project will be monitored by the Project Management Governance Board.
- Capital receipt projections are prudent and based on historic experience.
- The costs of borrowing have been built into the budget and MTFS, along with due sensitivity analysis on the current and medium term costs of borrowing, these have been included in the s.25 statement within the 2019/20 Budget (and Medium Term Financial Strategy 2020/21 to 2023/24)

## **8.0 Knowledge and Skills**

### **8.1 Qualifications**

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Head of Resources, is a qualified accountant with 25 years' experience, and the Estates Manager is a member of the Royal Institution of Chartered Surveyors. The Council can provide junior staff with funding to study relevant professional qualifications including CIPFA, and AAT.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers, and Barker Storey Matthews as property consultants and other consultants as specialist tasks are identified. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

- Further details on staff training can be found in the Council's Workforce Strategy

- The Council has a guide for use of external advisors- The Professional Services Guide.

## Appendix A

### Risks inherent in the Council's investments in commercial property

	<b>Risk</b>	<b>Description of risk</b>	<b>Mitigation</b>
<b>A</b>	<b>Falling capital value</b>	Reduction in the market value of the property	<p>Commission regular condition surveys</p> <p>Ensure maintenance is carried out (including tenant repairs)</p> <p>Perform regular maintenance</p> <p>Plan capital improvements</p> <p>Monitor general market movements, if falling consider divestment of some of the portfolio</p> <p>Use active asset management including negotiation leases before terminations to maintain asset values</p>
<b>B</b>	<b>Rising borrowing costs</b>	Increase in the cost of servicing loan interest	Only use fixed rate borrowing (PWLB)
<b>C</b>	<b>Illiquidity of assets</b>	Assets cannot be sold in the short-term	<p>Keep sufficient funds in short-term investments</p> <p>Keep funds in the CCLA property fund, which is property based but is available to sell quicker than property</p> <p>Keep open channels to short-term borrowing</p> <p>Seek relationships with other local authorities that have surplus cash</p> <p>Maintain properties to make them more desirable if a sale is required</p>
<b>D</b>	<b>Void risk</b>	Empty properties reduce rental income	<p>Market empty properties on an active basis</p> <p>Keep close contact with tenants so their intentions are known</p>

			Monitor tenant covenant
<b>E</b>	<b>Economic environment risk</b>	General economic condition worsen leading to reduced demand for commercial properties	Diversify the portfolio geographically and by type (retail, commercial, industrial)
<b>F</b>	<b>Regulatory risks</b>	Changes to legislation or accounting regulations effect the operation of the CIS	Maintain awareness of the direction of Government and Treasury policies.  Influence policy direction through nation groups, e.g. CIPFA, LGA, s151.  Respond to consultations on relevant regulation changes
<b>G</b>	<b>Policy risks</b>	Changes to council priorities lead to lack of corporate support for the CIS	Influence corporate policy through officer forums Maintain relationships with political leadership  Market the CIS internally to ensure the strategy is understood  Integrate the CIS income streams into the budget
<b>H</b>	<b>Resource risk</b>	Lack of resource in terms of skills and time	Pay market salaries to recruit and retain the people with the right skills and experience  Provide training to keep skills up to date  Have sufficient budget to buy in professional skills and advice when required  Provide member commercial investment training

## Investment Strategy 2019/20

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## **10.0 Investment Indicators**

- 10.1 Total Risk Exposure
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## 1.0 Introduction

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

This investment strategy is a new report for 2019/20, meeting the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

## 2.0 Treasury Management Investments

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £2.0m and £32.0m during the 2019/20 financial year.

### 2.1 Contribution

The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

### 2.2 Further Details

Full details of the Authority's policies and its plan for 2019/20 for treasury management investments are covered in a separate document, the treasury management strategy.

## 3.0 Service Investments: Loans

### 3.1 Contribution

The Council lends money to its subsidiaries, its suppliers, local businesses, local charities, housing associations, local residents and its employees to support local public services and stimulate local economic growth.

Luminus – Together with Cambridgeshire County Council and health partners a need has been identified for extra care for older people in St Ives. A loan was provided to Luminus to develop a new health care scheme for frail older people at Langley Court, St Ives; which consists of 55 1 and 2 bedroom flats.

Cambridge Regional College (formerly Huntingdonshire Regional College) – A loan was provided to CRC for the redevelopment of their campus. It will ensure students are able to access quality courses and facilities; it will also be financially beneficial to both the Council and College.

Huntingdon Gymnastics Club – A loan was provided to Huntingdon Gymnasium Club to fund building a second gymnasium. At its current capacity they were not able to meet demand. The club considered the expansion of the facility at Huntingdon will serve the community as a whole and consolidate the reputation of Huntingdon Gymnastics Club as a centre of excellence.

Urban and Civic Loan – A loan was provided to Urban and Civic to fund building a property for the Incubator Unit.

### 3.2 Security

The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

*Table 1: Loans for service purposes in £'000*

Borrower	31.3.2018 actual			2019/20
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Luminus	5,103	0	5,103	Limit not split across categories
Cambridge Regional College	886	0	886	
Huntingdon Gymnastics Club	42	0	42	
Urban and Civic	1,005	0	1,005	
Improvement Loans	575	0	575	
Employee Loans	48	0	48	
Rental Deposits	173	0	173	
<b>TOTAL</b>	<b>7,832</b>	<b>0</b>	<b>7,832</b>	

Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts from 2018/19 onwards will be shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

### **3.3 Risk assessment**

The Authority assesses the risk of loss before entering into and whilst holding service loans by:

1. A robust acquisition due diligence process and subsequent approvals
2. Liability management (reviews of debt levels and terms)
3. Borrower (financial exposures, potential defaults, changing business plans, credit rating)
4. Delivery partners (suitability, performance levels and financial stability)
5. Market factors (with periodic advice from appropriate professionals)
6. State Aid considerations
7. Professional advisors

The Dun and Bradstreet Credit Reporter are used to provide credit reports on the borrowers. The reports provide the following:

- Risk Assessment
- Trade Payments
- Legal Events
- Corporate Linkage
- Company Profile
- Financials
- Registry Info

The credit reports have a tracking feature which notifies the Council regarding any updates on a borrower's credit. Other sources such as Companies House and news sites provide the Authority with extra information to assess and monitor risk.

## **4.0 Service Investments: Shares**

### **4.1 Contribution**

The Council will invest in the shares of its subsidiaries, to support local public services and stimulate local economic growth. The Council will be the sole shareholder of its subsidiary HDC Ventures Limited. The purpose of HDC Ventures is to enable the Council to participate in commercial trading activities.

## 4.2 Security

One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows.

*Table 2: Shares held for service purposes in £'000*

Category of company	31.3.2018 actual			2019/20
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Subsidiaries	100	0	100	1,000
<b>TOTAL</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>1,000</b>

## 4.3 Risk assessment

The risk will be assessed as the company matures and contracts are developed.

## 4.4 Liquidity

Each investment will be considered by Cabinet and the maximum period set will be on a case by case basis.

## 4.5 Non-specified Investments

Shares are the only investment type that the Authority has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Authority's upper limits on non-specified investments. The Authority has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

## 5.0 Commercial Investments: Property

MHCLG defines property to be an investment if it is held primarily or partially to generate a profit.

### 5.1 Contribution

The Council faces considerable financial challenges over the medium term. To achieve financial sustainability, the Commercial Investment Strategy was approved. The Council invests in local and regional UK commercial property with the intention of income generation which will help fund public services. Over the last 3 years the Council has bought properties in Huntingdon, Wilbury, Sudbury and Fareham and St Neots.

Table 3: Property held for investment purposes in £'000

Property	Actual	31.3.2018 actual		31.3.2019 expected	
	Purchase cost	Gains or (losses)	Value in accounts	Gains or (losses)	Value in accounts
Existing Portfolio	20,113	(469)	19,644	0	19,644
2 Stonehill	1,300	100	1,400	0	1,400
80 Wilbury Way	2,185	15	2,200	0	2,200
Shawlands Retail Park	6,500	0	6,500	0	6,500
1400 & 1500 Parkway	5,425	0	5,425	0	5,425
Units 21a, 21b,23a,b,c Little End Road, St Neots	3,200	0	3,200	0	3,200
<b>TOTAL</b>	<b>38,723</b>	<b>(354)</b>	<b>38,369</b>	<b>0</b>	<b>38,369</b>

## 5.2 Security

In accordance with government guidance, the Authority considers a property investment to be secure if its accounting valuation is at or higher than its purchase price.

A fair value assessment of the Authority's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. Should the 2018/19 year end accounts preparation and audit process value these properties below their purchase cost, then this may result in MRP being charged.

## 5.3 Risk assessment

The Authority assesses the risk of loss before entering into and whilst holding property investments. The strategic objectives of the Commercial Investment Strategy are designed to mitigate risk by:

- Having the fundamental aim of an income rather than capital return (although the latter is part of the strategy)
- Adopting a portfolio approach so as to avoid concentration of risk in any one property, tenant or risk type

In addition, CIS risk will be managed having regard to the following factors:

1. A robust acquisition due diligence process and subsequent approvals

2. Asset management plans and on-going reviews
3. Liability management (reviews of debt levels and terms)
4. Tenants (financial exposures, potential defaults, changing business plans, credit rating)
5. Portfolio factors including occupancy levels, operating costs.
6. Delivery partners (suitability, performance levels and financial stability)
7. Market factors (with periodic advice from appropriate professionals)
8. State Aid considerations
9. Professional advisors

External advisors are used when appropriate e.g. to undertake independent valuations prior to acquisition, asset valuation or when there is a lack of expertise in-house regarding an industry.

The Dun and Bradstreet Credit Reporter are used to provide credit reports on the tenants. The reports provide the following:

- Risk Assessment
- Trade Payments
- Legal Events
- Corporate Linkage
- Company Profile
- Financials
- Registry Info

The credit reports have a tracking feature which notifies the Council regarding any updates on a tenant's credit. Other sources such as Companies House and news sites provide the Authority with extra information to assess and monitor risk.

#### **5.4 Liquidity**

Compared with other investment types, property is relatively difficult to sell and convert to cash at very short notice. To ensure that the invested funds can be accessed or liquidated the Council will review investments regularly to ensure rental income is maximised (through rent reviews and lease renewals) and undertake asset management (re-letting, repairs, improvements etc) to ensure any proceeds from sale are maximised if assets are liquidated. Regular review of the property investment market will identify potential changes in market conditions and identify optimum opportunities to sell assets.

#### **6.0 Loan Commitments and Financial Guarantees**

Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Authority. At this moment in time the Council doesn't have any financial guarantees.

## 7.0 Proportionality

The Authority is dependent on profit generating investment activity to achieve a balanced revenue budget. Table 4 below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Authority is dependent on achieving the expected net profit from investments over the lifecycle of the Medium Term Financial Plan. Should it fail to achieve the expected net profit, the Authority's contingency plans for continuing to provide these services, are to use reserves where necessary to offset any negative variances in the final outturn. Unallocated general fund balances and budget surplus reserve can be used in case of a downturn in investment income to meet any detrimental effect.

Table 4: Proportionality of Investments in £'000

	<b>2017/18 Actual</b>	<b>2018/19 Forecast (August)</b>	<b>2019/20 Budget</b>	<b>2020/21 Budget</b>	<b>2021/22 Budget</b>
Gross service expenditure	78,322	75,729	69,951	63,638	59,787
Investment income	2,533	2,512	2,628	2,729	2,315
Proportion	3.2%	3.3%	3.8%	4.3%	3.9%

## 8.0 Borrowing in Advance of Need

Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.

The Authority has chosen not to follow this guidance and has previously borrowed to invest in commercial property, and may continue to do so in the future. Despite reduced central government funding, the Council still wants to provide a cost effective service to the district. By using the income streams from its property investments it is able to do this. The risks of commercial investment are satisfactorily managed by precautions outlined within the commercial investment strategy, and this strategy. Also The Capital Strategy includes as an Appendix (Capital Strategy Appendix A) a list of the risks and mitigations of commercial investments.

Loans financing CIS purchases are required to be directly linked to the commercial investment strategy asset and the link can only be broken by a specific decision of full council. The asset is valued on an annual basis, if it is established that the value of the asset is less than the loan, then a minimum revenue provision payment will be required. The payment will continue until the asset value is greater than the loan. The risks of commercial investment are satisfactorily managed by precautions outlined within the commercial investment strategy.

## **9.0 Capacity, Skills and Culture**

### **9.1 Elected members and statutory officers**

Through quarterly formal Treasury and Capital Management Group meetings, members are provided with updates on:

- The property investment market.
- Performance of current property assets – income growth, capital values, voids and debt.
- Review of investment opportunities investigated.
- Analysis of the investment portfolio by value, location, and property type.

More informal and regular updates are provided on the progress of individual key transactions, opportunities and market changes.

Key staff are appropriately professionally qualified, maintain annual CPD and maintain professional networks with other investors and advisors.

### **9.2 Commercial Deals**

The Commercial Estates and Finance teams are co-located and work closely to ensure the core principles of the prudential framework are maintained, co-authoring guidance notes and reviewing any revision to published guidelines.

### **9.3 Corporate governance**

The Commercial Investment Strategy has published delegated authority levels and process for investment decisions, these are adhered to.

The Treasury and Capital Management Group are consulted early on any investment opportunities and provided with regular progress reports in addition to formal approval reports and a further report on due diligence findings prior to formal commitments. A report to Cabinet in relation to the purchase is made before the deal is finally completed.

## **10.0 Investment Indicators**

The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

### **10.1 Total risk exposure**

The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third party loans.



Table 5: Total investment exposure in £'000

<b>Total investment exposure</b>	<b>31.03.2018 Actual</b>	<b>31.03.2019 Forecast</b>	<b>31.03.2020 Forecast</b>
Treasury management investments	7,465	5,000	5,000
Service investments: Loans	7,832	8,872	8,472
Service investments: Shares	100	100	100
Commercial investments: Property	35,169	38,369	46,069
<b>TOTAL INVESTMENTS</b>	<b>50,566</b>	<b>52,341</b>	<b>59,641</b>
Commitments to lend	0	0	0
Guarantees issued on loans	0	0	0
<b>TOTAL EXPOSURE</b>	<b>50,566</b>	<b>52,341</b>	<b>59,641</b>

## 10.2 How investments are funded

Government guidance is that these indicators should include how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

Table 6: Investments funded by borrowing in £'000

<b>Investments funded by borrowing</b>	<b>31.03.2018 Actual</b>	<b>31.03.2019 Forecast</b>	<b>31.03.2020 Forecast</b>
Treasury management investments	0	0	0
Service investments: Loans	5,989	7,029	6,629
Service investments: Shares	0	0	0
Commercial investments: Property	5,000	5,000	13,100
<b>TOTAL FUNDED BY BORROWING</b>	<b>10,989</b>	<b>12,029</b>	<b>19,729</b>

### 10.3 Rate of return received

This indicator compares the investment income received to the purchase price of the investment. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

*Table 7: Investment yield (net of all costs)*

<b>Investments yield</b>	<b>2017/18 Actual</b>	<b>2018/19 Forecast</b>	<b>2019/20 Forecast</b>
Treasury management investments	0.3%	0.5%	0.6%
Service investments: Loans	4.2%	4.4%	4.4%
Service investments: Shares	0%	0%	0%
Commercial investments: Property	8.1%	9.2%	9.0%
<b>ALL INVESTMENTS</b>	<b>4.2%</b>	<b>4.7%</b>	<b>4.6%</b>

*Table 8: Other investment indicators*

<b>Indicator</b>	<b>2017/18 Actual</b>	<b>2018/19 Forecast</b>	<b>2019/20 Forecast</b>
<i>Interest Cover Ratio</i>	2.8	2.8	3.2
<i>Loan to Value Ratio</i>	92.2%	92.2%	93.5%
<i>Gross Rent Multiplier</i>	14.8	15.2	15.1
<i>Rent Yield</i>	8.1%	9.2%	9.0%
<i>Return on Equity</i>	8.0%	8.4%	8.3%

**MINIMUM REVENUE PROVISION STATEMENT 2019/20****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 2003, Councils, are expected to make a prudent provision. The Local Government Act 2003 requires the Council to have regard to the Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2018.
- 1.2 The broad aim of the MHCLG 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 MHCLG 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 MRP Policy - General**

- 2.1 This Policy was originally approved by Cabinet on the 17<sup>th</sup> September 2009 and was subsequently amended for 2017/18 (a slight change to clarify when the incidence of MRP will be chargeable in iii). 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 MRP Policy - Loans to Organisations**

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 (for asset creation purposes) 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, because the loan repayments will be applied to the CAA, so reducing the CFR in the same manner as MRP.

If principal repayments are not being made then MRP will be charged.

### **4.0 MRP Policy – Financing Expenditure with Annuity Loans**

4.1 This Policy was originally approved on 22<sup>nd</sup> February 2016 and has been amended for 2018/19. The aim of this policy is to determine the neutralization of MRP when Annuity Loans are used to finance CIS asset, and investments.

4.2 The actual policy is:

For each capital investment undertaken under the requirements of the Council's 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 MRP Policy – Financing Expenditure with Maturity Loans**

5.1 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 or housing 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 or housing 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 or housing 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.
- iv. Even where the asset value exceeds the loan value the Council may decide to make a voluntary MRP.

## 6.0 Capital Financing Requirement and MRP Summary

Based on the Council's latest estimate of its Capital Financing Requirement on 31st March 2019, the budget for MRP has been set as follows:

	<b>31.03.2019 Estimated CFR £m</b>	<b>2019/20 Estimated MRP £m</b>
Capital Expenditure	44.6	2.4
Commercial Investment Strategy	30.0	2.0
<b>Total</b>	<b>74.6</b>	<b>4.4</b>

### Flexible Use of Capital Receipts Strategy

#### 1.0 Introduction

As part of the November 2015 Spending Review, the Government announced that it would introduce flexibility for the period of the Spending Review for local authorities to use capital receipts from the sale of non-housing assets to fund the revenue costs of service reform and transformation. Guidance on the use of this flexibility was issued in March 2016 which applies to the financial years 2016/17 through to 2019/20. The Secretary of State has recently announced that this flexibility would be extended in to future years

#### 2.0 The Guidance

The guidance issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003 specified that;

- Local authorities will only be able to use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered. They may not use their existing stock of capital receipts to finance the revenue costs of reform.
- Local authorities cannot borrow to finance the revenue costs of the service reforms.
- The expenditure for which the flexibility can be applied should be the up-front (set up or implementation) costs that will generate future ongoing savings and/or transform service delivery to reduce costs or to improve the quality of service delivery in future years. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure.
- The key determining criteria to use when deciding whether expenditure can be funded by the new capital receipts flexibility is that it is forecast to generate ongoing savings to an authority's net service expenditure.
- In using the flexibility, the Council will have due regard to the requirements of the Prudential Code, the CIPFA Local Authority Accounting Code of Practice and the current edition of the Treasury Management in Public Services Code of Practice.
- The Council is also required to prepare a "Flexible use of capital receipts strategy" before the start of the year to be approved by Council which can be part of budget report to Council.

The guidance sets out examples of qualifying expenditure which includes;

- Sharing back-office and administrative services with one or more other council or public sector bodies;
- Investment in service reform feasibility work, e.g. setting up pilot schemes;
- Collaboration between local authorities and central government departments to free up land for economic use;
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
- Sharing Chief-Executives, management teams or staffing structures;
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations;
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training;
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others);
- Integrating public facing services across two or more public sector bodies (for example children’s social care, trading standards) to generate savings or to transform service delivery.

### **3.0 The Council’s Proposals**

The Council intends to use flexibility over capital receipts to support the following transformational projects:

**The Council currently has no plans to use capital receipts, if circumstances change then a revised strategy will be produced and approved.**



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

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Council Tax - Review of discounts  
**Meeting/Date:** Overview & Scrutiny (Performance and Growth) – 5  
February 2019  
**Executive Portfolio:** Cllr JA Gray – Executive Councillor for Resources  
**Report by:** Revenues and Benefits Manager  
**Wards affected:** All

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### RECOMMENDATION

The Overview and Scrutiny Panel is invited to consider and comment on the proposal to amend two of the locally set Council Tax discounts:

- remove discounts for unoccupied and substantially unfurnished properties
- increase the premium levied on long term empty properties

from the Cabinet report attached.



**HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Council Tax – Review of discounts

**Meeting/Date:** Overview and Scrutiny Panel (Performance and Growth) – 5 February 2019  
Cabinet – 14 February 2019

**Executive Portfolio:** Cllr JA Gray – Executive Councillor for Resources

**Report by:** Revenues and Benefits Manager

**Wards affected:** All

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**Executive Summary:**

Provisions within the Local Government Finance Act 2012 give local authorities the power to determine locally set Council Tax discounts for certain classes of dwellings.

Following the passing of this legislation in 2012, Huntingdonshire District Council (HDC) determined a number of locally set discounts that have been applied since April 2013. An amendment to part of the relevant legislation has prompted a review of how these discounts are applied resulting in proposals to amend two of them.

These changes would lead to an increase in the Council Tax Base and an increase in income to HDC and the other preceptors.

**Recommendation(s):**

Cabinet is recommended to approve the amendments to the Council Tax discounts set out in this report:

- unoccupied and substantially unfurnished properties to receive 0% discount
- premiums to be applied to long term empty properties in line with the amended legislation

with effect from 1 April 2019.

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

- 1.1 Legislation allows a billing authority to specify the level of discount applied to certain classes of dwellings; that is to determine how much Council Tax liability should be levied in specific circumstances.
- 1.2 In 2013, HDC determined the level of discount applied to certain classes of dwellings and those have been applied to date.
- 1.3 In the November 2018 budget, it was announced that the Government intended to legislate to increase the premium that could be applied to long term empty properties and the legislation has now been passed allowing us to review the Council's approach from 2019 onwards.
- 1.4 The legislation relating to the other types of discount can be reviewed for the start of any financial year.
- 1.5 A review of the discounts that could be applied has been undertaken for consideration by Members.

## **2. BACKGROUND**

- 2.1 From 1 April 2013, billing authorities have had discretion to determine the level of Council Tax discount on empty properties as follows:
  - a) Second homes – discount between 0 and 50%
  - b) Properties unoccupied and substantially unfurnished (Class C) – discount between 0 and 100%
  - c) Uninhabitable properties (Class D) – discount between 0 and 100% for up to 12 months
  - d) Long term empty properties – premium of up to 50% after two years
- 2.2 HDC decided to apply locally set discounts as follows:
  - a) Second homes – 0% discount
  - b) Unoccupied and substantially unfurnished properties granted 100% discount for one month and then 0% thereafter (Class C)
  - c) Uninhabitable properties granted 0% discount for a maximum of 12 months (Class D)
  - d) Long term empty properties – a 50% premium applied after two years
- 2.3 An amendment to the legislation took place following the November 2018 budget and billing authorities can now apply additional rates of Council Tax charged on long term empty properties as follows:
  - 100% extra on properties empty between 2 and 5 years (effective from April 2019)
  - 200% extra on properties empty between 5 and 10 years (effective from April 2020)
  - 300% extra on properties empty for more than 10 years (effective from April 2021)
- 2.4 The level of discounts that can be applied in other circumstances has not changed.

### **3. OPTIONS CONSIDERED**

3.1 In reviewing whether to propose changes to the discounts, consideration was given to the number of accounts that would be affected, the amount of resource required to administer the discounts, the likely impact that any changes would have on tax payers, the potential additional income to HDC and other preceptors and the Government's policy intention behind the changes.

3.2 Unoccupied and substantially unfurnished properties (Class C discounts):  
It is proposed to reduce the discount to 0% from the date that the property becomes unoccupied and substantially unfurnished. This will bring HDC into line with a number of neighbouring local authorities including South Cambridgeshire DC and Fenland DC.

3.3 The implications of doing this are:

- a) It would simplify the administrative process as there are often disputes over who the discount should be awarded to in landlord / tenant situations.
- b) The maximum additional income generated would be in the region of £390k per annum with HDC's allocation being approximately £35k based on a collection rate of 98.6%.

3.4 Long term empty properties:  
It is proposed to apply the maximum premiums allowed in line with the amended legislation.

3.5 The implications of doing this are:

- a) It may encourage owners of long term empty properties to bring them back into use.
- b) The income generated would be in the region of:  
2019/20: £9k  
2020/21: £15k  
2021/22: £16k

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

4.1 The comments of the relevant Overview and Scrutiny Panel will be included in this section prior to its consideration by the Cabinet.

### **5. KEY IMPACTS / RISKS**

5.1 The risk of applying the proposed changes to the locally set discounts is that the person liable to pay the Council Tax does not make the necessary payments. If this occurred, the usual recovery process would take place.

5.2 There may be an increase in the write off of small debts but this will not make the proposals unviable.

### **6. TIMETABLE FOR IMPLEMENTATION**

6.1 The proposed changes would come into force from 1 April 2019 and then April 2020 and April 2021 as set down in the relevant legislation.

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

- 7.1 These proposed changes link to the objective in the Corporate Plan of Becoming a More Efficient and Effective Council by maximising income opportunities where appropriate.
- 7.2 The Council's adopted Housing Strategy 2017-20 includes a priority to "increase Council Tax charges on any homes which have been empty for more than 2 years to discourage them from remaining empty".
- 7.3 Housing Affordability is a key theme in the Council's Annual Governance Statement with a link to the impact of homelessness. The proposed changes seek to encourage that all properties within the district are made available for habitation.

## **8. RESOURCE IMPLICATIONS**

- 8.1 The effect of any decision to reduce the level of discounts will increase the Tax Base and the income derived by all preceptors proportionately to the amount of their precept.

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

- 9.1 It is recommended that HDC sets the discount applied to unoccupied and substantially unfurnished properties at 0% and increases the premium levied on long term empty properties to support the objective in the Corporate Plan of maximising income opportunities and to maximise the available housing stock.

## **CONTACT OFFICER**

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

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Off-Street Car Parking Investment and Affordability

**Meeting/Date:** Overview and Scrutiny Panel (Performance and Growth) –  
5th February 2019

**Executive Portfolio:** Councillor Mrs M Beuttell, Executive Councillor for  
Operations and Regulation

**Report by:** Neil Sloper, Head of Operations

**Wards affected:** All

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### RECOMMENDATION

The Overview and Scrutiny Panel is invited to comment on the proposals for investment in Off-Street Car Parking Investment within the Cabinet report attached at Appendix A.





## HUNTINGDONSHIRE DISTRICT COUNCIL

<b>Title/Subject Matter:</b>	Off Street Car Parking Investment
<b>Meeting/Date:</b>	Cabinet – 14 <sup>th</sup> February 2018
<b>Executive Portfolio:</b>	Cllr Beuttell, Executive Cllr for Operations & Regulation
<b>Report by:</b>	Head of Operations
<b>Ward(s) affected:</b>	All

### Executive Summary:

The Council is committed to **ensuring our car parking strategy supports and encourages retail in our town centres.**

This report proposes new investment to deliver a parking service that is sustainable, supportive of local residents, business and visitors and promotes further economic growth of our towns.

The 'Off-Street Car Parking Strategy 2018 - 2023' adopted on 18th October 2018, was formed by listening to customers. The investment proposed is a response to customer demand for the convenience they expect from the high street and digital providers; greater convenience, including cashless payment. Value for money was also important so a system to allow users to **'Pay for What You Use'** and prices maintained below comparative car parks will underpin this investment.

The investments in technology will support longer dwell in our towns, change the units of charging to allow **'Pay for What You Use'**, provide greater choice and convenience in payment, test an option to choose a wider parking bays and test new technology to see if greater investment will deliver more benefits.

The report presents the financial and risk implications of the technology proposed.

In addition, the report presents a new framework for car park charges based on the financial principles adopted within the Off-Street Parking Strategy.

### Recommendations:

- Councillors evaluate the investment proposed.
- Councillors recommend the option to be adopted.
- The proposed framework to implement off-street car park charges is adopted.
- The new charging structure, to enable **'Pay for What You Use'**, be approved.

## 1.0 PURPOSE OF THE REPORT

- 1.1. To seek the approval of technology investment in the management of off-street car parks, delivering the Off-Street Car Parking Strategy. This will achieve the customer priorities of **convenience** and **value for money**, whilst supporting retail in our towns through encouraging **longer dwell** times.
- 1.2. To gain endorsement of the proposed framework for setting and implementing off-street car park charges via Notice of Variation using the powers of Sections 35(1), 35(3) and 35C of the Road Traffic Regulation Act 1984 and Regulation 25 of the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996.
- 1.3. To seek approval for a new charge structure which enables a '**Pay for What You Use**' approach to car park charging, limited by the Financial Principles of the Council's Off Street Car Parking Strategy.

## 2. BACKGROUND

- 2.1 The Economy & Growth Overview & Scrutiny Panel set up a Member Task & Finish group on the 6th April 2017 to deliver an agreed vision and strategic priorities for car park management and operation. This was based on the Council's commitment to **a car park strategy that supports and encourages retail in our town centres**.
- 2.2 The Parking Vision was endorsed by Cabinet on the 12th October 2017:
  - Implementing technology that positively assists our car park users
  - Providing and delivering safety and security for our users
  - Providing and delivering clean and well maintained parking places
  - Promoting environmental sustainability by supporting alternative fuel and travel methods
- 2.3 '**Implementing technology that positively assists our car park users**' was a customer survey driven requirement adopted within the 'Off-Street Car Parking Strategy 2018 - 2023' on 18<sup>th</sup> October 2018.
- 2.4 **Convenience** through improved customer experience and ease of use was requested within the Car Park User Survey. This showed a clear demand for greater convenience within our car parks, including more cashless payment options. There was a desire to see new technology that smoothed the parking process for customers.
- 2.5 **Enhanced value for money** was also requested by customers. A commitment was set out within the Financial Principles of the Strategy to ensure a fair, transparent and consistent in our approach to car park charges. These commitments are:
  - to introduce a '**Pay for What You Use**' system to ensure that customers only pay for the time they spend in our car parks, after use.
  - to offer **wider bays** through re-design of our car parks where possible.
  - to trial a choice of a **premium parking options**.
  - to ensure that our car parking fees are lower than the average index of car parking charges of our comparator authorities
  - to continue to offer our regular car park users **value for money** with the option of discount permit schemes.

- 2.6 **Enabling longer dwell** to benefit our towns and retail businesses, through improved customer experience and enhanced value for money is a commitment by the Council in response to customer feedback and to achieving the Council's commitment to retail in its towns.
- 2.7 The 'pay and display' machines currently used within Huntingdonshire District Council car parks are at the end of their operational life being in excess of 10 years old with their current configuration. The equipment has been maintained using spare parts however there is now a requirement to upgrade the mechanisms inside.

### **3. CONSIDERATIONS**

#### **3.1 Convenience of Automatic Number Plate Recognition (ANPR) Cameras**

- 3.1.1 The use of ANPR cameras on their own to manage and enforce Council off-street car parks is not permitted.
- 3.1.2 Specific guidance issued from the Department for Transport in 2014 (Appendix 1) made it clear that this cannot be applied to Council owned car parks. Although the car park land owned by Huntingdonshire may be thought to be unregulated (not falling under the Traffic Management Act (2004) as the County and District have not adopt Civil Enforcement powers through decriminalisation). It is viewed that the land remains regulated as a Council provides off-street parking places with the status of a Local Authority under the Road Traffic Regulation Act (1984).
- 3.1.3 Any submission to the Driver and Vehicle Licensing Agency (DVLA) to access data to recover charges for enforcement under contract law will not be approved. The most recent case of this being Wycombe District Council in February 2018. After significant investment in systems, the council was forced to abandon its approach in all but one car park where the system was able to operate in conjunction with barriers.
- 3.1.4 ANPR cameras may be used to augment car park management controls and assist enforcement by enforcement officers who must both observe and manually issue an excess charge notice to a vehicle. As such beneficial uses for the technology are limited to:
- Early flagging of vehicles that have entered a car park without having a valid parking session initiated via a machine, permit, app or phone to park session.
  - Enhancing barrier controls to permit ticketless operation for those with a permit, app or phone to park session, pre-paid account, or a paid for session on a parking machine.
- In each case the car park management system will require the user to have entered their registration via a machine in the car park, app or phone to park, parking account or permit.
- 3.1.5 It must be noted that The Protection of Freedoms Act (2012) enabled the use of ANPR cameras in privately owned and operated car parks, utilising contract law. This has resulted in a large number of technologically advanced systems at retail outlets, hospitals and railway stations.

#### **3.2 Convenience of Barrier Controls**

- 3.2.1 Barrier controls can be an effective way of offering a '**Pay for What You Use**' on exit solution. A barrier opens after the selection of a chip coin or a ticket. The motorist then pays for the appropriate parking fee at a pay station before

returning to their vehicle, the chip coin or ticket then enabling free access through the exit barrier.

3.2.2 Barrier controls may be ticketless with the introduction of linked ANPR cameras, the cameras recording the entry time and exit time, with a computer system ensuring the appropriate parking fee has been paid then allowing the barriers to allow exit.

3.2.3 The main concern in establishing barrier controls is space:

- Barrier controlled car parks need to have provision for car queues off the main highway and within the car park for exit.
- Barriers require space for installation and in busy car parks a number of entrances with barriers are advised.

In order to assess if barriers are an effective solution there needs to be free access to queue and the ability to lose car parking spaces to incorporate them into the entrance and exit.

3.2.4 The review of car parks (Appendix 2) identifies 14 of the Council's 25 pay & display car parks as suitable for a barrier controlled system, due to the available space for traffic to queue off the public highway. Formal objections are highly likely from the highway authority on the grounds of impact on traffic management to the impact on roads in the other locations.

3.2.5 The installation of barriers would require the loss of parking spaces within the 14 car parks. These total 62 bays across all 14 car parks. There is an estimated loss of car parking income of £70,000 associated with the loss of these spaces.

3.2.6 Barriers can be an effective system and good systems have few malfunctions. However barriers can hinder access, being mechanical can fail and require monitoring (intercom and CCTV cameras) whilst in operation in the event of computer or human error with a capability to attend site.

### **3.3 Value for Money and Longer Dwell**

3.3.1 **'Pay for What You Use'** allows a pay and display machine to mimic the benefits of a pay on exit car park, by allowing payment at the end of a parking session.

Users:

- Enter the car park and park their vehicle
- Proceed to a car park machine
- Enter their Vehicle Registration Number (VRN)
- Tap or enter the bank card they wish to pay with
- Place the ticket produced on their dashboard
- Return to the car park when ready to leave and re-enter their VRN paying the balance due at the machine

3.3.2 Payment using app or phone call will also be enabled. This will be linked to the Council's forthcoming customer account for access to all Council services and information relevant to them and where they live.

3.3.3 Investment in new parking management software and machines will allow the introduction of a new approach to parking tariff bands. This change (where possible subject to existing rebate arrangements) will deliver one of the Council's commitments to enable users pay for what they use. Smaller time units of 15

minutes may be introduced, allowing a parking charge to alter based on the time period elapsed.

- 3.3.4 **‘Pay for What You Use’**, based on 15 minute time periods, will reduce the amount of overpayment by customers who will pay a parking charge relating more closely to the actual time elapsed instead of the current step change in charge from the current ‘up to two hours’ to an ‘up to 3 hours’.
- 3.3.5 A minimum one hour period is proposed to ensure all car park users are encouraged to stay for at least one hour, benefiting retail in our towns.
- 3.3.6 A differential charge is proposed between long stay and short stay charges to encourage longer stay in car parks further from town, whilst maintaining a turnover of spaces in car parks closer to our town centres. Maintaining cheaper long stay rates will also continue to support our businesses and workers.
- 3.3.7 To achieve **‘Pay for What You Use’** 15 minute time bands are proposed; charged at the same rate within a short stay car park, and the same rate within a long stay car park. This ensures convenience through simplicity and ease of use.
- 3.3.8 Introducing 15 minute charged bands (between 1 to 4 hours of parking) will impact existing car park revenue. Assuming half of customers pay at the first 15 minute time period and half pay in the last 15 minute time period, a loss of revenue of approximately £142,000 could arise. The charge structure will need address this, to ensure the Council continues to achieve its Medium Term Financial (MTFS) Plan, agreed by the Council.

#### 4.0 Car Park Management System Proposals

##### 4.1 Options Summary

Given the legal constraints presented in section 3.0 of this report, within which the Council must operate, a number of options are summarized below. An assessment of feasibility given the nature of the off street car parks, benefits, cost implications and risks is set out in full in Appendix 2.

Please note: **All** options except A ‘do nothing’ will be developed to link with payment app/pay by phone system and the Council’s new customer portal.

OPTION	DESCRIPTION	PAY ON DEPARTURE	CARD/ CONTACTLESS	TICKET DISPLAYED	BARRIERS	CAMERA ASSIST
<b>A</b>	Do nothing (a like for like replacement at end of life)	No	No	Yes	No	No
<b>B</b>	Pay on Departure with credit/debit card (contactless).	Yes	Yes	Yes	No	No
<b>C</b>	Pay on Departure with credit/debit card (contactless) and barrier entry/exit control.	Yes	Yes	No	Yes	No
<b>D</b>	Pay on Departure with credit/debit card (contactless) and ANPR cameras to assist enforcement. (no barriers)	Yes	Yes	Yes	No	Yes

E	Pay on Departure with credit/debit card (contactless), barrier control for entry/exit and ANPR cameras to assist enforcement.	Yes	Yes	Yes	Yes	Yes
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## 4.2 Summary of Benefits and Risks

OPTION	DESCRIPTION	BENEFITS	RISKS
A	Do nothing (a like for like replacement at end of life)	<ul style="list-style-type: none"> <li>Reliable equipment</li> <li>Least cost</li> </ul>	<ul style="list-style-type: none"> <li>Does not provide any customer benefits</li> </ul>
B	Pay on Departure with credit/debit card (contactless).	<ul style="list-style-type: none"> <li>Quick payment including cards</li> <li>Payment for parking before departure</li> <li>Maintains number of spaces in car park</li> <li>Can be enhanced with ANPR later</li> <li>Limits overpayment by motorist</li> <li>Mimics benefits of barriers without investment or congestion</li> <li>Reduced likelihood of excess charge for overstaying</li> <li>Equipment reliability</li> <li>Reduction in cash payments</li> </ul>	<ul style="list-style-type: none"> <li>Risk of abuse – start sessions require ticket to be displayed so enforcement labour retained.</li> <li>Pay station use required to input registration, customer adoption.</li> <li>Reduction in Excess Charge Notice Income</li> </ul>
C	Pay on Departure with credit/debit card (contactless) and barrier entry/exit control.	<ul style="list-style-type: none"> <li>Quick payment including cards</li> <li>Payment for parking before departure</li> <li>Can be enhanced with ANPR later</li> <li>Limits overpayment by motorist</li> <li>Reduction in cash payments</li> <li>Convenience of entry and exit.</li> <li>No overpayment by motorist</li> <li>No excess charges for overstaying</li> </ul>	<ul style="list-style-type: none"> <li>Equipment failure/vandalism</li> <li>Complexity of operating permits/blue badge</li> <li>Power requirement</li> <li>Safety Access/Exit</li> <li>Enforcement required for out of bay/blue badge/premium bay</li> <li>Traffic congestion</li> <li>Loss of parking spaces impacting ability to offer wider bays.</li> <li>High cost/Loss of income during installation</li> </ul>
D	Pay on Departure with credit/debit card (contactless) and ANPR cameras to assist enforcement. (no barriers)	<ul style="list-style-type: none"> <li>Quick payment including cards</li> <li>Payment for parking before departure</li> <li>Maintains number of spaces in car park</li> <li>Can be enhanced with ANPR later</li> <li>Limits overpayment by motorist</li> <li>Mimics benefits of barriers without investment or congestion</li> <li>Reduced likelihood of excess charge for overstaying</li> <li>Equipment reliability</li> <li>Reduction in cash payments</li> <li>Quick payment including cards</li> <li>20% reduction in enforcement</li> <li>No overpayment by motorist</li> <li>Reduced abuse due to ANPR</li> </ul>	<ul style="list-style-type: none"> <li>Risk of abuse – start sessions require ticket to be displayed.</li> <li>Reduced level of Excess Charge Notices due to less enforcement hours deployed.</li> <li>Pay station use required to input registration, customer adoption.</li> <li>Data connectivity in real time.</li> </ul>

E	Pay on Departure with credit/debit card (contactless), barrier control for entry/exit and ANPR cameras to assist enforcement.	<ul style="list-style-type: none"> <li>• Quick payment including cards</li> <li>• Convenience of entry and exit.</li> <li>• Payment before departure</li> <li>• No overpayment by motorist</li> <li>• No excess charges for overstaying</li> <li>• Reduction in cash payments</li> </ul>	<ul style="list-style-type: none"> <li>• Equipment failure</li> <li>• Safety Access/exit</li> <li>• No enforcement of out of bay/blue badge/premium bay</li> <li>• Traffic congestion</li> <li>• Loss of parking spaces impacting ability to offer wider bays</li> <li>• High cost/Loss of income during installation</li> </ul>
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### 4.3 Cost Summary

4.3.1 The costs per car park are summarised below and detailed in full in Appendix 2. Appendix 3 is a summary for each option against the baseline investment of Solution B. The revenue costs shown are increased maintenance/operating costs less any potential saving in enforcement activity.

OPTION	DESCRIPTION	CAPITAL COST	CAPITAL + COST OF FUNDING		
<b>A</b>	Do nothing (a like for like replacement at end of life)	No cost, current equipment will be maintained and upgraded as required to maintain existing functions, as and when failure occurs.			
<b>B</b>	Pay on Departure with credit/debit card (contactless) through upgraded components to existing equipment.	£237,250	3 years	£254,335	
			5 years	£265,720	
			10 years	£294,190	
			<i>Revenue Impact of proposal</i>	<i>Cost</i>	<i>£0</i>
				<i>Saving</i>	<i>£0</i>
<i>Net</i>	<i>£0</i>				
<b>C</b>	Pay on Departure with credit/debit card (contactless) and barrier entry/exit control.	£906,225	3 years	£972,225	
			5 years	£1,015,760	
			10 years	£1,124,590	
			<i>Revenue Impact of proposal</i>	<i>Cost</i>	<i>£140,745</i>
				<i>Saving</i>	<i>£0</i>
<i>Net</i>	<i>£140,745</i>				
<b>D</b>	Pay on Departure with credit/debit card (contactless) and ANPR cameras to assist enforcement. (no barriers)	£816,980	3 years	£875,800	
			5 years	£915,015	
			10 years	£1,013,050	
			<i>Revenue Impact of proposal</i>	<i>Cost</i>	<i>£21,000</i>
				<i>Saving</i>	<i>£21,000</i>
<i>Net</i>	<i>£0</i>				
<b>E</b>	Pay on Departure with credit/debit card (contactless), barrier control for entry/exit and ANPR cameras to assist enforcement.	£1,083,330	3 years	£1,161,325	
			5 years	£1,213,325	
			10 years	£1,343,325	
			<i>Revenue Impact of proposal</i>	<i>Cost</i>	<i>£161,744</i>
				<i>Saving</i>	<i>£21,000</i>
<i>Net</i>	<i>£140,743</i>				

4.3.2 Given a potential cost of investment of up to £1.2m, an adjustment to parking charges would need to be considered for this to be funded within the agreed MTFS.

#### 4.4 Supplementary Option – Technology Test Site

Given a combined implementation of ANPR camera and barrier technology is a significant expense across multiple car parks, these technologies could be trialled in a single car park. This would ensure that the Council is able to fully evaluate the cost and benefit from a technologically advanced approach, before committing to significant additional expenditure.

Based on the review of car parks it is suggested Tebbutts Road in St Neots would be the most suitable site:

- It is big enough to support a controlled trial, with space (240 spaces)
- The existing entry and exit arrangements mean there will be a minimal impact of installation on the current number of spaces provided
- The car park is wholly owned by the Council, in a central shopping location allowing full evaluation of operation.
- The Council are currently working in collaboration with Connecting Cambridgeshire, Collusion, St Neots Town Council and local community group the 'Neotists' on The Smart St Neots project which is looking at how creativity, data and emerging technology can support the growth of the town.

The costs for implementing solutions within this car park are:

Option	Cost
'Pay for What You Use' Only	£22,000
Barrier Control Only	£78,000
ANPR Camera Enforcement Assist Only	£54,000
Barrier Control with ANPR Assist	£86,000

The additional investment for the single car park trial in Tebbutts Road would therefore be £64,000 over and above implementing a 'Pay for What You Use' system.

#### 4.5 Changing the Charge Structure

4.5.1 The current process of amending the car parking charge structure is through a formal, public consultation process. This process takes 3 months and involves:

- Publishing of proposals in local newspapers, the Council's website and on the tariff boards of the car parks themselves.
- The notice being up for a period of a month, inviting comments from the public regarding the changes.
- The comments are then gathered and presented to members as part of the report to authorise fees and charges. Scrutiny debate the comments and charges proposed.
- Cabinet take note of the comments and then make a decision on whether to increase the charges, with the authority to overrule any specific objections.
- Only after the decision can the process of changing charges be undertaken with associated signage and software updates.



4.5.2 There is no legal requirement for this approach, which by its nature can involve considerable resources and time. This process is not followed for other fees and charges.

4.5.3 Car parking charge structures may be set in a similar way to other fees and charges by means of a 'Notice of Variation' this is a published statement that charge structures will be changing utilising the Council's powers under Sections 35(1), 35(3) and 35C of the Road Traffic Regulation Act 1984 and Regulation 25 of the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 that it is to vary the current parking tariff for 'Pay and Display' off-street parking. The variation is to the Parking Orders which set out the terms and penalties in place for the operation of off-street car parks.

4.5.4 The requirements of following these powers are:

- Publish a notice of variation at least once in a newspaper circulating in the area in which the parking places to which the notice relates are situated at least 21 days before it is due to come into force.
- The notice of variation must specify the date when it is due to come into force; identify every parking place to which the notice relates; and specify the changes to charges payable for the use of the parking place(s);
- In the case of an off-street parking place, a copy of the notice to be displayed in the parking place on the date on which the notice is given and take "all reasonable steps" to ensure that it continues to be so displayed and remains in a legible condition until the date on which it comes into force; and if it thinks fit, cause additional copies to be so displayed in the parking place and in roads giving access to the parking place.

## 4.6 Proposed Charge Structure

4.6.1 If the option to move to 15 minute charged intervals between a parking stay of 1 hour and 4 hours is chosen, there is a requirement to change the charge structure. The change will need to address the estimated adverse impact of £142,000 on the Council's MTFS. The benefit to the customer being that they pay only for what they use means they will no longer overpay for time they do not.

4.6.2 An investment in car park management systems and equipment requires funding of between £250,000 to £1.2m (depending upon the option selected). In order to fund the cost of investment, the revised charge structure must address this to continue to meet the Council's MTFS. The investment will benefit customers who will have the convenience of card payment, payment on exit and the ability to pay for the time of parking used.

4.6.3 The Financial Principles of the Off Street Car Parking Strategy require the Council to limit any increase in charges to the index of comparator car parks which is illustrated in Appendix 4. Current charges are approximately 30 pence lower than the comparator index per tariff band.

4.6.4 The proposed car park charge structure must meet the following tests:

- remaining below the comparator index for long and short stay
- meeting the agreed MTFS requirements of the Council's agreed budget
- not achieving excessive increases above the MTFS budget requirements
- convenience and simplicity of '**Pay for What You Use**' in 15 minute periods

4.6.5 The proposed charge structure below fulfils all of the requirements. This consists of two simplified tariff structures, one for short stay and one for long stay car parks:

- A minimum period of 1 hour to encourage a **longer dwell**.
- 15 minute charged intervals to enable ‘**Pay for What You Use**’, encouraging **longer dwell time** and **value for money**.
- Equal charges for timed intervals to ensure **simplicity** and **ease of use**.
- Long stay rates less than short stay to **encourage turnover** of car parking spaces closer to benefit retail whilst supporting reduced rates for long stay users including workers further away from the town centres.

Proposed Short Stay (£)	
1 hour	1.00
Each 15 minutes	.20
2 hr	1.80
Each 15 minutes	.20
3 hr	2.60
Each 15 minutes	.20
4 hr	3.40

PAY HERE		
THE DISTRICT OF HUNTINGDONSHIRE (OFF-STREET PARKING PLACE) ORDER 20XX		
Park only within designated bays	<b>PARKING CHARGES</b>	
	UP TO	
	1 HOUR	£1.00
	& 15 MINUTES	£1.20
	& 30 MINUTES	£1.40
Motorcycle parking is chargeable unless parked in a motorcycle bay (where available)	& 45 MINUTES	£1.80
	2 HOURS	£1.80
	& 15 MINUTES	£2.00
	& 30 MINUTES	£2.20
	& 45 MINUTES	£2.40
Blue Badge Holders Free parking up to XX hours when displaying Blue Badge and Clock set to time of arrival	3 HOURS	£2.60
	& 15 MINUTES	£2.80
	& 30 MINUTES	£3.00
	& 45 MINUTES	£3.20
	4 HOURS	£3.40
PARKING CHARGE APPLY		

Proposed Long Stay (£)	
2 hour	1.60
Each 15 minutes	.10
Equivalent 3 hr	2.00
Each 15 minutes	.10
Equivalent 4 hr	2.40
Up to 10 hr	3.00
Up to 23 hr	4.00

PAY HERE		
THE DISTRICT OF HUNTINGDONSHIRE (OFF-STREET PARKING PLACE) ORDER 20XX		
Park only within designated bays	<b>PARKING CHARGES</b>	
	UP TO	
	2 HOURS	£1.60
	& 15 MINUTES	£1.70
	& 30 MINUTES	£1.80
Motorcycle parking is chargeable unless parked in a motorcycle bay (where available)	& 45 MINUTES	£1.90
	3 HOURS	£2.00
	& 15 MINUTES	£2.10
	& 30 MINUTES	£2.20
	& 45 MINUTES	£2.30
Blue Badge Holders Free parking up to XX	4 HOURS	£2.40
	10 HOURS	£3.00

It is estimated that by implementing this charging structure the Council will meet the requirements set within the Council’s MTFs, whilst supporting:

- **customer convenience** and **ease of use** through an investment of £800,000 to £900,000 in car parking technology offering a choice of payment options
- **value for customers** through ‘**Pay for What You Use**’, on exit, based on 15 minute periods between a 1 hour and 4 hour stay
- **retail in our towns** through lower long stay charges compared to short stay, a minimum dwell of one hour, a **longer dwell** through pay for what you use on exit.

4.6.6 ‘**Pay for What You Use**’ is a growing approach commonly used in cities for on-street parking where parking is charged through meters. Examples can be simple or complex. Some examples include:

- Rushmoor Borough Council 15 minute time periods on-street, one hour periods in all car parks.
- Westminster City Council 10 minute periods
- Warwick District Council 10 pence for 6 minutes in town centre car parks, one hour periods in long stay.
- Ashford Borough Council, 5 pence per 3 minutes, rounding to the nearest 5p

## 5. COMMENT OF THE OVERVIEW & SCRUTINY PANEL

- 5.1 The comments of the relevant Overview and Scrutiny Panel will be included in this section prior to its consideration by the Cabinet.

## 6. KEY IMPACTS / RISKS

- 6.1 **The Council's revenue from car parking will not be sufficient to cover the cost of investment for our proposed improvements.** Should market resistance be experienced income may fall, this is unlikely given the largely fixed supply of off-street car parking locations in our Towns. The charge structure has been assessed in terms of 10-30% reduction in use with a probability of 50%, 30% and 20% respectively to ensure the requirements of the Councils MTFS will be met.
- 6.2 **Failure to change the charge structure will make the new maintenance and running costs of new payment technology unsustainable.** This is subject to the selection of the technology desired and approval of the proposed charge structure. The Off-Street Car Parking Strategy limits this through its Financial Principles where the Council guarantees parking charges to be below the index of comparative authorities.
- 6.3 **Any delay beyond a Cabinet decision on 14<sup>th</sup> February will result in a further delay in procurement and installation of new technology and the ability to implement the 'Pay for What You Use' charge structure.** A 3 month delay will impact the MTFS by approximately £90,000.
- 6.4 **Without investment in car park management technology the Council will be unable to deliver the objectives within the adopted 'Off-Street Car Parking Strategy'.**

## 7. IMPLEMENTATION

- 7.1 If a change to the structure of charges is progressed under the current method implementation will take 3 months from the approval of Cabinet.
- 7.2 If the proposed notice of variation is implemented the structure of charges may be implemented within 1 month.
- 7.3 The implementation of new technology to manage car parks is estimated to take three months, the upgrade to achieve '**Pay for What You Use**' can potentially commence within 2 months in key car parks.

- 7.4 If an option of either barrier and/or ANPR technology is selected, implementation will take longer due to ground works required; this is estimated to be 6 months from decision.

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

- 8.1 The Corporate plan sets out our ambition to **become more efficient and effective in the way we deliver services**, and our commitment to **becoming a more customer focused organisation**. The proposed investment in car park management systems will make ever greater use of technology to aid our car parks users, meet their expectations and provide us with information that will enable us to become more effective in the delivery of services.
- 8.2 The Council is committed to delivering the Off-street Car Parking Strategy in a way that **supports retail in our towns** by encouraging longer dwell times.
- 8.3 The proposed investment will deliver the Off-Street Car Parking Strategy goals of:
- Implementing Technology that Positively Assists our Car Park Users
  - Financial Principles of Parking
- 8.4 The Off Street Car Parking Strategy was informed by:
- Huntingdonshire District Council: Local Plan to 2036
  - Huntingdonshire District Council: Car Park user survey
  - Huntingdonshire District Council corporate plan
  - Cambridgeshire & Peterborough Combined Authority: St Neots Masterplan for Growth

## **9.0 CONSULTATION**

- 9.1 Car park users were consulted as part of the development of the Off Street Car Parking Strategy [www.huntingdonshire.gov.uk/parkingsurveyresults2017](http://www.huntingdonshire.gov.uk/parkingsurveyresults2017):
- Convenience was the no1 priority for our car park users, which can be improved through offering alternate methods of payment
  - Value for money ranked 2<sup>nd</sup> in customers importance which can be improved through offering a **'Pay for What You Use'** system
- 9.2 Additional Stakeholder feedback was sought from all Parish & Town Councils within the District to check that the views expressed within the survey match the issues previously presented by Parish & Town Councils.
- 9.3 The Strategic Review of Parking task & Finish group:
- Collected and considered occupancy information for current and future anticipated usage trends.
  - Consulted with Parish & Town Councils on the customer feedback and priorities information collected through our online survey.
  - Considered issues surrounding parking within the District.

## **10.0 RESOURCE IMPLICATIONS**

- 10.1 Car Park Payment & Operation Solutions

- Parking Services Manager
- Support from HDC Procurement Team
- Support from 3C Legal

#### 10.2 Charge Structure Changes

- Parking Services Manager
- Support from HDC Corporate Team
- Support from 3C Legal

#### 10.3 Capital funding as set out in section 4 of this report

#### 10.4 Revenue funding to support capital borrowing and new maintenance charges associated with new technology as set out in section 4 of this report.

#### 10.5 Revenue resulting from the charge structure set out in section 4 to meet the MTFs requirement of £300,000 contribution in a full year. Detailed financial modelling of the revenue implications resulting from the new charge structure predicts £385,000 of additional income based on an assessment of worst case (£210,000) and best case (£572,000) scenarios based upon anticipated changes in customer behaviour. This model can be viewed on the night if desired.

### 11.0 REASON FOR THE RECOMMENDED DECISIONS

#### 11.1 Investment in Off-Street Car Park technology will deliver customer expectations for **convenience** and **value for money** as identified within the Off-Street Car Parking Strategy with greater choice in payment and “**Pay for What You Use**”.

#### 11.2 Delivery of new technology to manage car parks is required to deliver the Council’s objectives of **supporting retail in our towns** through the ‘Off-Street Car Parking Strategy 2018 - 2023’ by enabling **longer dwell** times and ease of use for shoppers and visitors.

#### 11.3 A change in approach to car park charges is only regarded as acceptable if customers receive a better quality of service which offers greater convenience and the ability of customers to ‘**Pay for What You Use**’ at the end of their parking period.

#### 11.4 The proposal to change car park charges by Notice of Variation follows best practice in use by other Councils to minimise impact, administration costs and to make the implementation of changes more efficient.

#### 11.5 The cost of parking remains constrained by the Financial Principles of the Off Street Car Parking Strategy, the Council will be maintaining value for money services for the tax-payer for the provision of this non-statutory service.

### 12.0 LIST OF APPENDICES INCLUDED

- Appendix 1 - DFT Guidance
- Appendix 2 - Car Park Solutions – Detailed by Car Park
- Appendix 3 - Solution B comparison to Option C, D and E
- Appendix 4 – Car Park Fees and Charges Comparator Index

### 13.0 BACKGROUND PAPERS

Cabinet - Thursday 18<sup>th</sup> October 2018: Strategic Review of Parking: Off-street Parking Strategy 2018 - 2023

<http://moderngov.huntsdc.gov.uk:8070/documents/s98295/Strategic%20Review%20of%20Parking%20-%20Off-Street%20Car%20Parking%20Strategy.pdf>

Cabinet - Thursday 12th October 2017: Strategic Review of Car Parking - Parking Vision

<http://moderngov.huntsdc.gov.uk/documents/s88617/Item%205%20-%20Strategic%20Review%20of%20Parking%20Report.pdf>

Overview & Scrutiny: Economy & Growth Panel - Thursday 6th April 2017: Strategic Review of Car Parking: Project Overview and T&F Scoping Document  
<http://moderngov.huntsdc.gov.uk:8070/documents/s85153/Strategic%20Review%20of%20Car%20Parking%20Project%20Overview.pdf>

#### **14.0 CONTACT OFFICERS**

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George McDowell, Parking Services Manager (Operations)

[george.mcdowell@huntingdonshire.gov.uk](mailto:george.mcdowell@huntingdonshire.gov.uk)



Department  
for Transport

From the Parliamentary  
Under Secretary of State  
**Robert Goodwill MP**

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Web site: [www.gov.uk/dft](http://www.gov.uk/dft)

All Parking Managers in England with Civil  
Parking Enforcement powers

*Dear Colleagues*

16 SEP 2014

## **LOCAL AUTHORITY CAR PARK ENFORCEMENT**

I understand that some of you are intending to withdraw your off-street parking operations from the parking enforcement framework in the Traffic Management Act 2004 (TMA) so that enforcement is carried out through contractual terms and conditions as if the car parks are privately owned. It is also my understanding that a couple of you may already be operating your car parking operations through contract law - I would hope this is not the case.

Let me assert, that although you may think the land is "unregulated" by virtue of revoking the parking orders made under the Road Traffic Regulation Act 1984 (RTRA), I am of the view that the land remains regulated because under Section 32(1)(a) of the RTRA, a Council retains the status of a Local Authority providing off-street parking places.

Part 6 to the TMA was enacted in 2008 with the aim of improving local authority on-street and off-street parking enforcement arrangements by enabling local authorities to take effective enforcement action, but to protect the motorists when a mistake has been made by a local authority. Any intention to operate outside this statutory regime would clearly go against the will of Parliament, Government policy and the expectations of local electorates.

I should warn you that should you have any plans to submit an application to the DVLA for access to keeper data on the basis of recovering unpaid charges for enforcement through contract law, this will more than likely not be approved because the Council will not be operating as an enforcement authority under the TMA.

The Department made a conscious decision to exempt local authorities from the provisions in Schedule 4 to the Protection of Freedom Act 2012 which provides for an enforcement regime and appeals system for privately owned car parks. This clearly demonstrates the will of Government to separate local authority off-street parking enforcement arrangements from the parking operations on private land.

As you know, local authorities are expected to comply with the relevant legislation and guidance, and are accountable to their electorates. I would hope that you would reconsider any plans to enforce your off-streets outside the parking framework in the TMA.

Yours sincerely

A handwritten signature in black ink, appearing to be 'R. Goodwill', written over a faint circular stamp or watermark.

**ROBERT GOODWILL**









**Appendix 3 - 'Option B: [Upgrade] CALE UK' comparison to 'Option D: [ESPO] ANPR Assist System'**

<p>Option B: [Upgrade] CALE UK</p> <p>Pay on Departure with credit/debit card (contactless) through upgraded components to existing equipment.</p> <p>MP102, MP104 and MPC104 upgrade kit to CWT-C technology:</p> <ul style="list-style-type: none"> <li>- New master-board</li> <li>- New Printer</li> <li>- New colour display</li> <li>- New coin system including validator</li> </ul>	<p>Option D: [ESPO] ANPR Assist System</p> <p>Pay on Departure with credit/debit card (contactless) through installation of new equipment in place of existing that includes ANPR Assistance for enforcement.</p> <p>New Paystations &amp; Equipment featuring:</p> <ul style="list-style-type: none"> <li>- Colour display</li> <li>- New Machine Housing</li> <li>- Coin system in</li> </ul>
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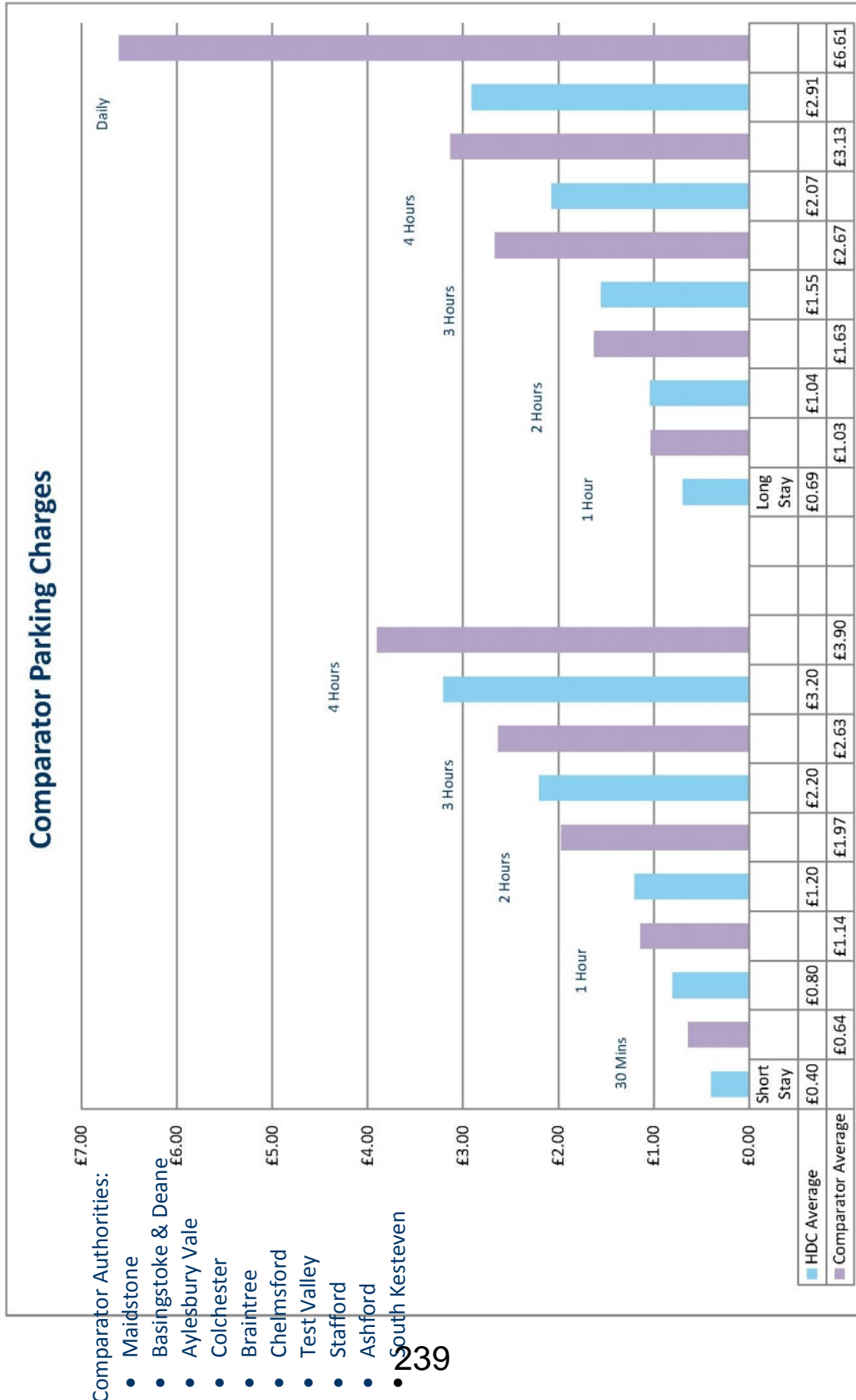
Parking Place Details:			Signage Cost	Quantity P&D Machines Current Installed	Option B: [Upgrade] CALE UK		Option D: [ESPO] ANPR Assist System			
Area	Name	Postcode			MP102, MP104 and MPC104 upgrade kit to CWT-C technology:	£2,791.00	Paystation	£13,489.00	ANPR Camera	£3,700.00
					VRM input pad	£125.00	Central Computer	£3,100.00		
					Installation	£84.00	Groundworks	£500.00	Groundworks	£500.00
					Payment Unit ID Administration	£35.00				
					Sim Card Setup (one-off)	£15.00				
Godmanchester	Bridge Place	PE29 2AB	750	2		£6,100.00	2	£31,078.00	2	£8,400.00
Huntingdon	Sainsburys	PE29 3FG	1750	6		£18,300.00	N/A	£0.00	N/A	£18,300.00
Huntingdon	MSCP Huntingdon	PE29 3FG	2250	8		£24,400.00	N/A	£0.00	N/A	£24,400.00
Huntingdon	St Germain (minor)	PE29 3LF	500	1		£3,050.00	1	£17,089.00	2	£8,400.00
Huntingdon	Princes Street	PE29 3AN	750	2		£6,100.00	2	£31,078.00	2	£8,400.00
Huntingdon	Great Northern Street	PE29 7HJ	750	2		£6,100.00	2	£31,078.00	2	£8,400.00
Huntingdon	Ingram Street	PE29 3QQ	500	1		£3,050.00	1	£17,089.00	2	£8,400.00
Huntingdon	Mill Common	PE29 3AS	750	2		£6,100.00	1	£17,089.00	2	£8,400.00
Huntingdon	Riverside Huntingdon	PE29 3RP	1500	5		£15,250.00	3	£45,067.00	4	£16,800.00
Huntingdon	High Street	PE29 3DP	750	2		£6,100.00	N/A	£0.00	N/A	£6,100.00
Huntingdon	Hinchingbrooke Country Park	PE29 6DB	750	2		£6,100.00	2	£31,078.00	4	£16,800.00
St Ives	Waitrose St Ives	PE27 5BW	750	2		£6,100.00	2	£31,078.00	2	£8,400.00
St Ives	Cattle Market Bus Station	PE27 5BW	1500	5		£15,250.00	N/A	£0.00	N/A	£15,250.00
St Ives	Cattle Market Harrisons Way	PE27 5BW	1000	3		£9,150.00	N/A	£0.00	N/A	£9,150.00
St Ives	Darwoods Pond	PE27 5PF	750	2		£6,100.00	2	£31,078.00	2	£8,400.00
St Ives	Globe Place	PE27 5PL	1000	3		£9,150.00	2	£31,078.00	2	£8,400.00
St Ives	Market Hill	PE27 5AL	750	2		£6,100.00	N/A	£0.00	N/A	£6,100.00
St Neots	Brook Street	PE19 2BP	500	1		£3,050.00	1	£17,089.00	2	£8,400.00
St Neots	Waitrose St Neots	PE19 2BH	1000	3		£9,150.00	3	£45,067.00	4	£16,800.00
St Neots	Priory Lane	PE19 2BH	500	1		£3,050.00	1	£17,089.00	2	£8,400.00
St Neots	Tan Yard	PE19 1DF	500	1		£3,050.00	1	£17,089.00	2	£8,400.00
St Neots	Tebbutts Road	PE19 1RQ	1500	5		£15,250.00	3	£45,067.00	2	£8,400.00
St Neots	Priory Centre	PE19 2BH	500	1		£3,050.00	2	£31,078.00	2	£8,400.00
St Neots	Riverside St Neots	PE19 7SD	1750	6		£18,300.00	3	£45,067.00	2	£8,400.00
St Neots	Market Square	PE19 2AF	750	2		£6,100.00	N/A	£0.00	N/A	£6,100.00
							Suitable for 25/25 Car Parks		Suitable for 18/25 Car Parks	
<b>Option B</b>	Signage		£23,750.00							
	Equipment Capital		£213,500.00			£213,500.00				
	Capital Total		£237,250.00							
	Capital Total + Costs (3 Year)		£254,332.00	15p						
	Capital Total + Costs (5 Year)		£265,720.00	15p						
	Capital Total + Costs (10 Year)		£294,190.00	15p						
	Revenue Cost (p/a)									
	Revenue Saving (p/a)									
<b>Option D</b>	Signage		£23,750.00							
	Equipment Capital		£793,226.00					£531,426.00		£176,400.00
	Capital Total		£816,976.00							£85,400.00
	Capital Total + Costs (3 Year)		£875,798.27	45p						
	Capital Total + Costs (5 Year)		£915,013.12	50p						
	Capital Total + Costs (10 Year)		£1,013,050.24	55p						
	Revenue Cost (p/a)		£21,000.00							
	Revenue Saving (p/a)	1x FTE (20% reduction in enforcement staff)	-£21,000.00							



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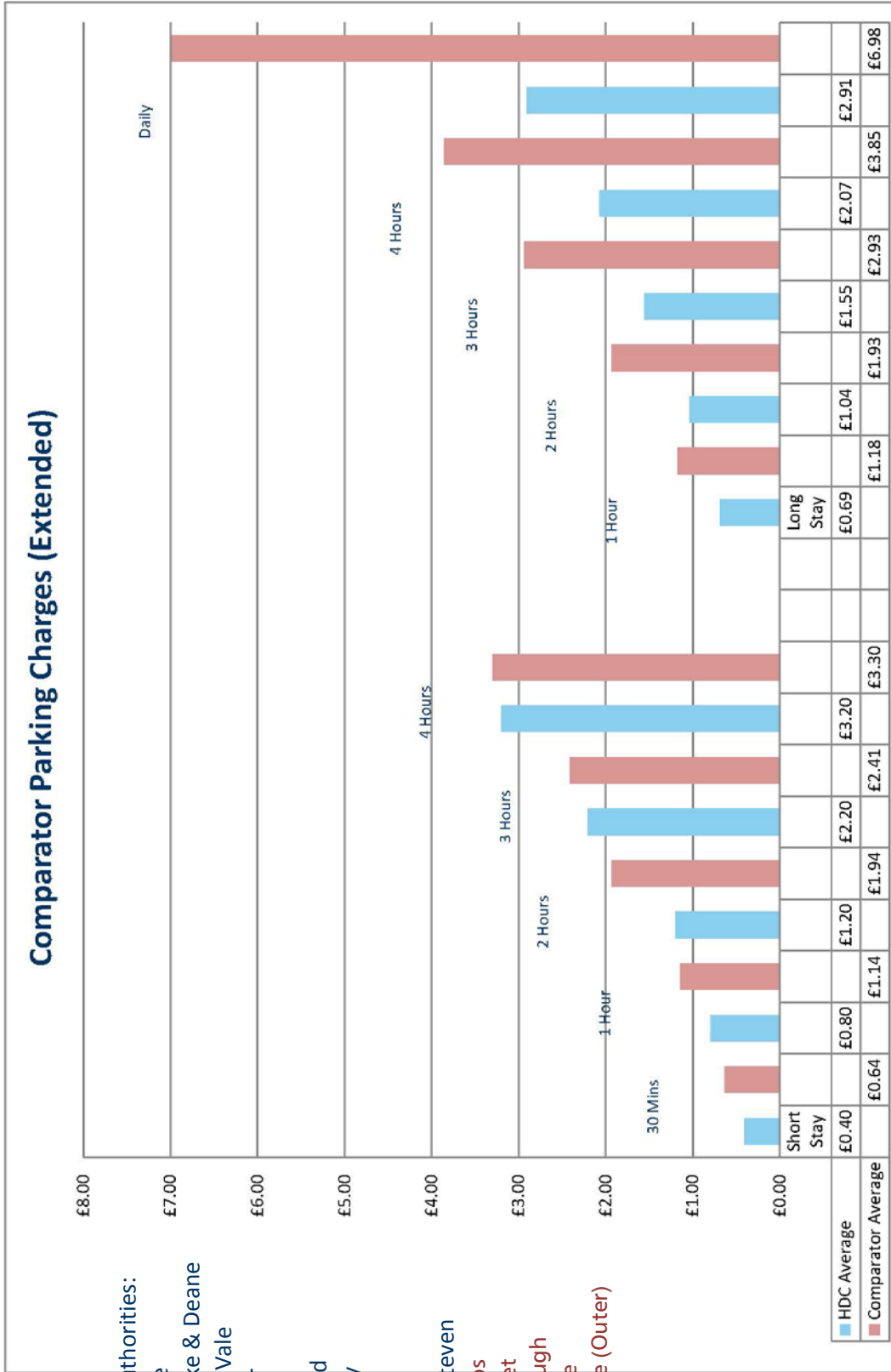
Appendix 4

# Comparator Parking Charges



Comparator Authorities:

- Maidstone
- Basingstoke & Deane
- Aylesbury Vale
- Colchester
- Braintree
- Chelmsford
- Test Valley
- Stafford
- Ashford
- South Kesteven



Comparator Authorities:

- Maidstone
- Basingstoke & Deane
- Aylesbury Vale
- Colchester
- Braintree
- Chelmsford
- Test Valley
- Stafford
- Ashford
- South Kesteven
- East Cambs
- Newmarket
- Peterborough
- Cambridge
- Cambridge (Outer)



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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of the Local Government Act 1972.

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Overview and Scrutiny Work Programme 2018/2019

O&S (Customers and Partnerships) – Active

O&S (Customers and Partnerships)	Summary of Scope	Advisors	Progress
<p><b>Health</b></p> <ul style="list-style-type: none"> <li>Identify ways in which the Council can improve the lifelong health of residents.</li> <li>Identify the benefits of a whole system approach for the Council.</li> </ul>	<ul style="list-style-type: none"> <li>Identify what the main health issues facing the residents of Huntingdonshire are (and if there are any problem areas).</li> <li>To discover what leisure activities/provision residents enjoy and/or want.</li> <li>Identify what leisure provision/facilities are most effective. (Investment shouldn't be made in a particular facility if the benefits are minimal.)</li> <li>Discuss with the CCG in order to establish if collaboration between the Council and the CCG is worthwhile.</li> </ul>	<p>CCG  <b>CCC Public Health</b>  <b>Jayne Wisely</b>  <b>Cllr J Palmer</b>  <b>Cllr Jill Tavener</b></p>	<p>10th January 2019 – The Task and Finish Group met and reviewed the scoping document. Based on the Group's discussion the scoping document is being revised. The revised scoping document will be presented to the Group at their next meeting for approval. <b>7th February 2019</b></p>

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O&S (Customers and Partnerships) – Inactive

O&S (Customers and Partnerships) idea	Objective test ideas	Advisor potential	Suggested Scope	Progress
<p><b>Health</b> – What are the issues facing the young and elderly populations of Huntingdonshire. How can HDC, either with partners or on its own initiative, assist with the health and well-being of residents in the District.</p>	<p><b>1. Reducing isolation</b></p> <ul style="list-style-type: none"> <li>reducing age-specific dependency rates by 1 per cent per year would reduce public expenditure by £940m per year by 2031</li> <li>reducing the rate of institutionalisation by 1</li> </ul>	<p>Age UK</p>	<p>Identifying opportunities (particularly technology) to deliver key activities identified by Age UK, to address isolation:</p> <ul style="list-style-type: none"> <li>Creating a new social link</li> <li>Developing wider social networks</li> <li>Meeting like-minded people through clubs and groups</li> <li>Meeting people with similar needs and supporting each other</li> <li>Using local services and facilities</li> <li>Changing social attitudes so that users become</li> </ul>	<p>Dependent upon outcome of bid for inclusion in CCC digital services programme – Spring 2018</p>

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	<p>per cent a year could save £3.8bn.</p> <p><b>2. Improving mental health</b>          Contributes to addressing:          - Worklessness          - Homelessness          - Poor health outcomes          - Self-reliance</p> <p><b>3. Reducing hospital admissions in over 65's</b></p>	<p>CCG</p> <p>Sports England/Active Lifestyles/CCG</p>	<p>accepted and valued as full members of the community in their own right.</p> <ul style="list-style-type: none"> <li>- Quantifying the cost and impacts of isolation</li> <li>- Recommendations for our services to address</li> <li>- Designing communities for the future</li> </ul> <p>Identifying non health interventions that can support mental health – e.g. social referral, links to community activities, volunteering activities.</p> <ul style="list-style-type: none"> <li>- Opportunities to improve impact of DFG's?</li> <li>- Assisted collections. Investigate if having an assisted collection is an indicator that a resident may require a DFG.</li> <li>- Closer partnership working with health</li> <li>- Establishing greater community resilience</li> </ul>	
<p><b>Homelessness</b> – Investigating the links between homelessness and housing supply. Finding triggers for homelessness. Discovering options and opportunities to reduce homelessness in Huntingdonshire.</p>	<p><b>1. Increase supply of affordable property.</b></p> <p><b>2. Reduce number of homelessness presentations.</b></p> <p><b>3. Increase number of homelessness preventions – solutions that prevent people</b></p>	<p>Development Advisor</p> <p>Jon Collen / Helen Brown</p> <p>Jon Collen</p>	<ul style="list-style-type: none"> <li>- Engagement with Places for People/Luminus</li> <li>- Working with Private Sector landlords to understand reasons behind end of AST and incentives to address</li> <li>- Looking to develop options to incentivise Private landlords to take social tenants.</li> <li>- Strategies around use of HMOs</li> <li>- Testing effectiveness of Trailblazer</li> <li>- Testing Homelessness pilot work</li> <li>- Looking at opportunities for partners to signpost and intervene</li> </ul>	

	<p>losing their home</p> <p>4. Increase number of empty properties brought back into use</p>		<ul style="list-style-type: none"> <li>- Taking evidence from best practice providers elsewhere</li> <li>- Working with Registered Providers to maximise housing stock utilisation and fit</li> </ul>
<p><b>Environment</b> – What are the environmental (and lifestyle) quality issues facing Huntingdonshire,</p>	<p>1. Reducing air pollution</p> <p>2. Reducing long term flood issues</p> <p>3. The community role in grounds maintenance and cleansing</p> <p>4. Definition of 'Place' and 'People' vision for Huntingdonshire</p>	<p>Chris Stopford</p> <p>Environment Agency</p> <p>Neil Sloper</p>	<ul style="list-style-type: none"> <li>- Transport options</li> <li>- Natural environment – exploring opportunities to enhance HDC country parks (Hinchingbrook / Paxton Pits)</li> <li>- Role of Great Fen as a regionally significant habitat / tourism destination</li> <li>- A14 and Cam Ox corridor – actively influencing Govt and key transport agencies on investment pipeline and funding options</li> <li>- Exploring the options and Council/communities appetite for scalable growth linked to new infrastructure and 'healthy places' with sustainable living choices</li> <li>- Role of Neighbourhood Plans and Market Town Master Plans in promoting and directing employment and housing growth</li> <li>- Influencing long term utility provision – water/power</li> </ul>

O&S (Performance and Growth) – Active

O&S (Performance and Growth)	Summary of Scope	Advisors	Progress
<p><b>Delivery of Affordable Housing</b> <i>(Accelerating the delivery of Affordable Housing across Huntingdonshire communities primarily through Rural Exception Site mechanisms)</i></p> <ul style="list-style-type: none"> <li>Increase in the number of affordable houses built in the District – positively impacting on the quality of developments.</li> </ul>	<ul style="list-style-type: none"> <li>To explore methods that maximise the effectiveness of the Council’s approach to achieving additional affordable housing provision beyond allocated sites.</li> <li>To advise on a strategic programme and range of mechanisms to promote and secure rural exception sites (RES) appropriate to settlement scale and need across the District.</li> <li>To explore how RES sites can best be promoted locally, including the role of Ward Members and Parish /Town Councils.</li> </ul>	<p><b>Andy Moffat</b> <b>Cllr Corney (a builder by trade)/Developers</b></p>	<p>8th January 2019 – The Panel reviewed and agreed the scoping document.</p>



<p><b>Skills</b></p> <ul style="list-style-type: none"> <li>Increase in educational attainment, and achievement of key skills.</li> </ul>	<ul style="list-style-type: none"> <li>Combined Authority strategy impacts, particularly advancing recommendations from CPIER.</li> <li>Alignment to future skills and sectoral demand identified through EMSI study.</li> <li>Role of EDGE programme and wider Combined Authority skills and business support advisory services.</li> <li>Relationship to CPBS 'Grand Challenges' outcomes.</li> </ul>	<p><b>Andy Moffat</b> <b>John T Hill - CPCA</b> <b>CA Business Board</b> <b>/ Company CEOs – reasons for locations choices and future workforce aspiration</b></p>	<p>Once the Combined Authority has published their skills strategy, Mr John T Hill will be invited to discuss the strategy with Members. <b>To be confirmed</b></p>
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O&S (Performance and Growth)	Objective test ideas	Advisor potential	Suggested Scope	Progress
<p><b>Housing</b> – Increasing quality of housing developments and increasing supply of Affordable/Social housing – specifically in the villages.</p>	<ol style="list-style-type: none"> <li><b>Increase in the number of affordable houses built in the District – positively impacting on the quality of developments</b></li> <li><b>Reduce voids of all types, inc empty homes and RP turnaround times</b></li> <li><b>Increase the availability of social housing</b></li> <li><b>Reduce Council spend on Homelessness</b></li> </ol>	<p>Andy Moffat Cllr Corney (a builder by trade)/Developers Homes England Registered Providers</p>	<ul style="list-style-type: none"> <li>Review the effectiveness of rural exception sites and 60/40 policy</li> <li>Explore viability assessment mechanisms to ensure proper value is created form development sites</li> <li>Review of CIL charging regime and utilisation of funds</li> <li>Relationships with RPs (Registered Providers) and options to increase pace and tenure type of supply plans</li> <li>Utilisation of HDC non-operational land assets to increase supply and generate system savings (eg reduction in B&amp;B spend.</li> <li>Improving infrastructure on developments to enhance liveability, including digital, environmental</li> </ul>	

				– flooding etc, energy use, health land and space for wildlife. Supporting positive transport choices, and community self-reliance.
<p><b>Wider Economic Environment</b> – How to best position Huntingdonshire as an attractive place to do business</p>	<p><b>5. Enhanced infrastructure and liveability on developments</b></p>			
	<p><b>1. A Local Industrial Strategy for Cambridgeshire within which Huntingdonshire is prominent</b></p> <p><b>2. GVA (Gross Value Added) net increase</b></p> <p><b>3. Increase in business rates receipts and invest to accumulate utilisation thereof (subject to Govt regs)</b></p> <p><b>4. Increase average earnings and percentage earnings derived in Huntingdonshire/Cambridgeshire</b></p> <p><b>5. Opportunities to enhance the Councils industrial portfolio and Corporate Investment Strategy in facilitating, retaining and securing new business opportunities</b></p> <p><b>A package of ‘Deals’:</b></p> <ul style="list-style-type: none"> <li>- HDC &amp; Govt/CA</li> <li>- HDC and Local Councils</li> <li>- HDC and communities</li> </ul>	<p>Andy Moffat / Clive Mason</p> <p>CA Business Board / Company CEOs – reasons for locations choices and future workforce aspirations</p>	<ul style="list-style-type: none"> <li>- Creation of an Investment prospectus for Huntingdonshire</li> <li>- Input into a Local Industrial Strategy</li> <li>- Digital infrastructure and Connected Cambridgeshire roll-out across market towns</li> <li>- Better Business for All pilot initiative matching regulatory services to advice and promotion</li> <li>- Roads and rail infrastructure investment deal with Govt / CA</li> <li>- Business rates retention and utilisation of AW Enterprise Zone NNRD receipts</li> <li>- Role of strategic sites such as Alconbury Weald in delivering floor space and clusters</li> <li>- Sector analysis - what are the indicators of existing success and productivity. Sectors to nurture and attract.</li> <li>- Understanding locational advantages of Huntingdonshire and investment decisions of business leaders to stay/relocate here.</li> <li>- Scope and mechanisms for HDC interventions in infrastructure/redevelopment programmes</li> </ul>	

## Ideas

**Health** – What are the issues facing the young and elderly populations of Huntingdonshire. How can HDC, either with partners or on its own initiative, assist with the health and well-being of residents in the District.

### Evidence

Local Authority Health Profile 2018 published by Public Health England. We have three key indicators where we perform significantly worse than the national average:

- Killed and seriously injured on roads
- Alcohol-specific hospital stays (under 18s)
- Excess weight in adults (aged 18+)

Not significantly worse, but underperforming national average

- Hip fractures in older people (aged 65+)

We have a number of projects already underway or receiving support which are directly contributing to these outcomes (Ramsey Think Healthy / Live Healthy project).

Support for activity through our leisure centres and for community initiatives such as Park Run. With a new run supported to start in St Neots this year. One Leisure Active

Lifestyles Team creating opportunities for social engagement, particularly ageing population, through its class programmes, particularly 'Right Start'

**Homelessness** – Investigating the links between homelessness and housing supply.

Finding triggers for homelessness. Discovering options and opportunities to reduce homelessness in Huntingdonshire.

A large amount of work is happening in this space already, as a key corporate priority. Our own net spend on Homelessness is has more than doubled since 2015/16. This is in line with national figures. Housing affordability is an issue locally. With private rentals being very limited within the rates that national benefits pay. Huntingdonshire's average house price increased by **36%** in four years from April 2014 and the average household would now need to borrow **7.1** times its income to purchase the average house based on median values.

**Environment** – What are the environmental (and lifestyle) quality issues facing Huntingdonshire,

### Evidence

2036 Local Plan and associated studies, particularly Infrastructure Delivery Plan

Combined Authority strategies and CPIER report

**Affordable Housing** – Increasing quality of housing developments and increasing supply of Affordable/Social housing – specifically in the villages.

**Wider Economic Environment** – How to best position Huntingdonshire as an attractive place to do business

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