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**HINCKLEY & BOSWORTH
BOROUGH COUNCIL**



**Hinckley & Bosworth
Borough Council**

**AGENDA FOR THE
MEETING OF THE COUNCIL**

**TO BE HELD ON
THURSDAY, 22 FEBRUARY 2018
at 6.30 pm**

Fire Evacuation Procedures

Council Chamber (De Montfort Suite)

- On hearing the fire alarm, leave the building **at once** quickly and calmly by the nearest escape route (indicated by green signs).
- *There are two escape routes from the Council Chamber – at the side and rear. Leave via the door closest to you.*
- Proceed to **Willowbank Road car park**, accessed from Rugby Road then Willowbank Road.
- **Do not** use the lifts.
- **Do not** stop to collect belongings.

Recording of meetings

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Members of the public, members of the press and Councillors are hereby informed that by attending the meeting you may be captured on film. If you have a particular problem with this, please contact us using the above contact details so we can discuss how we may accommodate you at the meeting.

Date: 14 February 2018



**Hinckley & Bosworth
Borough Council**

Dear Sir/Madam

I hereby summon you to attend a meeting of the Hinckley & Bosworth Borough Council in the Council Chamber at these offices on **THURSDAY, 22 FEBRUARY 2018 at 6.30 pm**

Yours faithfully

A handwritten signature in black ink, appearing to read 'RK Owen'.

Miss RK Owen
Democratic Services Officer

AGENDA

1. Apologies
2. Minutes of the previous meeting (Pages 1 - 10)
To confirm the minutes of the meeting held on 5 December 2017.
3. Additional urgent business by reason of special circumstances
To be advised of any additional items of business which the Mayor decides by reason of special circumstances shall be taken as matters of urgency at this meeting. Items will be considered at the end of the agenda.
4. Declarations of interest
To receive verbally from Members any disclosures which they are required to make in accordance with the Council's code of conduct or in pursuance of Section 106 of the Local Government Finance Act 1992. This is in addition to the need for such disclosure to be also given when the relevant matter is reached on the Agenda.
5. Mayor's Communications
To receive such communications as the Mayor may decide to lay before the Council.
6. Questions
To deal with questions under Council Procedure Rule number 14.

7. Petitions

To deal with petitions submitted in accordance with Council Procedure Rule 15.

8. Leader of the Council's Position Statement

To receive the Leader of the Council's Position Statement.

9. Minutes of the Scrutiny Commission (Pages 11 - 20)

To receive for information only the minutes of the Scrutiny Commission meetings held on 23 November 2017 and 1 February 2018.

10. Recommendations of the Ethical Governance & Personnel Committee (Pages 21 - 26)

Council is asked to consider the recommendation of the Ethical Governance & Personnel Committee.

11. Syrian vulnerable persons resettlement scheme (Pages 27 - 32)

A report informing members of the progress of the scheme, outlining the issues with sourcing homes in the private rented sector and suggesting options for accommodating future families coming into the borough.

12. Budget reports

The following budget reports are presented to Council (a-g below). Items a, b, d, e, f & g were considered by the Scrutiny Commission at its meeting on 1 February. An extract from the minutes of that meeting is attached as the final appendix to each report.

(a) Medium Term Financial Strategy (Pages 33 - 72)

(b) General Fund Budget 2018-2019 (Pages 73 - 92)

(c) Council tax setting 2018/19 (Pages 93 - 98)

(d) Housing Revenue Account (HRA) budget (Pages 99 - 114)

(e) Capital Programme 2017-2018 and 2020-2021 (Pages 115 - 130)

(f) Fees and Charges 2018-2019 (Pages 131 - 164)

(g) Treasury Management & Prudential Indicators (Pages 165 - 188)

13. Off Street Parking Places Order (Pages 189 - 204)

A report seeking variation of the Off Street Parking Places Order.

The Scrutiny Commission at its meeting on 1 February gave consideration to this item. An extract from the minutes of that meeting is attached.

14. Pay Policy Statement (Pages 205 - 238)

Council is asked to approve the HBBC Pay Policy Statement for 2018/19.

The Scrutiny Commission considered this report at its meeting on 1 February 2018. An extract from the minutes of that meeting is attached.

15. The Town and Country Planning (fees for applications, deemed applications, requests and site visits) (England) (Amendment) Regulations 2017 (Pages 239 - 252)

To inform Council of an urgent decision taken under delegated powers in accordance with paragraph 4 of part 3e of the council's constitution in relation to planning fee increases imposed by the Government. Details of the decision and reasons for urgency

are attached.

16. Membership of council and outside bodies

To fill vacancies on council and outside bodies.

17. Motions received in accordance with Council Procedure Rule 17 (Pages 253 - 260)

(a) Motion proposed by Councillor O'Shea and seconded by Councillor Hall

"Motor Neurone Disease (MND) is a fatal, rapidly progressing disease that affects people from all communities and has no cure. The MND Charter (details attached) is a "statement of respect, care and support that people living with MND and their carers deserve and should expect". The five points of the Charter are:

1. The right to an early diagnosis and information
2. The right to access quality care and treatments
3. The right to be treated as individuals and with dignity and respect
4. The right to maximise their quality of life
5. Carers of people with MND have the right to be valued, respected, listened to and well-supported.

This Council expresses its support for the Motor Neurone Disease Association and those people living with MND and their families. Council resolves to adopt the MND Charter and the council and individual councillors will promote the MND Charter as widely as possible."

(b) Motion proposed by Councillor Cartwright and seconded by Councillor Hollick

"Following concerns from numerous residents and issues with the delivery of the development set against the council's aspirations at the outset for the site at Martinshaw Lane, Groby, it is agreed that there is a full investigation into the procurement, administration, delivery and checks and balances in order to avoid embarrassment to the borough council."

18. Matters from which the public may be excluded

To consider the passing of a resolution under Section 100A(4) of the Local Government Act 1972 excluding the public from the undermentioned item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 and 10 of Schedule 12A of the 1972 Act.

19. Partnership Support (Pages 261 - 272)

Report of the Chief Executive.

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Agenda Item 2

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

7 DECEMBER 2017 AT 6.30 PM

PRESENT: MR LJP O'SHEA - MAYOR
MRS J KIRBY – DEPUTY MAYOR

Mr RG Allen, Mr PS Bessant, Mr DC Bill MBE, Mr CW Boothby,
Mr SL Bray, Mrs R Camamile, Mr MB Cartwright, Mrs MA Cook,
Mr WJ Crooks, Mr MA Hall, Mrs L Hodgkins, Mr E Hollick, Mr C Ladkin,
Mr MR Lay, Mr K Morrell, Mr K Nichols, Mr M Nickerson,
Mr RB Roberts, Mrs MJ Surtees, Mr BE Sutton, Miss DM Taylor,
Mr P Wallace, Mr R Ward and Mr HG Williams

Officers in attendance: Bill Cullen, Nadeem Din, Paul Grundy, Julie Kenny, Rebecca Owen, Rob Parkinson, Aftab Razzaq, Kirstie Rea, Sharon Stacey and Jo Wykes

246 APOLOGIES

Apologies for absence were submitted on behalf of Councillors Mrs Cope, Mr Cope, Lynch, MacDonald, Richards, Smith, Witherford and Wright.

247 MINUTES OF THE PREVIOUS MEETING

It was moved by Councillor Allen, seconded by Councillor Bill and

RESOLVED – the minutes of the meeting held on 5 September 2017 be approved and signed by the Mayor.

248 DECLARATIONS OF INTEREST

No interests were declared at this stage.

249 MAYOR'S COMMUNICATIONS

The Mayor presented a community award to Elaine Sharp of Ratby who had supported the community on various bodies and had undertaken voluntary work over many years.

250 LEADER OF THE COUNCIL'S POSITION STATEMENT

In presenting his position statement, the Leader referred to the items on the agenda, his commitment to officers of the council and his recent appointment to the board of the Leicester and Leicestershire Economic Partnership. He also congratulated Denise Larrad on her regional Unsung Hero award and wished her well in the national final on 17 December. Councillors Bray and Lay echoed these sentiments. Councillor Cartwright asked that the Mayor write to Denise to congratulate her and wish her luck for the finals.

251 MINUTES OF THE SCRUTINY COMMISSION

Councillor Lay presented the minutes of the Scrutiny Commission meeting on 9 October.

252 PETITION AGAINST DEVELOPMENT ON THE SITE OF THE BIG PIT

A petition in relation to the site known as the "Big Pit" off Ashby Road, Hinckley, was brought to Council in accordance with the petitions scheme. It was noted that the petition had been submitted to the Development Management team as an objection to planning

application 17/00765/FUL but, as it didn't relate to that application nor the merits thereof but to the principle of development, which had already been established via a previous appeal inspector's decision, it could not be accepted as part of that consultation and was passed to Democratic Services for consideration under the petitions scheme.

The petition organiser presented the petition to Council and discussion ensued in relation to the following points:

- The environmental asset which some members felt the site represented
- The history of the pit as mineral springs
- The flood risk in the area which would allegedly be worsened by the proposed development
- The alleged factual errors in the officer's report to Planning Committee which should be reviewed.

A member also asked for clarification on why the petition had not been considered to be valid for consideration as part of the consultation upon the planning application.

Councillor Bill, seconded by Councillor Bray, proposed that a working group be set up to look into the points raised to be able to inform the debate at the Planning Committee where the application, which members had been minded to refuse at the last meeting, would be brought back for decision. Upon being put to the vote, the motion was CARRIED as the motion for debate.

A member suggested that it would be absurd to hold a working group to look into a matter which was not relevant to the current planning application. It was also suggested that members on the working group should not then sit on Planning Committee due to the risk of appearing to have predetermined the application.

Councillor Lay requested that the working group be set up as a scrutiny group. Councillors Bill and Bray, as movers of the substantive motion, were happy with this suggestion and it was subsequently

RESOLVED – A scrutiny group be set up to explore concerns raised to assist the Planning Committee in its deliberations, acknowledging that members of the group should not sit on the Planning Committee when this matter is considered.

253 MOTIONS RECEIVED IN ACCORDANCE WITH COUNCIL PROCEDURE RULE 17

Councillor Lay, seconded by Councillor Crooks, presented the following motion which was printed in the agenda:

"Hinckley & Bosworth Borough Council notes that:

- Most workers employed by local authorities including HBBC are paid using nationally agreed rates of pay referred to as NJC rates
- Basic pay for local government workers on NJC scales has fallen by 21% since 2010 in real terms due to the government's public sector pay policy
- Local government workers covered by NJC scales also had a three-year pay freeze from 2010-2012
- Local terms and conditions of many local government NJC employees have also been cut, impacting on their overall earnings
- NJC pay is the lowest in the public sector

- Job evaluated pay structures are being squeezed and distorted by bottom-loaded NJC pay settlements needed to reflect the increased National Living Wage and the Foundation Living Wage
- There are growing equal and fair pay risks resulting from this situation.

This council therefore supports the NJC pay claim for 2018, submitted by the local government employee unions; UNISON, GMB and Unite on behalf of council and school workers and calls for the immediate end of public sector pay restraint. NJC pay cannot be allowed to fall further behind other parts of the public sector. This council also welcomes the joint review of the NJC pay spine to remedy the turbulence caused by bottom-loaded pay settlements.

This council also notes the drastic ongoing cuts to local government funding and calls on the Government to provide additional funding to fund a decent pay rise for NJC employees and the pay spine review. Without extra funding, measures to address pay restraint will not be possible.

This council therefore resolves to:

- Call immediately on the LGA to make urgent representations to Government to fund the NJC claim and the pay spine review and notify us of their action in this regard
- Write to the Prime Minister and Chancellor supporting the NJC pay claim and seeking additional funding to fund a decent pay rise and the pay spine review
- Meet with local NJC union representatives to convey support for the pay claim and the pay spine review.”

In presenting his motion, Councillor Lay praised staff and referred to pay increases being frozen or very low for at least seven years.

Councillor Hall agreed with the sentiment but felt that the wording should be amended to deal with the matter locally rather than making representations to the government. He explained that over the last two years, the minimum pay had increased by 6.5% and the current employers offer that had been issued earlier in the week was recommending a 2% increase for all staff and a greater increase for the lowest paid. He also felt that changes to taxation had benefitted lower paid staff. He proposed an amendment to the motion which was not accepted in accordance with council procedure rule 17.3.

An amendment was proposed by Councillor Bray and supported by both Councillors Lay and Crooks as mover and seconder of the original motion that the motion be delegated to Councillors Crooks, Hall and Lay to agree on a form of wording which included the original motion and incorporated relevant parts of Councillor Hall’s suggestion. It was agreed that this would be agreed as soon as possible.

RESOLVED – the motion be supported with the agreement of the exact wording delegated to Councillors Crooks, Hall and Lay.

254 HOMELESS REDUCTION ACT AND FLEXIBLE HOMELESSNESS GRANT

Council was advised of new duties arising from the Homelessness Reduction Act 2017 and potential implications for the council and of DCLG funding through a flexible homelessness grant and new burdens funding.

During discussion, a report was requested on rollout of universal credit and implications of this. In response, it was noted that this was scheduled for Finance & Performance Scrutiny in early 2018. Members also queried whether the resources requested would be adequate to support the new duties under the Homelessness Reduction Act.

Whilst not directly relating to the report, discussion ensued on affordable housing including ensuring viability, the need for developers to have a social landlord on board at the time of the application being submitted and exemption sites.

It was moved by Councillor Wallace, seconded by Councillor Allen and

RESOLVED –

- (i) The new statutory responsibilities of the Homelessness Reduction Act and the implications of these for the council be noted;
- (ii) Supplementary income and expenditure budgets of £118,078 for 2017/18 and £123,129 for 2018/19 (based on the funding awarded by central government for the flexible homelessness grant and new burdens money) be approved.

255 DIRECTIONS FOR GROWTH - ISSUES SCOPE AND OPTIONS LOCAL PLAN REVIEW, LOCAL DEVELOPMENT SCHEME AND STATEMENT OF COMMUNITY INVOLVEMENT

Members gave consideration to the directions for growth – local plan review, the local development scheme and the statement of community involvement. During discussion, the following points were made:

- The need to engage with parishes and parish councils. In response it was stated that discussions had already started with parish councils
- The importance of maintaining a five year land supply, particularly in avoiding speculative applications
- The problem of including minimum numbers of housing required as advised by government, but no maximum
- The number of housing developments given planning permission but not being built, and the number of empty homes
- The importance of developing the right type of houses
- The need to distribute the consultation as widely as possible.

Some members felt that garden villages were not appropriate, whilst others felt they were preferable to sustainable urban extensions (SUEs). A member expressed concern that there did not appear to be any progress relating to delivery of the SUEs and suggested that the Scrutiny Commission be asked to review progress on them. The chairman of the Scrutiny Commission agreed to take this on board.

It was moved by Councillor Surtees and seconded by Councillor Hall that the recommendations within the report be approved. Councillor Bray along with four other councillors requested that voting on this motion be recorded. The vote was taken as follows:

Councillors Allen, Bessant, Boothby, Camamile, Cook, Hall, Kirby, Ladkin, Morrell, Nickerson, Roberts, Surtees, Sutton, Wallace, Ward and Williams voted FOR the motion (16);

Councillors Bill, Bray, Cartwright, Crooks, Hodgkins, Hollick, Nichols and Taylor voted AGAINST the motion (8).

Councillors Lay and O’Shea abstained from voting.

The motion was therefore declared CARRIED and it was

RESOLVED –

- (i) The Directions for growth – local plan review, revised statement of community involvement and revised local development scheme documents be endorsed;
- (ii) The undertaking of a period of consultation on the Directions for growth – local plan review, revised statement of community involvement and revised local development scheme documents be approved;
- (iii) Authority be delegated to the Director (Environment & Planning) in liaison with the relevant Executive member to make minor drafting / presentational changes to the documents in order to assist with clarification and/or explanation prior to it being published for consultation;
- (iv) Authority be delegated to the Director (Environment & Planning) in liaison with the relevant Executive member to amend the local development scheme timetable as required.

256 STRATEGIC GROWTH PLAN

The strategic growth plan for Leicester and Leicestershire was presented to Council. It was noted that the document had been drafted in collaboration with all Leicestershire authorities and the Leicestershire Enterprise Partnership.

In response to a member's question, it was stated that members had been consulted on this via a number of meetings of the Planning Policy Member Working Group, to which all members had been invited and had received agendas. During discussion on the report, reference was made to:

- The 750 acre freight depot planned for the edge of Blaby District, bordering Burbage Common, to be considered as a national infrastructure scheme
- The lack of belief that the infrastructure would be in place to support the plan
- The lack of certainty over where the A46 expressway will be
- The risk of lack of consultation responses if the document is set at too high a level.

It was emphasised that the purpose of this report was to agree the document for consultation, not to agree the adoption of its content. It was moved by Councillor Surtees and seconded by Councillor Hall that the recommendations within the report be approved.

Councillor Bray and four other councillors requested that voting on the motion be recorded. The vote was taken as follows:

Councillors Allen, Bessant, Boothby, Camamile, Cook, Hall, Kirby, Ladkin, Morrell, Nickerson, Roberts, Surtees, Sutton, Wallace, Ward and Williams voted FOR the motion (16);

Councillors Bill, Bray, Cartwright, Crooks, Hodgkins, Hollick, Nichols and Taylor voted AGAINST the motion (8).

Councillors Lay and O'Shea abstained from voting.

The motion was therefore declared CARRIED and it was

RESOLVED –

- (i) The process undertaken for preparation of the draft strategic growth plan for Leicester and Leicestershire be noted and endorsed;
- (ii) It be noted that the consultation draft plan had been endorsed by the Members' Advisory Group;
- (iii) The consultation process and timetable be approved;
- (iv) A further report be brought back to Council to consider the consultation responses and approve the final version of the plan.

257 HERITAGE STRATEGY

The heritage strategy 2018 – 2023 was presented to Council. Members thanked the author for his hard work.

At this stage, Councillor Bessant declared that he had recently moved into a property that was identified in the strategy and stated that he would not vote on the item due to having a personal interest.

It was moved by Councillor Surtees, seconded by Councillor Hall and

RESOLVED – the heritage strategy and accompanying background and action plan be adopted.

258 REPORT OF THE INDEPENDENT REMUNERATION PANEL ON MEMBERS' ALLOWANCES

The recommendations of the Independent Remuneration Panel on members' allowances was presented to Council.

Councillor Hall proposed an alternative scheme as set out in the supplementary agenda which supported adoption of some of the panel's recommendations but amended others. The key changes were highlighted as:

- The scheme would cover 2018/19 and 2019/20 but not 2020/21
- The Leader's allowance would be increased above that recommended by the panel, but the Leader would not be entitled to a second SRA (the same would apply to the Deputy Leader in relation to a second SRA)
- The allowance for the chairman of the Appeals Panel and Ethical Governance & Personnel Committee would not be increased to reflect the lack of frequency of the meetings
- The allowance for the chairman of the Licensing and Licensing (Regulatory) Committee would be decreased to reflect the lack of frequency of the meetings
- The allowance for the chairman of the Planning Committee would be increased above that recommended by the panel to reflect the frequency of the meetings, the number of associated meetings and the amount of preparatory work required
- The entitlement to 1.5 SRAs for any member (with the exception of the Leader and Deputy Leader) instead of the one SRA recommended by the panel
- The reduction of 0.5 of an Executive member's SRA for a Leader / Deputy Leader not taking on a portfolio

- A recommendation to the Member Development Group to consider recommending to the panel the adoption of attendance allowances for some meetings that meet regularly such as licensing hearings and planning committee site visits and to consider incentives for paperless working
- The panel be requested to meeting in July 2018 to consider any recommendations of the member development group for implementation in 2019 and four-yearly thereafter with any changes to the scheme of allowances arising from the panel being considered for implementation for the new Council (to remove the discomfort felt by members in considering their own allowances)
- Annual increases in line with officer pay awards in between recommendations from the panel.

Some members felt that any review of allowances should be deferred until a settlement for staff pay had been agreed and that the percentage increase that was recommended was unfair compared to that offered to staff. However other members noted the difficulty in attracting councillors, the amount of time spent on council work which was barely financially recognised at present and the lack of increases between 2005 and 2015.

Councillor Sutton seconded the motion proposed.

Councillor Cartwright and four other councillors requested that voting on this motion be recorded. The vote was taken as follows:

Councillors Allen, Bessant, Boothby, Camamile, Cook, Hall, Kirby, Ladkin, Morrell, Nickerson, Roberts, Surtees, Sutton, Wallace and Ward voted FOR the motion (15);

Councillors Bill, Bray, Cartwright, Crooks, Hodgkins, Hollick, Lay, Nichols, Taylor and Williams voted AGAINST the motion (10);

Councillor O'Shea abstained from voting.

The motion was therefore declared CARRIED and it was

RESOLVED –

(i) the scheme of members' allowances be amended as follows:

(a) The following allowances be implemented for the ensuing two years:

Role	Current allowance (£)	Proposed allowance 2018/19 (£)	Proposed allowance 2019/20 (£)
Basic allowance	4,000	4,800	5,280
Mayor	8,000	8,000	8,000
Deputy Mayor	3,000	3,000	3,000
Leader of the Council	10,000	15,300	16,830
Deputy Leader	0	7,500	8,250
Member of the Executive	5,500	6,600	7,260

Opposition Leader(s)	3,500	4,200	4,620
Appeals Panel chairman	2,500	2,500	2,500
Audit Committee chairman	2,500	4,200	4,620
Ethical Governance & Personnel Committee chairman	2,500	2,500	2,500
Finance & Performance Committee chairman	2,500	3,000	3,300
Licensing & Regulatory Committees chairman	3,500	2,500	2,500
Planning Committee chairman	3,500	5,000	5,500
Scrutiny Commission chairman	3,500	4,200	4,620

- (b) Paragraph 5 of the scheme of members' allowances be amended to specify that the basic allowance also covers the use of members' own telephone (including mobile), IT, printer, paper and consumables;
- (c) Paragraph 6.3 of the scheme be amended to read "other than the Leader and Deputy Leader, one special responsibility allowance (SRA) will be paid to a member in full with any second SRA paid at 50% (with the highest being paid in full)";
- (d) It be specified within the scheme that the Leader and Deputy Leader's SRA includes holding an executive portfolio in addition to the responsibility of Leader / Deputy Leader. Where the Leader / Deputy Leader does not hold an executive portfolio, the allowance will be reduced by 50% of an Executive member's SRA;
- (e) It be specified in the scheme that, should the number of members of the Executive increase, the overall allowance for Executive members will remain the same (at six members) and be split equally;
- (f) An allowance of 5p per mile be provided for carrying a passenger;
- (g) Paragraph 8.2 of the scheme be amended to require prior agreement for taxi journeys wherever possible and that, where possible, taxis should be used only to link members with the nearest convenient public transport;

- (h) Paragraph 8.4 of the scheme be amended to refer to payment of mileage and expenses to the Mayor and Deputy Mayor whilst on civic duties as specified in the guidance for mayoral expenditure;
- (ii) The scheme shall have effect from 15 May 2018;
- (iii) The Member Development Group be asked to consider adopting a two-tier scheme of allowances linked to development and to consider introducing attendance allowances for attendance at those meetings that require a greater time commitment, for example members who engage in pre-planning meetings, planning committee site visits, licensing hearings and appeals panels;
- (iv) The Independent Remuneration Panel be requested to meet in July 2019 to consider any recommendations of the Member Development Group for implementation in 2019 and four yearly thereafter (unless requested by Council to meet at any point in the intervening period), with increases in line with officer pay awards in May of each intervening year.

259 APPOINTMENTS TO COUNCIL BODIES

It was noted that the Chief Executive had exercised his delegated authority in appointing Councillor MacDonald to Audit Committee, Finance & Performance Scrutiny and the Scrutiny Commission.

260 APPOINTMENT TO OUTSIDE BODY - COMMUNITY SAFETY PARTNERSHIP

It was moved by Councillor Hall, seconded by Councillor Allen and

RESOLVED – Councillor Wallace be appointed to the Community Safety Partnership for the remainder of the municipal year.

261 MATTERS FROM WHICH THE PUBLIC MAY BE EXCLUDED

On the motion of Councillor Lay seconded by Councillor Allen, it was

RESOLVED – in accordance with section 100A(4) of the Local Government Act 1972, the public be excluded from the following item of business on the grounds that it involves the disclosure of exempt information as defined in paragraphs 3 and 10 of Part I of Schedule 12A of that Act.

262 INVESTMENT

Council gave consideration to an investment opportunity. It was moved by Councillor Surtees, seconded by Councillor Bray and

RESOLVED – the recommendations contained within the report be approved.

263 PARTNERSHIP SUPPORT

A report which proposed negotiations on a contract was presented to Council. The risks arising from not coming to an agreement were highlighted and legal advice in relation to the likelihood of successfully challenging the matter was outlined.

Councillor Hall, seconded by Councillor Bessant, proposed that negotiations be entered into.

Councillor Bray suggested that the matter be deferred for further legal advice in order to ensure the best position for the Council. Councillor Hall withdrew his previous proposal and moved that the matter be deferred. It was seconded by Councillor Bray and

RESOLVED – the matter be deferred.

(The Meeting closed at 9.26 pm)

MAYOR

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

23 NOVEMBER 2017 AT 6.30 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman
Mr SL Bray, Mr DS Cope (for Mr DC Bill MBE), Mr WJ Crooks, Mr DW MacDonald,
Mr RB Roberts, Mr BE Sutton, Mr R Ward and Mr HG Williams

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor K Morrell and
Councillor MJ Surtees

Officers in attendance: Bill Cullen, Nadeem Din, Paul Grundy, Simon D Jones, Julie
Kenny, Rob Parkinson, Aftab Razzaq, Kirstie Rea and Ashley Wilson

213 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Bill, with the substitution of
Councillor D Cope authorised in accordance with council procedure rule 10.

214 MINUTES

RESOLVED – the minutes of the meeting held on 9 October be confirmed
and signed by the chairman.

215 DECLARATIONS OF INTEREST

No interests were declared at this stage.

216 PLANNING APPEALS SIX MONTHLY UPDATE

Members were updated on progress of current planning appeals. During discussion, the
following points were raised:

- The learning from appeals allowed on decisions made against officer recommendations
- The request for a comparison of performance indicators with other authorities and national targets. It was acknowledged that there were difficulties in comparing such data
- The need for viability of planning proposals to be considered during the planning application/permission process.

RESOLVED – the report be noted.

217 HERITAGE STRATEGY

Members received the heritage strategy and action plan which set out the proactive
approach going forward. During discussion, the following points were raised by
members:

- The need to protect conservation areas and keep related documentation up to date. In response officers outlined good practice of reappraising these every five years and the need to revisit some existing documents
- The reference within the report to a 'spa town'. Officers responded that this was a reference to the historic association with the Big Pit

- The VAT costs for works to listed buildings. In response it was reported that heritage societies had been lobbying for work to listed buildings to be zero rated
- The need to retain focussed funding for heritage work.

RESOLVED – the report be endorsed.

218 STRATEGIC GROWTH PLAN

The Scrutiny Commission received a report which outlined the countywide partnership work undertaken in preparation of the strategic growth plan for Leicester and Leicestershire. It was noted that all of the Leicestershire authorities were taking the report through the same governance process with the same recommendations.

A member expressed concern that there were confused messages about whether the document was public or private and clarity over the capacity for dwellings in the A46 growth corridor. Questions were raised as to whether it would be feasible due to the infrastructure.

In relation to development of the A46 corridor, it was acknowledged that this had been needed for some time and was also being requested via the Midland Connect strategy along with an A4 expressway. A member raised the concern that the A5 had been highlighted as an issue twenty years earlier but had still not been resolved, and the A46 corridor could follow a similar pattern. It was highlighted that the report stated the strategy was predicated on being infrastructure-led and was a requirement in order to deliver the growth. Furthermore, the local MP had agreed to host a meeting of all A5 corridor MPs with transport ministers to secure support for investment in the A5.

Concern was expressed about the documents that would be presented to the public as part of the consultation. In response it was explained that there would be a suite of documents, including a quick and easy explanation of the plan, and that public exhibitions were still being considered as part of the consultation on the local plan review. Members felt that an exhibition or public events were necessary.

Further concern was expressed in relation to the A47, particularly due to developments coming forward and the increased traffic causing bottlenecks, which would become more problematic over the ensuing five to ten years.

Whilst not feeling comfortable endorsing the report, the Scrutiny Commission agreed to note the report and that it would be presented to Council. It was also proposed that the consultation process and timetable be enhanced.

RESOLVED –

- (i) The report and intention to present it to Council be noted;
- (ii) It be RECOMMENDED that the consultation process and timetable be enhanced.

219 LOCAL DEVELOPMENT SCHEME

Members received the local plan review, local development scheme and statement of community involvement. It was noted that the process was for discussion, not the detail of the documents. It was acknowledged that if the council did not progress this matter, the government would be able to enforce it. Officers were thanked for their work on the documents and members noted that they would have the opportunity to discuss the options at the appropriate stage.

RESOLVED – the report be noted.

220 REPORT OF THE INDEPENDENT REMUNERATION PANEL ON MEMBERS' ALLOWANCES

The Scrutiny Commission gave consideration to the report of the Independent Panel on members' allowances.

RESOLVED – the report be noted.

221 SCRUTINY COMMISSION WORK PROGRAMME 2016-18

Consideration was given to the work programme. It was requested that reports on Martinshaw Lane and the Klondyke be brought at an appropriate time.

222 MINUTES OF FINANCE & PERFORMANCE SCRUTINY

The minutes of Finance & Performance Scrutiny were received for information. A member stated she had been very impressed with the frontline service review which had been discussed at the last meeting of that body.

223 MATTERS FROM WHICH THE PUBLIC MAY BE EXCLUDED

On the motion of Councillor Camamile seconded by Councillor Crooks, it was

RESOLVED – in accordance with section 100A(4) of the Local Government Act 1972, the public be excluded from the following item of business on the grounds that it involves the disclosure of exempt information as defined in paragraphs 3 and 10 of Part I of Schedule 12A of that Act.

224 PARTNERSHIP SUPPORT

The Scrutiny Commission gave consideration to a report which recommended negotiations on a contract. Members requested the inclusion in the report to Council of reference to external legal advice taken. Members wished their concern to be noted and wanted to understand what mitigations could be included in future to prevent a reoccurrence.

RESOLVED – the report be noted.

225 INVESTMENT ITEM

Members were advised of an investment opportunity which would work well with our current services, bring employment into the borough and bring an unused site into use. The risks and implications were highlighted for members and it was noted that it could be operational within two years. It was noted that public consultation would take place as part of the planning process.

RESOLVED – the report be welcomed and option 1 outlined in paragraph 4.2 of the report be supported and RECOMMENDED to Council.

(The Meeting closed at 9.16 pm)

CHAIRMAN

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HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

304 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Roberts.

305 MINUTES

It was moved by Councillor Crooks, seconded by Councillor Camamile and

RESOLVED – the minutes of the meeting held on 23 November 2017 be
confirmed and signed by the Chairman.

306 DECLARATIONS OF INTEREST

No interests were declared.

307 BUDGET REPORTS

The budget reports were presented to members and discussed separately.

308 MEDIUM TERM FINANCIAL STRATEGY

The Scrutiny Commission received the Medium Term Financial Strategy (MTFS) for
2018/19 to 2022/23. In response to a member's questions, the following points were
noted:

- Increased housing in the borough (resulting in an additional 11.3% collections since the last review) had put pressure on existing waste rounds to the point where an extra round was required. This not only necessitated an additional vehicle, but staffing and other associated costs
- Figures were included for both lease and purchase of a new refuse fleet, and due to the maintenance costs on a purchased fleet, the lease hire was the better option. It was noted that an update report on this decision would be brought to the next meeting
- The reserves would be kept at 15% but, at present, were projected to be lower in the final year of the MTFS, which was an additional year
- The Parish and Community Initiative Fund was recommended to be increased to £150,000, with an additional reserve to fund more projects if necessary

- In light of Unison objecting to the employer's pay offer of 2%, there were some reserves to meet any pressures arising from the final decision
- Income from the New Homes Bonus had dropped due to the slowing down of new home completions
- A cautious view had been taken in relation to non-domestic rates as the outcome was unknown at this stage. Whilst different figures in relation to retention of business rates had been mentioned, the method of distribution had not been outlined so there was no further clarity, but more time had been spent improving business rates forecasting in the MTFS
- Service pressures had been factored into the MTFS to ensure budgets were available where required
- Block C of the Crescent was realising a return of around £300k but it was hoped that the remaining units would be let within the next year which would increase the return in line with that originally forecast
- Some pressures in the MTFS were included last year but were due to arise in 2018/19, such as loss of dry recycling credits
- There was an increase in parking fees proposed for 2018/2019 but not for future years (subject to a separate report).

The finance team was thanked for its hard work in preparing the budgets.

309 GENERAL FUND BUDGET 2018-2019

Members received the 2018/19 general fund revenue budget. Attention was drawn to the budget summary on page 44 of the agenda pack and the revised 2017/18 budget on page 46.

A member asked for clarification in relation to the discretionary business rate relief schemes as it has been suggested that the criteria used when they were agreed would limit the number of businesses eligible for them. In response it was noted that the criteria had been relaxed to enable more businesses to benefit and that a report would be produced to update members on this.

A member expressed concern about the recent news that the Chinese government was to ban importing of plastic waste and asked whether that would affect the value we receive for them. In response, it was explained that following Leicestershire County Council's direction of HBBC for dry recycling, from 1 April 2018 the county council would retain and recycle the materials collected so it would not affect HBBC.

In relation to the 'Homelessness prevention underspend due to capacity issues', it was explained that this was ring fenced grant funding intended for homelessness prevention work as agreed by Council on 7 December 2017 and the wording would be amended to more accurately reflect this.

310 HOUSING REVENUE ACCOUNT (HRA) BUDGET

The 2018/19 Housing Revenue Account (HRA) budget, including the housing repairs account, was presented. Discussion ensued in relation to the right to buy scheme and, in response to members' questions, the following responses were provided:

- A proportion of income from right to buy sales went to the government, with HBBC retaining about 25%
- Members would be provided with figures for the amount saved in rent administration, repairs and other tenancy management costs against the lost rental income outside of the meeting

- The income from a right to buy sale depended on variables including how long the purchaser had been a tenant.

311 CAPITAL PROGRAMME 2017-2018 AND 2020-2021

The Scrutiny Commission gave consideration to the capital programme 2017/18 to 2020/21. Attention was drawn to the spend on the Developing Communities Fund beginning to increase now the funding was being drawn down and the increase in the Parish & Community Initiative Fund.

312 FEES AND CHARGES 2018-2019

Consideration was given to the fees and charges for 2018/19. During discussion, the following points were raised:

- The decrease in the charge for collecting bulky waste to attempt to discourage fly tipping. A member suggested that it was mostly building supplies that were fly tipped, and in response it was noted that it was an issue across all categories of waste and that a countywide campaign was planned
- The need to be flexible in charging for replacement bins as it wasn't always the resident's fault that the bin was damaged. It was also noted that theft of bins can be a problem
- Co-mingled recycling would commence from 1 April. Members would be briefed before commencement
- Gambling Act licensing fees were nationally set, hence them not increasing in line with other fees
- There was a change to the way hackney carriage licensing fees were paid in that the MOT fee was now paid direct to the garage and not paid via the local authority, so although the fee appeared to have reduced, this was due to a change in the charging regime.

313 TREASURY MANAGEMENT & PRUDENTIAL INDICATORS

Prudential indicators for 2017/18 to 2020/21 were outlined and the expected treasury operations were explained.

Councillor Taylor left the meeting at this juncture.

314 TACKLING UNTIDY GARDENS

This report was deferred to the following meeting.

315 OFF STREET PARKING PLACES ORDER

The Scrutiny Commission gave consideration to a report which recommended varying the Off Street Parking Places Order following an independent study of car park usage.

The introduction of card payment (including contactless) facilities was welcomed but the importance of ensuring machines were easy to use was noted.

Councillor Bray wished it to be noted that he objected to the recommendation within the report and made the following points:

- Car parking was a major issue amongst the public
- Any increase in car parking charges would push more people to park on street, exacerbating inconvenience to residents

- Whilst an additional 10p would not affect visitors to the town or occasional car park users, for those working in the town centre every day the increase would have a greater impact
- The increase in the cost of residents permits would affect those residents who already struggled to park near their homes
- Whilst it was noted that New Street car park was very busy, it was suggested that this was because it was a free car park, and any imposition of a charge (in light of the per month charge proposed) would increase on street parking and reduce use of the car park, again exacerbating the situation for residents
- Increasing charges for council car parks would put additional pressure on Sainsbury's car park and, as a result, further increase traffic in that area
- Paragraph 8.3 referred to ward councillors having had the opportunity to discuss the changes to the residents parking permits, yet the invitation to discuss had not been convenient for those that work and was not flexible and, as a result, he had not been able to engage in the discussion. He emphasised that it had been agreed that member meetings would be held at 6.30pm and that HBBC had always been supportive of councillors that were in full time employment, so this was disappointing.

Reference was made to a report scheduled for the Scrutiny Commission on 22 March on the car parks action plan, and it was suggested that the action plan and the report before members at this meeting should be brought together and in order to achieve this, this report should be deferred. In response, officers advised that this report needed to go to Council on 22 February as it was linked to the budget reports.

RESOLVED – the reservations raised be noted and submitted to Council and a further report on the town centre car parks be welcomed.

316 EQUALITIES MONITORING

Members gave consideration to a report which presented workforce data for the period April 2016 to March 2017, including the gender pay gap position. It was noted and welcomed that the pay gap was smaller than in the private sector and the local government average.

317 EXTENSION OF MEETING

Having reached 9.28pm and in accordance with council procedure rule 8, it was moved by Councillor Williams, seconded by Councillor Lay and

RESOLVED – the meeting be permitted to continue to the conclusion of all remaining business.

318 PAY POLICY STATEMENT

The Scrutiny Commission was presented with the pay policy statement for 2018/19.

RESOLVED – the report be noted.

319 BIG PIT SCRUTINY WORKING GROUP

Councillor Williams, as chairman of the Big Pit Scrutiny Group read out the following statement:

"The Big Pit Scrutiny Group as agreed by Council on 7 December 2017 met on 8 January 2018 to scrutinise the processes followed in relation to the site known as 'the Big Pit', Ashby Road, Hinckley.

The group considered responses from statutory consultees in relation to the concerns raised in the petition presented to Council and other matters raised by members. The processes undertaken following the consultee responses and analysis of the information was scrutinised.

The majority of the group came to the conclusion that due consideration had been given to the matters raised and processes had been undertaken correctly in accordance with relevant procedures.

Councillors David Bill and David Cope wished to have it recorded that they remain dissatisfied and that there are still outstanding issues relating to this site that need to be resolved.”

A member expressed concern that only the processes had been investigated yet wider issues had been raised. In response, members were reminded of the remit of the Scrutiny Commission and the importance of not prejudicing the planning process.

320 SCRUTINY COMMISSION WORK PROGRAMME 2016-18

The work programme was noted.

(The Meeting closed at 9.40 pm)

CHAIRMAN

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Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

COUNCIL

22 FEBRUARY 2018

WARDS AFFECTED: ALL WARDS

RECOMMENDATIONS OF THE ETHICAL GOVERNANCE & PERSONNEL COMMITTEE

Report of the Ethical Governance & Personnel Committee

1. PURPOSE OF REPORT

- 1.1 To seek approval of a recommendation of the Ethical Governance & Personnel Committee.

2. RECOMMENDATION

- 2.1 That Councillor CW Boothby be removed from his positions on council bodies and outside bodies as listed in paragraph 3.4, and that he be not permitted to sit as substitute on any council body or outside body, for the remainder of this term of office (to May 2019).

3. BACKGROUND TO THE REPORT

- 3.1 On 12 January 2018, the Ethical Governance & Personnel Committee found that Councillor Boothby had breached the council's code of conduct by failing to comply with the requirement to "strive to create respectful and courteous relationships with everyone you come into contact with as a member" when he challenged the complainant's parking and her entitlement to a blue badge. A copy of the decision notice is attached.

- 3.2 The Ethical Governance & Personnel Committee agreed the following sanctions:

- (i) A formal letter be issued to Councillor Boothby setting out the breach of the code identified;
- (ii) A formal statement be issued by the committee on behalf of the Council;
- (iii) Council be RECOMMENDED to remove Councillor Boothby from his positions on council bodies and outside bodies for the remainder of the current term of office (to May 2019), including precluding him from substituting at meetings;

- (iv) Appropriate training be provided for Councillor Boothby;
- (v) Councillor Boothby be required to issue an apology to the complainant.

3.3 Four of the above sanctions are within the remit of the committee, however (iii) requires a resolution of Council. This report is therefore laid before Council pursuant to (iii) above.

3.4 The bodies from which Councillor Boothby would be removed are as following:

- Planning Committee
- Ethical Governance & Personnel Committee (Councillor Boothby has since resigned from this body)
- Bradgate Landfill Liaison Committee
- Cliff Hill Quarry Liaison Committee
- Desford Brickworks Liaison Committee.

He would also not be entitled to substitute for any other member on any council body or outside body.

3.5 For Council's information, Councillor Boothby appealed the decision of the Ethical Governance & Personnel Committee. The Appeals Panel heard the appeal on 7 February 2018 and dismissed the appeal, upholding the Ethical Governance & Personnel Committee's decision.

3.6 Following the decision of the Appeals Panel, Councillor Boothby has resigned from the Ethical Governance & Personnel Committee.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 This report is to be taken in public session as all information relating to the decision is in the public domain.

5. FINANCIAL IMPLICATIONS [IB]

5.1 None.

6. LEGAL IMPLICATIONS [AR]

6.1 As set out within the body of this report, a resolution is required by Council in accordance with the proposed recommendation. This is the sole matter that is required to be determined, and in accordance with the Council's constitution, this decision is reserved for Council.

7. CORPORATE PLAN IMPLICATIONS

7.1 The recommendations within this report do not have corporate plan implications.

8. CONSULTATION

8.1 This report results from a decision of the Ethical Governance & Personnel Committee and as such, no consultation is necessary.

9. RISK IMPLICATIONS

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Reputational risk to the authority of not taking action where necessary	Ensure action is taken to address conduct issues	Julie Kenny

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 This decision does not impact any particular parishes, communities or groups.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: Minutes of the Ethical Governance & Personnel Committee, 12 January 2018
Minutes of the Appeals Panel, 7 February 2018

Contact Officer: Rebecca Owen, ext 5879
Executive Member: Councillor MA Hall

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Ethical Governance and Personnel Committee

DECISION NOTICE: BREACH OF THE CODE OF CONDUCT

Reference 2017/06

Subject Member: Councillor CW Boothby, Hinckley & Bosworth Borough Council

We notify all concerned parties in writing once we have determined a complaint. This decision notice will be sent to

- The person making the allegation
- The Subject Member

Complaint

The Ethical Governance and Personnel Committee considered a complaint that Councillor Boothby had allegedly breached the Hinckley & Bosworth Borough Council Code of Conduct by failing to treat the complainant in a respectful and courteous manner.

It was alleged that the subject member had failed to comply with the above by:

- (i) challenging the complainant in relation to where they had parked their car
- (ii) challenging the complainant's entitlement to a blue badge
- (iii) the manner in which he spoke to the complainant.

Code of Conduct

The committee had already agreed at a previous meeting that the relevant parts of the Code of Conduct were:

1. Obligations

You will:

1.2 Strive to establish respectful and courteous relationships with everyone you come into contact with as a member

Appendix 1 (Nolan Principles) also applied.

The committee established that Councillor Boothby had been acting in his capacity as Councillor at the time of the alleged actions. This was evident as he used his title as Executive member as a reason to take the actions. This is not disputed.

Decision

The Ethical Governance & Personnel Committee came to the conclusion that Councillor Boothby had breached the code of conduct by failing to comply with the requirement to "strive to create respectful and courteous relationships with everyone you come into contact with as a member" when he:

- a. Challenged the complainant's parking
- b. Challenged the complainant's entitlement to a blue badge.

It was agreed that, on the balance of probabilities, there had not been a breach of the code of conduct in respect of the manner in which Councillor Boothby spoke to the complainant as this could not be proven.

Concern was expressed also that Councillor Boothby appeared to believe he had more authority as a member of the Executive and that it was his duty, as Executive member for Housing & Community Safety, to 'police' issues such as parking.

SANCTIONS AGREED

1. A formal letter be issued to Councillor Boothby setting out the breach of the code identified;
2. A formal statement be issued by the committee on behalf of the Council;
3. Council be RECOMMENDED to remove Councillor Boothby from his positions on council bodies and outside bodies for the remainder of the current term of office (to May 2019), including precluding him from substituting at meetings;
4. Appropriate training be provided for Councillor Boothby;
5. Councillor Boothby be required to issue an apology to the complainant.

Reasons:

1. On the balance of probabilities, Councillor Boothby failed to treat the complainant with respect on 6 June 2017;
2. The Ethical Governance & Personnel Committee wish to make a statement to the effect that they do not condone this behaviour in light of the poor reflection of Councillor Boothby's actions on other members and the Council as a whole;
3. In addition to the embarrassment caused by his actions on 6 June, Councillor Boothby has (in failing to attend this hearing) shown a lack of respect for the committee and the standards process and, as a consequence, the privilege of holding positions on council bodies and outside bodies should be withdrawn. This includes acting as substitute for other members on any council or outside bodies;
4. This matter clearly caused the complainant upset and embarrassment, in acknowledgement of which an apology should be issued.

Subject member's right to appeal

The subject member has a right to request a review of the decision. The request for a review must be made in writing, giving the grounds for the appeal, to the Monitoring Officer. The request must be made within ten working days of the date of this decision notice.

The appeal will normally be heard within twenty working days of the appeal being lodged and will be conducted by the Appeals Panel. They will only consider material relevant to the grounds for the review request set out by the Member.

Signed



Chairman

Date: 15 January 2018



Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

COUNCIL

22 FEBRUARY 2018

WARDS AFFECTED: ALL WARDS

SYRIAN VULNERABLE PERSONS RESETTLEMENT SCHEME

Report of Director (Community Services)

1. PURPOSE OF REPORT

- To inform Members of the progress of the Syrian Vulnerable Persons Resettlement Scheme
- To outline the issues with sourcing homes in the private rented sector
- To suggest options for accommodating future families coming into the Borough

2. RECOMMENDATION

- 2.1 That Council approves the use of 2 social/affordable properties per year for the next 4 years to meet the commitment to the Syrian Vulnerable Persons Resettlement Scheme (SVPRS) where accommodation in the private sector is not available.

3. BACKGROUND TO THE REPORT

- 3.1 At Council on 12 April 2016 Members agreed that Hinckley and Bosworth Borough Council would participate in the SVPRS. This commits the Council to providing accommodation in the private rented sector for 2 families per year, over 5 years, up to a total of 50 people. The families are currently residing in countries surrounding Syria and the programme is to relieve the pressure on those countries and provide a safe home for people displaced by the war in Syria. Home Office funding supports the families with accessing support services, translation services, accessing ESOL lessons and providing furniture and other costs to start up the family in their new life. This is arranged and administered on behalf of the Leicestershire District authorities by Charnwood Borough Council. Rent costs will be met by Housing Benefit up to Local Housing Allowance rates.

- 3.2 Council agreed to Syrian families being accommodated in the private rented sector. Accessing housing in the private rented sector has proved problematical. This is for a number of reasons, including, but not restricted to,
- High demand for the private rented sector means landlords can be very selective on who they will accept and prefer working tenants
 - Changes to buy to rent mortgages mean that many landlords cannot accept benefit claimants under their mortgage terms
 - There is a significant shortfall between Local Housing Allowance rates and the rent levels expected by private landlords
 - Rising property prices mean many landlords who were renting their second property have now been able to sell up and withdraw from the rental market
 - Cautionary reports on rising arrears levels due to the introduction of Universal Credit have made landlords reluctant to rent to benefit claimants.
- 3.3 In the period preceding the expected arrival dates for flights into the UK in March and September 2017, 20 lettings agents who advertise properties in the Hinckley and Bosworth area were approached both as a general enquiry and in response to specific advertisements. None of these discussions led to any property being located for the programme. This experience is echoed in other local authorities throughout the Midlands, where successful housing has predominantly been sourced through the affordable housing sector.
- 3.4 Hinckley and Bosworth Borough Council run a modest Private Sector Housing scheme of 7 properties. A three bedroomed house and a two bedroomed house in the Private Sector Housing Scheme have recently become vacant and have enabled the Council to meet its obligation to house 2 families in 2017, with a flight arriving in early December. However this does not provide a reliable solution going forward.
- 3.5 It has therefore become clear that if the Council is to meet its obligations to the SVPRS over the next 4 years, it will be necessary to seek alternative solutions to the private rented sector for use for the SVPRS. Possible alternatives include:
- Use of council housing for the 2 families each year who will be housed in the Borough.
 - Use of properties owned by Registered Providers (housing associations). This has proved successful in some local authority areas, where Registered Providers have some private rented stock as well as affordable housing. Registered Providers active in Hinckley and Bosworth advertise all of their vacancies through Hinckley and Bosworth's Choice Based Lettings scheme, and do not have private rented houses in the Borough that can help with the SVPRS.
 - Purchase of properties on the open market by an interest group for use in the SVPRS. This option has been investigated with Green Pastures, a Christian organisation who would buy properties and lease them back to the council, and with a private individual who is working with a volunteer refugee support group, but neither initiative has been successful. The timing of any purchase is difficult to coordinate with the arrivals schedules.
 - Withdrawal from the SVPRS scheme in future years due to the lack of suitable available accommodation.
- 3.6 The preferred option remains the use of private rented sector properties for housing families under the SVPRS programme. However where this is not possible, the second option is use of social/affordable housing for the resettlement of the Syrian families, either a council property or a Registered Provider property. As the

programme is resettling families, the number of vacancies occurring for 2, 3 and 4 bed roomed houses over the last 3 years has been investigated and is as follows:

	2 bed house	3 bed house	4 bed house	Total voids
1/4/2014 – 31/3/2015	160	139	8	307
1/4/2015 – 31/3/2016	110	96	8	214
1/4/2016 – 31/3/2017	113	68	2	183

3.6 Whilst the Council does not wish to disadvantage current home seekers on the Council waiting lists, over the last 3 years the allocation of 2 family houses per year for Syrian refugees would equate to less than 2% of the total turnover of family houses. Furthermore, the intention to house Syrian families in the urban areas of the Borough would not disadvantage applicants for rural schemes where family houses are fewer and turnover of properties is much lower. As previously mentioned other Districts have worked with their Registered Provider partners to secure accommodation and this option will be explored should the use of affordable/social housing be agreed.

3.7 Families housed in affordable housing under this scheme will be granted the same tenancy terms and conditions as any other tenant. For council homes, at present this will mean a one year introductory tenancy followed by a secure tenancy if the conduct of the tenancy is satisfactory. Should the council introduce fixed term tenancies, the tenants will be offered an introductory tenancy followed by a 4 year fixed term tenancy.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 This report will be taken in public session.

5. FINANCIAL IMPLICATIONS [IB]

5.1 Officers will seek to find privately rented properties for the scheme.

5.2 If no privately rented properties are available Council accommodation will be offered. The rental cost for the accommodation will be covered by Housing Benefits up to the local housing allowance rate. Therefore there is a potential for a small deficit on rents but this is expected to be minimal (less than £550 annually per property)

5.3 Home Office funding, passported through Charnwood Borough Council supports the families with accessing support services, translation services, accessing ESOL lessons and providing furniture and other costs to start up the family in their new life. Potential costs and associated income from Charnwood Borough Council has already been budgeted for (£130,000 in 2017/18 and £50,000 in 2018/19). Therefore there no overall impact on the general fund

6. LEGAL IMPLICATIONS [AR]

6.1 Participation in the scheme remains voluntary and there is not a statutory duty to offer accommodation to Syrian families, however in participating in the scheme the

Council is able to exercise its power in accordance with the General Power of Competence under s.1 of the Localism Act 2011. The Council will be exercising a public function and will therefore also be subject to s149 of the Equalities Act 2010.

6.2 The 1951 United Nations Convention Relating to the Status of Refugees defines a Refugee as:
 “A person who owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it.”

6.3 Individuals arriving in the UK through the Syrian Vulnerable Persons Relocation Scheme Selection will have been granted refugee status by the United Nations High Commissioner for Refugees (UNHCR), in advance of arriving in the UK. They will be granted 5 year ‘humanitarian leave’ to stay in the UK and access to public funds, access to the labour market and the possibility of a family reunion.

7. CORPORATE PLAN IMPLICATIONS

7.1 Contributes to the Corporate Plan priority of supporting vulnerable people and those who are most in need.

8. CONSULTATION

8.1 Registered Providers operating in the Borough, volunteer groups working with refugees and local lettings agents have all been contacted in respect of the proposed housing of families under the SVPRS.

9. RISK IMPLICATIONS

9.1 It is the Council’s policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer’s opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Unable to identify suitable properties means the council cannot meet its obligations to the SVPRS programme	Proactive identification of alternative options to the private rented sector	Sharon Stacey
Disadvantage to residents on the council’s waiting list	Opportunities in the private sector will continue to be pursued. Council housing will be provided in urban	Sharon Stacey

	settlements where there is a greater supply of affordable homes.	
Withdrawal from the SVPRS programme may reflect reputationally on the Council's commitment to help vulnerable families	Evidence of the Council's attempts to secure alternative accommodation is documented and submitted to the Home Office as part of its reason to withdraw from the programme.	Sharon Stacey

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 The SRVPS scheme is to help vulnerable people and therefore high levels of support will be offered to help the families settle into their new homes and feel safe and part of the community.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: Council – 12 April 2016

Contact Officer: Valerie Bunting ext. 5612

Executive Member: Councillor P Wallace

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Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE & PERFORMANCE/ SCRUTINY COMMISSION	1 FEBRUARY 2018
COUNCIL	22 FEBRUARY 2018
WARDS AFFECTED:	ALL WARDS

MEDIUM TERM FINANCIAL STRATEGY (UPDATE) 2018/19 - 2022/23

Report of Head of Finance

1. PURPOSE OF REPORT

- 1.1 To seek Council's approval for the 2018/19 - 2022/23 Medium Term Financial Strategy (MTFS) update.
- 1.2 The MTFS has been prepared taking into account the Corporate plan 2017 to 2021 and should be read in conjunction with the Capital Programme, General Fund and HRA budgets, which are presented.

2. RECOMMENDATION

- 2.1 That the Council approve the updated Medium Term Financial Strategy (MTFS) update for 2018/19 to 2022/23

3. BACKGROUND TO THE REPORT

Introduction

- 3.1 The purpose of the MTFS is to:

- Outline how the Council wants to structure and manage its finances and to ensure it fits with and supports the direction of the council's objectives set out in its Corporate Plan.
- Engage officers and members in "owning" the process by which Council finances are managed.

- 3.2 This refresh of the MTFs builds on the position agreed at the February 2017 Council meeting. The MTFs update sets out the council's financial position for the years 2018/19 to 2022/23, this adds a further year to our usual forecast giving a total five-year outlook. Obviously, the further into the future predictions are made, particularly in uncertain times means that information should be interpreted with the care. The MTFs underpins the council's Corporate Plan and ensures that resources are allocated and used effectively to achieve corporate targets. At the same time, the MTFs is an integral element of the financial planning procedures of the Council and forecasts how the Council will remain financially resilient and sustainable as an organisation, whilst at the same time not placing an unreasonable burden on local taxpayers.
- 3.3 The update to the MTFs comes at a time of significant downgrades in national economic growth, which will have an effect on public sector finances. We are currently within a spending review period – which ends in 2019-20 – and this limits the scope for the Chancellor to make changes in departmental budgets. Some additional funding has been announced in the recent budget (for the NHS) but otherwise there are no changes in Departmental Expenditure Limits (DEL) or the Resource Budget. Since the provisional settlement a further £150 million in 2018 to 2019 for an Adult Social Care Support Grant has been announced, to be allocated based on need. In the short term, this will have little impact, but in the medium term the news is less positive due to growth forecasts, which will almost certainly translate into lower increases in public sector funding. Therefore, there is an increasing need for Local Authorities to become more self sufficient and seek income generation possibilities where possible.
- 3.4 Other recent announcements affecting the Council during the term of the MTFs update, such as the significant changes to the administration of Business Rates. For example, the budget announced that business rates will increase based on CPI and not RPI. This will mean our income is lower than anticipated as RPI was expected to be, on average, 1.5% higher than CPI over the next few years, but some compensation is being given via Tariffs and Top up, which will be altered to offer some compensation. In addition, it should be noted, that at some point in the future that section 31 grant is going to cease, and any funding will be rolled into the baseline. This will make it all the more opaque to see that lost income yield has been fully compensated for.
- 3.5 The second significant change to the operation of the business rates system is the change in the pattern of revaluations to a three-year basis. However, this is expected after the next revaluation in 2022-23. Although the final decision is yet to be confirmed, it is expected that the baseline funding for business rates, will be in 2020-21. This would be at the same time that local business rate share will increase from 50% to 75% in 2020-21. If this is a full reset, then accumulated growth will be lost, but some amendment to the Tariff is expected that will off set the full impact of the reset. This MTFs uses a reset of the baseline that would leave some income growth, approximately 50% of the 2018/19 level, with the Council.
- 3.6 No major changes were made in relation to Council Tax. However, Local Authorities will be given the powers to charge a 100% premium on empty properties. The current arrangements allow for authorities to charge 50% extra on homes that have been empty for more than two years. This is being reviewed and the County are encouraging all districts to move to a 100% premium.

- 3.7 No additional funding will be made available for public sector pay in Local Authorities.
- 3.8 The main financial implication of the recent budget was the proposal to lift the cap in HRA borrowing, albeit only in high-demand areas. Authorities will have to bid for increases in their borrowing caps from 2019-20 onwards. A total of £1bn will be available over the period 2019-20 to 2021-22.
- 3.9 Despite being above forecast for 2017/18, there are significant pressures for 2018/19, which are mainly caused by the:
- loss of dry recycling credit from the LCC
 - transfer of the dry recycling to in house teams
 - the need for an extra waste round
 - renewal of the waste and wider council fleet
 - pay increase above the expected 1%, and
 - lower than expected income from Block C at the Crescent
- 3.10 The same ten strategic financial objectives, as agreed by Council in previous iterations of the MTFS have been used during this update. These objectives serve to ensure the delivery of the council's corporate strategic objectives of; "delivering the council's MTFS with a sustained focus on the council's priorities whilst working to resolve the continuing pressure of service requirements in the context of available resources." The objectives are listed in Appendix 3.
- 3.11 The MTFS update (Full details are contained at Appendix 1) is one of a suite of documents, which inform the financial strategy of the Council. These include the Capital Programme, HRA Investment Strategy and Treasury Management Policy, all of which should be read in conjunction with this document. A summary of the overall MTFS excluding Special Expenses is given in the table below.
- 3.12 Note that the four-year settlement agreed in 2016, comes to an end in 2019/20, and a fair funding review is in progress (see section 8 below) and will not be concluded until the financial settlement in December 2019. This makes the years 2020/21 to 2022/23 problematic to forecast due to the lack of information from Central Government on its intentions. It is known there will be a baseline reset for retained business rates income, and a change in the retained income percentage from 50% to 75%, but there is no information on tier split or any transitional funding to soften the impact of lost growth for districts councils. Also, the method for redistribution via tariffs and top up is still not clear. Therefore there is a potential that dampening or transition arrangements will be announced that will off set some of the pressures noted in the MTFS updated in this report.

2018/19-2022/23	2018/2019	2019/20	2020/21	2021/22	2022/23
FINANCIAL FORECAST	Budget	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£
Net Service Expenditure	9,596,209	10,129,861	10,451,528	11,203,333	11,325,645
Net Budget movements	533,652	321,667	751,805	122,312	416,905
NET Borough Budget Requirement	10,129,861	10,451,528	11,203,333	11,325,645	11,742,549
Pension adjustments	(534,260)	(534,260)	(534,260)	(534,260)	(534,260)
Contribution to Reserves	2,781,000	1,306,880	318,540	55,000	85,000
Contribution from Reserves	(1,067,811)	(422,300)	(1,056,000)	(987,275)	(827,351)
Contribution to/(from) Balances	(688,276)	22,038	(154,197)	(11,356)	(454,940)
NET BUDGET/FORECAST EXPENDITURE	10,620,514	10,823,886	9,777,416	9,847,754	10,010,999
% Increase in Net Budget Forecast/Expenditure	15.39%	15.31%	15.37%	15.14%	10.35%
15% minimum balances	1,593,077	1,623,583	1,466,612	1,477,163	1,501,650
General Fund (Balances)	1,634,649	1,656,687	1,502,490	1,491,134	1,036,195
Amount above or below minimum balance	41,572	33,104	35,878	13,971	(465,455)

Corporate Plan and the MTFS update

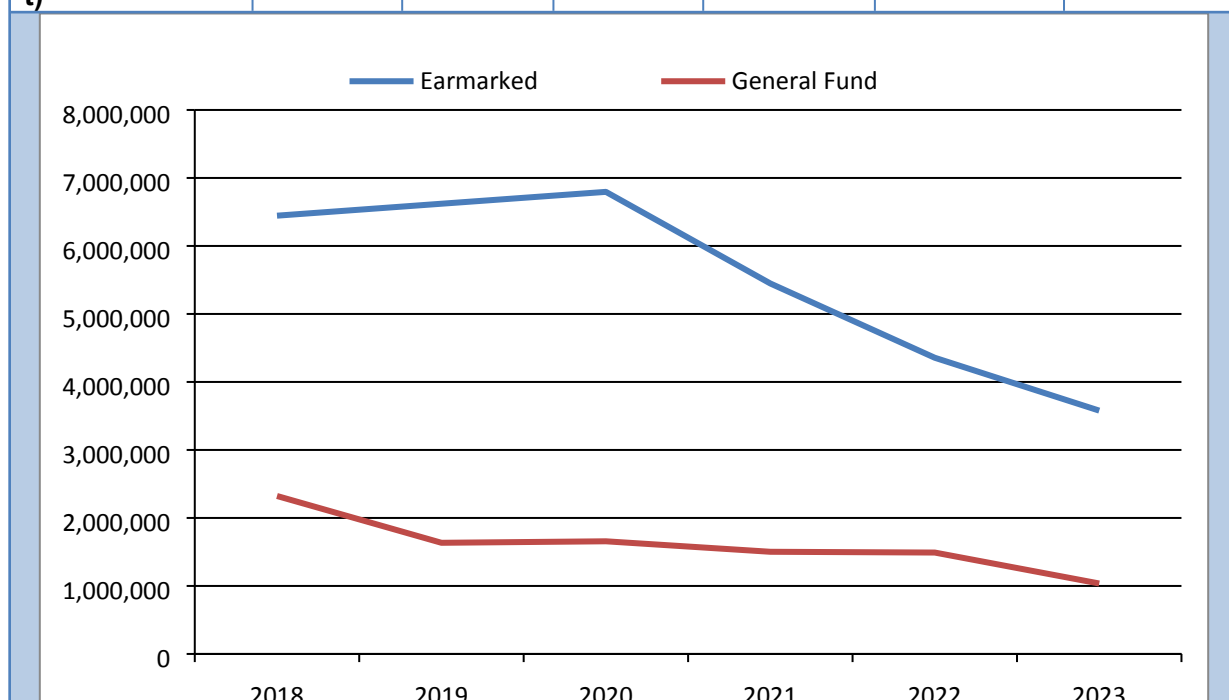
- 3.13 The MTFS is the mechanism by which the finances are managed to ensure the Corporate Plan priorities can be delivered. The Council has already made difficult decisions to agree previous budgets that enable a balanced position to be achieved as included in the prior MTFS, such as garden waste and Council Tax increases. Twelve months on there are still challenges ahead, but the Council is well placed to deliver its corporate priorities whilst maintaining future balanced budgets over the life of the updated MTFS based on the assumptions used.
- 3.14 It should be noted that the Council have already taken action to generate income to become more self reliant, by looking for income from other sources and it has also had to make difficult decisions in relation to the level of charges it makes. Key decisions in this area have been:
- to accept the government's offer to increase the Council Tax by £5 each year of the four year settlement, as the Council is in the bottom quartile of charge levied in England and Wales, and
 - levy a £24 garden waste charge, which is subject to annual confirmation as part of setting the fees and charges of the Council.
- 3.15 Other areas include entering into agreements that have generated £4.9m of management fee income over the life of this MTFS, and obtaining other commercial rents, and encouraging business to the area which has increased business rate growth. After allowing for financing cost the net estimated income over the term of the MTFS is £1.5m Also work is being done to establish a new facility that will be run via the Council and generate income, while meeting the needs of local residents.
- 3.16 This MTFS also benefits from projected income from the capital investment in a new facility, which is forecast to bring in £0.5m to the general fund between 2019/20-2022/23.

- 3.17 In order to drive efficiency savings within the cost of supplies and services, a rate of 0% has been applied to non-contract related expenditure. As the Retail Price Index (RPI) has stood between 2-4% in year, the application of 0% represents an effective saving on running costs.
- 3.18 Therefore although this MTFS poses challenges that may occur if the fair funding review leads to a loss of income, the Council is in a healthy financial position in the short term and has reserves to manage the position over the life of this MTFS update.
- 3.19 Other income opportunities are open to members in relation to a review of fees and charges, such as car parking which has an increase of 10p modelled for 2018/19, or, Garden waste charges which are static at £24 over the life of the MTFS. These will be subject to approval in those years.
- 3.20 It is these actions noted in the paragraphs above that mean we have the reserves to be able to meet the pressures faced over the life of this MTFS.

Review of the key changes of the MTFS update

4. Appendix 2 of the MTFS details the level of reserves and balances that the Council will hold at the end of each financial year of the MTFS. The table shows any surplus/deficit on the General Fund balance after applying the proposed Council's policy of holding 15% of the net budget requirement in balances at the end of each financial year. This achieved MTFS gives an average of 14.3%, including 2022/23, and 15.3% for the first four years prior to that, which is reasonable given the level of uncertainty going forward, and we have sufficient reserves to cover the known forecast risks and pressure faced. A summary of this information is presented in table 1 below, with a graph of the general fund and earmarked reserve position expected over the life of the MTFS. As can be seen the total of all reserves are significantly reducing over the life of the updated MTFS.

Table 1	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Forecast	£	£	£	£	£	£
General Fund Balance	2,426,640	1,688,364	1,710,402	1,556,205	1,496,067	1,053,910
Percentage of net budget	22.79%	15.39%	15.31%	15.37%	15.14%	10.35%
Earmarked Reserves	6,445,257	6,620,940	6,795,520	5,448,060	4,355,786	3,578,435
Total Reserves	8,871,898	8,255,590	8,452,207	6,950,551	5,846,920	4,614,629
General Fund Surplus/(Deficit)	649,579	(688,276)	22,038	(154,197)	(11,356)	(454,940)



Changes to reserves

4.1 The key change underlying the reserves that support the MTFS is the increase in pressure that has been placed on the finances of the council in 2018/19 and over the MTFS period, further detail is given below at Table 4. These changes have changed the forecast position of the Council's general fund up to 2022/23, compared to the position in the last MTFS update, mainly due to the :

- higher costs of pay due to the national settlement,
- pressures from the end of the Dry Recycling Credits and the service moving in house, and
- costs of the waste fleet being replaced.
- income from the Crescent being lower than forecast.

These pressure have reduced the level of general fund balance expected, which needs significant support from reserves to maintain a reasonable balance.

4.2 Table 2 gives the general fund balance as noted in the MTFS approved by the Council in February 2017 compared to the updated position after reserves have been used to

support the general fund for the increased costs forecast. Table 2a gives the unsupported position, showing that by 2022/23 the general fund will be negative, which is not allowed under accounting and audit regulations.

4.2.1 Table 2a has been amended to:

- remove the increased charges of 10p for car parking in 2018/19,
- Model a council tax increase at 2% instead of the 3% used, and
- if the Hub Rental reserves was maintained at its prior target level of £850,000 by the end of 2021/22.

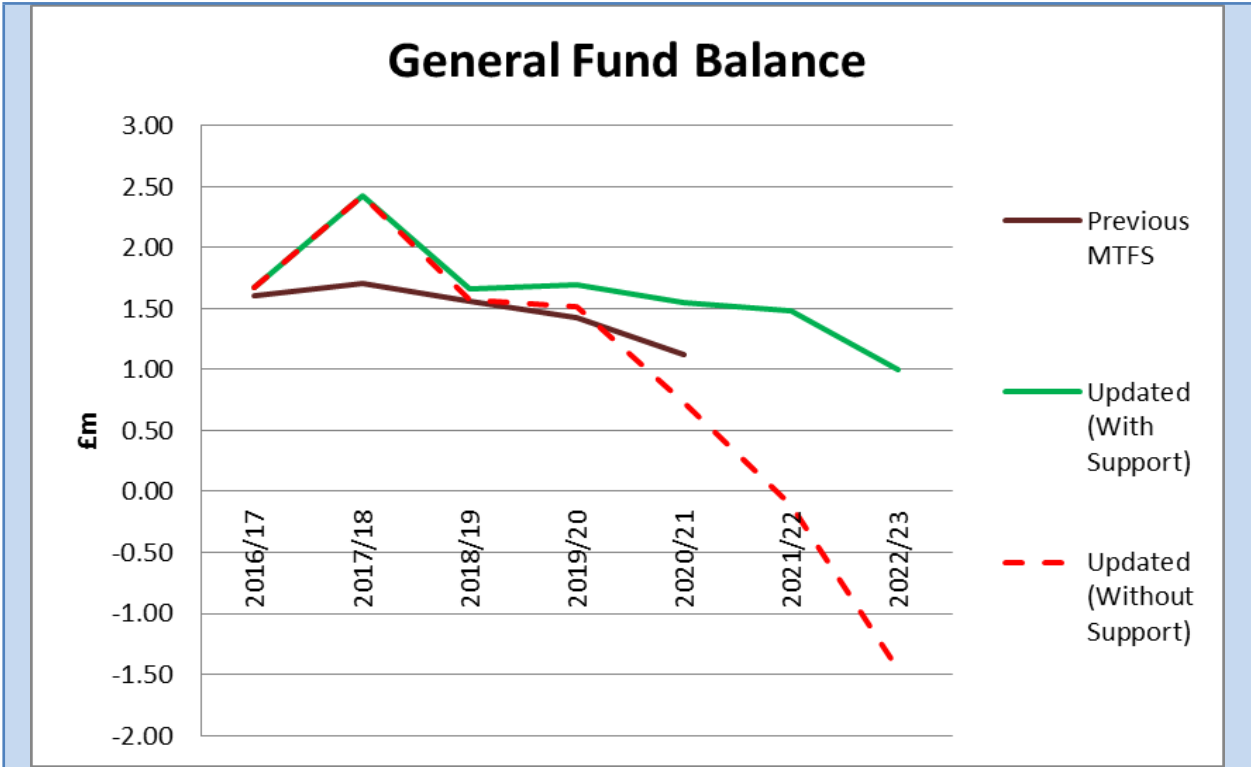
It also has the same assumption that the new reserves being set up and used for capital based as opposed to revenue support based purposes.

4.3 The graphs at the foot of table 2a gives the general fund balance and earmarked balances over the life of the MTFs. This is given over the life of the prior year MTFs, the updated MTFs and a notional MTFs if unsupported by increases in car parking fees, the 3% Council Tax increase, reduction to the level of the Hub Rental reserve, or using support from the Business Rates Equalisation Reserve to support future pressures. The graph demonstrates that the actions taken have ensured a reasonable general fund balance over the life of the MTFs. Note, this graph also shows that the combined impact of the use of reserves and increased income, together totalling £2.3m, have been used to achieve a balanced position over the life of the updated MTFs.

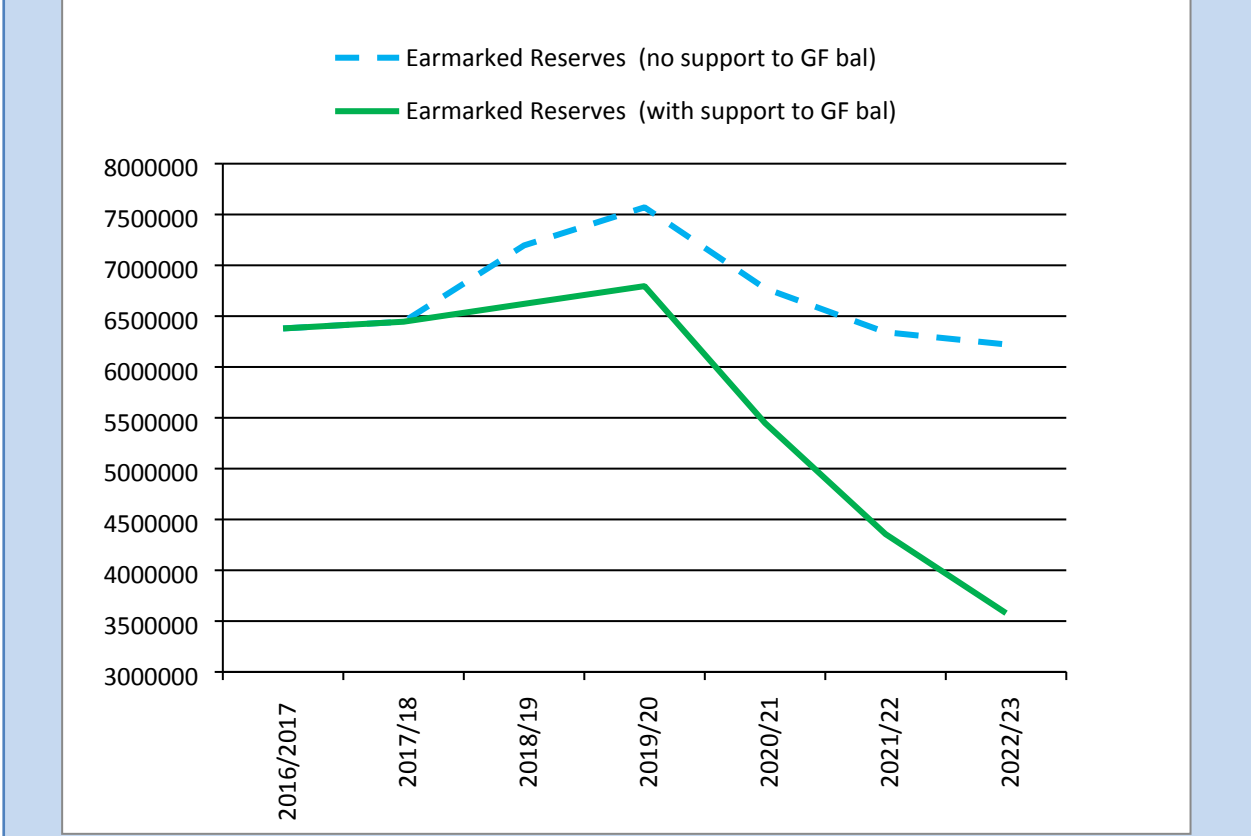
Table 2, Summary comparisons of General fund position compared to prior MTFs.

Table 2	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Original MTFs 16/17	£	£	£	£	£	£
General Fund Balances	1,710,970	1,555,533	1,419,704	1,125,510	n/a	n/a
% of net expenditure	16.70%	15.20%	13.80%	11.40%	n/a	n/a
Updated MTFs	£	£	£	£	£	£
General Fund Balances	2,426,640	1,688,364	1,710,402	1,556,205	1,496,067	1,053,910
% of net expenditure	22.79%	15.90%	15.80%	15.92%	15.19%	10.53%
Net increase	715,670	132,831	290,698	430,695	n/a	n/a

Table 2 a General Fund Balances <u>without</u> support						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23*
Updated MTFs	£	£	£	£	£	£
General Fund Balances	2,426,640	1,572,482	1,519,611	731,908	(109,564)	(1,460,069)
% of net expenditure	22.79%	14.84%	14.02%	7.52%	-1.12%	-14.86%
Net increase/Decrease	0	(89,000)	(178,000)	(811,507)	(1,592,840)	(2,457,617)
Graph of General fund balance						



Graph of Earmarked Reserves



* Negative General fund balances are not permissible and action would have to be taken to avoid this occurring

4.4 In order to begin to support the general fund position the changes and transfers noted below (Table 3) have been made.

- 4.5 The majority of the contribution to support the general fund position comes from higher than forecast growth from business rates growth and section 31 funding than anticipated in the prior MTFS. This has been placed into the Business Rates Equalisation Reserve and stems from performance in the 2016/17 and 2017/18 financial years. This reserve was agreed in the last MTFS to manage any decreases in rates due to appeals or to other losses on the collection fund that impacts on the general fund that were not already provided for elsewhere. The Reserve is expected to be £2.1m as the 31/3/2018. This reserve will be needed to assist in the future pressure from the baseline reset, further information on this is given in section 9 below, and £0.3m will be released in 2018/19 to the general fund to enable the setting up of three new reserves.
- 4.5.1 The Council meeting that agreed the MTFS in February 2017 noted that there was no reserve for the revenue implication of the purchase of the waste fleet and associated costs. The Council did not have a specific reserve at that time other than the £133,295 for grounds maintenance. At that time, the details of these revenue costs were not known. The increase in business rate growth in 2016/17 and during 2017/18 has allowed such a reserve to be established for 2018/19 of £421,460 in addition to the £133,295 held in the ground maintenance reserve to be used to support some of the additional costs of £1.6m included in this MTFS, while maintaining a £0.2m balance at the end of 2022/23.
- 4.6 As grounds maintenance vehicles are being replaced, then the £133,295 held in reserve for grounds maintenance can be released to support the overall costs of fleet replacement.
- 4.7 Other reserves changes have been made that require Council approval; these are covered in the earmarked reserve section below.

Earmarked Reserves

- 4.8 The following use and set up of new reserves needs to be noted and agreed by members as they represent a set aside of general fund balances to meet future pressures and costs. The main purpose of the changes is to set aside the increased income to meet the future pressures of the baseline reset, and allow future borough wide developments to be funded from the additional business rates growth than expected in the last MTFS. Some will be used to meet the pressures from the fleet purchase and the risk of loss of growth from the baseline reset expected in 2020/21.

Table 3 Reserve movements (Balances over £100k)	2018/2019 (1/4/2018)	New reserves	Transfer in	Transfers out	Closing Balance 31st March 2019
	£	£	£	£	£
Hub Future Rental Management Reserve	350,000		50,000		400,000
Local Plan Procedure	505,532		100,000	(106,000)	499,532
Business Rates Equalisation Reserve	2,058,056		385,295	(350,000)	2,093,351
ICT Reserve	250,411		100,000	(84,000)	266,411
Waste Management Reserve	186,460		250,000	(175,000)	261,460
Workforce Strategy Reserve		225,000			225,000
Enforcement and Planning Appeals	270,000				270,000
Building Maintenance costs	388,120		200,000		588,120
Minor Capital Projects		175,000			175,000
Hinckley Community Development Fund		350,000			350,000
PCIF reserve (Future Top up pressure)		375,000			375,000
Developing Communities Fund	962,980		499,000	(711,980)	750,000
	4,971,559	1,125,000	1,584,295	(1,426,980)	6,253,874

Table 3a Anticipated use (Balances over £100k)	Bal 31st March 2019	2019/20	2020/21	2021/22	2022/23	Remainin g balance
	£	£	£	£	£	£
Hub Future Rental Management Reserve*	400,000	25,000	0	(50,000)	(25,000)	350,000
Local Plan Procedure	499,532	16,000	(218,000)	(47,532)		250,000
Business Rates Equalisation Reserve	2,093,351	700,000	(550,000)	(611,000)	(632,351)	1,000,000
ICT Reserve	266,411	16,000	(25,000)	(17,411)		240,000
Waste Management Reserve	261,460	(55,000)	103,540	(55,000)	(55,000)	200,000
Workforce Strategy Reserve	225,000					225,000
Enforcement and Planning Appeals	270,000					270,000
Building Maintenance costs	588,120	71,880	(10,000)	(80,000)	(65,000)	505,000
Minor Capital Projects	175,000	(35,000)	(35,000)	(35,000)	(35,000)	35,000
Hinckley Community Development Fund	350,000	(150,000)	(200,000)			0
PCIF reserve (Future Top up pressure)	375,000	(125,000)	(125,000)	(125,000)		0
Developing Communities Fund	750,000	(150,000)	(250,000)	0		350,000
Total	6,253,874	313,880	(1,309,460)	(1,020,943)	(812,351)	3,425,000

4.9 As well as an increase in pressures, which in the short term are covered by higher than anticipated income growth, there is the risk announced to business rate growth in the financial settlement. This is to have baseline funding reset in 2020/21 based on a fair funding review, which is a significant risk to all district councils that have growth significantly above baseline. This is the case for Hinckley and Bosworth Borough Council, which for 2018/19 has growth of £1.2m above its net baseline funding of £2.5m, with an expectation of £1.3m of growth for 2019/20. It is anticipated that the changes and baseline reset will lead to a loss of £1.7m income between 2020/21 to 2022/23 compared to the three previous years. Therefore, the business rate equalisation reserve is required to off set these pressures and maintain a reasonable general fund balance.

4.10 There is also the need to provide support for future developments as the Council moves forward, therefore three new reserves have been set up to capture the income growth from business rates which will be used to fund development pressures going forward. These are:

- Minor Capital Projects, £175,000

- Hinckley Community Development Fund, £350,000, and
- PCIF reserve (Future Top up pressure), £375,000.

A further £300,000 has been placed in the Developing Communities Fund and £200k in the workforce strategy to invest in additional capacity or if needed to off set potential further costs of the national settlement in 2019/20.

4.11 Further details of all reserves movements are given in Appendix 2.

Pressures in 2018/19 and over the MTFS period

- 5 Due to the reduction in more certain income streams such as RSG, and the move to more changeable income streams from business rates and New Homes Bonus, the level of general fund minimum balances has been set 15% over the life of the MTFS. This does not mean that a range of 10% to 15% in any one year is problematic, but that the longer-term average should have a target level of 15%. The MTFS in this report has an average to 2022/23 of 14.67%. The later years forecast post the fair funding review and baseline reset, are less certain due to a lack of clarity from Central Government at this stage, but current information available suggests pressures will mean the general fund is reducing to 10.53% in 2022/23, and the trend based on current assumptions would be downwards after that. However, this is subject to the fair funding review and any actions taken to generate income by the Enterprise and Innovation Board.
- 5.1 Income streams continue to be less certain with the potential for a rebase of baseline funding in relation to business rates likely in 2020/21, which will remove some or all the levels of growth realised to date.
- 5.2 That said, the forecast scenario includes significant pressures and is only achievable in 2018/19 through commitment to a number of targets and decisions. The table below gives the overall savings and pressures included in the 2018/19 General Fund revenue budget report.

Table 4	Pressures	Income/ Savings	Net
	£	£	£
Dry Recycling contract council	488,000	(560,000)	(72,000)
Dry Recycling - move in house (Payroll pressure)	350,385	0	350,385
Pay cost increases (all elements, NI, Pensions and increments)	320,269	0	320,269
Inflationary increases contracts /Fees	134,304	(76,753)	57,551
Waste Fleet and wider Fleet replacement	315,123	0	315,123
Extra Waste Round	171,900	0	171,900
Dry Recycling - move in house (Vehicle pressure insurance, repair and fuel)	112,985	0	112,985
Trade waste, Kerbside recycling and bulky items	98,300	0	98,300
Microsoft licences	84,000	0	84,000

Table 4	Pressures	Income/ Savings	Net
Pensions IAS 19 accounting adjustments	64,810	0	64,810
LCC Pension Lump Sum	64,070	0	64,070
Increase in legal fees/Infrastructure Cap and Housing needs	50,000	0	50,000
Expected additional contribution to reserves - section 31	0	(650,898)	(650,898)
Leisure Centre income	0	(108,200)	(108,200)
Capital Financing	0	(93,670)	(93,670)
ICT contract	0	(51,320)	(51,320)
Local Plan savings		(54,500)	(54,500)
Rev and Bens Partnership contributions	59,610	0	59,610
Efficiency savings from refuse collection and street cleansing	0	(201,820)	(201,820)
Development control income	60,000	(173,000)	(113,000)
Development control investment	0		0
Car parks	0	(89,000)	(89,000)
Flexible Homeless Grant	108,060	(108,060)	0
Items less than £50k individually	415,830	(197,293)	218,537
Totals	2,897,647	(2,363,995)	533,652

5.3 After allowing for contributions to and from reserves, the General Fund Balance will decrease by £688,278 in 2018/19. The General Fund Budget has further details of these pressures and savings, which should be read in conjunction with this report. The more significant pressures and savings/Income pressures are covered below.

Dry Recycling and Waste Service pressures

6 The Tables below gives the dry recycling changed position from the prior year. There is a relatively small increase on the prior year forecast of 0.9%, but still gives £2.9m of pressure between 2018/19 and 2022/23.

Table 5	MTFS update	Prior MTFS
Dry recycling	£	£
Loss of recycling credits	470,000	505,047
Dry Recycling - move in house (Payroll pressure)	350,385	
Dry Recycling - move in house (Vehicle pressure insurance, repair and fuel)	131,900	
Vehicle cost (6 months hire of new vehicles, plus 6 moths extended SFS) This will be a cost £185,075 in 19/20.	117,538	
Palm Contract savings (end of contract payments)	(560,000)	
Net pressure	509,823	505,047
Movement	4,776	0.9%

- 6.1 The pay cost pressure is due to taking on under TUPE arrangements the drivers and workers associated with the Palm contract. Vehicle costs are for five new vehicles required to cover the dry recycling rounds, for 2018/19 this is for a 6 month period due to when the purchase of new vehicles are made, plus a cost for coverage during the prior 6 months to purchase. The procurement of an additional five vehicles was agreed at full Council in July 2017. The overall pressures not budgeted for in the prior MTFS from bringing dry recycling in house over the life of the MTFS to 2021/22 are £0.3m
- 6.2 For 2018/19 there is a need for an extra waste round due to the additional demands on the service. The Council have operated with the same collection resources since 2010. In that time period property numbers have increased by 11.3% resulting in an additional 250,000 bins being emptied each year (refuse, recycling and garden per property fortnightly). The Executive agreed the budget for the extra round in June 2017, at £180,000. The costs included in the MTFS s forecast to be £178,900 including £47,000 for Vehicles costs.

Table 6	MTFS update	Prior MTFS
Extra Waste round	£	£
Pay costs	109,295	0
Vehicle costs - insurance, repair and fuel)	22,597	0
Vehicles costs	47,000	0
Total	178,892	0

- 6.3 The overall pressures not budgeted for in the prior MTFS from the extra round over the life of the MTFS to 2022/23 is £0.9m
- 6.4 Trade waste and street cleaning has also seen an increase in costs, but these are off set by increased income as noted in Table 6a.

Table 6a	2018/19	2019/20	2020/21	2021/22	Total
Trade Waste and street cleaning	£	£	£	£	£
Disposal fees due to increased collections	10,950	11,169	11,392	11,620	45,132
Vehicles costs	58,000	59,160	60,343	61,550	239,053
New clean neighbourhoods team-leader post	29,350	29,350	29,350	29,350	117,400
Total Costs	98,300	99,679	101,086	102,520	401,585
Income	(102,620)	(101,684)	(101,684)	(101,684)	(407,672)
Net gain to general fund	(4,320)	(2,005)	(598)	836	(6,087)

Procurement of the new council vehicle fleet

- 6.5 This section brings together the procurement costs of the vehicles, and notes some of the pressures included in tables above. The MTFS has been adjusted as necessary to ensure the costs are only included once to ensure double counts are avoided. In July 2017, the Council approved a supplementary capital budget of £3,855,500 for fleet and equipment procurement, with a supplementary revenue budget of £609,004 for the annual financing cost, which will replace the current revenue budget of £396,000. The procurement of the fleet also assumes the services remain in house, along with the

bringing in house of the dry recycling service and trade waste, which requires 5 additional refuse collection vehicles. The report in July noted that it did not include the costs of maintenance.

- 6.6 Following external advice and a procurement exercise, the lowest cost option is to use hire contract arrangements for all but the ground maintenance equipment. Based on this there are £1.4m of pressures on the MTFS to 2022/23 that were not forecast this time last year as the vehicles requirements and associated revenue costs were not known (See Table 7 and 7a).

Table 7	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Vehicle procurement	£	£	£	£	£	£
Revenue pressures	315,123	310,247	310,247	310,247	310,247	1,556,111

Table 7a	Current Fleet Costs	Hire Purchase	Budget Pressure
	£	£	£
Capital Cost	395,992	628,032	232,040
Maintenance	195,280	273,487	78,207
Total	591,272*	901,519	310,247

*current fleet costs do not include the extra vehicles needed for the dry recycling and extra waste round.

- 6.7 The hire contract option is the lower cost method for the procurement of the new fleet, with the exception of ground machinery, as there is not contract hire option for ground machinery that includes maintenance. The table below gives the comparison between Contract Hire and Purchase. The Main savings on Contract Hire are in relation to the much lower maintenance costs.

Table 7b	Capital Cost	Maintenance	Total annual cost
	£	£	£
Contract Hire			
HGV/Specialist	428,446	228,828	657,274
LCV/Grounds	199,586	44,658	244,244
Total	628,032	273,486	901,518
Purchase			
HGV/Specialist	459,478	358,047	817,525
LCV/Grounds	195,158	155,098	350,256
Total	654,636	513,145	1,167,781
Savings to the GF using hire purchase compared to Purchase	26,604	239,659	266,263

* Grounds machinery will be purchased at an annualised cost of £31,429, with £200,000 of reserves being used to fund the purchase.

6.8 The hire contract offer is based on a five-year agreement for LCV and seven years for the HGV. The capital element of the contract higher at £680,366 is higher than the forecast costs noted in the July budget report of an annual cost to revenue of £609,004, but offers significant saving on the potential maintenance costs associated with the purchase option.

Pay and Staff cost pressures

6.9 National Employers have recently made a final pay offer covering the period 1 April 2018 to 31 March 2020. This combines a 2% increment with changes to the spine point structure, and includes the National Living Wage requirements. These combine to a total increase of 5.6% over the two-year period to 2019/20. The MTFS assumes the 2% pay award will continue over the MTFS period to 2022/23. This puts a significant pressure on the pay costs of the council. Table 8 gives the net new pressures on the MTFS.

Table 8	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Pay cost pressures	£	£	£	£	£	£
Original MTFS 16/17	192,092	194,013	195,953	197,912	199,891	979,861
Updated MTFS	738,066	425,443	239,058	219,558	223,949	1,846,075
Additional Budget pressures	545,974	231,431	43,105	21,646	24,058	866,214

6.10 Included in the increased staff costs, is an element for the additional staff being taken on due to bringing the dry recycling collection in-house and the extra round, which accounts for £0.4m of the 2018/19 increase. The impact is less in later years as some allowance was made for increased costs in the prior MTFS.

Other Changes

6.11 The level of income generated by Block C at the Crescent has been revised downwards as it is proving difficult to let the remaining two units. This has increased pressure on the general fund. Table 9 below gives the change between the prior MTFS refresh and this MTFS update at a total of £460,660 over the life of the MTFS

Table 9	2017/18	2018/19	2019/20	2020/21	2022/23	Total
Block C Income	£	£	£	£	£	£
Prior MTFS	399,343	495,043	495,043	495,043	495,043	2,379,515
MTFS update	308,643	359,707	416,835	416,835	416,835	1,918,855
Reduction in forecast	(90,700)	(135,336)	(78,208)	(78,208)	(78,208)	(460,660)

6.12 There has been a change to the accounting requirements for software licences issued by Microsoft, which means they now are treated as revenue costs, and cannot be treated as capital items. This change does not increase the amount spent on these licenses, but does mean they fall on the general fund as a cost. This has added £84,000 to the 2018/19 revenue budget, and a cost of £336,000 to the general fund over the life of the MTFS.

6.13 Other changes individually less than £50,000 but over £10,000 are noted in the table below.

Table 10	2018/19	2019/20	2020/21	2021/22	2022/23	Total
	£	£	£	£	£	£
Infrastructure Capacity assessment for the Local Plan Review	20,000	0	0	0	0	20,000
Housing Needs Study	30,000	0	0	0	0	30,000
Lost income from materials due to LCC direction notice issued	18,000	18,000	18,000	18,000	18,000	72,000
Housing Repairs DSO	20,000	20,000	20,000	20,000	20,000	80,000
Community Planning Officer	25,000	25,500	-25,500	0	0	25,000
B&B pressure -change in legislation	30,000	30,000	30,000	30,000	30,000	120,000
Middle Manager Training	45,000	0	0	0	0	45,000
Other small movements (Up to £10k) net	32,726	32,726	32,726	32,726	32,726	130,904
Total	220,726	126,226	75,226	100,726	100,726	522,904

Overall key pressures in the MTFS update not noted in the prior MTFS

6.14 The key pressures noted in this MTFS come from items not included in the prior year MTFS refresh as there was insufficient information at the time to allow a reliable forecast. The key differences are noted in Table 11 below. This has led to a significant pressure on the general fund position.

Table 11	2018/19	2019/20	2020/21	2021/22	2022/23	Total
	£	£	£	£	£	£
Vehicle procurement	315,123	310,247	310,247	310,247	310,247	1,556,111
Payroll	545,974	231,431	43,105	21,646	24,058	866,214
Block C income reduction	90,700	135,336	78,208	78,208	78,208	460,660
Microsoft licences	84,000	84,000	84,000	84,000	84,000	420,000
Other	220,726	126,226	75,226	100,726	100,726	623,630
Total	1,256,524	887,240	590,786	594,827	597,239	3,926,615

Savings and income growth in 2018/19 and over the MTFS period

- 7 The table below gives the savings for 2018/19 and then the net movement on those savings noted in the MTFS to 2022/23.

Table 12	2018/19	2019/20	2020/21	2021/22	2022/23
	£	£	£	£	£
Dry Recycling contract council	560,000				
Expected additional contribution to reserves - section 31	336,361	(33,839)	(109,133)	22,094	26,732
Efficiency savings from refuse collection and street cleansing	201,820				
Items less than £50k individually	199,623	3,460	3,529	3,600	3,672
Development control income	173,000				
Leisure Centre income	108,200	(3,100)	(76,838)	(10,611)	68,213
Capital Financing	93,670	(11,000)	(10,000)	(10,000)	(10,000)
Car parks	89,000				
Inflationary increases contracts /Fees	76,753	78,672	80,639	82,655	(78,670)
Local Plan savings	54,500	22,000	(184,000)	168,000	0
ICT contract	51,320	50,000	14,000	3,000	0
Total	1,944,248	106,194	(281,803)	258,739	9,947

- 7.1 The Dry recycling contract savings is due to the Palm contract coming to an end, but this has been replaced with the costs of bringing the service in house as covered in Table 5 above. This does not therefore represent a real saving that benefits the general fund, but a transfer of costs from contract payments to direct costs of supplying the service in-house.
- 7.2 The increase in the S31 funding is based on the position of being in a 75% business rates retention position from 2020/21, with districts retaining a 40% tier split share; further detail of this is given below in the section on Local Governing Funding.
- 7.3 The efficiency savings and income from refuse collection and street cleansing is made up of:
- £92,000 from additional Trade waste income
 - £31,000 from additional tipping away fees
 - £47,620 from additional street cleansing income

These increases have been due to extra collections for trade waste and an increase in team leader capacity for street cleansing and have an associated cost for extra resources of £87,350.

- 7.4 Development control income includes a 20% increase in fees as draft regulations providing for the increase in planning application fees were laid before Parliament on the 19th October 2017. The regulations have now been approved by both Houses of Parliament, and fee increases have now been introduced leading to an

expected increase in fee income of £173,000. Note £60,000 of investment costs have been allowed for against this as the increased fees will need to deliver improvements and some additional resources in planning.

- 7.5 The leisure centre income has increased as per the agreement, with no allowance for indexation, Note the fees were not set as increasing each year, hence there will be a reduction in income for the following three years of the MTFS as per the contract.
- 7.6 Due to capital disposals the costs of capital has decreased by £93,670, which benefits the general fund. The Capital Programme gives details of the underlying transitions that have led to this position and should be read in conjunction with this MTFS update.
- 7.7 Car Park income includes the proposal for a 10p increase in parking fees. The increase represents a contribution to the costs of running services over the life of the MTFS of £356,000. This is a significant contribution to those services. The basic 50p rate was introduced in 2013/14 as a reduction from the 70p rate in force before that time. Therefore the 10p increase only restores half of the original income reduction to from reduced the fees in 2013/14, and with CPI inflation that original 70p rate would be 75p for 2018/19.

Local Government funding - Fair Funding review

- 8 Funding baselines for local authorities, as determined by the local government finance settlement, are based on an assessment of local authorities' relative needs and resources. The methodology behind this assessment was introduced over ten years ago, and has not been updated since the introduction of the 50% business rates retention system in 2013/14.
 - 8.1 Since that time, demographic pressures have affected local areas in different ways, as has the cost of providing particular services. In recognition of these pressures, the Government last year announced a review to address concerns about the fairness of current funding distributions. The outcome of this review will enable the Government to reconsider how the relative needs and resources of local authorities should be assessed in a world in which Local Authorities will continue to have greater control over the money that they raise.
 - 8.2 In 2016, the Council signed up to the Government's 4 year settlement for the period 2016/17 – 2019/20. The four year settlement was implemented to provide Local Government with greater certainty in respect of funding as funding reforms continue to progress to make councils more self-sufficient.
 - 8.3 The Government has recently announced some detail regarding the shape of its Fair Funding Review and the date for implementation which is now delayed until 2020-21. The review determines the starting position of funding for local authorities based on an assessment of the relative level of needs and resources of all councils across England. The outcome of the review will determine the level of Revenue Support Grant and business rate tariffs and levies chargeable against locally collected business rate income.
 - 8.4 The aim of the fair funding review is to ensure local government funding is reviewed and decided in a fair, robust and evidence-based way, one that reflects the most up-to-date picture of councils' relative needs and resources. A Fair Funding Review and consultation is now taking place and will close on 12 March 2018. The results are expected in December 2019 as part of the financial settlement. This makes elements of forecasting post 2019/20 problematic as there is little detail on issues, such as the

details of baseline reset for business rates, or if negative RSG charges will be levied or how tariffs or top up will be levied.

- 8.5 The MTFS has been forecast to 2022/23 assuming that the baseline reset for retained funding from business rates will be significantly reduced, based on discussions with our advisors and the general information already known on the baseline reset, growth from 2020/21 will be just under 50% of the 2018/19 level. Other Councils have taken differing approaches depending on the likely impact and view on uncertainty associated with the fair funding review outcome. Those not including it in the forecast are noting as a future risk to income. Due to the potential size of the impact of lost growth, the MTFS has been drafted taking a prudent view and has included an estimate for the loss and set aside a reserve to cover the potential impact. This protects the Council from over allocating the general fund prior to the results of the fair funding review in late December 2019. Once the fair funding review is concluded, the reserves position can be reviewed.

Local Governing Funding allocations 2018/19

- 8.6 Each year the council receives a significant amount of financial support from central government in the form of grants and allocations. The allocations to the council are determined by Government carrying out Comprehensive Spending Reviews (CSR) which enables it to decide how much it can afford to spend, what its priorities are and targets for improvements to be funded by additional resources.
- 8.7 The last full review was undertaken in 2015 (CSR15) following the General Election in May 2015 and covered the four years following. The spending targets set in this review were significantly influenced by the Government's desire to remove the deficit and move into surplus by 2019/20, which has not been achieved.
- 8.8 The spending review and Autumn Statement had some key points that impact on the Council. The table below shows the changes from more stable funding streams such as RSG and NHB to more locally based and riskier income streams, such as business rate retention over the life of the MTFS.
- 8.9 In the short term HBBC have done well, mainly from higher than anticipated retained growth from business rates, coupled with higher levels of Section 31 grant to cover reliefs given. The differences on business rates income is £0.78m on average per year, which represents about 0.9% of gross rates before the multiplier, reliefs, appeals, amendments and changes in operating business numbers and tier share are taken into account. Table 14 gives the prior MTFS period for 2017/18 compared to the updated MTFS for the same period. This indicates the Council is £3.12m better off in the short term in relation to income from business rates related income than anticipated last time the MTFS was refreshed. However, from 2020/21 income pressure are beginning to be evidence due to the risk of a resetting of business rates baseline funding and the fall in NHB (see tables 15 and 19)

<i>Table 14</i>	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total
	£m	£m	£m	£m	£m	£m	£m
Council Tax	4.13	4.15	4.40	4.57	n/a	n/a	17.25
NNDR	3.11	3.59	3.72	3.85	n/a	n/a	14.27
New Homes Bonus	2.79	2.64	2.64	2.00	n/a	n/a	10.07
Revenue Support Grant	0.75	0.44	0.08	0.00	n/a	n/a	1.27
Total	10.78	10.82	10.84	10.42	n/a	n/a	42.86
Council Tax	4.13	4.22	4.37	4.60	4.79	4.98	27.09
NNDR	3.69	4.58	4.83	4.01	4.11	4.21	25.43
New Homes Bonus	2.79	2.57	2.70	2.22	2.02	1.91	14.21
Revenue Support Grant	0.75	0.44	0.08	0.00			1.27
Total	11.36	11.81	11.98	10.83	10.92	11.11	68.00
Difference	0.58	0.99	1.14	0.41	n/a	n/a	3.12

8.10 The financial settlement and budget gave some indications of other changes being made, such as:

- Councils will be able to use capital receipts for revenue purposes, subject to specific conditions not yet published. This council's ability to realise significant capital receipts is, however, very low.
- The proposal to allow local authorities to retain 75% of business rates income is positive, but details on the allocation (between District and Counties in the two-tier area) and redistribution (to enable low-growth areas to have a degree of protection - called 'damping') have yet to be announced.
- Balanced against the Business Rates proposal will be the withdrawal (over the same period - to 2019/20) of Revenue Support Grant, with the issue of negative RSG in later years being recognised as an issue, but not yet withdrawn.
- A break with the continuation of average public sector pay awards of 1% to a 2% basis has increased the cost base faced by the council and the MTFS update assumes this will be in place for each year of the forecast.
- NHB has been reduced from a 6 year basis to a five year basis in 2017/18 and then to a 4 year basis thereafter.

Business rates

9 Business rates and the level of retention of growth is a key element of the funding of the Council. The Business Rates Retention Scheme (BRR) commenced on 1st April 2013. Under the scheme, the council can retain a proportion of locally generated business rates over a set baseline where growth occurs. Whilst this financing regime provides the opportunity to financially reward the council, the volatility of the market makes it difficult to budget for. The recent Financial settlement and budget statement have indicated that there will be changes to both the level of local retention and the level of growth that will be retained due to a baseline reset following a funding review.

The only statement we have from the settlement in relation to the retention of business rate growth and changes to the baseline funding is that,
 “Local authorities will be able to keep that same share of growth on their baseline levels from 2020 to 2021, when the system is reset. So from 2020 to 2021 business rates will be redistributed according to the outcome of the new needs assessment subject to suitable transitional measures.”

The basic calculation is expected to be based on 40% of the business rates collected in 2020/21 less the baseline funding of 2018/19 inflated by CPI. There may be some other changes as grants, such as RSG may be subsumed into the baseline-funding amount, which is a concern if negative RSG is levied. However, there is the potential that the baseline reset year will be based on the 2018/19 year. This would be beneficial as growth after the reset is retained. The mechanism for reducing the amount of growth available is most likely going to be an increase the Tariff charge, which is £9.2m for 2018/18.

9.1 This comes at the same time as the move to a 75% retained business rates model, No details have been given, other than the Business Rate Retention Scheme (BRRS) will increase from 50% to 75% in 2020-21. It is not expected that the tier split will increase from 40% for district council, although it may be changed and any shortfall compensated via tariffs and top up transactions.

9.2 To assess the impact of these proposals advice was taken from our external advisors, as the best way to model the impact. The expected position is that 40% will be the district tier split, but that the tariff will be adjusted to remove growth prior to 2019/20, allowing some to be retained from the 2020/21 to 2021/22 business rates. The last baseline was set in 2013/14 with inflation and formula amendments since then. These forecast changes are key assumption for these later years of the MTFS. A lower retention or a harsher settlement on growth could adversely affect these predictions. There is no detail on how a phased or supported reset of the baseline will be implemented or to what extent it will reduce the impact on the reset on the finances of local authorities, but there will be a consultation on fair funding prior to the baseline reset. If support or transitional funding options are applied then the position may be improved on that forecast. The table below gives the forecast position, which indicates that HBBC will potentially lose £1.7m of growth funding between 2020/21 to 2022/23 compared to the previous three years.

<i>Table 15</i>	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m	£m	£m
NDR collected	30,701,570	32,297,797	33,702,198	34,554,977	35,389,768	36,314,000
HBBC share 40%	12,280,628	12,919,119	13,480,879	13,821,991	14,155,907	14,525,600
Actual retained income after levies and tariffs						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Baseline funding	2,358,703	2,499,827	2,555,271	2,619,153	2,684,632	2,751,748
Retained growth	855,252	1,165,595	1,313,441	523,596	534,643	548,009
Total	3,213,955	3,665,422	3,868,712	3,142,749	3,219,275	3,299,757

<i>Table 15a</i>	2017/18 to 2019/20	2020/21 to 2022/23	Difference
Growth retained	3,334,288	1,606,248	(1,728,040)

9.2.1 The consultation does note that there will be suitable procedures for tapering relief when the rebase is completed, but there remains a risk that not all growth income will be retained. The financial settlement makes no reference to the treatment of growth past 2020. The model above assumes that not all growth will be lost, with approximately 50% of the 2018/19 levels of growth being retained. If this is incorrect and higher levels of growth are retained then the position will be improved. If transitional arrangements cover a further 50% of the lost income from rebased growth for the years 2020/21 to 2022/23 this would provide a further £0.75m to £0.9m.

Business Rates Appeals

9.3 Business rates have been subject to a new rateable value listing as from 2017/18, which is expected to lead to a significant increase in appeals. There has been a consideration by the DCLG in consultation with Society of County Treasurers Technical Support Team that indicates that a figure of as much as 4.5% of gross rates after the multiplier has been applied can be expected (£1.5m). Therefore, a provision has been set aside for appeals based on this advice and that of our local advisors.

9.4 The appeals risk for the 2010 rateable listing has increased by £0.4m. In 2017/18 , the council has had to settle £1.4m of successful appeals against a provision of £2.3m for the 2010 RV listing. Currently there are £3.4m of appeals in relation to 2010 still pending VOA judgement. We have a provision in relation to these appeals of £1.5m to deal with 120 appeals, four of which equal £1.1m. There is a further provision of £1.5m in relation to the RV listing for 2017; as yet this is a general provision as we have not been notified of any specific appeals in relation to that listing.

9.4.1 The level of provision is based on a percentage of appeals being successful for the 2010 listing. A higher weighting is given to larger appeals, as they are likely to have professional taken advice. The higher the provision provided leads to a reduction in the amount of growth retained by the Council. If appeals succeed at a higher level, the difference will fall on the general fund. For the MTFs the provision has been modelled as noted in the table below. Note is assumes no settlement of 2017 appeals, which may not be the case, but if settled in favour of the appealing business , it will lead to lost income yield. Once actual appeal information is available this position will be updated, a lower requirement for the level of provision for appeals would lead to increased growth retained.

Table 16 Appeals	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Foreca st	2019/20 Foreca st	2020/21 Foreca st	2021/22 Foreca st	2022/23 Foreca st
	£000	£000	£000	£000	£000	£000	£000	£000
Balance b/f	840	1,323	2,321	3,045	4,011	4,999	6,109	7,299
Increase	818	1,323	2,081	1,868	1,576	1,493	1,439	1,404
Settled	(335)	(325)	(1,357)	(902)	(588)	(383)	(249)	(162)
Balance c/f	1,323	2,321	3,045	4,011	4,999	6,109	7,299	8,541

9.5 Therefore this income is more volatile and less certain than other forms of funding received directly from central Government. The 2020/21-2022/23 financial years are under significant pressure if appeal losses increase. There may also be additional business rate growth that would off set such losses. Due to the uncertainty in relation to the level of business rates, a Business Rate Equalisation reserve is included in the MTFS, which will have a balance of £1m at the end of 2022/23, which will help protect the council's financial position. However, the MTFS assumes £1.4m of this will be needed to support the general fund position due to lost growth during 2021/22 and 2022/23. This leave the Council exposed to some risk of not having a safety net after that date if appeals are higher than allowed by the provisions made.

Business rates and Collection Fund Losses

9.5.1 The collection of business rates is included in the collection fund and the Council is left with a share of the surplus or loss on the collection fund based on the tier split percentage. For the MTFS post 2018/19 the deficit is problematic to forecast particularly after the impact of the Baseline reset. The methodology for NNDR returns to DCLG means the loss or Surplus falls in the year after it is generated. The significant increases in the appeals provision for 2016/17 and 2017/18 will have caused some of the collection fund loss, but was needed to safeguard the Council from un-provided for appeals. As this will have led to some of the increased loss, the average loss position has been used, at £181,854 for each year of the MTFS. If the actual loss is greater than this, the general fund will be reduced in that year.

Table 16a	2014/15	2015/16	2016/17	2017/18	2018/19	Average
	£45,329	£262,877	-£546,253	-£370,688	-£300,536	-£181,854
Deficit/ Surplus	Surplus	Surplus	Loss	Loss	Loss	Loss

Enterprise Zone and business rates

9.6 In addition to "standard" business rates collected, the creation of the Enterprise Zone (EZ) at MIRA Technology Park will also generate significant increases in business rates. In order to stimulate such growth, these uplifts are not subject to business rate retention rules. This currently means that 100% of the growth from the EZ is retained by the LLEP. The council is currently in negotiation with the Leicester and Leicester Local Enterprise Partnership (LLEP) to identify what element of this uplift will be retained by the Council directly. Any agreement will seek to avoid being prejudicial to the Council's position when the governments eventual aim to introduce 100% retention rate is introduced.

- 9.7 In order to be prudent, this income has **not** been included in this version of the MTFs. However, the table below indicates what HBBC may be able to obtain from an agreement where by some of the EZ growth is retained by the Council and is based on information supplied by consultants to the LEPP and MIRA to aid predictions. Note, income from EZs are meant to be invested into generating new business and business development, therefore income generated from successful negotiations would need to be set aside for such investment and not used for the purpose of supporting the general fund position.

<i>Table 17</i>	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
HBBC retain:	£	£	£	£	£	£
HBBC share 60%	549,975	796,604	1,090,750	1,246,616	1,301,564	1,479,268
HBBC share 40%	366,650	531,069	727,166	831,078	867,710	986,179
HBBC share 20%	183,325	265,535	363,583	415,539	433,855	493,089

Council Tax

- 9.8 The amount of council tax an authority needs to raise is the difference between its budget requirement (the Council's planned spending less any funding from reserves and income, excluding income from the Government and council tax) and the funding it will receive from the Government. The level of council tax and any increase is approved by Council annually.
- 9.9 For 2016/17 the financial settlement offered the ability to councils that have been prudent in council tax increments and find themselves in the bottom quartile for the level of council tax charged, to level a £5 increase for a four year period. This was agreed as part of the 2016/17 MTFs and equates to £0.4m over the life of the MTFs compared to a 2% increase. The Current MTFs refresh has assumed the £5 will be maintained and for forecasting purposes that a 3% increase will be charged from 2020/21. The recent financial settlement offered councils the option to raise tax by 3% without consultation. This has been adopted in the forecast, as a CPI increase was allowed by the current financial settlement without consultation, this will add a further £280,000 of income to the finances of the Council over the years 2020/21 to 2022/23. There is no indication that the 3% will continue to be available in future years, if the former 2% level is resumed it will reduce general fund balances by £462,000, and the general fund balance will fall below 10% in 2022/23 to 7.84%. If this does occur then action will be taken to maintain the forecast 10% balance.

<i>Table 18</i>	2018/19	2019/20	2020/21	2021/22	2022/23
Council tax	£4,148,382	£4,358,716	£4,584,222	£4,778,322	£4,972,424
Increase	£5	£5	3%	3%	3%
Average band D	£127.09	£132.09	£136.05	£140.13	£144.34

New Homes Bonus (NHB)

<i>Table 19</i>	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
New Homes Bonus	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£	£
MTFS Update	2,793,740	2,639,757	2,641,547	2,000,400	n/a	n/a
Previous MTFS	2,793,740	2,570,833	2,696,201	2,219,799	2,019,511	1,864,601
Difference	0	(68,924)	54,654	219,399	n/a	n/a

- 9.10 The Financial settlement for 2018/19 is based on a four-year basis of funding, with 2017/18 being the transitional year of a five-year basis. This has led to a reduction in the length of time funding is provided in relation to new homes delivered. The table above indicates that we are in a more favourable position compared to the previous MTFS, but with pressure building in the later years.
- 9.11 In calculating the forecast for NHB the accuracy of the build trajectory provided by planning has been adjusted for those years further away. Ranging from 95% to 80% in the later years of the MTFS, to allow for slippage or potential changes to NHB funding. The table below gives the forecast as per the MTFS in more detail. These percentages are a little more optimistic than in prior years, which used 90%-70%. However as the long term average is over 92%, this is not unreasonable.

Table 20 New Homes Bonus	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Included in settlement there known 100%	2,793,740	2,570,833	1,990,195	1,054,560	459,908	0
Amounts included forecast on a range of 95%-80%			706,006	1,165,240	1,559,603	1,864,601
Totals	2,793,740	2,570,833	2,696,201	2,219,800	2,019,511	1,864,601

If based on 100% of trajectory	2,793,740	2,570,833	2,774,646	2,413,053	2,381,777	2,357,581
Difference	0	0	(78,445)	(193,253)	(362,266)	(492,980)

- 9.12 If 100% of the trajectory was included it would remove part of the decrease in the general fund position noted earlier in this report, but this is a break with previous methods of forecasting which treat income from future years as less certain.
- 9.13 New Homes Bonus (NHB) awarded has been reduced to a 4 year period from the previous 6 years of funding. There is no current indication that NHB will be reduced further after this parliament, so it has not been reduced from four years for any period covered by the MTFS update, but it remains a risk as the move to 100% rates retention takes place that NHB may come under further review. If 2021/22 was based on a three year period, the loss of income to the Council would be a total of £1,128,756 for the two year 2021/22 and 2022/23 based on the projection above.
- 9.14 There has also been a target introduced that new homes must be above 0.4% of the housing stock base as measured by the Council Tax Base information reported to central government. If it is below this then an element of the NHB is withheld. Also, there is consideration of withholding NHB in relation to new homes where applications for planning consent are initially rejected and then won on appeal.

Negative RSG

- 9.15 The recent financial settlement noted the strength of feeling in local government around the issue of negative Revenue Support Grant (RSG) and the concerns raised. This will be looked at during the fair funding review as to how DCLG will deal with negative RSG and that it will be consulted on in the spring 2018.

- 9.16 Negative RSG will affect many authorities as part of the amendments to authorities' tariffs or decreasing their top-ups. These amounts are difficult to estimate, but advice from our consultants suggested the loss would be in the range noted below in the table below.

Negative RSG	2021/22	2022/23
Loss to General Fund	£70 to - £90k	£120k to - £140k

- 9.17 This has not been included in the MTFS as DCLG have agreed to consult on negative RSG, which may mean it does not get actioned.

Other Factors

- 10 In addition to those risks relating to financing detailed above, this MTFS highlights a number of other key factors that will impact on the financial position of this Council over the next five financial years. These include, but are not limited to:
- **Capital Programme** - The council's capital investment plans are outlined annually in the Capital Programme (the "Programme") which is approved at the same time as the revenue budget. The Capital Programme forecast spend of over £12.7million, and is concentrated around:
 - Continued redevelopment of The Hinckley Bus Station Site - "The Crescent"
 - Green Spaces Delivery Plan
 - Rural Community assistance through the Developing Community Funds
 - New facility (Land off A47) - A report has already been presented to members outlining the proposed new facility. The Development will result in an increase in the Council's Bowering requirement of £4.76 million. The borrowing costs and associated income have been allowed for within the Business Case presented to members.
 - Although capital expenditure is clearly separated from revenue spend within the council's budget, the use of capital resources has an impact on revenue in the following ways:-
 - The use of capital resources will result in a corresponding reduction in investment income.
 - Any borrowing will incur interest payments and minimum revenue provision which is charged as a "cost" to the Council's revenue budget
 - The creation of new assets will require running costs that will have to be funded from revenue sources.
 - **Income Levels** - A significant proportion of council expenditure is financed from income from fees and charges. A number of these income streams are extremely volatile and depend on external factors such as take up, demand and local economic conditions. The most significant and sensitive changes in income levels include:
 - Planning fees - Whilst the council has seen a large increase in planning fees in the last two to three financial years, this income stream is highly dependent on both the housing and commercial market and therefore large "windfalls" often occur in times of prosperity. In addition to income received for planning fees, the

council has seen significant costs for appeals against decisions taken by Planning Committee. In order to prudently budget for future costs, scenarios for appeal costs have also been considered in this Strategy.

- Car Parking - Going forwards, the level of income received from parking will be affected by the continued development of the town centre and new capital developments, therefore is variable based on those factors. This MTFS includes an increase of 10p in 2018/19.
- Refuse and Recycling Income - The council continues to charge for a number of refuse and recycling services such as trade waste and bulky waste.
- Garden waste charges continue to be a significant contribution, this MTFS assumes no increase in this charge over the period of the MTFS, but all fees and charges are reviewed annually.
- Rental Income - In addition to the council's current portfolio of industrial units, the MTFS considers the income currently known as due from Block C within the new town centre development.
- **Efficiencies** - In order to manage the council's financial position and to ensure ongoing resilience and value for money, the MTFS includes a number of initiatives such as centralisation of budgets, review of support services, and implementation of Channel Shift and utilisation of offices buildings, which may aid this position.

10.1 In addition to this, the following general assumptions will be used for all forecasts:

- RSG levels as outlined in the Spending Review, but expected to continue to reduce with zero allocation by 2020/21. No allowance has been included for the potential introduction of negative RSG in 2021/22 and 2022/23.
- The Collection Fund will be have a an average deficit of £88,000 after 2018/19
- There is no change to the Local Council Tax Scheme over the life of the MTFS.
- Pay increase compliant with the national agreement for 2018/19 and 2019/20 and 2% thereafter.
- 5% vacancy factor each year delivering and efficiency saving of £0.5m for 2018/19.
- 0.25% base rate for 2017/18.
- Retail Price Index of 3.9% for 2018/19 and 2.5% for the life of the MTFS.

11. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

11.1 Report to be taken in open session

12. FINANCIAL IMPLICATIONS [AW]

12.1 Contained in the body of the report.

13. LEGAL IMPLICATIONS [AR]

12.1 The MTFS provides the foundations to allow the Council to meet its statutory obligations in accordance with Section 32 of the Local Government Finance Act 1992 and section 25 of the Local Government Act 2003. The Council has a statutory requirement to set a budget for each financial year and approve the MTFS, including a three year capital programme.

13. CORPORATE PLAN IMPLICATIONS

13.1 A robust MTFS is required to ensure that resources are effectively allocated in order to ensure delivery of all of the aims, outcomes and targets included in the Council's Corporate Plan.

14. CONSULTATION

14.1 All members of the Strategic Leadership Team have been consulted in preparing this Strategy.

15. RISK IMPLICATIONS

15.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

15.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

15.3 The following significant risks associated with this report / decisions were identified from this assessment:

15.4 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation. The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance. Sufficient levels of reserves and balances have been maintained to ensure financial resilience	A Wilson

16. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

16.1 The budget process will impact on all areas of the Borough and all groups within the population.

17. CORPORATE IMPLICATIONS

17.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: None

Contact Officer: Ashley Wilson, Head of Finance, ext. 5609

Executive Member: Cllr M Hall

Appendix 1- Detailed MTFS movements

2018/19-2022/23	2017/2018	2018/2019	2019/20	2020/21	2021/22	2022/23
FINANCIAL FORECAST						
	Budget	Budget	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£	£
Net Service Expenditure	10,560,352	9,596,209	10,129,861	10,451,528	11,203,333	11,325,645
<i>Budget movements</i>						
Fuel Savings/costs	40,800	0	1,224	1,261	1,299	1,337
Channel Shift savings	(31,901)	31,901				
Fluctuations in subsidy income	23,720	0				
Increase in legal fees/Infrastructure Cap and Housing needs		50,000	(50,000)			
Building Control		20,000	400	408	416	424
Development control income and regulation changes		(173,000)	(3,460)	(3,529)	(3,600)	(3,672)
Investment of increased planning fees in service improvements and capacity		60,000				
Savings (VCS) income	(35,000)					
Efficiency savings from refuse collection and street cleansing		(201,820)				
Rent allowances		(20,000)				
Atkins Service Charge		(18,760)				
Car parks	(9,190)	(89,000)		0		0
Local Plan	(35,000)	(54,500)	(22,000)	184,000	(168,000)	0
Corporate Restructure	(209,654)	0				
Rev and Bens - contributions	(27,000)	59,610	44,957	31,293	32,027	32,778

2018/19-2022/23	2017/2018	2018/2019	2019/20	2020/21	2021/22	2022/23
Admin support grant changes		10,000	19,000	10,000		
Dry Recycling contract council		(72,000)				
Dry Recycling - move in house (Payroll pressure)	(21,890)	350,385				
Dry Recycling - move in house (Vehicle pressure insurance, repair and fuel)		112,985				
Extra Waste Round & changes		171,900	(40,000)			
Toilets being handed over to Market Bosworth Parish Council	(12,980)					
Hackney carriage drivers licence period to 3 years from one year.	13,760	(13,810)				
NNDR Increase due to change in RV HBBC properties	44,500					
Street Lighting Costs	12,750					
Industrial estates -necessary contractual replacements and statutory remedial work	20,000					
To establish a maintenance budget for the Block C Crescent units	15,000					
Strategic growth budget approved by council	16,000					
Increase in general debt provision	14,710					
Parks - Removal of income budget as a result of the post transferring to NWL District Council	16,420					
Housing Repairs DSO		45,000				
Elections and related costs/ grant income		(15,000)				
Members allowances		37,700	24,620			
Trade waste, Kerbside recycling and bulky items	(34,000)	98,300				
Trade Waste additional net income		6,000				

2018/19-2022/23	2017/2018	2018/2019	2019/20	2020/21	2021/22	2022/23
Garden Waste	(133,048)	0				
Restructure costs	(10,585)	0				
Block C Rentals/Service charges	(28,245)	39,630	(57,128)			
Removal of Leisure Centre Asset Maintenance Budget due to New Leisure Centre.	(35,000)	0				
Leisure Centre income	(531,130)	(108,200)	3,100	76,838	10,611	(68,213)
Insurance costs		(24,000)				
Planning Site allocation savings from previous year	(95,000)	0				
Expected additional contribution to reserves - section 31	17,735	(650,378)	33,046	109,405	(22,094)	(26,732)
Other small movements (less than or =£10k)	15,663	32,726	10,000	10,000	10,000	10,000
Estimated cost of Apprenticeship Levy	30,268	0				
Pay cost increases (all elements, NI, Pensions and increments)	258,334	320,269	425,443	239,058	219,558	223,949
Community Planning Officer		25,000	500			
Capacity requirements Feb 2017	90,000	0				
B&B pressure -chance in legislation		30,000				
Inflationary increases		122,198	125,253	128,384	131,594	125,250
Inflationary increases Fees and Charges		(76,753)	(78,672)	(80,639)	(82,655)	78,670
Reduction in Bulky items collection		31,200	936			
Strategic Growth plan		28,289	(28,289)			
LCC Pension Lump Sum	(186,751)	64,070	64,880	65,700	66,531	67,361
Minimum wage and is 19 movement		64,810				
Capital Financing	279,511	(93,670)	11,000	10,000	10,000	10,000
Additional interest payable/(receivable)	20,060	(25,233)				
Microsoft licences		84,000				

2018/19-2022/23	2017/2018	2018/2019	2019/20	2020/21	2021/22	2022/23
ICT contract	(36,000)	(51,320)	(50,000)	(14,000)	(3,000)	
collection fund deficit	(546,000)	0				
VCS / Town Centre support	75,000	(35,000)				
HAC Contribution Reduction - Car Park	25,000	0				
Middle Manager Training		45,000	(45,000)			
Funding Combined authority	25,000	0				
Waste Fleet and wider Fleet replacement		315,123	(4,877)			
Development (Land off A47)		0	(63,266)	(16,375)	(80,374)	(34,249)
Flexible Homeless Grant -Expenditure		108,060				
Flexible Homeless Grant - income		(108,060)				
NET Borough Budget Requirement	9,596,209	10,129,861	10,451,528	11,203,333	11,325,645	11,742,549
Pension adjustments	(469,450)	(534,260)	(534,260)	(534,260)	(534,260)	(534,260)
Contribution to Reserves	1,178,120	2,282,000	1,306,880	318,540	55,000	85,000
Transfer to DCF	301,000	499,000	0	0	0	0
Contribution from Reserves	(462,246)	(1,067,811)	(422,300)	(1,056,000)	(987,275)	(827,351)
Transfer from unapplied grants		0				
Additional contributions to/from reserves						
Contribution to/(from) Balances	103,715	(688,276)	22,038	(154,197)	(11,356)	(454,940)
NET BUDGET/FORECAST EXPENDITURE	10,247,348	10,620,514	10,823,886	9,777,416	9,847,754	10,010,999
% Increase in Net Budget Forecast/Expenditure	16.33%	15.39%	15.31%	15.37%	15.14%	10.35%
15% minimum balances	1,537,102	1,593,077	1,623,583	1,466,612	1,477,163	1,501,650
General Fund (Balances)	1,673,347	1,634,649	1,656,687	1,502,490	1,491,134	1,036,195
Amount above or below minimum balance	136,244	41,572	33,104	35,878	13,971	-465,455
				REBASE		
	2017/2018	2018/2019	2019/20	2020/21	2021/22	2022/23
	Budget	Budget	Forecast	Forecast	Forecast	Forecast

2018/19-2022/23	2017/2018	2018/2019	2019/20	2020/21	2021/22	2022/23
	£	£	£	£	£	£
	10,247,348	10,620,514	10,823,886	9,777,416	9,847,754	10,010,999
Revenue Support Grant	753,927	437,461	83,975	0	0	0
Business rate growth (Baseline)P						
National Non Domestic Rates	2,426,915	2,499,827	2,555,271	2,619,153	2,684,632	2,751,748
Growth - not including S31	514,784	1,192,997	1,299,076	523,596	534,643	548,009
Surplus from pilot/ post 18/19 either partial reset or transitional arrangements						
Collection fund Deficit NNDR	(370,688)	(300,536)	(181,854)	(181,854)	(181,854)	(181,854)
Baseline transitional relief		0	0	0	0	0
New Homes Bonus	2,793,740	2,570,833	2,696,201	2,219,799	2,019,511	1,908,172
Collection Fund Surplus - Ctax	222,847	71,551	12,500	12,500	12,500	12,500
Council Tax Income	3,905,823	4,148,382	4,358,716	4,584,222	4,778,322	4,972,424
Estimated Tax base	37,362	38,118	38,532	39,345	39,816	40,227
Estimated Band D Council Tax	£104.54	£108.83	£113.12	£116.51	£120.01	£123.61
Year on Year Increase in Council Tax						
(i) Amount	£4.29	£4.29	£4.29	£3.39	£3.50	£3.60
(ii) Percentage	4.28%	4.10%	3.94%	3.00%	3.00%	3.00%
SPECIAL EXPENSES						
Net Budget Requirement B/Fwd	612,952	655,703	696,034	730,947	768,764	801,315
Inflationary increase	26,527	27,064	27,358	27,935	28,270	28,561
Revenue impact of salaries previously capitalised						
Minor variances	(44,979)	(45,755)	(47,128)	(48,541)	(49,998)	(51,498)

2018/19-2022/23	2017/2018	2018/2019	2019/20	2020/21	2021/22	2022/23
Contribution to/(from) Reserves	20,000	20,000	20,600	21,218	21,855	22,510
Contribution to/(from) Balances	60,063	65,000	66,950	68,959	71,027	73,158
Net Budget Requirement	674,563	722,011	763,814	800,517	839,918	874,046
Contributions from S106 Reserves	(18,860)	(25,977)	(32,867)	(31,753)	(38,603)	(40,181)
NET BUDGET/FORECAST EXPENDITURE-Special Expenses	655,703	696,034	730,947	768,764	801,315	833,865
Estimated Tax base	37,362.00	38,118.00	38,531.80	39,345.00	39,816.40	40,226.90
Special Expenses Council Tax	£17.55	£18.26	£18.97	£19.54	£20.13	£20.73
Year on year increase in Special Expenses Council Tax						
(i) Amount	£0.71	£0.71	£0.71	£0.57	£0.59	£0.60
(ii) Percentage	4.22%	4.05%	3.89%	3.00%	3.00%	3.00%
Total Net Budget Requirement	10,903,050	11,316,548	11,554,833	10,546,180	10,649,068	10,844,864
Tax base	37,362.00	38,118.00	38,531.80	39,345.00	39,816.40	40,226.90
Council Wide Council Tax	£122.09	£127.09	£132.09	£136.05	£140.13	£144.34
Percentage Increase	4.27%	4.10%	3.93%	3.79%	3.68%	3.57%

Appendix 2- Reserves

Reserves - year end closing balances	31st March 2018	31st March 2019	31st March 2020	31 March 2021	31 March 2022	31 March 2022
Benefits Reserve	58,549	58,549	58,549	58,549	0	0
Hub Future Rental Management Reserve	350,000	400,000	425,000	425,000	375,000	350,000
Special Expenses Reserve	148,429	138,429	138,429	138,429	138,429	138,429
Local Plan Procedure	505,532	499,532	515,532	297,532	250,000	250,000
Business Rates Equalisation Reserve	2,058,056	2,093,351	2,793,351	2,243,351	1,632,351	1,000,000
Relocation Reserve	50,000	0	0	0	0	0
Year End Carry Forwards 2016/17	43,000	43,000	43,000	0	0	0
Maint Fund - Green Towers	25,000	30,000	35,000	40,000	45,000	50,000
Pensions Contribution	107,611	53,800	0	0	0	0
ICT Reserve	250,411	266,411	282,411	257,411	240,000	240,000
Waste Management Reserve	186,460	261,460	206,460	310,000	255,000	200,000
Asset Management Reserve	615,526	0	0	0	0	0
Planning Delivery Grant Reserve	17,783	17,783	17,783	17,783	0	0
Workforce Strategy Reserve	0	50,000	0	0	0	0
Election Reserve	122,005	80,005	30,005	30,005	30,005	60,005
Grounds Maintenance	133,295	0	30,000	30,000	30,000	30,000
Transformation	52,500	20,500	0	0	0	0
Enforcement and Planning Appeals	270,000	270,000	270,000	270,000	270,000	270,000
Earl Shilton Toilets	100,000	100,000	100,000	100,000	100,000	100,000
Building Maintenance costs	388,120	588,120	660,000	650,000	570,000	505,000
Minor Capital Projects	0	175,000	140,000	105,000	70,000	35,000
Hinckley Community Development Fund	0	350,000	200,000	0	0	0
PCIF reserve (Future Top up pressure)	0	375,000	250,000	125,000	0	0
Developing Communities Fund	962,980	750,000	600,000	350,000	350,000	350,000
Total	6,445,258	6,620,941	6,795,521	5,448,061	4,355,786	3,578,435

Appendix 3 - Strategic Financial Objectives

- The Council should allocate resources to services in line with the Corporate Aims and Ambitions
- Ensure regular monitoring of actual spend against budget to assess outcomes and inform the Performance Management Framework
- The Council must search for new sources of funding to support its activities and maximise opportunities from emerging economic initiatives such as City Deals and Local Growth Funds
- To review the scale of fees and charges at least annually
- To optimise the financial return on assets and ensure capital receipts are obtained where appropriate opportunities arise
- Capital expenditure is properly appraised
- When funding the Capital Programme, all funding options are considered
- To review levels and purpose of Reserves and Balances
- To maintain sustainable Council Tax increases
- To increase efficiency savings and generate funding through shared services and collaborative working

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

306 DECLARATIONS OF INTEREST

No interests were declared.

308 MEDIUM TERM FINANCIAL STRATEGY

The Scrutiny Commission received the Medium Term Financial Strategy (MTFS) for
2018/19 to 2022/23. In response to a member's questions, the following points were
noted:

- Increased housing in the borough (resulting in an additional 11.3% collections since the last review) had put pressure on existing waste rounds to the point where an extra round was required. This not only necessitated an additional vehicle, but staffing and other associated costs
- Figures were included for both lease and purchase of a new refuse fleet, and due to the maintenance costs on a purchased fleet, the lease hire was the better option. It was noted that an update report on this decision would be brought to the next meeting
- The reserves would be kept at 15% but, at present, were projected to be lower in the final year of the MTFS, which was an additional year
- The Parish and Community Initiative Fund was recommended to be increased to £150,000, with an additional reserve to fund more projects if necessary
- In light of Unison objecting to the employer's pay offer of 2%, there were some reserves to meet any pressures arising from the final decision
- Income from the New Homes Bonus had dropped due to the slowing down of new home completions
- A cautious view had been taken in relation to non-domestic rates as the outcome was unknown at this stage. Whilst different figures in relation to retention of business rates had been mentioned, the method of distribution had not been outlined so there was no further clarity, but more time had been spent improving business rates forecasting in the MTFS
- Service pressures had been factored into the MTFS to ensure budgets were available where required

- Block C of the Crescent was realising a return of around £300k but it was hoped that the remaining units would be let within the next year which would increase the return in line with that originally forecast
- Some pressures in the MTFS were included last year but were due to arise in 2018/19, such as loss of dry recycling credits
- There was an increase in parking fees proposed for 2018/2019 but not for future years (subject to a separate report).

The finance team was thanked for its hard work in preparing the budgets.



Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE & PERFORMANCE/
SCRUTINY COMMISSION
COUNCIL

1 FEBRUARY 2018

22 FEBRUARY 2018

WARDS AFFECTED:

ALL WARDS

2018/19 GENERAL FUND BUDGET

Report of Head of Finance

1. PURPOSE OF REPORT

1.1 To seek approval of the 2018/19 General Fund Revenue Budget.

1.2 The General Fund revenue budget has been prepared taking into account the capital and HRA budgets. The capital and HRA budgets are presented separately but should be read in conjunction with this report.

2. RECOMMENDATION

2.1 That the following are recommended for the Council to approve:

- The General Fund budget for 2017/18 and 2018/19 shown in section 3.2
- The Special Expenses area budget for 2017/18 and 2018/19 shown in section 3.4
- The proposed movement in General Fund Reserves and balances for 2017/18 and 2018/19 shown in sections 3.14-3.19

3. BACKGROUND TO THE REPORT

3.1 The General Fund Revenue budget for 2018/19 has been drawn up in accordance with the principles set out in the approved Budget Strategy and in accordance with the Medium Term Financial Strategy (MTFS) (presented earlier on this agenda). The key objectives of the budget can be summarised as follows:

- To align expenditure on services to the Council's Corporate Plan.
- To provide for reductions in government grant funding for 2018/19 and future years.

- To encourage identification of savings and income generation opportunities across the Council.
- To take decisions which will maintain acceptable and viable levels of General Fund balances and reserves to make provisions for known future funding and expenditure pressures.
- To maintain an acceptable and viable level of balances in the Special Expenses Area.
- To keep the overall increase in average Band D Council Tax (including Special Expense Area) to £5 as allowed by the December 2015 proposed financial settlement.
- To ensure that the Council has acceptable level of reserves for future pressures and development opportunities.
- To keep the charge for garden waste at £24 as agreed in the 2016/17 budget.

Budget Summary

3.2 The original budget for 2017/18, revised budget for 2017/18 (based on November 2017 outturn) and the proposed budget for 2018/19, are set out below. Total service expenditure is budgeted to increase by £412,748 compared against the revised budget (3.46%) and net budget requirement increase by £373,166.

	Original Estimate 2017/18	Revised Estimate 2017/18	Original Estimate 2018/19
	£	£	£
Support Services	173,370	333,522	189,460
Corporate Services	2,742,559	2,619,314	2,694,291
Community Services	2,258,384	2,473,186	2,168,588
Environment & Planning	6,446,696	6,510,548	7,276,979
Further Savings in Year		(20,000)	
Total service expenditure (Net)	11,621,009	11,916,570	12,329,318
Less:			
Special Expenses	(588,870)	(591,870)	(599,040)
Capital Accounting Adjustment	(1,751,250)	(1,751,250)	(1,940,970)
Net external interest (received)/paid	315,320	315,320	340,553
IAS19 Adjustment	(473,330)	(473,330)	(538,140)
Carry forwards from prior year	0	(223,012)	0
Transfer to reserves	1,479,120	1,639,120	2,781,000
Transfer from reserves	(462,246)	(443,666)	(1,067,811)
Transfer from unapplied grants*		(391,993)	0
Transfer to/(from) pensions reserves	3,880	3,880	3,880
Transfer to/(from) balances	103,715	649,579	(688,276)
Business Rates Growth **		(402,000)	0
HBBC Budget Requirement	10,247,348	10,247,348	10,620,514

**at the July 2017 Council meeting it was agreed that £391,993 of grant funding that has been allocated but not spent as at 31st March 2017 would be transferred to “unapplied grants and contributions”, to be spend during 2017/18. These Funds and approved have been released and hence expenditure in the revised budget is higher than the original budget.*

** Additional business rates growth based on September forecasts. In year growth and future growth have been allowed for within the MTFs.

Special Expense Area

3.3 This represents the cost of parks and cemeteries in the non-parished area of Hinckley. Whilst the cost will only fall on the residents of this area, the net expenditure is built into the service totals above and must be included in the Council's overall budget requirement for Council Tax purposes.

3.4 The proposed budgets for the Special Expenses area have been compiled in accordance with the approved Budget Strategy and the taking advantage of the £5 Council Tax rise under the 2016/17 settlement available to councils that have historically been kept in a low taxing position. A budget report was presented to the Hinckley Area Committee on the 16th January 2018.

	Original Estimate 2017/18 £	Revised Estimate 2017/18 £	Original Estimate 2018/19 £
Expenditure	588,870	591,870	599,040
Transfer to/(from) balances	65,693	62,693	99,695
Transfer to/(from) reserves	20,000	20,000	20,000
S106 Contributions	(18,860)	(18,860)	(22,700)
Budget Requirement	655,703	655,703	696,035

3.5 Balances in the Special Expenses Area (SEA) are estimated as follows:

	£
Balance at 1st April 2017	86,444
Transfer to/(from) Balances 2017/18	62,693
Transfer to/(from) Balances 2018/19	99,695
Estimated Balance at 31st March 2019	248,832

Total Council Budget for 2018/19

3.6 The total overall budget for 2018/19 in the direct control of the Council is therefore:

	Original Estimate 2017/18 £	Revised Estimate 2017/18 £	Original Estimate 2018/19 £
HBBC Budget Requirement	10,247,348	10,247,348	10,620,514

Special Expenses Budget Requirement	655,703	655,703	696,035
Total Council Controlled Budget Requirement	10,903,051	10,903,051	11,316,549

Revised Budget 2017/18

3.7 The original budget for 2017/18 has, in accordance with the Council's Financial Procedures, been revised during the year to take account of approved supplementary budgets and virements. These budget changes are summarised below :-

	£
Additional Service Budgets Approved	936,161
Of Which Agreed at Council July 17:	
Amounts funding prior commitments	325,432
Amounts funding prior year commitments form prior year grants	411,993
In year Supplementary Budgets	198,736

After allowing for the budget movements in the above table, section 3.2 identifies that additional savings of £644,000 have been identified to November 2017. The key movements leading to this variance have been detailed below:

	Saving/(Over Spend) * £
“Section 31 grant” income, designed to reimburse for changes in Business Rates. The level of this grant that may be retained by the Council will not be known until year end and therefore this grant has been placed in the Business Rates pooling reserve until this point including Discretionary funding for Business Rate Relief	291,000
Homelessness prevention underspend due to demand.	50,000
Additional income from recovery of Housing Benefit Overpayments and new burdens income.	79,000
Additional Trade Waste income	62,000
Additional income from Street Cleansing and Penalty Notices	26,000
Additional Development Control Income	40,000
Local Plan Consultancy Expenditure rephrased to 2018/19	78,000
Estimated Year end salary (over)/under spend	20,000

- An additional amount of £160,000 has been set aside in reserves to fund the purchase of Council's Fleet in 2018/19.

Original Budget 2018/19 – assumptions and process

3.8 The 2018/19 General Fund revenue budget has been prepared following a robust budget process outlined in the 2018/19 Budget Strategy. The table below gives the overall savings and pressures included in the 2018/19 budget.

	Pressures	Income/ Savings	Net
Forecast	£	£	£
Dry Recycling contract council	488,000	(560,000)	(72,000)
Dry Recycling – move in house (Payroll pressure)	350,385	0	350,385
Pay cost increases (all elements, NI, Pensions and increments)	320,269	0	320,269
Inflationary increases contracts /Fees	134,304	(76,753)	57,551
Waste Fleet and wider Fleet replacement	315,123	0	315,123
Extra Waste Round	171,900	0	171,900
Dry Recycling – move in house (Vehicle pressure insurance, repair and fuel)	112,985	0	112,985
Trade waste, Kerbside recycling and bulky items	98,300	0	98,300
Microsoft licences	84,000	0	84,000
Pensions IAS 19 accounting adjustments	64,810	0	64,810
LCC Pension Lump Sum	64,070	0	64,070
Increase in legal fees/Infrastructure Cap and Housing needs	50,000	0	50,000
Expected additional Business Rate growth/reliefs (– section 31)	0	(650,898)	(650,898)
Leisure Centre income	0	(108,200)	(108,200)
Capital Financing	0	(93,670)	(93,670)
ICT contract	0	(51,320)	(51,320)
Local Plan savings	23,500	(78,000)	(54,500)
Rev and Bens Partnership contributions	59,610	0	59,610
Efficiency savings from refuse collection and street cleansing	0	(201,820)	(201,820)
Development control income	0	(173,000)	(173,000)
Planning & Development regeneration investment	60,000	0	60,000
Car parks	0	(89,000)	(89,000)
Items less than £50k individually *	415,830	(197,293)	218,537
Flexible Homelessness Grant	108,060	(108,060)	0
Closing General Fund Balance	3,026,432	(2,493,300)	533,132

* Please see Appendix 2 for details

- 3.9 The budget has been created with clear links to the Council's strategic and service objectives. Clarity of priorities has enabled cross-party members through the Scrutiny and Executive functions to prioritise the projects included in the Capital Programme. Although the Capital Programme is the subject of a separate report, it is important to note that there are links between capital and revenue (e.g. interest from capital receipts, interest on borrowing, staffing costs etc).
- 3.10 In order to drive efficiency savings within the cost of supplies and services, a rate of 0% has been applied to non-contract related expenditure. As the Retail Price Index (RPI) has stood between 2-4% in year, the application of 0% represents an effective saving on running costs. For contracts, an inflation rate of 3.9% has been used, unless otherwise specified within the terms of the specific contract.
- 3.11 The salaries and wages budget is the most significant element of the revenue budget. For pay costs, the 2018/19 have been based on the latest pension valuation and an agreed 2% pay award. This compares to the MTFS presented to Council in February 2017 which had an assumption of 1%. The Council operates a disciplined process of challenging recruitment and filling of posts and therefore a salary saving rate of 5% (General Fund and HRA) has been applied to posts to reflect the savings which will result from this challenge. This rate is unchanged from that used in 2017/18.
- 3.12 The Leicestershire Pension Fund was re-valued as at 31 March 2016 and a triennial valuation completed in accordance with statutory requirements. There is currently an actuarial deficit (i.e. the assets of the fund were less than those required to meet the long term liabilities in terms of benefits due to members). Whilst action is needed to remedy this position, the timescales involved mean that there is sufficient time to recover the position in a phased manner over a number of years and valuations. An Employers Contribution rate of 20.4% will be used with an additional 0.9% being included for Ill Health retirement insurance. In addition a lump sum value of £245,000 (£306,000 including HRA) is payable to the Local Government Pension Scheme which is contained in a corporate budget.

Original Budget 2018/19 – key issues and considerations

- 3.13 In addition to service priorities, there are a number of wider issues, identified in the Budget Strategy and previously in the Medium Term Financial Strategy. A summary of these items and how they have been addressed in the budget is provided below.

Balances

- 3.14 The Council has previously maintained a general fund balance of 10% of the general fund budget requirement. Historically, the Council's income from Central Government has been relatively fixed. (i.e. the financial settlement set the amount of RSG, Business Rates Income and New Homes Bonus). The method of funding local government services has changed and continues to change. RSG is reducing, the Council's element of New Homes Bonus income is also reducing and the amount of Business Rates funding is becoming more variable. To manage this risk it is recommended that the Council works towards a 15% of the Council's Budget is set aside as a balance. The change will not impact on service delivery and the MTFS will demonstrate that the Council ensures service delivery and financial stability over next 5 years.
- 3.15 The Council therefore has the following policies relating to levels of balances and reserves for 2018/19:

- To maintain an average general balances (non-earmarked) at a minimum of 15% of Hinckley & Bosworth Borough Council's budget requirement in 2018/19. Based on the forecast position for 2018/19 this would determine a need for £1,593,671 of General Fund balances. The same discipline is also applied to the Special Expense Area.
- Where possible, all actual service under-spends and excess balances should be transferred to earmarked reserves to plan for specific future costs or financial risks.
- There should be no direct contribution from revenue to capital except for specific identified projects.
- Any notional surplus/deficit earned/incurred by the Direct Service Organisations will be transferred to/from General Fund balances. Any such balance on the Housing Repairs DSO account is transferred to/from the Housing Repairs Account held within the Housing Revenue Account.

3.16 The projected movement of the General Fund Balances is detailed below and indicates that sufficient balances are forecast as at 31st March 2018 and 31st March 2019. Other movement in balances for 2017/18 will be confirmed at year end and considered as part of future review of reserves.

	Total	General Fund	Special Expenses
	£'000	£'000	£'000
Balances at 1 April 2017	1,762	1,676	86
Amount Taken to /(from) Balances 2017/18	713	650	63
Balances at 31 March 2018	2,475	2,326	149
Amount Taken to/(from)Balances 2018/19	(588)	(688)	100
Balances at 31 March 2019	1,887	1,638	249
Net Budget Requirement	11,317	10,621	696
Minimum Balance requirement	1,697	1,593	104
Surplus Balance	190	45	145

Earmarked Reserves

3.17 Appendix 1 provides a summary of earmarked General Fund reserves together with estimated movements during 2017/18 and 2018/19. Additional contributions from Reserves to General Fund expenditure are summarised below and will require approval:

Reserve	Transfer from 2017/18 £	Transfer from 2018/19 £	Use
Local Plan Reserve		106,000	All costs associated with production of Local Plan documents are funded from a dedicated reserve set up for this purpose.
Business Rates Reserve		350,000	To be set aside to dampen fluctuations in Business Rates

Relocation Reserve		50,000	Current level of balance not required.
Pension Reserve		53,811	Use to offset additional costs arising from the pension liability.
ICT Reserve		84,000	To fund cost of Microsoft Licences
Transformation		32,000	To fund ongoing ICT transformation changes.
Election Reserve		42,000	To fund changes costs of Electoral registration.
Waste Management Reserve		175,000	Cover additional cost of new fleet
Workforce Strategy Reserve		175,000	Smooth payroll pressures arising from December 2017 pay settlement offer.

3.18 The following additional transfers to reserves require approval by Council:

Reserve	Transfer to 2017/18 £	Transfer to 2018/19 £	Use
Building Maintenance Reserve		200,000	To set aside funds for future maintenance costs as significant pressures have been identified in the stock condition survey.
Developing Communities Fund		499,000	To support projects or activity aimed at improving efficiency and invest to save schemes.
Hub Future Rental Management Reserve		50,000	In July 2015 Council endorsed that this reserve should be reinstated in future years as a contingency for any fluctuations in rental costs/income at the Hinckley Hub.
Business Rates Equalisation Reserve		385,295	To be set aside to dampen fluctuations in Business Rates
Local Plan Procedure	78,000	100,000	As outlined in the Medium Term Financial Strategy, contributions will be made to the Local Plan Reserve annually in order to fund the costs of producing the documents within the Plan.
Carry Forward Reserve	43,000		Reduction on requirement due to expenditure being capitalised.
Waste Management Reserve		250,000	Additional amount to be set aside to fund future fleet costs
Workforce Strategy Reserve		225,000	Smooth future payroll pressures arising from December 2017 pay settlement offer
Minor Capital Projects		175,000	Set aside for future Council led Community based capital projects
Hinckley Community Development Fund		350,000	Community Development Fund for Hinckley
PCIF Reserve		375,000	Set aside to fund additional

			anticipated demand for PCIF projects.
Grounds Maintenance		66,705	Additional amount set aside to fund Machinery purchase.
Maintenance Fund - Green Towers		5,000	Reserve set aside to fund future costs at Green Towers.
ICT Reserve		100,000	Set aside to fund ICT requirements

Additionally, ensure that the reserve titles are more closely aligned to expenditure use it is recommend that the Project Management Masterplan reserve is renamed as The Asset Management Reserve.

3.19 Based on these calculations, it is estimated that the Council will hold £6.445 million in earmarked reserves as at 31st March 2018 and £6.620 million at 31st March 2019. This amount excludes any “unapplied grants and contributions” which are treated as earmarked reserves in accordance with accounting regulations but relate to specific grants where conditions have not yet been met.

Local Government Finance Settlement

3.20 The Council's budgets are highly sensitive to changes in the finance settlement and Government policy. The funding for this Council announced in the 2018/19 Local Government Finance Settlement, along with additional elements of financing are detailed below:

	2017/18 Orig Budget	2018/19 Orig Budget	Mvt
	£	£	£
			Incl/(Dec)
Revenue Support Grant	753,927	437,461	(316,466)
National Non Domestic Rates	2,426,915	2,499,827	72,912
Core Funding	3,180,842	2,937,288	(243,554)
Additional Business Rates Growth (excluding S31 grant)	514,788	1,192,997	678,209
New Homes Bonus	2,793,740	2,570,833	(222,907)
Net Collection Fund Surplus / (Deficit)	(147,845)	(228,986)	(81,141)
Council Tax payer	3,905,823	4,148,382	242,559
Total Financing	10,247,348	10,620,514	373,166

3.21 The following points should be noted:

- The reduction in core funding for the Council is £243,554 (7.66%).
- The Settlement for the RSG element is in line with four year settlement which is based on the Councils efficiency plan.
- None Core funding has covered the reduction noted above, largely through business rates growth leading to an overall increase of £373,166.

Business Rates Retention and Pooling

- 3.22 The Council's NNDR1 form forecasts the level of Business Rates expected to be collected by the Council in year, after taking into account discounts, collection rates and appeals estimates. Of the total income forecast, 50% is paid to central government. The remaining 50% (locally retained share) is shared between the Borough and preceptors.

The retained business rates of this Council are subject to a tariff set out in the 2018/19 Local Government Finance Settlement (£9,222,943). Any growth over a set baseline (£2,499,827) is subject to a "levy" payment which is paid using the same proportions indicated above. The settlement announced that a safety net threshold for all Councils of 7.5%. On this basis, this Council would need to lose £2,312,339 of Business Rates before a safety net payment will be made.

- 3.23 The NNDR1 form for this Council was approved by the Head of Finance (S151 officer) on 31st January 2018.
- 3.24 The accuracy of these forecasts will be monitored on a regular basis and will be validated only at year end as part of the completion of the NNDR3 form. Due to the volatility of the economy and continual changes in guidance in this area, retained business rates has been included based on returns submitted to DCLG.
- 3.25 The Local Government Finance Bill allows local authorities to form pools for the purposes of business rate retention. Practically, pooling means that levy payments on growth are made into a local pool rather than paid to Central Government. Correspondingly, losses will be funded from the pool. Under pooling, these net thresholds are set at a pool level (i.e. the total of all individual thresholds).
- 3.26 Budgeting for business rates is extremely difficult, given the level of volatility in the market and delays in processing of appeals and applications for relief. Ongoing monitoring will be performed of the position in year and reported to the Finance and Performance Committee quarterly. Significant levels of appeals have been lodged with the Valuation Office Agency (VOA), which if successful would have a significant impact on the Council.

Implementation of a Local Council Tax Support Scheme (LCTS)

- 3.27 From a financing point of view, the introduction of the LCTS had the result of reducing the council tax base for the Council, as income is only received for a proportion of those properties previously in receipt of Council Tax Benefit. LCC have requested that the scheme is reviewed. A report was presented as Executive Brief where members have indicated that this will remain unchanged so persons of working age are required to pay a minimum of 12% of their council tax liability. The caseload at the beginning of 2017 in receipt of LCTS is 5,837 households of which 3,102 are pensioners (who are protected and will continue to receive 100% support), with the remainder of 2,735 working age households will all lose some level of support under either of the reduced schemes.

New Homes Bonus

- 3.28 New Homes Bonus was introduced in February 2011 and was designed to encourage housing growth by providing financial incentive for Councils and local people to accept new housing. The first awards were made in April 2011. For each additional new home built local authority currently receive six years of grant based on the council tax. This

will increase in amount each year as more new housing comes on stream. The scheme applies to new housing and empty properties brought back into use.

- 3.29 As part of the Governments Funding Allocation 2018/19 New Homes Bonus has been reduced from a 6 year basis to a five year basis in 2017/18 and then to a 4 year basis thereafter. Future withdrawal of any element of New Homes Bonus is a considerable risk to this Council and will be monitored and planned for in each annual update of the MTFS.

Future Income Increases

- 3.30 Members will recall that from 2016/17, the Council will also be in receipt of Management Fees from the provider of the new leisure centre. The table below summaries the net management fee. This income has already been allowed for within the MTFS:

	2017/18	2018/19	2019/20
Net Management Fee £	313,027	309,927	233,089

- 3.31 The 2018/19 budget should be read in conjunction with the Council's Fees and Charges book for 2018/19, which is also agreed by Council. This document reflects the annual review of all Council income streams and any variations in charging regimes. Major Fee changes are summarised below:-

- An increase in pay and display car parking charges
- An average 20% increase in Planning Fees (announced in the local government finance settlement.)

Leicestershire Revenues and Benefits Partnership

- 3.32 The budget for the Leicestershire Revenues and Benefits Partnership (the Partnership) was approved by the Partnership Joint Committee on 25th January 2018. The total cost of the Partnership is split between Hinckley and Bosworth Borough Council, Harborough District Council and North West Leicestershire District Council based on a percentage rate which reflects the case load dealt with by the Partnership. The resulting estimated contributions for 2018/19 are detailed below. The contribution for this Council has been included within the General Fund budget and reflects an increase of £52,060 compared to 2017/18:

	HBBC £
2018/19 Contribution	1,340,580
2017/18 Contribution	1,288,520
Difference – Increase/(Decrease)	52,060

Investment (Income/Costs)

- 3.33 In recent years the country has faced unprecedented levels of public sector borrowing which had reached a peak of 11.0% of Gross Domestic Product (GDP) in 2009/10. The Government continues to emphasise a need to reduce borrowing which consequently impacts the level of resources available to the sector.

- 3.34 The Base Rate is currently 0.5%; this level has been assumed in the 2018/19 budget to ensure that a prudent level of investment income is assumed.
- 3.35 Conversely, the Council is able to borrow from the Public Works Loan Board (PWLB) to fund the Capital Programme. Loans are acquired at preferential rates from this source which reduces the level of interest payable from the General Fund.
- 3.36 Net interest cost for this Council have been estimated at £340,533 and is based on a cash flow and borrowing forecast.

Major Projects

- 3.37 Appropriate provision has been made in the budget for the revenue consequences of the Council's major projects including:
- The Hinckley Bus Station Redevelopment - "The Crescent"
 - Hinckley Leisure Centre
 - Former Co-op site (Castle Street)

The full impact of these schemes is detailed in the Capital Programme.

Council Tax

- 3.38 The proposed financial settlement, published December 2015, had a clear break with the prior position of requiring Councils to seek to set a zero increase in council tax where possible for the years of the Spending Review of 2010. On this basis Freeze Grants are no longer offered to incentivize Councils to not increase their tax levels. For 2018/19 the financial settlement offers the ability to Councils that have been prudent in council tax increments and find themselves in the bottom quartile for the level of council tax charged, to continue to levy a £5 increase.

Medium Term Financial Strategy

- 3.39 The current budget proposed for 2017/18 has managed to achieve a budget position that is better than forecast due to the identification of savings and income being higher than expected, particularly for retained business rates growth. However, given the significant changes in Local Government Financing and locally for the Council since this time, the 2018/19 budget should be considered in light of the MTFs, which indicates that the next three years after 2018/19 are significantly pressured due to the assumptions made in relation to potential changes in Government financing, of which full details are not yet available. As a consequence, Members are advised strongly to take steps to mitigate those pressures as early as possible – starting in 2019/20, in order to avoid even greater pressures in later years. Delays in implementing the measures set out in this report will only serve to increase the gap between expenditure and income over the subsequent four years beyond the capability of this Council to address, without service reductions. Members should note, failure to set a balanced MTFs that maintains the financial position of the Council could lead to our auditors qualifying the VFM conclusion.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

- 4.1 Report to be taken in open session.

5. FINANCIAL IMPLICATIONS [IB]

5.1 Contained within the body of the report.

6. LEGAL IMPLICATIONS [AR]

6.1 Section 25 of the Local Government Act (2003) requires the Section 151 officer to report on the robustness of the estimates made within the budget and the adequacy of the financial reserves. This report meets that obligation.

7. CORPORATE PLAN IMPLICATIONS

7.1 A robust General Fund Budget is required to ensure that resources are effectively allocated in order to ensure delivery of all of the aims, outcomes and targets included in the Council's Corporate Plan.

8. CONSULTATION

8.1 None.

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation.	Strategic Leadership Team
	The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.	Strategic Leadership Team
That decisions made for 2017/18 are made in isolation from the Medium Term Financial Strategy and the pressures set out in that strategy.	Decisions are made which provide costed reassurance that sufficient levels of reserves and balances are maintained to ensure financial resilience over the period of the MTFS	Council
That the MTFS has no robust and costed plan to ensure	Decisions are made which provide costed reassurance that sufficient	Council

sustainability, resulting in public criticism on value for money from the internal and external auditors	levels of reserves and balances are maintained to ensure financial resilience over the period of the MTFS	
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10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 This budget ensures that value for money services can be delivered to all residents and communities within the Borough.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: None

Contact Officer: Ilyas Bham, Accountancy Manager ext. 5924

Executive Member: Councillor M Hall

Appendix 1 - General Fund Earmarked Reserves

	Closing Balance 31st March 2017	Revenue orig budget	Revenue orig budget	Capital spend orig budget	Revenue Carry fwds Council July 2017	Capital carry fwds Council July 2017	In year movements capital	In yr movements revenue	Estimated current position 31/3/18	capital exp	To Revenue	from revenue	Closing Balance 31st March 2019
	£	£	£	£	£	£		£	£				
Benefits Reserve	(58,549)							(58,549)					(58,549)
Hub Future Rental Management Reserve	(100,000)	(250,000)						(350,000)				(50,000)	(400,000)
Special Expenses Reserve	(141,804)	(20,000)		15,000			(1,625)	(148,429)	10,000				(138,429)
Local Plan Procedure	(668,952)		182,000		59,420			(505,532)		106,000	(100,000)		(499,532)
Business Rates Equalisation Reserve	(1,718,345)	(409,465)	69,754					(2,058,056)		350,000	(385,295)		(2,093,351)
Relocation Reserve	(101,132)		51,132					(50,000)		50,000			0
Year End Carry Forwards 2016/17	(266,012)				266,012			(43,000)					(43,000)
Maint Fund - Green Towers	(20,000)	(5,000)						(25,000)				(5,000)	(30,000)
Pensions Contribution	(161,411)		53,800					(107,611)		53,811			(53,800)
ICT Reserve	(206,411)	(59,000)		15,000				(250,411)		84,000	(100,000)		(266,411)
Waste Management Reserve	(73,725)	(66,535)		113,800				(186,460)	0	175,000	(250,000)		(261,460)
Asset Management Reserve	(1,111,592)					921,518	(425,452)	(615,526)	615,526				(0)
Planning Delivery Grant Reserve	(28,723)		10,940					(17,783)					(17,783)
Worforce Strategy Reserve	0							0		175,000	(225,000)		(50,000)
Election Reserve	(122,005)							(122,005)		42,000			(80,005)
Grounds Maintenance	(133,295)							(133,295)	200,000			(66,705)	(0)
Transformation	(147,120)		94,620					(52,500)		32,000			(20,500)
Enforcement & Planning Appeals Reserve	(270,000)							(270,000)					(270,000)
Earl Shilton Toilets	(100,000)							(100,000)					(100,000)
Building Maintenance costs	0	(388,120)						(388,120)			(200,000)		(588,120)
Hinckley Community Development Fund	0							0			(350,000)		(350,000)
Minor Capital Projects	0							0			(175,000)		(175,000)
PCIF reserve (Future Top up pressure)	0							0			(375,000)		(375,000)
Developing Communities Fund	(950,000)	(301,000)		700,000			(411,980)	(962,980)	711,980		(499,000)		(750,000)
Total	(6,379,076)	(1,499,120)	462,246	843,800	325,432	921,518	(839,057)	(281,000)	(6,445,257)	1,537,506	1,067,811	(2,781,000)	(6,620,940)

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Appendix 2

Item	Pressure £	Saving £	Net £
Middle Manager Training	45,000	0	45,000
B&B pressure -change in legislation	30,000	0	30,000
Community Planning Officer New Post	25,000	0	25,000
Block C Rentals/Service Charges	39,630	0	39,630
Trade Waste Pressure	6,000	0	6,000
Housing Repairs DSO	45,000	0	45,000
Admin Support Grant Changes	10,000	0	10,000
Building Control	21,620	0	21,620
Corporate Management – Credit Card Income	6,300	0	6,300
Estates – Increased manned security costs	3,530	0	3,530
Estates – Increased cleaning Costs	5,080	0	5,080
Parks – Increased costs annual bedding	3,010	0	3,010
Countryside Management –Tree Works	2,000	0	2,000
Grounds Maintenance – Increased maintenance costs	4,080	0	4,080
Health and Wellbeing projects	2,000	0	2,000
HR – Additional Licences	1,330	0	1,330
Communications	3,000	0	3,000
Car Parks – Banking Charges	6,500	0	6,500
Car Parks – Signage	6,000	0	6,000
VCS/Town Centre Support	0	(35,000)	(35,000)
Additional Interest	0	(25,233)	(25,233)
Insurance Savings	0	(24,000)	(24,000)
Car Parks – Management information System	3,140	0	3,140
Election – Income	0	(15,000)	(15,000)
Atkins building service charges	0	(18,760)	(18,760)
Rent Allowances	0	(20,000)	(20,000)
Hackney Carriage Licencing	0	(13,810)	(13,810)
Children and Young People - Snapdragon	2,000	0	2,000
Markets - Reduction in income	5,000	0	5,000
Pest Control	5,000	0	5,000
Emergency Plan	1,620	0	1,620
Licencing	1,250	0	1,250
Register of Electors - Cost of on-going software maintenance	11,600	0	11,600
Bursary for student environmental health officer	1,000	0	1,000
Dog Warden – Increase to hired and contract services	6,170	0	6,170
Community Planning	5,500	0	5,500
Private Sector Housing – Lightbulb project	11,281	0	11,281
Car Parks - Increase in car park season ticket income	0	(5,000)	(5,000)
Refuse Fuel savings	0	(7,180)	(7,180)
Recycling Fuel savings	0	(6,140)	(6,140)
ICT additional savings	0	(10,000)	(10,000)
Recycling Additional green bin income	0	(10,000)	(10,000)
Environmental Health - Salary savings	0	(1,000)	(1,000)
Dog Warden - Salary Savings	0	(5,200)	(5,200)
Leicester & Leicestershire Strategic Growth Plan	28,289	0	28,289
Impact of small and bulky collections	31,200	0	31,200
Pest Control - Salary Savings	0	(970)	(970)
Members Allowances	37,700	0	37,700
Total Other Growths / (Savings)	415,830	(197,293)	218,537

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HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

306 DECLARATIONS OF INTEREST

No interests were declared.

309 GENERAL FUND BUDGET 2018-2019

Members received the 2018/19 general fund revenue budget. Attention was drawn to the budget summary on page 44 of the agenda pack and the revised 2017/18 budget on page 46.

A member asked for clarification in relation to the discretionary business rate relief schemes as it has been suggested that the criteria used when they were agreed would limit the number of businesses eligible for them. In response it was noted that the criteria had been relaxed to enable more businesses to benefit and that a report would be produced to update members on this.

A member expressed concern about the recent news that the Chinese government was to ban importing of plastic waste and asked whether that would affect the value we receive for them. In response, it was explained that following Leicestershire County Council's direction of HBBC for dry recycling, from 1 April 2018 the county council would retain and recycle the materials collected so it would not affect HBBC.

In relation to the 'Homelessness prevention underspend due to capacity issues', it was explained that this was ring fenced grant funding intended for homelessness prevention work as agreed by Council on 7 December 2017 and the wording would be amended to more accurately reflect this.

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Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

COUNCIL 22 FEBRUARY 2018

WARDS AFFECTED: ALL WARDS

CALCULATION OF COUNCIL TAX FOR 2018/19

Report of Head of Finance

1. PURPOSE OF REPORT

1.1 To obtain approval of Council Tax for 2018/19.

2. RECOMMENDATION

2.1 That the following be approved in accordance with the Local Government Finance Act (1992) for 2018/19:

- A Council budget requirement excluding Special Expenses and Parish Councils of £10,620,514.
- A Council budget requirement including Special Expenses of £11,316,549.
- A total net budget requirement including Special Expenses and Parish Councils of £13,318,506.
- A contribution from Revenue Support Grant (including the element indicated for Local Council Tax Support) and Non Domestic Rates (indicated by the NNDR Baseline) of £2,937,288.
- A forecast transfer of £71,551 Council Tax Surplus from the Collection Fund to the General Fund.
- A Band D Council Tax for Borough wide services, excluding Special Expenses and Parish Council precepts, of £108.83.
- A Band D Council Tax for Borough wide services and an average of Special Expenses Services of £127.09.
- An average Band D Council Tax relating to Borough wide services and an average of Special Expenses and Parish Council services of £179.61.
- The total Council Tax, including amounts for the Leicestershire County Council, The Office of the Police and Crime Commissioner for Leicestershire, and Leicester, Leicestershire and Rutland Combined Fire Authority and for each area and valuation band, is detailed in Appendix A.

3. BACKGROUND TO THE REPORT

- 3.1 The General Fund revenue budget for 2018/19 has been drawn up in accordance with the principles set out in the Budget Strategy (the Strategy) and in accordance with the Medium Term Financial Strategy. The key objectives of the Strategy are summarised in the General Fund revenue budget 2018/19 presented alongside this report.
- 3.2 The Council Tax Base for 2018/19 is 38,118.0 and was approved, in accordance with the delegation scheme by the Head of Finance (S151 Officer) on 14th December 2017.
- 3.3 In addition to the Borough wide element, the Borough Council, as billing authority, has to collect Council Tax on behalf of the County Council, the Office of the Police and Crime Commissioner, the Fire and Rescue Service, Parish Councils and the Special Expenses Area. These other bodies issue precepts to the Borough Council specifying the amounts to be collected. These amounts are then paid over during the year in accordance with statutory timescales.
- 3.4 The full Capital & Revenue Estimates the “Budget Book” detailing further details on all Council budgets is available for members in the Members’ room. Members are requested to raise any specific questions directly with the Head of Finance or the relevant service manager.

Council Tax 2018/19

- 3.5 The approved budgets for this Council result in an average increase in Council Tax excluding the Special Expenses area of Hinckley of 4.10% and including the Special Expenses area of Hinckley of 4.10%.
- 3.6 The proposed levels of increases for each of the precepting bodies are as follows:
- Leicestershire County Council - 5.99%
 - The Office of the Police and Crime Commissioner for Leicestershire – 6.41%
 - Leicester, Leicestershire and Rutland Combined Fire Authority – 2.98%
- 3.7 Based on these levels the resulting Council Tax amount for each valuation band is as follows:

Valuation Band	A £	B £	C £	D £	E £	F £	G £	H £
Leicestershire County Council *	828.40	966.47	1,104.53	1,242.60	1,518.74	1,794.87	2,071.00	2,485.20
The Office of the Police and Crime Commissioner for Leicestershire	132.82	154.96	177.09	199.23	243.50	287.78	332.05	398.46
Leicester, Leicestershire and Rutland Combined Fire Authority	43.14	50.33	57.52	64.71	79.09	93.47	107.85	129.42

* At the time of writing this report the precept for Leicestershire County Council is awaiting final approval by their appropriate committee. Therefore, if required, any amendments will be tabled at Council.

- 3.8 The average 2018/19 Council Tax relating to Parish Council items of expenditure, including Special Expenses, for Band D is £70.78, an increase of 5.09% over 2017/18.
- 3.9 The average total amount of Council Tax due at Band D will be £1,686.15 for 2018/19, an increase of 5.76% over 2017/18. The actual percentage increase for each taxpayer will vary depending on the area in which they live. In summary, the average band D Council Tax is made up as follows:

	2018/19 Council Tax	2017/18 Council Tax	Increase
Leicestershire County Council *	£1,242.60	£1,172.38	5.99%
Leicester, Leicestershire and Rutland Combined Fire Authority	£64.71	£62.84	2.98%
The Office of the Police and Crime Commissioner for Leicestershire	£199.23	£187.23	6.41%
Hinckley & Bosworth Borough Council Including Special Expenses	£127.09	£122.09	4.10%
Parish Councils	£52.52	£49.80	5.46%
Total Council Tax	£1,686.15	£1,594.34	5.76%

* At the time of writing this report the precept for Leicestershire County Council is awaiting final approval by their appropriate committee. Therefore, if required, any amendments will be tabled at Council.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

- 4.1 This report will be taken in open session

5. FINANCIAL IMPLICATIONS (AW)

- 5.1 Contained within the body of the report.

6. LEGAL IMPLICATIONS (AR)

- 6.1 The Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) set out the requirement for the Council to confirm and formally approve its Council Tax Base and notify it to its precepting bodies.

Precept setting must be completed and submitted to the Council by the 31st March by precepting bodies. In the event this deadline is missed the Billing Authorities (Anticipation of Precepts) Regulations 1992 contain provisions for anticipating the precept, provided they have issued one in the last three years immediately previous.

7. CORPORATE PLAN IMPLICATIONS

- 7.1 Council Tax levels will have an indirect impact on all Corporate Plan targets.

8. CONSULTATION

- 8.1 All budget holders, Corporate Operations Board and the Strategic Leadership Board have been consulted throughout the budget setting process.

9. RISK IMPLICATIONS

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation. The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance. Sufficient levels of reserves and balances are maintained to ensure financial resilience	A Wilson

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 10.1 Precepts for parishes will fund expenditure on their services. Rural communities also benefit from services provided by other precepting authorities.
- 10.2 Various Council Tax concessions are available. These concessions are in accordance with rules set by MHCLG.

11. CORPORATE IMPLICATIONS

- 11.1 By submitting this report, the report author has taken the following into account:
- Community Safety implications
 - Environmental implications
 - ICT implications
 - Asset Management implications
 - Procurement implications
 - Human Resources implications
 - Planning implications
 - Data Protection implications
 - Voluntary Sector

Background papers: DCLG/ MHCLG notifications
Notification of precepts

Contact Officer: Ashley Wilson (Head of Finance) Ext 5609
Executive Member: Cllr. M Hall

APPENDIX A
COUNCIL TAX 2018/19

VALUATION BAND	A	B	C	D	E	F	G	H
PROPORTION OF BAND D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
	£p	£p	£p	£p	£p	£p	£p	£p
Parish								
HINCKLEY	1,119.87	1,306.53	1,493.16	1,679.81	2,053.09	2,426.39	2,799.67	3,359.61
BAGWORTH	1,145.52	1,336.46	1,527.36	1,718.29	2,100.13	2,481.98	2,863.81	3,436.58
BARLESTONE	1,138.87	1,328.70	1,518.50	1,708.31	2,087.94	2,467.57	2,847.19	3,416.63
BARWELL	1,135.75	1,325.06	1,514.34	1,703.64	2,082.22	2,460.82	2,839.39	3,407.27
BURBAGE	1,122.58	1,309.69	1,496.77	1,683.88	2,058.07	2,432.27	2,806.46	3,367.75
CADEBY	1,103.82	1,287.81	1,471.76	1,655.74	2,023.68	2,391.63	2,759.56	3,311.47
CARLTON	1,106.79	1,291.27	1,475.72	1,660.19	2,029.12	2,398.06	2,766.98	3,320.38
DESFORD	1,129.45	1,317.71	1,505.94	1,694.18	2,070.67	2,447.16	2,823.63	3,388.36
EARL SHILTON	1,129.73	1,318.04	1,506.31	1,694.60	2,071.18	2,447.77	2,824.33	3,389.21
GROBY	1,128.81	1,316.96	1,505.08	1,693.22	2,069.49	2,445.77	2,822.02	3,386.43
HIGHAM	1,108.34	1,293.08	1,477.79	1,662.52	2,031.97	2,401.43	2,770.86	3,325.04
MARKET BOSWORTH	1,146.61	1,337.72	1,528.81	1,719.91	2,102.11	2,484.33	2,866.52	3,439.83
MARKFIELD	1,126.47	1,314.23	1,501.96	1,689.72	2,065.21	2,440.71	2,816.19	3,379.43
NAILSTONE	1,113.02	1,298.53	1,484.02	1,669.53	2,040.54	2,411.55	2,782.55	3,339.06
NEWBOLD VERDON	1,120.76	1,307.56	1,494.34	1,681.14	2,054.73	2,428.32	2,801.90	3,362.28
OSBASTON	1,108.23	1,292.94	1,477.63	1,662.34	2,031.75	2,401.17	2,770.57	3,324.69
PECKLETON	1,115.94	1,301.95	1,487.92	1,673.92	2,045.90	2,417.89	2,789.86	3,347.84
RATBY	1,119.11	1,305.64	1,492.14	1,678.67	2,051.70	2,424.75	2,797.77	3,357.33
SHACKERSTONE	1,111.71	1,297.01	1,482.28	1,667.57	2,038.14	2,408.72	2,779.29	3,335.15
SHEEPY	1,115.78	1,301.75	1,487.70	1,673.67	2,045.59	2,417.53	2,789.44	3,347.34
STANTON-U-BARDON	1,105.86	1,290.18	1,474.47	1,658.79	2,027.41	2,396.04	2,764.64	3,317.58
STOKE GOLDING	1,111.38	1,296.63	1,481.84	1,667.08	2,037.54	2,408.01	2,778.46	3,334.16
SUTTON CHENEY	1,108.57	1,293.34	1,478.09	1,662.86	2,032.38	2,401.91	2,771.42	3,325.71
TWYCROSS	1,112.71	1,298.17	1,483.61	1,669.07	2,039.97	2,410.88	2,781.77	3,338.13



Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

SCRUTINY COMMISSION
COUNCIL

1 FEBRUARY 2018
22 FEBRUARY 2018

WARDS AFFECTED:

'ALL WARDS'

HOUSING REVENUE ACCOUNT BUDGET 2018/19

Report of Head of Finance

1. PURPOSE OF REPORT

- 1.1 To seek approval of the 2018/19 Housing Revenue Account (HRA) budget, including the Housing Repairs Account.

2. RECOMMENDATION

- 2.1 That Council approve the Rent Policy for 2018/19 as set out in paragraph 3.4 to 3.7.
- 2.2 That Council approve:
- The revised Housing Revenue and Housing Repairs Account budgets for 2017/18 shown in Appendix 1 and Appendix 2.
 - The Housing Revenue and Housing Repairs Account budgets for 2018/19 shown in Appendix 1 and Appendix 2.
 - The proposed movement in reserves shown in Appendix 3.

3. BACKGROUND TO THE REPORT

- 3.1 The budgets covered by this report relate to the Council's responsibilities as the landlord of around 3,340 dwellings. The Housing Revenue Account is the ring fenced account which presents financial performance for the following activities:
- Income from dwelling rents and associated charges, e.g. utilities.
 - Supervision & Management (General), e.g. allocations, housing register, rent collection, tenant consultation,
 - Supervision & Management (Special) e.g. sheltered schemes, hostel, roads, paths, fences and grounds, which are not part of an individual property.
 - Housing Repairs & Maintenance, which has a separate account and deals with the maintenance of individual properties.

- 3.2 The Council, as landlord to properties within the Housing Revenue Account is required to review rent levels and advise tenants of their rent for the forthcoming year ahead as part of the budget setting process.
- 3.3 The introduction of the Housing and Planning Act and Welfare Reform Act, plus policy changes announced by Government have introduced a requirement for local authorities to sell high value voids to pay toward the extension of the right to buy scheme to housing associations. This is expected to have a significant impact on the HRA finances. However, to date we do not have details on how this will impact on the Council as DCLG have deferred the scheme until 2018/19 at the earliest. The Scheme is likely to require an upfront payment from the Council calculated by reference to the market value of their "high value" housing stock, rather than just paying over the proceeds of the actual sales, raising the possibility that should insufficient properties be sold, the HRA will have to fund the levy through other resources. This may also impact on the council's ability to meet the capital repayment of HRA loans as forecast in the HRA capital programme. This 2018/19 budget covers the revenue position for 2018/19 and does not include the impact of the high value voids issues, which will be included in the HRA business plan when finalised.

Rent setting

- 3.4 On the 8 July 2015, as part of the summer budget, the government announced a revised rent policy which would apply for 4 years from 2016/17. The objective of this policy was to assist the public with their rental expenditure.
- 3.5 The policy is therefore to reduce social housing rent by 1% for the next in 2018/19.
- 3.6 Based on the policy the rents for 2018/19 have been calculated on the following basis:
- Social housing and supported housing rent will reduce by 1%.
 - Void loss assumption of 1.75%
 - Inclusion of New Properties (Southfield Road and Martinshaw Lane)
- 3.7 After factoring in the above the forecast rental income for 2018/19 is £12,691,926.

Budget summary

- 3.8 The original Housing Revenue Account budget for 2017/18, revised budget for 2017/18 (based on September 2017 outturn) and the proposed budget for 2018/19 is set out in Appendix 1.
- 3.9 The original Housing Repairs Account budget for 2017/18, revised budgets for 2017/18 (based on September 2017 outturn) and the proposed budget for 2018/19 is set out in Appendix 2.

Revised 2017/18 Budget

- 3.10 The original budgets for 2017/18 have, in accordance with the Council's Financial Procedures, been revised during the year to take account of approved supplementary budgets and virements.

- 3.11 Appendix 1 identifies an additional net pressure in the year of £102,324 for the HRA to year end. This is mainly due to a reduction in rental income due to additional right to buy sales. This will result in an estimated HRA balance as at 31st March 2018 being £758,585. In 2018/19 the estimated contributions to the regeneration reserve will be reduced to ensure that HRA balance equates to around £250 per property.
- 3.12 In addition, Appendix 2 summarises the Housing Repairs Account to year end. After allowing for in year budget movements it is estimated that the repairs balance will be £41,837 lower compared against an original budgeted balance of £190,689. This is primary due to additional repairs costs.

2018/19 Budget

Service Priorities and links to other documents

- 3.13 The 2018/19 budget has been created with clear links to the Council's strategic and service objectives.
- 3.14 In addition to the Corporate Plan, the overarching strategic document for the HRA is the HRA Investment Plan which was approved by Council in July 2013. The key objectives for future housing provision outlined in this document were taken into account in producing both the revenue and capital HRA budgets. These are as follows:
- Continue to invest in existing stock to maintain good quality homes
 - Invest in new build schemes/acquire affordable housing to increase the amount of affordable housing available.
 - Refurbishment/regeneration of stock which no longer meets needs.
 - Environmental improvements to estates to ensure they are clean and safe.
 - Invest in service delivery
 - Develop and maintain effective engagement with tenants.
 - The HRA Investment Strategy.

Budget Assumptions and the Budget Strategy

- 3.15 The 2018/19 Housing Revenue Budget has been prepared following a robust process outlined in the 2018/19 Budget Strategy.
- 3.16 In order to drive efficiency savings within the cost of supplies and services, a rate of 0% has been applied to non-contract related expenditure. For contractual commitments, an inflation rate of 3.9% has been used, unless otherwise specified within the terms of the specific contract.
- 3.17 The salaries and wages budgets form one of the most significant elements of the revenue budget. For pay costs, the 2018/19 estimates includes the agreed 2% pay increase as outlined in the Employers Pay Offer in December 2017. The Council operates a disciplined process of challenging recruitment and filling of posts and therefore a salary saving rate of 5% has been applied to posts to reflect the savings. This rate is unchanged from the prior year.

Housing Repairs budgets 2018/19

- 3.18 The housing repairs operational budgets (Planned and Responsive repairs) have been prepared taking into account forecast need and the capacity for this to be delivered in 2018/19.
- 3.19 Programmed and Responsive repairs budgets have been increased in-line with inflation. The reduction in supplies and services costs is due to a reduction in the Asbestos surveys budget. Overall the Account is expected to make a slight operating surplus of £12,245 in the year which will mean a forecast balance of £161,097 as at 31st March 2019.

Working balances

- 3.20 The Council has the following policies relating to levels of balances and reserves in the HRA:
- Maintain HRA balances (non earmarked) of £250 per property by the 31st March 2019. For 2017/18, this equates to a minimum balance of £835,000 based on 3,340 properties.
 - Maintain a breakeven position within the Housing Repairs Account with all surpluses transferred to earmarked reserves.
 - Where possible, all actual service under-spends and excess balances should be transferred to earmarked reserves to plan for specific future costs or financial risks.
 - There should be no direct contribution from revenue to capital except for specific identified projects.
- 3.21 The projected movement of the Housing Revenue Account balance is detailed below and indicates that sufficient balances are forecast as at 31st March 2018 based on the minimum balance thresholds outlined in 3.20. Required transactions to achieve minimum balances for 2017/18 will be considered as part of the outturn process. ¹

	2017/18	2017/18	2018/19
	ORIGINAL	LATEST	ORIGINAL
	ESTIMATE	ESTIMATE	ESTIMATE
	£	£	£
Opening Balance at 1st April	(841,995)	(870,000)	(758,585)
Closing Balance at 31st March	(832,904)	(758,585)	(840,975)

- 3.22 The Housing Repairs Account balance is forecast as follows:

	2017/18	2017/18	2018/19
	ORIGINAL	LATEST	ORIGINAL
	ESTIMATE	ESTIMATE	ESTIMATE
	£	£	£
Opening Balance at 1st April	(357,688)	(441,980)	(148,852)
Closing Balance at 31st March	(190,689)	(148,852)	(161,097)

¹ (x) Relates to credit/positive balances

Reserves

- 3.23 Appendix 3 provides a summary of earmarked HRA reserves, together with estimated movements during 2017/18 and 2018/19. Based on these calculations, it is estimated that the Council will hold £9,404,778 in earmarked HRA reserves as at 31st March 2018 and £6,769,307 at 31st March 2019. This amount excludes any “unapplied grants and contributions” which are treated as earmarked reserves in accordance with accounting regulations but relate to specific grants where conditions have not yet been met.

The following transfers to reserves require approval by Council:

Reserve	Transfer £	Use
2017/18		
Piper Alarm Reserve	10,400	Reserve set aside for additional costs that may be incurred on provision of the Control Centre service.
Regeneration Reserve	2,565,000	This reserve has been set up to fund the implementation of the Housing Investment Plan. The transfer to reserves has been funded by both the HRA and the Housing Repairs Account.
Pension Reserve	3,520	This reserve has been set aside to fund any future pension liability for the HRA.
Major Repairs Reserve	£1,458,550	This amount together with the depreciation budget will be set aside to fund capital expenditure. (This entry is now required due to a change in accounting regulations).
2018/19		
Piper Alarm Reserve	10,400	Reserve set aside for additional costs that may be incurred on provision of the Piper Alarm service. This service is currently under review by the Council
Regeneration Reserve	2,055,700	This reserve has been set up to fund the implementation of the Housing Investment Plan. The transfer to reserves has been funded by both the HRA and the Housing Repairs Account.
Pension Reserve	3,520	This reserve has been set aside to fund any future pension liability for the HRA.
Major Repairs Reserve	£898,349	This amount together with the depreciation budget will be set aside to fund capital expenditure. (This entry is now required due to a change in accounting regulations).

- 3.24 It is proposed that HRA reserves will only be used for capital purposes in 2017/18. Full details are included in the Capital Programme.

HRA Business Plan

- 3.25 The HRA Business and Investment Plan outlines how the HRA business will deliver services and capital projects over a 30 year period. The plan has been updated to reflect the budget for 2018/19 and the current affordable housing programme which is included within the capital programme report.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 Report will be taken in open session

5. FINANCIAL IMPLICATIONS [IB]

5.1 Contained in the body of the report

6. LEGAL IMPLICATIONS [AR]

6.1 This budget is drawn up and approved in accordance with the Statutory requirements as to the keeping of a Housing Revenue Account (HRA), as contained in the Local Government and Housing Act 1989 ('the Act'). It is a duty of each local authority to approve its HRA budget in the January and February immediately before the commencement of the financial year to which it relates.

6.2 The provisions include a duty, under Section 76 of the Act, to budget to prevent a debit balance on the HRA and to implement and review the budget. The Account must relate to the income of the authority for the year from rents and other charges in respect of houses and other property within their Housing Revenue Account and the expenditure of the authority for the year in respect of the repair, maintenance, supervision and management of such property and any other requirements of the Secretary of State.

7. CORPORATE PLAN IMPLICATIONS

7.1 The proposed budgets will allocate resources to enable the Council to achieve its objectives for its own housing stock

8. CONSULTATION

8.1 Relevant council officers have been consulted in the preparation of the budgets.

8.2 A full consultation exercise on priorities for Housing Investment was conducted in 2013/2014, the results of which were considered in the preparation of the Housing Investment Plan,

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	<p>A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation.</p> <p>The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.</p> <p>Sufficient levels of reserves and balances are maintained to ensure financial resilience</p>	A Wilson

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 The budget will allow management and maintenance of Council Properties throughout the Borough.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: Civica Reports

Contact Officer: Ilyas Bham, Accountancy Manager Ext. 5624

Executive Member: Councillor M Hall

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	2017/18 ORIGINAL ESTIMATE £	2017/18 LATEST ESTIMATE £	2018/19 ORIGINAL BUDGET £
SUMMARY HOUSING REVENUE ACCOUNT			
INCOME			
Dwelling Rents	(12,941,480)	(12,860,480)	(12,691,926)
Non Dwelling Rents (garages & land)	(83,200)	(83,200)	(86,400)
Contributions to Expenditure	(17,020)	(17,020)	(17,020)
	(13,041,700)	(12,960,700)	(12,795,346)
EXPENDITURE			
Supervision & Management (General)	2,085,482	2,072,826	2,131,652
Supervision & Management (Special)	588,844	622,844	576,774
Support Services			
Central & Administrative Expenses	-	-	-
Lump Sum LCC pension contribution	25,030	25,030	36,360
Contribution to Housing Repairs A/C	3,192,165	3,192,165	3,192,165
Depreciation (Item 8 Debit)	1,582,000	1,582,000	2,111,099
Capital Charges : Debt Management	4,220	4,200	2,700
Increase in Provision for Bad Debts	160,000	160,000	160,000
Interest on Borrowing	2,098,800	2,098,800	2,087,800
	9,736,541	9,757,865	10,298,550
Net (Income)/Cost of Services	(3,305,159)	(3,202,835)	(2,496,796)
Interest Receivable	(13,350)	(13,350)	(19,543)
IAS19 Adjustment	(59,870)	(59,870)	(74,020)
Accumulated Absences	-	-	-
Net Operating (Income)/Cost	(3,378,379)	(3,276,055)	(2,590,359)
Further Movements in Year			
CONTRIBUTIONS			
Contribution to Piper Alarm Reserve	10,400	10,400	10,400
Contribution to Pension Reserve	3,520	3,520	3,520
Transfer to Major Reserves	1,458,550	1,458,550	898,349
Transfer to Regeneration Reserve	1,915,000	1,915,000	1,595,700
(Surplus) / Deficit	9,091	111,415	(82,390)
Relevant Year Opening Balance at 1st April	(841,995)	(870,000)	(758,585)
Relevant Year Closing Balance at 31st March	(832,904)	(758,585)	(840,975)

Housing Revenue Account

	2017/18 ORIGINAL ESTIMATE £	2017/18 LATEST ESTIMATE £	2018/19 ORIGINAL ESTIMATE £
SUPERVISION & MANAGEMENT (GENERAL)			
Employees	932,352	886,376	976,412
Premises Related Expenditure	150,940	150,940	127,900
Transport Related Expenditure	16,830	16,830	16,830
Supplies & Services	221,860	255,180	240,030
Central & Administrative Expenses	837,330	837,330	825,010
Gross Expenditure	2,159,312	2,146,656	2,186,182
Revenue Income	(65,830)	(65,830)	(46,530)
Recharges	(8,000)	(8,000)	(8,000)
Total Income	(73,830)	(73,830)	(54,530)
Net Expenditure to HRA	2,085,482	2,072,826	2,131,652
SUPERVISION & MANAGEMENT (SPECIAL)			
Employees	564,720	588,876	600,690
Premises Related Expenditure	389,198	379,042	376,428
Transport Related Expenditure	15,340	15,340	15,340
Supplies & Services	146,380	146,380	147,040
Central & Administrative Expenses	129,950	129,950	106,840
Gross Expenditure	1,245,588	1,259,588	1,246,338
Revenue Income	(602,824)	(582,824)	(615,644)
Recharges	(53,920)	(53,920)	(53,920)
Total Income	(656,744)	(636,744)	(669,564)
Net Expenditure to HRA	588,844	622,844	576,774

	2017/18 ORIGINAL ESTIMATE	2017/18 LATEST ESTIMATE	2018/19 ORIGINAL ESTIMATE
	£	£	£
HOUSING REPAIRS ACCOUNT			
Administration			
Employee Costs	375,100	375,820	356,200
Transport Related Expenditure	8,000	8,000	8,000
Supplies & Services	280,570	338,979	204,700
Central Administrative Expenses	237,100	237,100	278,250
Total Housing Repairs Administration	900,770	959,899	847,150
Programmed Repairs	629,704	651,704	654,570
Responsive Repairs	1,202,660	1,247,660	1,241,040
GROSS EXPENDITURE	<u>2,733,134</u>	<u>2,859,263</u>	<u>2,742,760</u>
Contribution from HRA	(3,192,165)	(3,192,165)	(3,192,165)
Interest on Cash Balances			
Interest on Borrowing			
Other Income	(8,000)	(8,000)	(2,000)
IAS19 Adjustment	(15,970)	(15,970)	(20,840)
IAS19 Adjustment			
TOTAL INCOME	<u>(3,216,135)</u>	<u>(3,216,135)</u>	<u>(3,215,005)</u>
Contribution to HRA Reserves	650,000	650,000	460,000
NET EXPENDITURE	<u>166,999</u>	<u>293,128</u>	<u>(12,245)</u>
Opening Balance at 1st April	(357,688)	(441,980)	(148,852)
Closing Balance at 31st March	(190,689)	(148,852)	(161,097)

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	Balance - 31st March 2017	Transfer to reserves	Revenue spend	Capital spend	Balance 31st March 2018	Transfer to reserves	Revenue spend	Capital spend	Balance 31st March 2019
		2017/2018	2017/2018	2017/2018		2018/2019	2018/2019	2018/2019	
	£	£	£	£	£	£	£	£	£
Piper Alarm Reserve	(156,487)	(10,400)	0	0	(166,887)	(10,400)	0	162,350	(14,937)
Communal Furniture Reserve	(4,913)	0	0	0	(4,913)	0	0	0	(4,913)
Regeneration Reserve	(10,167,258)	(2,565,000)	0	3,994,077	(8,738,181)	(2,055,700)	0	4,133,804	(6,660,077)
HRA Carry Forward	(43,300)	0	43,300	0	0	0	0	0	0
Repayment Reserve	0	0	0	0	0	0	0	0	0
Service Improvement Reserve	(50,000)	0	0	0	(50,000)	0	0	0	(50,000)
Pension Contribution Reserve	(32,340)	(3,520)	0	0	(35,860)	(3,520)	0	0	(39,380)
Major Repairs Reserve	(408,937)	(1,458,550)	0	1,458,550	(408,937)	(898,349)	0	1,307,286	0
Total	(10,863,235)	(4,037,470)	43,300	5,452,627	(9,404,778)	(2,967,969)	0	5,603,440	(6,769,307)

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HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

306 DECLARATIONS OF INTEREST

No interests were declared.

310 HOUSING REVENUE ACCOUNT (HRA) BUDGET

The 2018/19 Housing Revenue Account (HRA) budget, including the housing repairs
account, was presented. Discussion ensued in relation to the right to buy scheme and, in
response to members' questions, the following responses were provided:

- A proportion of income from right to buy sales went to the government, with
HBBC retaining about 25%
- Members would be provided with figures for the amount saved in rent
administration, repairs and other tenancy management costs against the lost
rental income outside of the meeting
- The income from a right to buy sale depended on variables including how long
the purchaser had been a tenant.

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- Third Party Contributions – these include contributions made from bodies such as the National Lottery, as well as planning obligations funded from section 106 agreements received from developers. As with Government Grants, these contributions tend to contain conditions on how they can be spent
- Capital receipts – these are derived from asset sales and can only be used to fund future capital expenditure.
- Revenue contributions – the Council is permitted to contribute revenue balances to capital, however this should be a minimal amount and only used to fund minor shortfalls in funding
- Earmarked reserves – funds that have been put aside from previous years under spends for specific capital schemes that will occur in the future. For this Council, the Leisure Centre reserve is an example of where funds have been put aside to finance a specific capital priority in the future

3.3 The Capital Programme (the Programme) is produced on an annual basis to cover the current year and forecasts for the next three financial years. The Programme supports the Council's Corporate Plan and Medium Term Financial Strategy and ensures that resources are allocated and are used effectively to achieve corporate targets. At the same time, the Programme is an integral element of the financial planning procedures of the Council and forecasts how the Council will deliver key projects affordably and within relevant Prudential Limits. The Programme should therefore be read in conjunction with these documents, alongside the Council's Corporate Asset Management Strategy and Housing Revenue Account Investment Plan.

3.4 The Capital Programme is prepared in conjunction with budget holders and Directors. Project officers are invited as part of the budget setting process to submit requests for capital growths which are considered by Directors and the Strategic Leadership Team. Growths are assessed in terms of their contribution to corporate objectives and funding availability.

3.5 The overall Capital Programme for 2017/2018 – 2020/2021 is contained within Appendix 1 along with supporting schedules showing spend by scheme.

Proposed Capital Programme - General Fund

3.6 As outlined in the Medium Term Financial Strategy, the General Fund Capital Programme is concentrated around achievement of the priority capital projects namely:

- Continued redevelopment of The Hinckley Bus Station Site - "The Crescent"
- Green Spaces Delivery Plan
- Rural Community assistance through the Developing Community Funds
- Land off A47 - A report has already been presented to members outlining the proposed new development. The Development will result in an increase in the Council's Borrowing requirement of £4.76 million. The borrowing costs and associated income have been allowed for within the Business Case presented to members.

Growths (New Schemes)

- 3.7 In order to promote growth and investment in the local economy, the Council is continuing to look for further opportunities for capital investment. The following new schemes have been included in the Programme going forward:

	2017/18	2018/19	2019/20	2020/21	
	£	£	£	£	
Car Parks	0	30,000	30,000	30,000	To allow for replacement ticketing machines
Land off A47	60,000	1,500,000	3,202,020	0	Allow for Site development
Server / Hardware replacements	0	20,000	12,000	12,000	Equipment to ensure service needs can be met
Citrix Upgrade	0	50,400	0	0	Equipment to ensure service needs can be met
Data Centre Upgrade	0	15,000	0	0	Equipment to ensure service needs can be met
Parish Community Initiative funds	0	25,000	150,000	150,000	Increase in anticipated demand
Hinckley Community Development Fund	0	0	150,000	200,000	Community development projects for Hinckley
Minor Capital Projects	0	0	35,000	35,000	Small development projects for Hinckley
Community Development Fund	0	0	0	25,000	Additional one-off support
1485 Legacy Project	0	28,000	0	0	Community led arts development project
Total	60,000	1,668,400	3,579,020	452,000	

Existing schemes

- 3.8 The remainder of the Programme contains ongoing schemes which have been in place for a number of financial years. The following points should be noted when reviewing these schemes:

- Hinckley Area Community Initiatives grant (funded from the Special Expenses Reserves).
- An increase in the Better Care Funding Allocation for Disabled Facilities Grant of £33,180 from 2017/18 onwards.
- Green Space strategy schemes have been re-profiled based on anticipated developer receipts and grant funding. HAC has reviewed and endorsed these schemes. These schemes are funded by SEA reserves or be external contributions. There is no General Fund capital funding earmarked for these schemes.
- The Developing Communities Fund is expecting to fund £1.612million for Community developments between 2017/18 and 2020/21.

Proposed Capital Programme - Housing Revenue Account

3.9 The proposed Capital Programme for the Housing Revenue Account (the HRA Programme) is included in the Appendix. The HRA Programme reflects the main investment priorities included in the Housing Revenue Account Investment Plan which was approved by Council in July 2013. These were:

- Ongoing investment to existing stock
- Service improvements
- Affordable Housing

Stock Enhancement/Investment

3.10 £17,568,329 of investment has been proposed over the life of the HRA Programme into existing stock. The sequence of these works is based on the outputs of the most recent stock condition survey.

Affordable Housing

3.11 At the date of drafting this report, there are three schemes have been confirmed within the Affordable Housing arm of the Programme. These are:

- Southfield Road Hinckley - A development in partnership with a developer and a Housing Association for the development of 68 units of affordable housing. The Council will own and manage 30 of these units, comprising of 12 one bed flats, 8 two bed houses, 5 three bed houses and 5 two bed bungalows, all for affordable rent. Development started on site in November 2016 and is now completed.
- Ambion Court - situated in Southfield Way near the centre of the village of Market Bosworth. The building contains 25 studio flats and four 1 bedroomed flats for rent to older people and a 3 bedroomed warden's flat. The scheme was built in the 1970s and there are essential works needed to the building that will require significant financial outlay. The studio flats do not have their own bathrooms and the accommodation does not meet the expectations of modern sheltered housing. The scheme will be remodelled and refurbished to provide a fit for purpose scheme will be completed in 2018/19.
- Martinshaw Lane - This is a Council site in Groby. The project will see the site being developed to include the construction of nine bungalows which will be made available for rent to the elderly as part of the Council's social housing stock. The bungalows will be a mixture of one and two bedroom homes and on site activity commenced in 2017.
- Additionally, the following growth bids have been included within the capital programme.

	2018/19	2019/20	
	£	£	
Piper Alarm	162,350	0	Upgrade Alarm system at assisting housing sites. Funded from Piper Alarm Reserve.
Orchard – Business Objects Software	7,000	0	Software Upgrade required
Major Voids	60,000	60,000	Annual Increase in budget to cope with additional demand)
Total	229,350	60,000	

Financing

3.12 Expenditure in the Capital Programme will be funded by the following key streams:

- Contributions from the Major Repairs Reserve for the cyclical stock programmes
- Use of the HRA “Regeneration Reserve” which has been set up following the introduction of self financing
- Use of Right to Buy “Capital Receipts” obtained from the sale of HRA properties

Funding Implications

3.13 The main methods of financing the Capital Programme are detailed in section 3.2 of this report. The availability of financing options are becoming restricted over the medium term as asset sales become less frequent and the availability of funding from central government becomes restricted.

Capital Receipts Reserve

3.14 The estimated impact of the proposed programme on the Capital Receipts reserve is summarised below. It is estimated that £3.2m will be used in 2017/18 to reduce the Council’s overall borrowing position. Failure to pay of this debt will result in an additional MRP cost chargeable to the general fund from 2017/18 onwards. These costs have been allowed for within the MTFS. At the end of 2020/21 there will be an estimated £3.743m in the reserve. The primary reason for the increase is due to an increase in right to buy sales. If new development sites are bought forward there is a potential to earmark receipts to increase the supply of dwellings.

	2017/18	2018/19	2019/20	2020/21
	£	£	£	£
Opening Balance	2,642,000	2,049,165	3,866,165	3,835,885
In Year Receipts	3,593,000	2,910,000	903,000	737,400
Repayment of Debt Leisure Centre	(3,235,835)	0	0	0
In Year Application	(950,000)	(1,093,000)	(933,280)	(830,763)
Closing Balance	2,049,165	3,866,165	3,835,885	3,742,522

3.15 Receipts assumptions are based on the following:

	2017/18	2018/19	2019/20	2020/21
	£	£	£	£
Right to Buys	1,725,000	1,035,000	828,000	662,400
Depot Site	1,800,000	0	0	0
Misc. Sales	68,000	75,000	75,000	75,000
Leisure Centre	0	1,800,000	0	0
Total Receipts	3,593,000	2,910,000	903,000	737,400

Borrowing

3.16 As outlined in section 3.2, the Council is permitted to borrow within approved limits to finance capital expenditure. This “authorised limit” is recommended as part of the Treasury Management Policy and Prudential Indicators each year and is based on the level of borrowing that is recommended by the S151 officer as being sustainable, affordable and prudent.

3.17 The Council has loans of £67,652,000 within the Housing Revenue Account relating to the self financing settlement. These will start being repaid in 2019/2020. Due to the one percent rent reduction imposed by the DCLG additional borrowing will be required from 2020/21. The impact of this has already been allowed for.

3.18 In line with relevant accounting standards, the Council is required to budget for the cost of borrowing, to include any interest payable and also a provision for the repayment of debt (the Minimum Revenue Position). Based on the current borrowing need detailed in the Programme, the additional cost of borrowing has been calculated as follows:

	2018/19	2019/20	2020/21
	£	£	£
Interest	9,102	14,597	10,960
MRP	20,624	25,110	15,157
Total	29,726	39,707	26,117

3.19 Further details of the Council’s borrowing limits and indicators will be outlined in the 2018/2019 Treasury Management Policy.

Use of Reserves

3.20 The following reserves (excluding special expenses) have been used to finance specific capital schemes outlined in the Programme:

	2017/18	2018/19	2019/20	2020/21
	£	£	£	£
Waste Management	113,800	0	0	0
Grounds Machinery	0	200,000	0	0
Asset Management Reserve	496,066	615,526	0	0
ICT	15,000	0	0	0
Developing Communities Fund	288,020	711,980	400,000	250,000

Minor Projects	0	0	35,000	35,000
Hinckley Community Development Fund	0	0	150,000	200,000
Parish and Communities Fund	0	0	125,000	125,000
Total General Fund	912,886	1,527,506	710,000	610,000

3.21 All transfers to/from reserves (i.e. including revenue expenditure and transfers from balances) are detailed in the General Fund budget report contained on this agenda

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 Report will be taken in open session

5. FINANCIAL IMPLICATIONS [IB]

5.1 Contained within the body of the report.

6. LEGAL IMPLICATIONS [AR]

6.1 The Council is legally required to set a balanced 3 year capital programme.

6.2 Whilst there are no implications arising directly from the recommendation of this report there are some legal considerations which should be noted:

6.3 In relation to the property transactions identified within the report, relevant officers will need to ensure that authority is obtained from Council for any acquisition or disposal of land. This applies in relation to the Affordable Housing purchases detailed within the body of the report.

6.4 Any contracts will need to be dealt with in accordance with the constitution and all relevant authorities for spending secured as necessary.

7. CORPORATE PLAN IMPLICATIONS

7.1 The report provides a refresh of the Council's rolling Capital Programme. Any item included in the programme has been evaluated to ensure it contributes towards achievement of a Corporate Plan objective.

8. CONSULTATION

8.1 Major schemes have been subject to individual consultations as part of the viability and design process.

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
[S.11 - Failure to successfully deliver the Medium Term Financial Strategy.	<p>A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation.</p> <p>The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.</p> <p>Sufficient levels of reserves and balances have been maintained to ensure financial resilience</p>	A Wilson

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 The programme contains schemes which will assist in equality and rural development. Equality and rural issues are considered separately for each project.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary

Background papers: Capital Submissions, Civica Reports

Contact Officer: Ilyas Bham, Accountancy Manager x5924

Executive Member: Councillor M Hall

CAPITAL ESTIMATES 2017/2018 to 2020/2021 GENERAL FUND SUMMARY

	TOTAL COST	ESTIMATE 2017-2018	ESTIMATE 2018-2019	ESTIMATE 2019-2020	ESTIMATE 2020-2021
	£	£	£	£	£
Expenditure					
Corporate & Support Services	2,064,679	819,210	1,011,469	117,000	117,000
Community Services	2,209,487	887,487	446,000	438,000	438,000
Environmental and Planning	9,028,488	755,778	2,940,793	4,319,227	1,012,690
Expenditure Total	13,302,654	2,462,475	4,398,262	4,874,227	1,567,690
Financing					
General Financing					
Capital Receipts	2,607,043	700,000	743,000	583,280	580,763
Borrowing GF	1,899,199	515,589	627,756	378,927	376,927
Contribution from reserves GF	3,760,392	912,886	1,527,506	710,000	610,000
Leisure Centre Financing					
Leisure Centre Borrowing	274,000	274,000	0	0	0
Land of A47 Financing					
Borrowing	4,762,020	60,000	1,500,000	3,202,020	0
Financing Total	13,302,654	2,462,475	4,398,262	4,874,227	1,567,690

Corporate & Support

	TOTAL COST £	ESTIMATE 2017-2018 £	ESTIMATE 2018-2019 £	ESTIMATE 2019-2020 £	ESTIMATE 2020-2021 £
Crescent Development & Capital Incentive					
Total Annual Expenditure (ALL HBBC)	1,317,135	496,066	821,069	0	0
Unit Upgrade for Hanson Cab					
Total Annual Expenditure (ALL HBBC)	28,000	28,000	0	0	0
Asset Management Enhancements					
Total Annual Expenditure(ALL HBBC)	221,789	71,789	50,000	50,000	50,000
General Renewals					
Total Annual Expenditure(ALL HBBC)	60,000	15,000	15,000	15,000	15,000
Rolling Server Review					
Total Annual Expenditure(ALL HBBC)	160,000	40,000	40,000	40,000	40,000
Server/Network Hardware Replacements					
Total Annual Expenditure(ALL HBBC)	44,000	0	20,000	12,000	12,000
Hardware					
Total Annual Expenditure(ALL HBBC)	107,000	107,000	0	0	0
Citrix Upgrade					
Total Annual Expenditure (ALL HBBC)	50,400	0	50,400	0	0
Telephony Upgrade					
Total Annual Expenditure(ALL HBBC)	15,000	0	15,000	0	0
Data Centre Upgrade					
Total Annual Expenditure(ALL HBBC)	40,000	40,000	0	0	0
Garden Waste Direct Debit Scheme					
Total Annual Expenditure(ALL HBBC)	5,630	5,630	0	0	0
Website Development					
Total Annual Expenditure(ALL HBBC)	12,000	12,000	0	0	0
E-Budget					
Total Annual Expenditure(ALL HBBC)	3,725	3,725	0	0	0
TOTAL GROSS EXPENDITURE	2,064,679	819,210	1,011,469	117,000	117,000
LESS TOTAL CONTRIBUTIONS	0	0	0	0	0
TOTAL HBBC ELEMENT	2,064,679	819,210	1,011,469	117,000	117,000

Community Services

	TOTAL COST £	ESTIMATE 2017-2018 £	ESTIMATE 2018-2019 £	ESTIMATE 2019-2020 £	ESTIMATE 2020-2021 £
Hinckley Squash Club					
Total Cost	18,000	18,000	0	0	0
Less Private Contributions	0	0	0	0	0
HBBC ELEMENT	18,000	18,000	0	0	0
Leisure Centre					
Total Annual Expenditure(ALL HBBC)	274,000	274,000	0	0	0
Argents Mead - Enhanced Lighting Scheme					
Total Annual Expenditure(ALL HBBC)	9,164	9,164	0	0	0
CCTV					
Total Annual Expenditure(ALL HBBC)	15,000	0	15,000	0	0
Minor Capital Projects					
Total Annual Expenditure(ALL HBBC)	70,000	0	0	35,000	35,000
Major Works Assistance					
Total Annual Expenditure(ALL HBBC)	760,143	280,143	160,000	160,000	160,000
Minor Works Assistance					
Total Annual Expenditure(ALL HBBC)	160,000	40,000	40,000	40,000	40,000
Private Sector Housing Enforcement					
Total Annual Expenditure(ALL HBBC)	78,860	78,860	0	0	0
Disabled Facilities Grants					
Total Annual Expenditure	2,555,040	627,000	642,680	642,680	642,680
Less Government Grant	(1,758,720)	(439,680)	(439,680)	(439,680)	(439,680)
HBBC ELEMENT	796,320	187,320	203,000	203,000	203,000
Fuel Poverty and Green Deal Programme					
Total Annual Expenditure	484,590	484,590	0	0	0
Less Government Grant	(484,590)	(484,590)	0	0	0
HBBC ELEMENT	0	0	0	0	0
1485 Legacy Project					
Total Annual Expenditure(ALL HBBC)	28,000	0	28,000	0	0
TOTAL GROSS EXPENDITURE	4,452,797	1,811,757	885,680	877,680	877,680
LESS TOTAL CONTRIBUTIONS	(2,243,310)	(924,270)	(439,680)	(439,680)	(439,680)
TOTAL HBBC ELEMENT	2,209,487	887,487	446,000	438,000	438,000

Environment & Planning

	TOTAL COST £	ESTIMATE 2017-2018 £	ESTIMATE 2018-2019 £	ESTIMATE 2019-2020 £	ESTIMATE 2020-2021 £
Parks Major works					
Total Annual Expenditure(ALL HBBC)	122,146	32,146	30,000	30,000	30,000
Burbage Common Septic Tank					
Total Annual Expenditure(ALL HBBC)	9,950	9,950	0	0	0
Tracking System					
Total Annual Expenditure(ALL HBBC)	45,000	0	45,000	0	0
Memorial Safety Programme					
Total Annual Expenditure(ALL HBBC)	21,880	5,160	5,360	5,570	5,790
Waste Management Receptacles					
Total Annual Expenditure(ALL HBBC)	557,527	145,537	123,453	146,637	141,900
Purchase of Refuse Vehicle					
Total Annual Expenditure(ALL HBBC)	15,000	0	15,000	0	0
Green Spaces Delivery Plan					
Total Cost	567,018	96,562	470,456	0	0
Less Section 106 contributions	(439,538)	(96,562)	(342,976)	0	0
Less other private contributions	(127,480)	0	(127,480)	0	0
HBBC ELEMENT	0	0	0	0	0
Borough Improvements					
Total Annual Expenditure	200,000	50,000	50,000	50,000	50,000
Less Private contribution	(60,000)	(15,000)	(15,000)	(15,000)	(15,000)
HBBC Element	140,000	35,000	35,000	35,000	35,000
Car Park Resurfacing					
Total Annual Expenditure	289,876	64876	75000	75000	75000
Less Private contribution	(25,000)	(25,000)	0	0	0
HBBC Element	264,876	39,876	75,000	75,000	75,000
Barwell Shop Front Improvements					
Total Annual Expenditure	6,698	6,698	0	0	0
Less Private contribution	(6,698)	(6,698)	0	0	0
HBBC Element	0	0	0	0	0
Barwell Improvements					
Total Annual Expenditure (ALL HBBC)	13,353	13,353	0	0	0
Land off A47					
Total Annual Expenditure (ALL HBBC)	4,762,020	60,000	1,500,000	3,202,020	0
Grounds Machinery					
Total Annual Expenditure (ALL HBBC)	250,000		250,000		0
Parish & Community Initiatives Grants					
Total Annual Expenditure(ALL HBBC)	864,756	164,756	150,000	275,000	275,000
Hinckley Community Initiatives Fund					
Total Annual Expenditure	43,735	13,735	10,000	10,000	10,000
Special Expenses Area Reserves	(43,735)	(13,735)	(10,000)	(10,000)	(10,000)
HBBC Element	0	0	0	0	0
Community Development Fund					
Total Annual Expenditure(ALL HBBC)	1,611,980	250,000	711,980	400,000	250,000
Hinckley Community Development Fund					
Total Annual Expenditure(ALL HBBC)	350,000	0	0	150,000	200,000
TOTAL GROSS EXPENDITURE	9,730,939	912,773	3,436,249	4,344,227	1,037,690
LESS TOTAL CONTRIBUTIONS	(702,451)	(156,995)	(495,456)	(25,000)	(25,000)
TOTAL HBBC ELEMENT	9,028,488	755,778	2,940,793	4,319,227	1,012,690

SECTION 4
Housing Revenue Account Capital Programme

	TOTAL	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE
		2017-2018	2018-2019	2019-2020	2020-2021
Expenditure	£	£	£	£	£
Sheltered Scheme Enhancements	200,000	100,000	100,000	0	0
Kitchen Improvements	2,509,540	730,850	598,897	588,897	590,897
Boiler and Heating Replacement	2,137,783	738,300	904,081	164,681	330,721
uPVC Door Replacement	316,375	88,194	76,060	76,060	76,060
Electrical Testing / Upgrading	2,214,600	447,558	589,014	589,014	589,014
Programmed Enhancements	902,209	194,971	309,776	198,731	198,731
uPVC Window Replacement	536,259	83,900	150,786	150,786	150,786
Re-roofing	3,258,060	168,656	880,175	1,410,175	799,055
Adaptations for Disabled People	1,556,179	400,000	385,393	385,393	385,393
Major Void Enhancements	2,638,430	658,430	660,000	660,000	660,000
Kitchens and Bathrooms Enhancements	1,187,543	319,678	272,622	272,622	322,622
Legionella	110,000	10,000	50,000	50,000	0
Insulation & Wraps	1,350	1,350	0	0	0
Service Investment					
Piper Alarm Upgrade	162,350	0	162,350	0	0
Control Centre Enhancement	162,350	51,000	0	0	0
Orchard Upgrade	37,000	30,000	7,000	0	0
Affordable Housing					
Affordable Housing Scheme	5,621,190	3,071,190	2,350,000	200,000	0
Expenditure Total	23,551,219	7,094,077	7,496,154	4,746,359	4,103,279
Financing					
Major Repairs Reserve (Depreciation)	11,400,000	2,850,000	2,850,000	2,850,000	2,850,000
Regeneration Reserve	10,677,519	3,994,077	4,133,804	1,546,359	1,003,279
Earmarked Reserves - Piper Alarm		0	162,350	0	0
Capital Receipts	1,200,000	250,000	350,000	350,000	250,000
Financing Total	23,277,519	7,094,077	7,496,154	4,746,359	4,103,279

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HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

306 DECLARATIONS OF INTEREST

No interests were declared.

311 CAPITAL PROGRAMME 2017-2018 AND 2020-2021

The Scrutiny Commission gave consideration to the capital programme 2017/18 to
2020/21. Attention was drawn to the spend on the Developing Communities Fund
beginning to increase now the funding was being drawn down and the increase in the
Parish & Community Initiative Fund.

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Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

Finance and Performance Scrutiny 1 February 2018

Council 22 February 2018

WARDS AFFECTED: ALL WARDS

FEES AND CHARGES 2018/2019

Report of Head of Finance (Section 151 Officer)

1. PURPOSE OF REPORT

1.1 To obtain approval of the proposed scale of Fees and Charges for 2018/2019

2. RECOMMENDATION

2.1 That Council approve the Fees and Charges book for 2018/2019

3. BACKGROUND TO THE REPORT

3.1 The Council charges for a number of services that are provided to the public

3.2 The Council generates income of circa £5.8million from these sources annually

Charging Strategy

3.3 Whilst a dedicated charging strategy is not in place, a number of principles are followed when considering fees and charges. In general terms, all applicable services should be charged for unless there is a valid reason for an exception to be made. These exemptions include, but are not limited to:

- Instances where the administrative cost of levying and recovering the charge would outweigh any potential income
- Where policy has been passed to fund the service from Council Tax or other dedicated funding streams (e.g. grants)
- Circumstances where charging would significantly deter demand
- Where statute dictates that charges cannot be made

- 3.4 When setting scales of charges, the following factors are taken into consideration:
- Statutory obligations
 - Inflation and relevant indices
 - Local market research and competition (where relevant)
 - The impact of price changes on activity level or demand
 - Changes in taxation
 - Budget position and links to the MTFs and the Corporate Plan
 - The cost of providing the service
- 3.5 A rate comparable with Retail Price Index (RPI), which is a measure of inflation, has been used as an index where appropriate for up-rating charges from prior year. A rate of 3.90% has been used in line with the Budget Strategy for 2018/2019 which was endorsed by Executive

2018/2019 Fees and Charges

- 3.6 The Fees & Charges shows the 2017/18 and 2018/19 charges, along with the percentage increases applied. Some fees and charges, for example Fixed Penalty Notices and those under the Gambling and Licensing Acts have been set in line with relevant guidance.
- 3.7 All leisure centre charges have been set by Places For People Leisure Management Ltd who will operate the leisure centre. All charges are consistent with the contract with Places For People Leisure Management Ltd.
- 3.8 In the majority of cases where discretionary charges can be made, increases have been made in line with index in 3.5 (or to the nearest round number associated with this increase).
- 3.9 The major changes that have an impact on the budgets are listed below:-
- Car Parks: Major changes relating to increased car park fees are listed below:

	2017/18	2018/19	% increase
Short Stay			
Up to 1 hour	0.50	0.60	20%
Over 1 hour and up to 2 hours	1.00	1.20	20%
Over 2 hours and up to 3 hours	1.50	2.00	33.33%
Over 3 hours and up to 4 hours	2.60	3.00	15.38%
Over 4 hours	4.80	6.00	25%
Long Stay			
Up to 1 hour		0.60	New charge
Up to 2 hours		1.20	New charge
Up to 5 hours	1.30	1.60	23.07%
Over 5 hours	2.40	2.50	4.17%

- Refuse Bulky Collections: a new charge has been introduced for smaller collections to assist in the reduction of fly tipping. These charges are summarised below:-

		2018/19
Refuse Collection		
White goods/bulky item collection - 3 items or less	<i>50% reduction available for those on benefit</i>	15.00
White goods/bulky item collection - 5 items	<i>50% reduction available for those on benefit</i>	25.00
Each additional white goods/bulky item above 5 items		£6.00 per item

- Clean Neighbourhood Fixed Penalty Notices: Increase of 60% charge relating to Fly Tipping.
- Town & Planning Fees (Town & Country Planning Fees Applications – (See Below)
- Standard Increase of 20% set in compliance with 2017 statutory regulations & guidelines, and local government settlement (December 2017)

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 Report to be taken in open session

5. FINANCIAL IMPLICATIONS [IB]

5.1 For 2018/19 additional income of £293,200 has been allowed for within the general fund budget. The breakdown is summarised in the table below:-

2018/19 Impact	
Additional income from parking fees	(£89,000)
Additional income from planning fees	(173,000)
Loss of income - new lower charge for smaller bulky collections	£31,200
Net Additional Income	£293,200

6. LEGAL IMPLICATIONS [AR]

- 6.1 The council's powers to charge can arise from mandatory powers, express discretionary powers or implied or incidental powers
- 6.2 Mandatory powers are set out in the functional legislation such as the power to charge for planning applications set out in the Town and Country Planning Act 1990.
- 6.3 Section 93 Local Government Act 2003 gives the Council power to charge for discretionary services, but not in cases where there is already power to charge under other legislation eg power to charge for the use of a swimming pool pursuant to the Local Government Miscellaneous Provisions Act 1976
- 6.4 The power to charge under Section 93 can only be used for services which the Council is empowered to provide

6.5 The Section 93 power is not intended to provide a new income stream; its aim is to allow the Council to recover the costs of providing services, and there is a general duty on the Council to secure that, from one year to the next, the income from charges for services does not exceed the costs of provision

7. CORPORATE PLAN IMPLICATIONS

7.1 The budget will have an indirect impact on all other Corporate Plan targets

8. CONSULTATION

8.1 All budget holders, Corporate Operations Board and the Strategic Leadership Board have been consulted throughout the budget setting process

9. RISK IMPLICATIONS

9.1 It is the Council’s policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer’s opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation. The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance. Sufficient levels of reserves and balances are maintained to ensure financial resilience	J Kenny

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 The budget process will impact on all areas of the Borough and all groups within the population

10.2 Where concessions are made for certain groups for charging purposes these are detailed in the attached booklet

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications

- Human Resources implications
 - Planning implications
 - Data Protection implications
 - Voluntary Sector
-

Background papers: Fees and Charges submissions
Contact Officer: Ilyas Bham (Accountant) Ext 5924
Executive Member: Councillor M Hall

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Hinckley & Bosworth
Borough Council

Scale of Fees & Charges



Green Towers - Hinckley Club for Young People

2018 / 2019
Operative from 1st April 2018

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Scale of Fees and Charges 2018/19

The figures quoted in the Fees and Charges book are shown GROSS, i.e. including VAT where VAT is chargeable.

VAT LIABILITY

The Council's Fees and Charges booklet incorporates a guide to identify the VAT liability for individual charges and most day to day queries can be resolved by reference to the relevant sections.

If any unusual or complex queries arise they should be referred to the Accountancy Section, Extension 5609 who will help.

As VAT regulations are continually changing the book will be updated and revised accordingly.

There are three rates of VAT depending on the goods or services provided:

- Standard rate 20.0%
- Reduced rate (e.g. domestic fuel and power) 5%
- Zero rate 0%

(The standard rate of VAT rose from 17½% to 20% on 4th January 2011)

There are also some goods and services that are:

- exempt from VAT, or
- outside the UK VAT system altogether (e.g. fees that are fixed by law, known as 'statutory fees')

Where the supply of goods or services is not subject to VAT, the VAT liability will either be exempt or non-business. Supplies which are zero rated are still taxable supplies but no VAT is due. Non-business activities are those for which Public Authorities have a statutory duty or are enshrined in legislation. Exempt supplies are those which are specifically exempt from VAT by statute. Though no VAT charge arises from either categorisation, it is still important to identify correctly the type of liability involved in order to meet statutory requirements.

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CATEGORY	VAT	2017/18	2018/19	% increase
CEMETERIES				
Interments				
of the body of a child up to the age of 18 yrs. inclusive.	Non-Business	No Charge	No Charge	-
<i>Interment of the body of a child up to 18 years of age is free into a single depth grave. Where interments are required at double depth or below then single depth interment charges for over 18's will apply.</i>				
of the body of a person whose age exceeded 18 yrs. (Inc. Caskets & Brick Graves)				
Single depth grave	Non-Business	436.00	453.00	3.90%
Double depth	Non-Business	504.00	524.00	3.97%
Triple depth grave	Non-Business	577.00	599.50	3.90%
of a Cremation Casket in a grave				
Casket depth / Ashes scattered under turf	Non-Business	131.50	137.00	4.18%
Double depth / In a brick grave or kerbed/concrete top	Non-Business	204.00	212.00	3.92%
Scattering of cremated remains	Non-Business	102.00	106.00	3.92%
Sexton led interment - No Funeral Director (in addition to above charges)	Non-Business	34.25	35.60	3.94%
Memorial repair	Non-Business	POA	POA	-
Note: - If resident outside Special Expense Area = double fees - Except for residents who had lived within the area for at least 25 years, but who lived outside the area for health care or welfare reasons for no longer than five years immediately prior to their death. - where available, work in the Cemeteries on Saturdays or Sundays will attract double fees				
Exclusive Rights of Burial for 70 Years				
Casket plot 150 x 90cm (5'x3') (up to 2 caskets/Ashes Interment)	Non-Business	306.50	318.50	3.92%
Grave plot of a child up to the age of 18yrs (Appropriate plot size) Special Expense Area	Non-Business	No Charge	No Charge	-
Grave plot of a child up to the age of 18yrs (Appropriate plot size) Outside Special Expense Area, but within	Non-Business	204.00	212.00	3.92%
Grave plot of a child up to the age of 18yrs (Appropriate plot size) Outside of the Borough (Double Fees)	Non-Business	408.00	424.00	3.92%
Note: -Should parents opt for a grave size greater than the size of the coffin then normal grave purchase fees will apply (i.e. single fee for Special Expense Area, Double fees for outside the Borough)				
Grave plot 240 x 120cm (8'x4')	Non-Business	592.00	615.00	3.89%
Reservation Fee	Non-Business	102.00	106.00	3.92%
Reassignment / Transfer of Deed (If to spouse 50% reduction)	Non-Business	51.00	53.00	3.92%
Extension to ERoB 30yrs (1/2, 70yrs fee)	Non-Business	see above	see above	-
Note: - If grave is being purchased for the interment of someone who was not resident in Hinckley then double fees apply.				
Rights to Erect Memorial on a Grave Plot				
A memorial not exceeding 105cm wide (3' 6") and 120cm high (4')	Non-Business	141.50	147.00	3.89%
Kerb (where permitted)	Non-Business	249.00	259.00	4.02%
A memorial not exceeding 50cm (1'8") high	Non-Business	78.50	81.50	3.82%
Memorial kerb (In Garden of Rest)	Non-Business	113.00	117.50	3.98%
Install plaque on remembrance wall	Non-Business	91.50	95.00	3.83%
Additional Inscriptions	Non-Business	63.00	65.50	3.97%
# Note conditions apply to size of memorials in children's section and casket section				
Note: - Right to erect replacement memorials no charge. Changed memorials priced as above				
Other Charges (incl. VAT)				
Entries in Book of Remembrance per line	Standard Rated	36.00	37.50	4.17%
Copy of Book of Remembrance page	Standard Rated	10.25	10.70	4.39%
Service in Cemetery Chapel	Non-Business	112.70	117.00	3.82%
Exhumations	Non-Business	Triple interment fees	Triple interment fees	-
Memorial Bench - Subject to Location availability	Standard Rated	1,100.00	1,143.00	3.91%
Memorial Bench Plaque to HBBC bench, subject to availability			275.00	New Charge
Memorial Tree - Subject to Location availability	Standard Rated	302.00	314.00	3.97%
Memorial plaque free standing (incl installation)	Standard Rated	413.50	POA	N/A
Search and Copy per burial record (where death occurred more than 5 years before search)	Standard Rated	10.25	10.70	4.39%
Soil removal from grave side for burial	Exempt	113.00	117.40	3.89%
Copy of entry in burial register	Standard Rated	2.10	2.20	4.76%
Natural burials / woodland scattering = same prices as for traditional burials/scatterings	Non-Business	POA	POA	-

CATEGORY		VAT	2017/18	2018/19	% increase
GREEN SPACES & EVENTS					
Professional Fees					
Professional Fees	Parks & Cemetery matters/ staff led activities/ hour	Standard Rated	44.00	45.70	3.86%
Lost Keys		Standard Rated	33.00	34.30	3.94%
Bowls – Hollycroft Park					
Season Ticket -	Over 60 or Students under 18 in full-time education	Exempt	55.75	58.00	4.04%
	Ordinary	Exempt	79.50	82.50	3.77%
Per Rink / Per Hour	Over 60 or Students under 18 in full-time education	Standard Rated	3.60	3.70	2.78%
	Ordinary	Standard Rated	6.30	6.50	3.17%
<i>Note: - New members first season green fees = 25% discount Part Season Ticket - from July onwards 50% reduction</i>					
Tennis – Hollycroft Park					
Per Court per Hour	Adult	Standard Rated	7.25	7.50	3.45%
Off Peak Rate 11.00am - 3.00pm (Monday to Friday)		Standard Rated	5.40	5.60	3.70%
	Over 60 or Students under 18 in full-time education	Standard Rated	4.80	5.00	4.17%
Off Peak Rate 11.00am - 3.00pm (Monday to Friday)		Standard Rated	3.60	3.70	2.78%
	Mixed (Adult & Concession)	Standard Rated	5.85	6.10	4.27%
Off Peak Rate 11.00am - 3.00pm (Monday to Friday)		Standard Rated	4.45	4.60	3.37%
Tennis Balls & Rackets	Penalty - Lost Balls	Standard Rated	2.65	2.80	5.66%
	Penalty - Lost / Damaged Tennis Racket	Standard Rated	10.25	10.70	4.39%
Season Ticket (March to October, halves Court fees, maximum of 2 hours per week)					
	Over 60 or Students under 18 in full-time education	Standard Rated	55.75	58.00	4.04%
	Ordinary	Standard Rated	79.50	82.50	3.77%
Pitch & Put – Hollycroft Park					
Adult		Standard Rated	3.30	3.40	3.03%
Junior		Standard Rated	1.70	1.80	5.88%
Golf Balls & Clubs -	Penalty - lost Balls	Standard Rated	2.65	2.80	5.66%
	Penalty - lost Clubs	Standard Rated	10.25	10.70	4.39%
Groups of 10 or more students under 18 in full time education (price per person)		Standard Rated	1.45	1.50	3.45%
Hollycroft Park, Argents Mead, Parks & Open Spaces					
Hire of Bandstand, Parks and Open Spaces (Commercial Events) per day		Exempt	350.00	364.00	4.00%
Hire of Bandstand (Community Events) per day		Exempt	No Charge	No Charge	-
Hire of Bandstand (Registered Charities) per day		Exempt	No Charge	No Charge	-
Hire of Bandstand (Schools)		Exempt	No Charge	No Charge	-
Parks and Open Spaces (Fair & Circuses)		Exempt	387.00	387.00	-
Bond (Fairs & Circuses)		Exempt	640.00	640.00	-
Community / Non Profit Making Organisations		Exempt	No Charge	No Charge	-
Registered Charities		Exempt	No Charge	No Charge	-
Exclusive Rights to Sell Ice Cream		Standard Rated	Hide	Hide	-
Commercial use of Parks and Open spaces for Fitness Training or Dog Training (Annual Licence Fee)		Exempt	107.00	111.00	3.74%
Events					
Hot Food Stalls (Pitch 3m x 6m)		Standard Rated	66.50	69.00	3.76%
Other Stalls (Pitch 3m x 6m)		Standard Rated	POA	36.50	-
Additional Pitch to above				1/2 above Fee	New Charge
Stall Community / Non Profit Making Organisations				No Charge	New Charge
Stall Registered Charities				No Charge	New Charge
Leisure Activities including Rides		Standard Rated	46.50	48.50	4.30%
Daily Right to Sell Ice Cream at an event		Standard Rated	66.50	69.00	3.76%
Football & Cricket Pitches					
Pitch per 11 matches (per season)					
Team in the Borough pitch only		Exempt	264.50	275.00	3.97%
Team in the Borough pitch with changing room		Exempt	528.00	549.00	3.98%
Team Outside Borough pitch only		Exempt	357.50	371.00	3.78%
Team Outside Borough pitch with changing room		Exempt	660.50	686.00	3.86%
Junior		Exempt			
Casual lettings - Per Match facilities:	Teams in the Borough	Standard Rated	71.50	74.00	3.50%
	Teams outside Borough	Standard Rated	81.50	84.70	3.93%
Casual lettings - Per Match without facilities:	Teams in the Borough	Standard Rated	38.50	40.00	3.90%
	Teams outside Borough	Standard Rated	48.50	50.40	3.92%
Junior					
Junior pitch only		Exempt	132.25	137.40	3.89%
Junior with pavilion			264.50	274.80	3.89%
Pavilion only		Standard Rated	1/2 fee with facilities	1/2 fee with facilities	-
Practice pitch - per session (max 2 hours)		Standard Rated	18.60	19.30	3.76%

CATEGORY	VAT	2017/18	2018/19	% increase
Allotments				
Existing Tenants - Rent per 83.61m ² (100yds ²) per annum or pro rata with water *	Non-Business	17.55	18.20	3.70%
- Rent per 83.61m ² (100yds ²) per annum or pro rata without water *	Non-Business	12.40	12.90	4.03%
New Tenants - Rent per 83.61m ² (100yds ²) per annum or pro rata with water	Non-Business	17.55	18.20	3.70%
- Rent per 83.61m ² (100yds ²) per annum or pro rata without water	Non-Business	12.40	12.90	4.03%
Clearance of overgrown plot up to 150 m2	Non-Business	25.50	26.50	3.92%
150 m2 and over	Non-Business	35.75	37.10	3.78%
Strimming of plot up to 150 m2	Non-Business	20.50	21.30	3.90%
150 m2 and over	Non-Business	30.50	31.70	3.93%
Rotavation of plot up to 150 m2	Non-Business	61.25	63.60	3.84%
150 m2 and over	Non-Business	76.50	79.50	3.92%
Application of weedkiller of plot up to 150 m2	Non-Business	30.50	31.70	3.93%
150 m2 and over	Non-Business	41.00	42.60	3.90%

Note:- All tenants over 60 to receive a 25% discount

* 50% Reduction for existing tenants over 60 if occupied prior to April 2008

Countryside Management

Guided Walks / staff led activities

Educational - Per Adults	Exempt	POA	POA	-
Educational - Per Child	Exempt	POA	POA	-
Non Educational - Per Adult	Exempt	POA	POA	-
Non Educational - Per Child	Exempt	POA	POA	-

Timber per trailer full (subject to availability)	Standard Rated	56.00	58.20	3.93%
Bark chippings per trailer full (subject to availability)	Standard Rated	56.00	58.20	3.93%
Delivery of Timber / Chippings	Standard Rated	POA	POA	-

LICENCES

Taxis

Hackney Carriage Vehicle Licence	Non-Business	236.00	140.00	(40.68%)
Private Hire Vehicle Licence	Non-Business	236.00	140.00	(40.68%)
Private Hire Operators Licence (5 Year validity Period from 1 October 2015)	Non-Business	222.00	222.00	-
Private or Hackney Carriage Drivers Licence (3 Year validity Period from 1 October 2015)	Non-Business	142.00	142.00	-
Transfer Hackney Carriage / Private Hire Vehicle Licence	Non-Business	80.00	80.00	-

Hackney Carriage/ Private Hire

Replacement driver's badge or vehicle licence	Non-Business	18.50	20.00	8.11%
Replacement vehicle plate	Non-Business	28.00	28.00	-
Failure to attend public carriage test or second re-test	Non-Business	73.50	73.50	-
Supply of list of Hackney Carriage/ Private Hire vehicle operators	Non-Business	40.00	40.00	-
HCV - PHV Environmental Conversion (LPG,CNG,Hybrid,Elec)	Non-Business	198.00	140.00	(29.29%)

Sex Establishments

Sex Shop / Sexual Entertainment Venue	Non-Business	1,000.00	1,000.00	-
Renewal	Non-Business	750.00	750.00	-
Variation of Licence	Non-Business	250.00	250.00	-
Transfer of Licence	Non-Business	250.00	250.00	-

Gambling Act 2005

Premises

Premises Licence	Non-Business	800.00	800.00	-
Annual Fee	Non-Business	250.00	250.00	-
Variation Fee	Non-Business	800.00	800.00	-
Change of Circumstance	Non-Business	25.00	25.00	-
Transfer of Licence	Non-Business	285.00	285.00	-
Re-instatement fee	Non-Business	285.00	285.00	-
Provisional Statement	Non-Business	800.00	800.00	-
Copy of Licence	Non-Business	25.00	25.00	-

Alcohol Licenced Premises Gaming Machine Permit

New Grant	Non-Business	150.00	150.00	-
Existing Operator Grant	Non-Business	100.00	100.00	-
Variation	Non-Business	100.00	100.00	-
Transfer of Licence	Non-Business	25.00	25.00	-
Annual Fee	Non-Business	50.00	50.00	-
Change of Name	Non-Business	25.00	25.00	-
Notification of 2 machines	Non-Business	50.00	50.00	-

Prize Gaming Permit

New Grant	Non-Business	300.00	300.00	-
Renewal	Non-Business	300.00	300.00	-
Existing Operator Grant	Non-Business	100.00	100.00	-
Change of Name	Non-Business	25.00	25.00	-
Copy of Permit	Non-Business	15.00	15.00	-

CATEGORY		VAT	2017/18	2018/19	% increase
Unlicensed FEC Gaming Machine					
New Grant		Non-Business	300.00	300.00	-
Renewal		Non-Business	300.00	300.00	-
Existing Operator Grant		Non-Business	100.00	100.00	-
Change of Name		Non-Business	25.00	25.00	-
Copy of Permit		Non-Business	15.00	15.00	-
Club Gaming Permits					
Grant		Non-Business	200.00	200.00	-
Grant (Club Premises Certificate holder)		Non-Business	100.00	100.00	-
Existing Operator Grant		Non-Business	100.00	100.00	-
Variation		Non-Business	100.00	100.00	-
Renewal		Non-Business	200.00	200.00	-
Renewal (Club Premises Certificate holder)		Non-Business	100.00	100.00	-
Annual Fee		Non-Business	50.00	50.00	-
Copy of Permit		Non-Business	15.00	15.00	-
Club Machine Permits					
Grant		Non-Business	200.00	200.00	-
Grant (Club Premises Certificate holder)		Non-Business	100.00	100.00	-
Existing Operator Grant		Non-Business	100.00	100.00	-
Variation		Non-Business	100.00	100.00	-
Renewal		Non-Business	200.00	200.00	-
Renewal (Club Premises Certificate holder)		Non-Business	100.00	100.00	-
Annual Fee		Non-Business	50.00	50.00	-
Copy of Permit		Non-Business	15.00	15.00	-
Small Society Lottery Registration					
Small Society Lottery Registration		Non-Business	40.00	40.00	-
Small Society Lottery Annual Fee		Non-Business	20.00	20.00	-
Licensing Act 2003					
New Premises (subject to NNDR Band)	Band A	Non-Business	100.00	100.00	-
	Band B	Non-Business	190.00	190.00	-
	Band C	Non-Business	315.00	315.00	-
	Band D	Non-Business	450.00	450.00	-
	Band E	Non-Business	635.00	635.00	-
Annual Fees (subject to NNDR Band)	Band A	Non-Business	70.00	70.00	-
	Band B	Non-Business	180.00	180.00	-
	Band C	Non-Business	295.00	295.00	-
	Band D	Non-Business	320.00	320.00	-
	Band E	Non-Business	350.00	350.00	-
Personal License		Non-Business	37.00	37.00	-
Temporary Event Notices		Non-Business	21.00	21.00	-
Minor Variation		Non-Business	89.00	89.00	-
Theft / Loss of Premises License Summary		Non-Business	10.50	10.50	-
Application for Provisional Statement		Non-Business	195.00	195.00	-
Change of Name & Address		Non-Business	10.50	10.50	-
Application for License Variation - Specify Individual as Premises Supervisor		Non-Business	23.00	23.00	-
Application to display mandatory alcohol condition for community premises		Non-Business	23.00	23.00	-
Application for transfer of Premises License		Non-Business	23.00	23.00	-
Interim Authority Notice		Non-Business	23.00	23.00	-
Theft / Loss of Certificate of Summary		Non-Business	10.50	10.50	-
Notification of Change of Rules / Name of Club		Non-Business	10.50	10.50	-
Notification of Change of Address of Club		Non-Business	10.50	10.50	-
Theft / Loss of Certificate of Temporary License		Non-Business	10.50	10.50	-
Theft / Loss of Certificate of Personal License		Non-Business	10.50	10.50	-
Right of Freeholder to be Notified of Licensing Matters		Non-Business	21.00	21.00	-

CATEGORY		VAT	2017/18	2018/19	% increase
MARKETS					
Rival Markets					
1 day event		Non-Business	160.00	165.00	3.13%
2 day event		Non-Business	272.00	280.50	3.13%
3 day event		Non-Business	315.00	330.00	4.76%
Street Trading Consents					
Annual Consent		Non-Business	970.00	970.00	-
Daily Consent		Non-Business	100.00	100.00	-
Animal Establishments					
Riding Establishments *		Non-Business	117.50	120.00	2.13%
Pet Shops *					
Ordinary		Non-Business	107.20	120.00	11.94%
Where dangerous wild animals sold *		Non-Business	240.00	240.00	-
Animal Boarding *					
Home Boarders		Non-Business	81.70	84.90	3.92%
Commercial Boarders	<25 animals boarded	Non-Business	117.50	122.10	3.91%
	25 – 49	Non-Business	124.50	129.40	3.94%
	50 – 150	Non-Business	138.00	143.40	3.91%
	> 150	Non-Business			
Dog Breeding *		Non-Business	127.60	132.60	3.92%
Dangerous Wild Animals *	2 yr. licence	Non-Business	127.60	140.00	9.72%
Zoos *		Non-Business	600.00	650.00	8.33%
Note:- * Plus vet's fees where applicable					
Registration					
Skin Pierces (1 off reg. Fee)					
Person		Non-Business	83.00	83.00	-
Premises		Non-Business	130.00	135.00	3.85%
Cosmetic Skin Piercing & Skin-colouring					
Person		Non-Business	83.00	83.00	-
Premises		Non-Business	130.00	135.00	3.85%
Hairdressers (1 off Registration Fee)					
Person		Non-Business	83.00	83.00	-
Premises		Non-Business	130.00	135.00	3.85%
Reprinting of Animal Licence		Non-Business	10.50	20.00	90.48%
CAR PARKS					
Car Park Fees					
Short Stay					
Up to 1 hour		Standard Rated	0.50	0.60	20.00%
Over 1 hour and up to 2 hours		Standard Rated	1.00	1.20	20.00%
Over 2 hours and up to 3 hours		Standard Rated	1.50	2.00	33.33%
Over 3 hours and up to 4 hours		Standard Rated	2.60	3.00	15.38%
Over 4 hours		Standard Rated	4.80	6.00	25.00%
Long Stay					
Up to 1 hour		Standard Rated		0.60	New Charge
Up to 2 hours		Standard Rated		1.20	New Charge
Up to 5 hours		Standard Rated	1.30	1.60	23.08%
Over 5 hours		Standard Rated	2.40	2.50	4.17%
Castle car park					
Up to 1 hour		Standard Rated	0.50	0.60	20.00%
Up to 2 hours		Standard Rated	1.00	1.20	20.00%
Up to 5 hours		Standard Rated	1.30	2.00	53.85%
Over 5 hours		Standard Rated	2.40	4.00	66.67%
Market Bosworth Rectory Lane car park					
Up to 1 hour		Standard Rated	0.20	0.30	50.00%
Up to 2 hours		Standard Rated	0.50	0.50	-
Up to 4 hours		Standard Rated	1.00	1.00	-
Over 4 hours		Standard Rated	2.00	2.00	-
Season Tickets (Limited Use)					
Per year from month of issue		Standard Rated	375.00	375.00	-
Per half year from month of issue		Standard Rated	200.00	200.00	-
Per quarter from month of issue		Standard Rated	110.00	110.00	-
Replacement / amendment season tickets		Standard Rated	10.00		(100.00%)
Cancellation of PCN were permit incorrectly displayed		Standard Rated	10.00		(100.00%)
Per month (valid 1st day of month)		Standard Rated	40.00	40.00	-
Staff season ticket					
Per month direct debit (for full year permit only)		Standard Rated		31.25	New Charge
Season tickets (long stay plus Castle car park)					
Per year		Standard Rated		500.00	New Charge
Per month for Direct debit		Standard Rated		41.67	New Charge
Staff Parking (Based on Salary Sacrifice)					
Full day		Standard Rated	300.00	310.00	3.33%
Half day		Standard Rated	150.00	155.00	3.33%
Fixed day per day		Standard Rated	60.00	62.00	3.33%
Residents parking season ticket (restricted availability)					
Short stay per year		Standard Rated		75.00	New Charge
Long stay per year		Standard Rated		50.00	New Charge
New street per month Direct debit only		Standard Rated		10.00	New Charge
Car Park Fines					
Higher charge fines*		Non-Business	70.00	70.00	-
Lower charge fines*		Non-Business	50.00	50.00	-
Advertising on Car Park tickets – please contact 01455 255626					
		Standard Rated	POA	POA	-
<i>* Fines reduced by 50% for prompt payment (14 days)</i>					
Commercial Display on Car Parks					
Per day		Exempt	175.00	POA	-

CATEGORY	VAT	2017/18	2018/19	% increase	
ENVIRONMENTAL HEALTH					
Pest Control					
Domestic					
Rats	Standard Rated	20.00	20.00	-	
Mice	Standard Rated	53.00	53.00	-	
Insects per treatment	Standard Rated	53.00	53.00	-	
Insects per call-out where treatment not necessary	Standard Rated	26.50	26.50	-	
Treatment of mice & insects for persons in receipt of eligible benefit	Standard Rated	26.50	26.50	-	
Business					
Insects and Rodents – labour per hour or part thereof	Standard Rated	55.85	58.00	3.85%	
Materials	Standard Rated	Cost + 40%	Cost + 40%	-	
Minimum Charge	Standard Rated	73.40	76.30	3.95%	
Insects per call - out where treatment not necessary	Standard Rated		38.15	New Charge	
Stray Dogs					
Kennelling	Per day	Non-Business	16.35	17.00	3.98%
	Per occurrence (statutory fee)	Non-Business	25.50	22.50	(11.76%)
Microchipping					
	Event charges	Standard Rated	10.00	10.00	-
	Home Visit	Standard Rated	15.00	15.00	-
Refuse Collection					
White goods/bulky item collection - 3 items or less	50% reduction available for those on benefits	Non-Business	23.40	15.00	(35.90%)
White goods/bulky item collection - 5 items	50% reduction available for those on benefits	Non-Business	34.70	25.00	(27.96%)
Each additional white goods/bulky item above 5 items		Non-Business	£6.65 per item	£6.00 per item	(9.77%)
Garden waste collection (annual subscription for period 1 April to 31 March)		Non-Business	£24 per bin	£24 per bin	0.00%
Replacement Bin (lost/stolen/damaged or removed due a sec 46 EPA contravention)		Non-Business	35.75	37.10	3.79%
1 New Bin (New occupancy)		Non-Business	24.00	24.00	-
2 New Bins (New occupancy)		Non-Business	48.00	48.00	-
3 bins and internal caddy (New occupancy)		Non-Business	72.00	72.00	-
Trade Waste Refuse 1100 litre wheeled bin		Non-Business	POA	POA	-
Trade Waste Refuse 660 litre wheeled bin		Non-Business	POA	POA	-
Trade Waste Refuse 240 litre wheeled bin		Non-Business	POA	POA	-
Trade Waste Recycling 1100 litre wheeled bin		Non-Business	POA	POA	-
Trade Waste Recycling 660 litre wheeled bin		Non-Business	POA	POA	-
Trade Waste Recycling 240 litre wheeled bin		Non-Business	POA	POA	-
Trade Bag (Town Centre only)		Non-Business	£38.50 per pack of 26	POA	-
Bin Installation (Additional to Contract)					
Bin Installation		Standard Rated	POA	POA	-
Empty Additional Bin (per bin per occasion)		Standard Rated	POA	POA	-
Sweeper Hire		Standard Rated	POA	POA	-
Asbestos removal and disposal		Standard Rated	POA	POA	-
Noise Nuisance					
Return of audio equipment seized		Non-Business	154.50	160.50	3.88%
Silencing of alarms requiring warrant (any contractors costs to be charged in addition)		Non-Business	129.75	134.80	3.89%
Silencing of alarms without warrant (any contractors costs to be charged in addition)		Non-Business	65.90	68.50	3.95%
Works in Default - Recovery of Costs		Non-Business	Cost + 30%	Cost + 30%	-
Other Miscellaneous Charges					
Food Hygiene Courses		Non-Business	50.00	50.00	-
Food Surrender					
Certification fee		Non-Business	100.00	100.00	-
Plus transport for disposal		Non-Business	At Cost	At Cost	-
Food register per sheet		Non-Business	28.00	30.00	7.14%
Safer Food Better Business Pack		Non-Business	15.00	15.00	-
Safer Food Better Business Diary Refill		Non-Business	10.00	10.00	-
Whole Register		Non-Business	390.00	400.00	2.56%
Confirmation Certificate for Immigration of Food Business Details		Non-Business	60.00	60.00	-
Contaminated Land enquiries		Non-Business	70.50	73.25	3.90%
Register of permits / authorisations		Non-Business	65.35	67.90	3.90%
Public register - Copies of summaries		Non-Business	27.60	28.70	3.99%
Radar keys (disabled access to toilets) - purchase price		Non-Business	0.00	-	-
Analysis Fees - Swimming pool water samples		Standard Rated	40.00	45.00	12.50%
Health & Safety Statement of Facts		Non-Business	£40 / Hour	£45 / hour	-
Recharge of officer time		Non-Business	Direct cost + 40%	Direct cost + 40%	-
Replacement Certificates			20.00	20.00	-

CATEGORY	VAT	2017/18	2018/19	% increase
Private Water Supply Charges				
Commercial Premises Risk Assessment	Non-Business	£30 / Hour up to maximum £500	£30 / Hour up to maximum £500	0.00%
Small Domestic Risk Assessment	Non-Business	£30 / Hour up to maximum £500	£30 / Hour up to maximum £500	0.00%
Sampling	Non-Business	£30 / Hour up to maximum £100	£30 / Hour up to maximum £100	0.00%
Simple Domestic Sample Analysis	Non-Business	25.00	25.00	0.00%
Investigation of Contamination	Non-Business	£30 / Hour up to maximum £100	£30 / Hour up to maximum £100	0.00%
Granting of Exceedance Authorisation	Non-Business	£30 / Hour up to maximum £100	£30 / Hour up to maximum £100	0.00%
Analysis for Check Monitoring in Commercial Premises	Non-Business	Cost plus £13 Admin Fee to max of £100	Cost plus £13 Admin Fee to max of £100	0.00%
Analysis under Audit Conditions in Commercial Premises	Non-Business	Cost plus £13 Admin Fee to max of £500	Cost plus £13 Admin Fee to max of £500	0.00%

CATEGORY	VAT	2017/18		2018/19		% increase
		£	£			

Clean Neighbourhoods - Fixed Penalty Notices - Statutory Charges

		Payments after 10 days	Reduction for Early Payment (10 days)	Payments after 10 days	Reduction for Early Payment (10 days)	
Nuisance Parking	Non-Business	100.00	80.00	100.00	80.00	0.00%
Abandoning a vehicle	Non-Business	200.00	180.00	200.00	180.00	0.00%
Litter	Non-Business	80.00	60.00	150.00	100.00	66.67%
Unauthorised Distribution of Literature on Designated land	Non-Business	80.00	60.00	150.00	100.00	66.67%
Graffiti & fly posting	Non-Business	80.00	60.00	150.00	100.00	66.67%
Failure to Produce Authority (Waste Transfer Notes)	Non-Business	300.00	230.00	300.00	230.00	0.00%
Failure to Furnish Documentation (Waste Carriers Licence)	Non-Business	300.00	230.00	300.00	230.00	0.00%
Offences in Relation to Waste Receptacles	Non-Business	60.00	40.00	60.00	40.00	0.00%
Allowing a Dog to Foul in a Public Place	Non-Business	50.00	50.00	50.00	50.00	0.00%
Failure to comply with a Community Protection Notice, under the Anti-social Behaviour, Crime and Policing Act 2014	Non-Business	100.00	80.00	100.00	80.00	0.00%
Breach of public Spaces Protection Order , under the Anti-social Behaviour, Crime and Policing Act 2014	Non-Business	100.00	80.00	100.00	80.00	0.00%
Fly Tipping S33(1)(a) Environmental Protection Act 1990	Non-Business	400.00	125.00	400.00	200.00	60.00%

CATEGORY	2017/18	2018/19	% increase
	£		
LEISURE CENTRE - (Fees set by the external partner, Places For People Leisure Management Ltd)			
Swimming			
Adult	£4.30	£4.45	3.49%
Senior (60 Plus)	£2.00	£2.05	2.50%
Concession (inc. Junior Under 16, unemployed, student)	£2.35	£2.45	4.26%
Disabled	No Charge	No Charge	-
Spectator	No Charge	No Charge	-
Pool Hire			
Private Hire – Main Pool (per 1 hour whole pool)	£73.45	£75.65	3.00%
Private Hire – Main Pool (per 1 hour per lane)	£9.30	£9.45	1.61%
Private Hire – Community Pool (per 1 hour)	£42.65	£44.00	3.17%
Fitness & Health Casual			
Gym Induction	£15.70	£15.70	-
Gym Session Concession (9.00am – 5.00pm only)	£4.30	£4.40	2.33%
GP Referral / Heartsmart Session	£2.40	£2.40	-
Sports Halls and Courts			
Adult Badminton Court	£8.00	£8.25	3.13%
Concession (off peak only) Badminton	£4.25	£4.40	3.53%
Half Main Hall Hire	£38.90	£40.00	2.83%
Concession (off peak only) Half Main Hall	£18.65	£19.20	2.95%

A full list of prices can be seen on Hinckley Leisures Centres webpage:

<https://www.placesforpeopleleisure.org/centres/hinckley-leisure-centre/news/prices-2018-2019/>

CATEGORY	VAT	2017/18	2018/19	% increase
Markets				
New traders to be charged half price on first stall for a period of 4 weeks				
Market Stall Licenced Trader				
Saturday Zone A	Exempt	29.40	29.80	1.36%
Second stall	Exempt	22.05	22.35	1.36%
Third and all subsequent stalls	Exempt	14.70	14.90	1.36%
Monday Zone A	Exempt	24.20	24.60	1.65%
Second Stall	Exempt	18.15	18.45	1.65%
Third and all subsequent stalls	Exempt	12.10	12.30	1.65%
Friday Zone A	Exempt	24.20	24.60	1.65%
Second Stall	Exempt	18.15	18.45	1.65%
Third and all subsequent stalls	Exempt	12.10	12.30	1.65%
Saturday Zone B	Exempt	14.70	14.90	1.36%
Second Stall	Exempt	11.03	11.18	1.36%
Third and all subsequent stalls	Exempt	7.35	7.45	1.36%
Monday Zone B	Exempt	12.10	12.30	1.65%
Second Stall	Exempt	9.08	9.23	1.65%
Third and all subsequent stalls	Exempt	6.05	6.15	1.65%
Friday Zone B	Exempt	12.10	12.30	1.65%
Second Stall	Exempt	9.08	9.23	1.65%
Third and all subsequent stalls	Exempt	6.05	6.15	1.65%
Saturday Zone C	Exempt	7.35	7.45	1.36%
Second Stall	Exempt	5.52	5.59	1.27%
Third and all subsequent stalls	Exempt	3.68	3.73	1.36%
Monday Zone C	Exempt	6.05	6.15	1.65%
Second Stall	Exempt	4.54	4.62	1.76%
Third and all subsequent stalls	Exempt	3.03	3.08	1.65%
Friday Zone C	Exempt	6.05	6.15	1.65%
Second Stall	Exempt	4.54	4.62	1.76%
Third and all subsequent stalls	Exempt	3.03	3.08	1.65%
Market Stall Casual Trader				
Saturday Zone A	Exempt	33.60	34.80	3.57%
Monday Zone A	Exempt	28.20	29.40	4.26%
Friday Zone A	Exempt	28.20	29.40	4.26%
Saturday Zone B	Exempt	16.80	17.40	3.57%
Monday Zone B	Exempt	14.10	14.70	4.26%
Friday Zone B	Exempt	14.10	14.70	4.26%
Saturday Zone C	Exempt	8.40	8.70	3.57%
Monday Zone C	Exempt	7.05	7.35	4.26%
Friday Zone C	Exempt	7.05	7.35	4.26%
Charity Stall	Non-Business	POA	POA	-
Farmers Market	Exempt	22.50	22.50	-
Friday Street Trading Consents per pitch	Non-Business	28.20	29.40	4.26%
Saturday Bric a Brac (in Zone B)	Exempt	10.50	11.00	4.76%
Monday Bric a Brac (in Zone B)	Exempt	10.50	11.00	4.76%
Friday Bric a Brac (in Zone B)	Exempt	10.50	11.00	4.76%
Town Centre Commercial Displays	Standard Rated	POA	POA	-
Town Centre Large Commercial Displays (over 6m length over 3m width)	Standard Rated	240/day	250/day	4.17%
COMMERCIAL RENTS				
Rent of Industrial Unit	Exempt	POA	POA	-
Rent unit at Greenfields site	Standard Rated	POA	POA	-
Rent of space in Atkins Building	Standard Rated	POA	POA	-
Rent of retail shops	Exempt	POA	POA	-
MISCELLANEOUS				
Copies of Building Regulations & Planning Approvals				
Extensive researching of Planning history of site or premises	Non-Business	58.75	61.05	3.91%
Photocopying of other documentation				
Per A4 Sheet	Zero Rated	10p +p&p	10p +p&p	-
Per A3 Sheet	Zero Rated	10p +p&p	10p +p&p	-

CATEGORY	VAT	2017/18	2018/19	% increase
Other				
Aerial Photography	Standard Rated	POA	POA	-
Written confirmation of works exempt from Building Regulations	Non-Business	15.35	15.95	3.91%
Written confirmation of non-existence of Building Regulations record	Non-Business	15.35	15.95	3.91%
Written confirmation of completion of work to which Building Regulations applied	Non-Business	15.35	15.95	3.91%
Building Control Surveyor attendance at emergency / enforcement incident of dangerous structure (per hr)	Non-Business	88.85	92.30	3.88%
Preparation and posting of documentation in relation to an emergency/enforcement incident or dangerous structure (per document)	Non-Business	23.50	24.40	3.83%
PRE PLANNING APPLICATION ADVICE				
Householder pre-application advice	Standard Rated	77.00	80.00	3.90%
Major strategic development (planning performance agreement)	Standard Rated	POA	POA	-
Major development (large residential, retail, leisure, employment) pre-application advice	Standard Rated	3,075.00	3,195.00	3.90%
Major development (50-99 dwellings or 5,000-9,999 m2) pre-application advice	Standard Rated	1,225.00	1,273.00	3.92%
Major development (10-49 dwellings or 1,000-4,999 m2) pre-application advice	Standard Rated	820.00	852.00	3.90%
Minor development (5-9 dwellings or 500-999 m2) pre-application advice	Standard Rated	510.00	530.00	3.92%
Minor development (1-4 dwellings, agricultural, change of use or other minor development) pre-application advice	Standard Rated	305.00	317.00	3.93%
Commercial pre-application advice	Standard Rated	POA	POA	-

LOCAL LAND CHARGES

The Land Charges service is operated by Blaby District Council on behalf of Hinckley and Bosworth Borough Council.

Please contact Blaby District Council Land Charges department for further information or to order your Land Charges search

BUILDING CONTROL

		Individually determined	Individually determined	
Building Regulation Application Charges - Please ring 01455 255850				
Building Control Hourly Rate	Standard Rated	40.00	41.60	4.00%
Written confirmation of works exempt from Building Regulations	Non-Business	20.00	20.80	4.00%
Written confirmation of non-existence of Building Regulations record	Standard Rated	20.00	20.80	4.00%
Written confirmation of completion of work to which Building Regulations Applied	Standard Rated	20.00	20.80	4.00%
Extensive search of Building Control history for site or premises (per hour)		40.00	41.60	4.00%
Completion application for a closed application (reactivation of application and 1 inspection)	Standard Rated	56.00	58.20	3.93%
Additional inspections on a reactivated application (per inspection)	Standard Rated	40.00	41.60	4.00%
Building Control Surveyor attendance at emergency incident/enforcement (per hour)	Non-Business	40.00	41.60	4.00%
Building Control Surveyor attendance at emergency incident out of hours (per hour)	Non-Business	75.00	77.95	3.93%
Preparation and posting of documentation in relation to an emergency/enforcement incident or dangerous structure (per document)	Non-Business	40.00	41.60	4.00%

CATEGORY	VAT	2017/18	2018/19	% increase
Grobby Community Centre		£		
Whole Building				
3 hour session	Exempt	41.00	42.60	3.90%
Small Room				
3 hour session	Exempt	20.50	21.30	3.90%
Discounts				
Registered charities (must quote registration number)		70%	70%	-
Approved elderly persons' organisations		70%	70%	-
Regular users – minimum usage 1 booking per week				
booked quarterly in advance with no cancellation permitted		10%	10%	-
Letting of Garages & Garage Plots (HRA)		Where VAT applies, the figures quoted include VAT		
Garage Plots per annum				
Private owners	Standard Rated	45.65	47.40	3.83%
Council house residents if let within proximity of residence	Non-Business	38.10	39.60	3.94%
Garages (Council Tenants)	Non-Business	216.00	224.40	3.89%
Garages (Non Council Tenants)	Standard Rated	259.15	269.30	3.92%
Garages (Council Tenants) not let within proximity of residence	Standard Rated	259.15	269.30	3.92%
Other Housing Charges (HRA)				
Warden Assisted Accommodation				
Guest room charge per night	Standard Rated	10.25	10.30	0.49%
Warden Assistance Alarm Connection				
Lifeline (Weekly charge)	Standard Rated*	#REF!	5.05	#REF!
Central Control Connection (Weekly charge)	Standard Rated*	1.95	2.00	2.56%
Other Housing Charges (Private Sector)				
Accommodation Certificate	Standard Rated	145.00	145.00	-
Service of Housing Act Notices - Recovery of Cost	Non-Business	POA	POA	-
Housing - Mandatory HMO Licensing - Recovery of Cost	Non-Business	POA	POA	-
Sheltered Housing - Service Charges				
Ambion Court	Non-Business	15.00	15.00	-
Hereford Way	Non-Business	10.15	10.60	4.43%
Clarendon House	Non-Business	15.00	15.00	-
Queensway	Non-Business	11.00	11.50	4.55%
Castle Court	Non-Business	15.00	15.00	-
Mayflower Court	Non-Business	15.00	15.00	-
Royal Court	Non-Business	8.75	9.10	4.00%
Centurion Court	Non-Business	15.00	15.00	-
St Giles Close	Non-Business	8.00	8.30	3.75%
Armada Court	Non-Business	10.90	11.30	3.67%
Tom Eatough Court	Non-Business	15.00	15.00	-
Bed and Breakfast Charges (Homeless)				
Households on JSA/IS (Weekly Charge)	Standard Rated	13.60	13.60	-
Employed households (Daily Charge)	Standard Rated	13.60	13.60	-
Each additional member of household (Weekly Charge)	Standard Rated	3.40	3.40	-

CATEGORY	VAT	2017/18	2018/19	% increase
Publication List				
Hinckley & Bosworth Local Plan *	Zero Rated	66.00	69.00	4.55%
Local Plan Documents				
Local Development Scheme	Zero Rated	11.35	12.00	5.73%
Statement of Community Involvement	Zero Rated	11.35	12.00	5.73%
Authority Monitoring Report	Zero Rated	11.35	12.00	5.73%
Residential Land Availability Statement	Zero Rated	11.35	12.00	5.73%
Employment Land Availability Monitoring Statement	Zero Rated	11.35	12.00	5.73%
Core Strategy (December 2009) plus Sustainability Appraisal	Zero Rated	25.80	27.00	4.65%
Core Strategy Inspectors Report	Zero Rated	11.35	12.00	5.73%
Site Allocations and Generic Development Control Policies DPD Preferred Options	Zero Rated	66.00	69.00	4.55%
Site Allocations and Development Management Policies DPD Pre-Submission Version	Zero Rated	66.00	69.00	4.55%
Hinckley Town Centre Area Action Plan (March 2011) plus Sustainability Appraisal	Zero Rated	25.50	26.00	1.96%
Earl Shilton and Barwell Area Action Plan Preferred Option (January 2011) plus sustainability appraisal	Zero Rated	30.65	32.00	4.40%
Earl Shilton and Barwell Area Action Plan Pre-submission version (July 2013) plus sustainability appraisal	Zero Rated	30.65	32.00	4.40%
Earl Shilton and Barwell Area Action Plan (September 2014) plus Sustainability Appraisal	Zero Rated	30.65	32.00	4.40%
Earl Shilton and Barwell Area Action Plan Inspectors Report	Zero Rated	11.35	12.00	5.73%
Burbage Village Design Statement	Zero Rated	11.35	12.00	5.73%
Ratby Village design Statement	Zero Rated	11.35	12.00	5.73%
Market Bosworth Neighbourhood Plan	Zero Rated	30.65	32.00	4.40%
Other Documents				
Employment Land and Premises Study (BE Group) 2013	Zero Rated	31.00	32.00	3.23%
Leicester & Leicestershire Employment Land Study	Zero Rated	31.00	32.00	3.23%
Green Infrastructure Study	Zero Rated	31.00	32.00	3.23%
Strategic Flood Risk Assessment	Zero Rated	31.00	32.00	3.23%
Biodiversity Assessment	Zero Rated	25.80	27.00	4.65%
Areas of Separation Review (March 2012)	Zero Rated	20.65	21.00	1.69%
District, Local and Neighbourhood Centre Review (February 2012)	Zero Rated	11.35	12.00	5.73%
Green Wedge Review (December 2011)	Zero Rated	20.65	21.00	1.69%
Green Wedge Allocations Topic Paper (July 2012) Assessment of New Areas	Zero Rated	20.65	21.00	1.69%
Open Space, Sport and Recreational Facilities Study (July 2011)	Zero Rated	41.30	43.00	4.12%
Community, Cultural & Tourism Facilities Review (2013)	Zero Rated	20.65	21.00	1.69%
Gypsy & Traveller Accommodation Needs Assessment (2013)	Zero Rated	20.65	21.00	1.69%
Extended Phase 1 Habitat Survey	Zero Rated	41.30	43.00	4.12%
Strategic Housing Land Availability Assessment	Zero Rated	154.85	161.00	3.97%
Renewable Energy Capacity Study	Zero Rated	31.00	32.00	3.23%
Housing and Economic Development Needs Assessment (HENDA) (2017)	Zero Rated		40.00	New Charge
Landscape Character Assessment and Landscape Sensitivity Analysis (2017)	Zero Rated		40.00	New Charge
Town and District Centre Study (2017)	Zero Rated		30.00	New Charge
Strategic Housing and Employment Land Availability Assessment (SHELAA)	Zero Rated		11.00	New Charge
Car Parking Assessment of Hinckley Town Centre (2017)	Zero Rated		30.00	New Charge
Economic Regeneration				
Hinckley & Bosworth Economic Regeneration Strategy (2016 - 2020)	Zero Rated	11.35	12.00	5.73%
Conservation				
Conservation Area Appraisals (Various)	Zero Rated	11.35	12.00	5.73%

Note: - All publications are subject to an additional charge for postage and packing

Note: - * 50% discount for local residents and voluntary organisations

Street naming and numbering

Renaming/renumbering of existing property	Non-business	40.00	45.00 each	12.50%
Naming/numbering of one to five properties	Non-business	40 each	45.00 each	12.50%
Naming/numbering of more than five properties	Non-business	20 each additional	25 each additional	25.00%
Naming of a street	Non-business	150 each	160 each	6.67%
Change to a development after notification (administration fee)	Non-business	50.00	55.00	10.00%
Change to a development after notification	Non-business	15 per plot	20.00 per plot	33.33%
Street re-naming at residents request	Non-business	POA	260.00	-
Written confirmation of postal address details	Non-business	25.00	30.00	20.00%
Numbering of new flat complex	Non-business	25 per flat	30.00 per flat	20.00%

CATEGORY	VAT	2017/18	2018/19	% increase
Register of Electors – Statutory Fees				
Purchase of register in Data format (per request)	Standard Rated	20.75	20.75	0.00%
(per 1000 or part there of)	Standard Rated	1.55	1.55	0.00%
Purchase of register in Printed format (per request)	Zero Rated	10.30	10.30	0.00%
(per 1000 or part there of)	Zero Rated	5.20	5.20	0.00%
Purchase of the (printed) Marked Register per request	Zero Rated	10.30	10.30	0.00%
(per 1000 or part there of - data format)	Zero Rated	1.00	1.00	0.00%
(per 1000 or part there of - paper format)	Zero Rated	2.00	2.00	0.00%
Reprographic Charges				
Photocopies for members of staff and Parish Councils				
A4 per sheet – black and white	Standard Rated	4p / copy	4p / copy	0.00%
A4 per sheet – colour	Standard Rated	7p / copy	7p / copy	0.00%
A3 per sheet – black and white	Standard Rated	8p / copy	8p / copy	0.00%
A3 per sheet – colour	Standard Rated	14p / copy	14p / copy	0.00%
Miscellaneous				
Agendas per copy				
Council	Zero Rated	5.30	5.30	0.00%
Planning	Zero Rated	10.70	10.70	0.00%
Other Committees	Zero Rated	5.30	5.30	0.00%
Photocopies of parts of reports and other documents				
1 copy A4	Standard Rated	0.10	0.10	0.00%
1 copy A3	Standard Rated	0.20	0.20	0.00%
Mortgage Questionnaire	Zero Rated	90.50	90.50	0.00%
Sealing Fee for Mortgages (Redemption)	Zero Rated	80.00	80.00	0.00%
Published Statement of Accounts	Zero Rated	11.00 + p&p	11.00 + p&p	0.00%

CATEGORY	VAT	2017/18	2017/18	2018/19	2018/19	% increase
		£	£	£	£	
Legal Services						
Miscellaneous Agreements						
Retrospective Consent (ex Council Properties)	Zero Rated	109.00		109.00		0.00%
Recharge of Legal Costs for Section 106 Agreements	Non-Business	At cost minimum fee 1,240.00		At cost minimum fee 1,267.00		2.22%
S106 Agreement Shortform Unilateral Undertaking	Non-Business	217.00		217.00		0.00%
Variation of S106 Agreement	Non-Business	At cost minimum fee 520.00		At cost minimum fee 534.00		2.77%
Preparation of lease for industrial unit / shop (includes Lease renewal)	Exempt	270.00		270.00		0.00%
Preparation of lease for Greenfields / Atkins (incl lease renewal)	Exempt	270.00		270.00		0.00%
Preparation of Non Standard Lease	Exempt	450.00		450.00		0.00%
Preparation of deed of licence / variation of a term of lease	Exempt	210.00		210.00		0.00%
Surrender of lease	Exempt	390.00		390.00		0.00%
Licence To Assign	Exempt	390.00		390.00		0.00%
Recharge of costs for sale / purchase of land	Exempt	At cost minimum fee 390.00		At cost minimum fee 401.00		2.90%
Preparation of a deed of release of a restrictive covenant	Standard Rated	237.50		237.50		0.00%
Open Space Land adoption	Exempt	At cost minimum fee 775.00		At cost minimum fee 775.00		0.00%
Data Protection subject to access request (Statutory Maximum)	Non-Business	10.00		10.00		0.00%
Deed of Dedication	Non-Business	300.00		300.00		0.00%
Deed of Rectification (Nil Charge if Council in error)	Standard Rated	260.00		260.00		0.00%
Right of Way (Standard easement)	Non-Business	217.00		217.00		0.00%
Retrospective Consent (RTB Properties)	Non-Business	109.00		109.00		0.00%
Postponement of charge (RTB Properties)	Non-Business	109.00		109.00		0.00%
Licence authorising change of use	Non-Business	243.00		243.00		0.00%
Grazing licences	Zero Rated	109.00		109.00		0.00%
Deed of Variation of Leases	Standard Rated	325.00		325.00		0.00%
JCT Minor Works Contract	Non-Business	109.00		109.00		0.00%
Sealing Fee	Non-Business	20.75		20.75		0.00%
Charge for diversion/extinguishment of Public Rights of Way						
			FIRST PATH	EACH ADD.	FIRST PATH	EACH ADD.
Stage 1 (Preliminary Consultation)	Non-Business	880.00	260.00	880.00	260.00	0.00%
Stage 2 (Making Order)	Non-Business	352.00	103.50	352.00	103.50	0.00%
Stage 3 (Submission to Secretary of State where Order opposed)	Non-Business	413.00	103.50	413.00	103.50	0.00%
Stage 4 (Confirmation of Order)	Non-Business	207.00	61.50	207.00	61.50	0.00%
Note: - No payment to be made until completion of Stage 2 (or such earlier stage if the matter proceeds no further) and, thereafter, at every appropriate subsequent stage						
Town Police Closures	Non-Business	152.00		152.00		0.00%

Hinckley & Bosworth Borough Council
Town and Country Planning Fees Applications

Scale of fees

Category of development	Fee payable
A - Operations	
<p>1. The erection of dwellinghouses (other than development in category 6).</p>	<p>(1) Where the application is for outline planning permission and - (a) the site area does not exceed 2.5 hectares, £462 for each 0.1 hectare of the site area; (b) the site area exceeds 2.5 hectares, £11,432 and an additional £138 for each 0.1 hectare in excess of 2.5 hectares, subject to a maximum in total of £150,000; (2) in other cases - (a) where the number of dwellinghouses to be created by the development is 50 or fewer, £462 for each dwellinghouse; (b) Where the number of dwellinghouses to be created by the development exceeds 50, £22,859 and an additional £138 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £300,000.</p>
<p>2. The erection of buildings (other than buildings in categories 1, 3, 4, 5 or 7).</p>	<p>(1) Where the application is for outline planning permission and - (a) the site area does not exceed 2.5 hectares, £462 for each 0.1 hectare of the site area; (b) the site area exceeds 2.5 hectares, £11,432 and an additional £138 for each 0.1 hectare in excess of 2.5 hectares, subject to a maximum in total of £150,000</p>

	<p>(2) in other cases -</p> <ul style="list-style-type: none"> (a) where no floor space is to be created by the development, £234 (b) where the area of gross floor space to be created by the development does not exceed 40 square metres, £234; (c) where the area of the gross floor space to be created by the development exceeds 40 square metres, but does not exceed 75 square metres, £462; (d) where the area of the gross floor space to be created by the development exceeds 75 square metres, but does not exceed £4,500 square metres, £462 for each 75 square metres of that area; (e) Where the area of gross floor space to be created by the development exceeds 3750 square metres, £22,859 and an additional £138 for each 75 square metres in excess of 3750 square metres, subject to a maximum in total of £300,000
<p>3. The erection, on land used for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in category 4).</p>	<ul style="list-style-type: none"> (1) where the application is for outline planning permission and - <ul style="list-style-type: none"> (a) the site area does not exceed 2.5 hectares, £462 each 0.1 hectare of the site area; (b) the site area exceeds 2.5 hectares, £11,432 and an additional £138 for each additional hectare in excess of 2.5 hectares, subject to a maximum in total of £150,000; (2) in other cases - <ul style="list-style-type: none"> (a) where the area of gross floor space to be created by the development does not exceed 465 square metres, £96; (b) where the area of gross floor space to be created by the development exceeds 465 square metres but does not exceed 540 square metres, £462; (c) where the area of the gross floor space to be created by the development exceeds 540 square metres but does not exceed 4215 square metres, £462 for the first 540 square metres, and an additional £462 for each 75 square metres in excess of 540 square metres; and (d) where the area of gross floor space to be created by the development exceeds 4215 square metres, £22,859; and an additional £138 for each 75 square metres in excess of 4215 square metres, subject to a maximum in

	total of £300,000.
4. The erection of glasshouses on land used for the purposes of agriculture.	(1) Where the area of gross floor space to be created by the development does not exceed 465 square metres, £96; (2) Where the area of gross floor space to be created by the development exceeds 465 square metres, £2,580.
5. The erection, alteration or replacement of plant or machinery.	(1) Where the site area does not exceed 5 hectares, £462 for each 0.1 hectare of the site area; (2) Where the site area exceeds 5 hectares, £22,859 and an additional £138 for each 0.1 hectare in excess of 5 hectares, subject to a maximum in total of £300,000.
6. The enlargement, improvement or other alteration of existing dwelling houses.	(1) Where the application relates to one dwelling house, £206; (2) Where the application relates to two or more dwellinghouses, £407.
7. The carrying out of operations (including the erection of a building) within the curtilage of an existing dwellinghouse, for purposes ancillary to the enjoyment of the dwellinghouse as such, or the erection or construction of gates, fences, walls or other means of enclosure along a boundary of the curtilage of an existing dwelling house.	£206
8. The construction of car parks, service roads and other means of access on land used for the purposes of a single undertaking, where the development is required for a purpose incidental to the existing use of the land.	£234
9. The carrying out of any operations connected with exploratory drilling for oil or natural gas.	(1) Where the site area does not exceed 7.5 hectares, £508 for each 0.1 hectare of the site area; (2) Where the site area exceeds 7.5 hectares, £38,070; and an additional £151 for each 0.1 hectare in excess of 7.5 hectares, subject to a maximum in total of £300,000.
10. The carrying out of any operations not coming within any of the above categories.	(1) In the case of operations for the winning and working of minerals - (a) where the site area does not exceed 15hectares, £234 for each 0.1 hectare of the site area; (b) where the site area exceeds 15 hectares, £34,934; and an additional £138 for each 0.1 hectare in excess of 15 hectares, subject to a maximum in total of £78,000;

	(2) In any other case, £234 for each 0.1 hectare of the site area, subject to a maximum in total of £2,028.
B - Uses of land	
11. The change of use of a building to use as one or more separate dwelling houses.	(1) Where the change of use is from a previous use as a single dwellinghouse to use as two or more single dwellinghouses - (a) where the change of use is to use as 50 or fewer dwellinghouses, £462 for each additional dwellinghouse; (b) where the change of use is to use as more than 50 dwellinghouses, £22,859; and an additional £138 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £300,000; (2) in all other cases - (a) where the change of use is to use as 50 or fewer dwellinghouses, £462 for each dwellinghouse; (b) Where the change of use is to use as more than 50 dwellinghouses, £22,859; and an additional £138 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £300,000.
12. The use of land for - (a) the disposal of refuse or waste materials; (b) the deposit of material remaining after minerals have been extracted from land; or (c) the storage of minerals in the open.	(1) Where the site area does not exceed 15 hectares, £234 for each 0.1 hectare of the site area; (2) Where the site area exceeds 15 hectares, £34,934; and an additional £138 for each 0.1 hectare in excess of 15 hectares, subject to a maximum in total of £78,000.
13. The making of a material change in the use of a building or land (other than a material change of use in category 11 or 12(a), (b) or (c)).	£462
C – Other applications	
14. Certificate of Lawful Use or Development - (a) where the application relates to an existing use or development, the fee appropriate for an application for planning permission for that use or development	Please contact your Local Planning Authority for the correct fee for this type of application

(b) where the application relates to a proposed use or development, half that fee.	
15. Prior Notification under GDO - (a) agricultural buildings (b) intention to demolish a building	£96
16. Prior Notification Under GDO (Telecommunications)	£462
17. Hazardous Substances Consent - (a) for development involving up to twice the controlled quantity (b) for development involving large quantities (c) continuance of consent without complying with a condition	Please contact your Local Planning Authority for the correct fee for this type of application
18. Confirmation of compliance with condition attached to a grant of planning permission - (a) where the request relates to a permission for development which falls within category 6 or 7 of Part 2 to Schedule 1 (b) where the request relates to a permission for development which falls within any other category of that Schedule	£34 per request £116 per request
19. Variation or removal of a Condition	£234
Application for a grant of replacement planning permission subject to a new time limit:	
(a) If the application is a householder application	£68
(b) If the application is an application for major development	£690
(c) In any other case	£234
Application for a non-material amendment following a grant of planning permission	
(a) If the application is a householder application	£34
(b) In any other case	£234

Fees for advertisements

Scale of fees in respect of applications for consent to display advertisements

Category of development	Fee payable
1. Advertisement displayed externally on business premises, the forecourt of business premises or other land within the curtilage of business premises, wholly with reference to all or any of the following matters – (a) the nature of the business or other activity carried out on the premises; (b) the goods sold or the services provided on the premises; or (c) the name and qualifications of the person carrying on such business or activity or supplying such goods or services.	£132
2. Advertisements for the purpose of directing members of the public to, or otherwise drawing attention to the existence of, business premises which are in the same locality as the site on which the advertisement is to be displayed but which are not visible from that site.	£132
3. All other advertisements.	£462

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

306 DECLARATIONS OF INTEREST

No interests were declared.

312 FEES AND CHARGES 2018-2019

Consideration was given to the fees and charges for 2018/19. During discussion, the
following points were raised:

- The decrease in the charge for collecting bulky waste to attempt to discourage fly tipping. A member suggested that it was mostly building supplies that were fly tipped, and in response it was noted that it was an issue across all categories of waste and that a countywide campaign was planned
- The need to be flexible in charging for replacement bins as it wasn't always the resident's fault that the bin was damaged. It was also noted that theft of bins can be a problem
- Co-mingled recycling would commence from 1 April. Members would be briefed before commencement
- Gambling Act licensing fees were nationally set, hence them not increasing in line with other fees
- There was a change to the way hackney carriage licensing fees were paid in that the MOT fee was now paid direct to the garage and not paid via the local authority, so although the fee appeared to have reduced, this was due to a change in the charging regime.

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Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

SCRUTINY COMMISSION 1 FEBRUARY 2018
COUNCIL 22 FEBRUARY 2018

WARDS AFFECTED: ALL WARDS

THE PRUDENTIAL CODE FOR CAPITAL FINANCE IN LOCAL AUTHORITIES SETTING OF PRUDENTIAL INDICATORS 2017/18 - 2020/21 AND TREASURY MANAGEMENT STRATEGY 2017/18-2020/21

Report of Head of Finance

1. PURPOSE OF REPORT

1.1 This report outlines the Council's prudential indicators for 2017/18 - 2020/21 and sets out the expected treasury operations for this period. It fulfils four key legislative requirements:

- The reporting of the **Prudential Indicators**, setting out the expected capital activities (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities). The treasury management prudential indicators are now included as treasury indicators in the CIPFA Treasury Management Code of Practice;
- The Council's **Minimum Revenue Provision (MRP) Policy**, which sets out how the Council will pay for capital assets through revenue each year (as required by Regulation under the Local Government and Public Involvement in Health Act);
- The **Treasury Management Strategy Statement** which sets out how the Council's treasury service will support the capital decisions taken above, the day to day treasury management and the limitations on activity through treasury prudential indicators. The key indicator is the **Authorised Limit**, the maximum amount of debt the Council could afford in the short term, but which would not be sustainable in the longer term. This is the Affordable Borrowing Limit required by s3 of the Local Government Act 2003.
- The **Investment Strategy** which sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the CLG Investment Guidance.

The above policies and parameters provide an approved framework within which the officers undertake the day to day capital and treasury activities.

2. RECOMMENDATIONS

Members approve the key elements of these reports:

- 2.1 The Prudential Indicators and Limits for 2017/18 to 2020/21 contained within 3.28 & 3.29 of the report, including the Authorised Limit Prudential Indicator.
- 2.2 The Minimum Revenue Provision (MRP) Statement contained paragraphs 3.13 & 3.14 which set out the Council's policy on MRP.
- 2.3 The Treasury Management Strategy 2017/18 to 2020/21 and the Treasury Prudential Indicators (paragraph 3.20 onwards of the report)
- 2.4 The Investment Strategy contained in the Treasury Management Strategy and the detailed strategy in Appendix 1.

3. BACKGROUND TO THE REPORT

- 3.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

CIPFA defines treasury management as:

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

The Capital Prudential Indicators 2017/18 - 2020/21

Introduction

- 3.1 The Council's capital expenditure plans are the key driver of treasury management activity. Financing of capital expenditure plans are reflected in prudential indicators, which are designed to assist members overview and confirm capital expenditure plans.
- 3.2 Within this overall prudential framework there is an impact on the Council's treasury management activity because it will directly impact on borrowing or investment activity. As a consequence the treasury management strategy for 2017/18 to 2020/21 is included in section C to complement these indicators. Some of the prudential indicators are shown in the treasury management strategy to aid understanding.

Where the Council is acting as accountable body and is required to keep fund separate from its main treasury activities, cashflow and treasury management implications will be reported separately at the appropriate level.

3.3 Capital Strategy

In December 2017, CIPFA issued revised Prudential and Treasury Management Codes. From 2019-20 the council will prepare an additional report, a capital Strategy report, which is intended to provide the following:

- A high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- An overview of how the associated risk is managed
- The implications for future financial stability

The aim of the report is to ensure that all elected members on the full council fully understand the overall strategy, governance procedures and risk appetite entailed by this strategy.

The Capital Strategy will include capital expenditure, investments and liabilities and treasury management in sufficient detail to allow all members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured

The Capital Expenditure Plans

3.4 The Council's capital expenditure plans are summarised below and this forms the first of the prudential indicators. A certain level of capital expenditure is grant supported by the Government; any decisions by the Council to spend above this level will be considered unsupported capital expenditure. This unsupported capital expenditure needs to have regard to:

- Service objectives (e.g. strategic planning);
- Stewardship of assets (e.g. asset management planning);
- Value for money (e.g. option appraisal)
- Prudence and sustainability (e.g. implications for external borrowing and whole life costing);
- Affordability (e.g. implications for the council tax and rents);
- Practicality (e.g. the achievability of the forward plan).

3.5 The revenue consequences of capital expenditure, particularly the unsupported capital expenditure, will need to be paid for from the Council's own resources.

3.6 This capital expenditure can be paid for immediately (by applying capital resources such as capital receipts, capital grants etc., or revenue resources), but if these resources are insufficient any residual capital expenditure will add to the Council's borrowing need.

3.7 The key risks to the plans are that the level of Government support has been estimated and is therefore subject to change. Similarly some estimates for other sources of funding, such as capital receipts, may also be subject to change over this timescale. For instance anticipated asset sales may be postponed due to the poor condition of the property market.

- 3.8 The Council is asked to approve the summary capital expenditure projections below. This forms the first prudential indicator:

Capital Expenditure £'000	2016/17 Actual £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000
Non-HRA	4,424	3,544	5,333	5,339	2,032
HRA	5,812	7,094	7,496	4,746	4,103
Total	10,236	10,638	12,829	10,085	6,135

The table below summaries the above capital expenditure plans and how these plans are being financed by capital and revenue resources. Any shortfall of resources results in a funding borrowing need.

Financed by:					
Capital receipts	307	950	1,093	933	831
Capital grants	1,086	1,068	925	455	455
Capital reserves	6,254	7,756	8,673	5,106	4,462
Revenue	150	14	10	10	10
Net financing need for the year	2,439	850	2,128	3,581	377

The Council's Borrowing Need (the Capital Financing Requirement)

- 3.9 The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. The capital expenditure above which has not immediately been paid for will increase the CFR.

- 3.10 The Council is asked to approve the CFR projections below:

£'000s	2016/17 Actual £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000
Capital Financing Requirement					
CFR - Non Housing	37,059	37,037	42,186	44,868	44,181
CFR – Housing	70,320	70,320	70,320	70,320	70,320
Total CFR	107,379	107,357	112,506	115,188	114,501
Movement in CFR					

Movement in CFR represented by					
Fleet Lease Debt		0	3,900	0	0
Net financing need for the year (above)		850	2,128	3,581	377
Less MRP/ VRP and other financing movements		-872	-879	- 899	-1064
Movement in CFR		-22	5,149	2,682	-687

- 3.11 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the Minimum Revenue Provision - MRP), although it is also allowed to undertake additional voluntary

payments if required (Voluntary Revenue Provision - VRP). No revenue charge is required for the HRA.

- 3.12 CLG Regulations have been issued which require full Council to approve an **MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement.

Minimum Revenue Provision (MRP) Policy Statement.

- 3.13 For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

Existing Practice - MRP will follow the existing practice outlined in former CLG Regulations (Option 1);

These options provide for an approximate 4% reduction in the borrowing need (CFR) each year.

- 3.14 From 1 April 2008 for all unsupported borrowing (including Finance Leases) the MRP policy will be:-

Asset Life Method – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction).

These options provide for a reduction in the borrowing need over approximately the asset's life.

Core funds and expected investment balances

- 3.15 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc). Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

Table 3

£'000	2016/17 Actual £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000
Fund balances	2,629	3,321	2,732	2,755	2,601
Capital receipts	2,642	2,049	3,866	3,835	3,743
Earmarked reserves	17,684	15,998	13,551	10,756	9,409
Provisions	955	500	500	500	500
Contributions unapplied	3,341	1,000	500	500	500
Total Core Funds	27,251	22,868	21,149	18,346	16,753
Working Capital*	1,000	1,000	1,000	1,000	1,000
Under borrowing	26,251	21,868	20,149	17,346	15,753
Expected Investments	0	0	0	0	0

*Working capital balances shown are estimated year end; these may be higher mid-year.

Affordability Prudential Indicators

- 3.16 The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:
- 3.17 **Actual and Estimates of the ratio of financing costs to net revenue stream** – This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Table 4

%	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000
Non-HRA	8.85	12.30	11.72	12.78
HRA	27.99	30.80	32.08	34.42

- 3.18 The estimates of financing costs include current commitments and the proposals in the budget report.
- 3.19 **Estimates of the incremental impact of capital investment decisions on Housing Rent levels** – Similar to the Council tax calculation this indicator identifies the trend in the cost of proposed changes in the housing capital programme recommended in this budget report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

Table 6

Incremental impact of capital investment decisions - Housing Rent levels.

There is no additional borrowing budgeted for the HRA

£	Latest Budget 2017/18	Forward Projection 2018/19	Forward Projection 2019/20	Forward Projection 2020/21
Weekly Housing Rent levels	£0.00	£0.00	£0.00	£0.00

Treasury Management Strategy 2017/18 – 2018/19

- 3.20 Treasury Management is an important part of the overall financial management of the Council's affairs. The prudential indicators in this section consider the affordability and impact of capital expenditure decisions, and set out the Council's overall capital framework. The treasury service considers the effective funding of these decisions. Together they form part of the process which ensures the Council meets its balanced budget requirement under the Local Government Finance Act 1992.
- 3.21 The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management). This Council adopted the Code of Practice on Treasury Management on 30 June 2003.
- 3.22 As a result of adopting the Code the Council also adopted a Treasury Management Policy Statement (30 June 2003).

3.23 The Constitution requires an annual strategy to be reported to Council outlining the expected treasury activity for the forthcoming 3 years. A key requirement of this report is to explain both the risks, and the management of the risks, associated with the treasury service. A further treasury report is produced after the year-end to report on actual activity for the year, and a new requirement of the revision of the Code of Practice is that there is a mid-year monitoring report.

This strategy covers:

- The Council's debt and investment projections;
- The Council's estimates and limits on future debt levels;
- The expected movement in interest rates;
- The Council's borrowing and investment strategies;
- Treasury performance indicators;
- Specific limits on treasury activities;

BORROWING

3.25 The capital expenditure plans set out above provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy

3.26 The Council's treasury portfolio position at 31 March 2017, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£'000	2017/18 Revised	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
External Debt				
Debt at 1 April	75,952	76,802	82,830	86,411
Fleet Lease Debt	0	3,900	0	0
Expected change in debt	850	2,128	3,581	377
Debt at 31 March	76,802	82,830	86,411	86,788

3.27 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2017/18 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. The Head of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

Treasury Indicators: limits to borrowing activity

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

Table 8

Operational boundary £000's	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Debt	107,357	112,506	115,188	114,501
Total	107,357	112,506	115,188	114,501

3.29 **The authorised limit for external debt.** A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all Councils' plans, or those of a specific Council, although this power has not yet been exercised. The Council is asked to approve the following authorised limit:

Authorised limit £000s	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
General Fund	38,537	43,686	46,368	45,681
HRA	71,915	71,915	71,915	71,915
Total	110,452	115,601	118,283	117,596

Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit is currently: no change

HRA Debt Limit £m	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
HRA debt cap	72.0	72.0	72.0	72.0
HRA CFR	70.3	70.3	70.3	70.3
HRA headroom	1.7	1.7	1.7	1.7

3.30 Expected Movement in Interest Rates

The Council has appointed Capita Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives our central view.

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2017	0.50	1.50	2.80	2.50
Mar 2018	0.50	1.60	2.90	2.60
Jun 2018	0.50	1.60	3.00	2.70
Sep 2018	0.50	1.70	3.00	2.80
Dec 2018	0.75	1.80	3.10	2.90
Mar 2019	0.75	1.80	3.10	2.90
Jun 2019	0.75	1.90	3.20	3.00
Sep 2019	0.75	1.90	3.20	3.00
Dec 2019	1.00	2.00	3.30	3.00
Mar 2020	1.00	2.10	3.40	3.20
Jun 2020	1.00	2.10	3.50	3.30
Sep 2020	1.25	2.20	3.50	3.30

Dec 2020	1.25	2.30	3.60	3.40
Mar 2021	1.25	2..30	3.60	3.40

A detailed economic commentary is given in Appendix 1

BORROWING STRATEGY

- 3.31 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow have been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is an issue that need to be considered.
- 3.32 Against this background and the risks within the economic forecast, caution will be adopted with the 2018/19 treasury operations. The Head of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates, e.g. due to a marked increase of risks around relapse into recession or risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*
 - *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from acceleration in the start date and in the rate of increase in central rates in USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, the fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in next few years.*

Borrowing In Advance

- 3.33 The Council will not borrow more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the current reporting mechanism.

Debt Restructuring

- 3.34 As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

- 3.35 Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

ANNUAL INVESTMENT STRATEGY

- 3.36 The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.
- 3.37 In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The ratings used to monitor counterparties are Short Term and Long Term ratings.
- 3.38 Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
- 3.39 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 3.40 Investment instruments identified for use in the financial year are listed in Appendix 1 under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.

3.41 Creditworthiness Policy

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

- 3.42 The Head of Finance will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

3.43 Credit rating information is supplied by Link Asset Services our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating watch applying to counterparty at the minimum Council criteria will be suspended from use, with all others being reviewed in light of market conditions. Additional background in the approach taken is attached at Appendix 2

3.44 The criteria for providing a pool of high quality investment counterparties (both Specified and Non-specified investments) is:

- **Banks 1 - Good Credit Quality** – the Council will only use banks which:

- i) Are UK banks; or
- ii) Are non-UK and domiciled in a country which has a minimum Sovereign long term rating of AA-

And have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):

- i) **Short Term** – F1
- ii) **Long Term** – A-

Banks 2 – Part Nationalised UK Banks – These banks will be included if they continue to be part nationalised or they meet the ratings criteria in Bank 1 above

- **Banks 3** - The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
- **Bank Subsidiary and treasury operations** – the Council will use these where the parent bank has the necessary ratings outlined above or has provide an appropriate guarantee.
- **Building Societies** – the Council will use all Societies which:
 - i) Have a minimum rating short term rating of F1 and long term rating of A-
Or :
 - iii) Have assets in excess of £500m.
- **Money Market Funds** – AAA
- **Enhanced Money Market Funds.**
- **UK Government** (including gilts and the DMADF)
- **Local Authorities, Parish Councils, PCC's, Fire Authorities etc**
- **Supranational institutions**
- **Property fund and Corporate Bonds** – The Council will these funds if they meet the creditworthiness criteria. No decision will be made on the use of these funds without further Council approval.

3.45 **Use of additional information other than credit ratings** – Additional requirements under the Code of Practice requires the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

3.46 **Time and Monetary Limits applying to Investments** - The time and monetary limits for institutions on the Council's Counterparty List are as follows (these will cover both Specified and Non-Specified Investments):

	Fitch (or equivalent)	Money Limit	Time Limit
Bank 1 Category	A-	£6m	1yr
Bank 2 Category	A-	£6m	1yr
Bank 3 Councils Own Bank	A-	£6m	1yr
Other Institution Limits (approval needed)	N/A	£6m	1yr
Building Societies	A- or £500m base	£5m	1yr
Local Authorities,PCC & Fire Authorities	N/A	£7m	1yr
Money Market Funds	AAA	£6m	liquid
DMADF	N/A	£6m	6 months

3.47 **Country and sector considerations –**

Due care will be taken to consider the country, group and sector exposure of the Council's investments. In part the country selection will be chosen by the credit rating of the Sovereign state in Banks 1 above. In addition:

- limits in place above will apply to Group companies;
- Sector limits will be monitored regularly for appropriateness.

3.48 **In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

Investment returns expectations. Bank Rate is forecast to stay flat at 0.50% until quarter 4 2018 and not to rise above 1.25% by quarter 1 2021. Bank Rate forecasts for financial year ends (March) are:

2017/18	0.50%
2018/19	0.75%
2019/20	1.00%
2020/21	1.25%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 3 months during each financial year are as follows:

2017/18	0.40%
2018/19	0.60%
2019/20	0.90%
2020/21	1.25%
2021/22	1.50%
2022/23	1.75%
2023/24	2.00%
2024/25	2.00%
Later years	2.75%

The overall balance of risks to these forecasts is currently skewed to the upside and are dependent on how strong GDP growth turns out, how quickly inflation pressures rise and how quickly the Brexit negotiations move forward positively.

3.49 Investment treasury indicator and limit - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

3.50 Investment Risk Benchmarking

These benchmarks are simple guides to maximum risk and so may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the Mid-Year or Annual Report.

- ii. **Security** - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:
- iii. **Liquidity** – In respect of this area the Council seeks to maintain:
 - Bank overdraft – £0.250m (if required)
 - Liquid short term deposits of at least £1m available with a week's notice.
 - Weighted Average Life benchmark is expected to be 0.5 years, with a maximum of 1 year.

3.51 Yield - Local measures of yield benchmarks are

- Investments – internal returns above 7 day LIBID
- Investments – internal returns above 30 day LIBID

Performance Indicators

3.52 The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. Examples of performance indicators often used for the treasury function are:

- Debt - Borrowing - Average rate of borrowing for the year compared to average available
- Debt - Average rate movement year on year
- Investments - Internal returns above the 7 day LIBID rate

The results of these indicators will be reported in the Treasury Annual Report.

Treasury Management Advisers

3.53 The Council uses Link Asset Services as its treasury management advisers. The company provides a range of services which include:

- Technical support on treasury matters, capital finance issues and the drafting of Member reports;
- Economic and interest rate analysis;
- Debt services which includes advice on the timing of borrowing;
- Debt rescheduling advice surrounding the existing portfolio;
- Generic investment advice on interest rates, timing and investment instruments;
- Credit ratings/market information service comprising the three main credit rating agencies.

3.54 Whilst the advisers provide support to the internal treasury function, under current market rules and the CIPFA Code of Practice the final decision on treasury matters remains with the Council. This service is subject to regular review.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 Report to be taken in open session

5. FINANCIAL IMPLICATIONS [IB]

5.1 These are contained in the body of the report.

6. LEGAL IMPLICATIONS [AR]

6.1 These are contained in the body of the report.

7. CORPORATE PLAN IMPLICATIONS

7.1 Treasury Management and Prudential Indicators indirectly impacts on all Corporate Plan targets

8. CONSULTATION

8.1 None

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives. It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the

information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of Significant (Net Red) Risks		
Risk Description	Mitigating Actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	<p>A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation.</p> <p>The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.</p> <p>Sufficient levels of reserves and balances are maintained to ensure financial resilience</p>	A Wilson

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 Schemes in the Capital Programme cover all services and all areas of the Borough including rural areas.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers:
 Capital Programme 2017/18 to 2020/21
 Revenue Budget 2018/19

Contact Officer: Ilyas Bham, Accountancy Manager ext 5924

Executive Member: Councillor M Hall

Appendix 1

Treasury Management Practice (TMP) 1 – Credit and Counterparty Risk Management

1. The CLG issued Investment Guidance in 2010, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which are under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for Councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code on 30 June 2003 and will apply its principles to all investment activity. In accordance with the Code, the Head of Finance has produced its treasury management practices (TMPs). This part, TMP 1(5), covering investment counterparty policy requires approval each year.

Annual Investment Strategy - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

2. The investment policy proposed for the Council is:

Strategy Guidelines – The main strategy guidelines are contained in the body of the treasury strategy statement.

Specified Investments – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

3. The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity).
4. Supranational bonds of less than one year's duration.
5. A local authority, parish council or community council.
6. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. For category 4 this covers pooled investment vehicles, such as money market funds, rated AAA by Standard and Poor's, Moody's or Fitch rating agencies.
7. A body that is considered of a high credit quality (such as a bank or building society). For category 5 this covers bodies with a minimum short term rating of F1 (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies.

Non-Specified Investments – Non-specified investments are any other type of investment (i.e. not defined as Specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any sterling investments with:

	Non Specified Investment Category	Limit (£)
a.	3. The Council's own banker if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.	£6m
a.	Building societies not meeting the basic security requirements under the specified investments. The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The Council may use such building societies which were originally considered Eligible Institutions and have a minimum asset size of £500m, but will restrict these type of investments to £5m	£6m
b.	Any bank or building society that has a minimum long term credit rating of A, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	£6m
c.	Any non rated subsidiary of a credit rated institution included in the specified investment category. These institutions will be included as an investment category subject to a limit of £2m for a period of 6 months	£2m

The Monitoring of Investment Counterparties - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Sector as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Head of Finance, and if required new counterparties which meet the criteria will be added to the list.

Security, Liquidity and Yield Benchmarking

8. **Benchmarking and Monitoring Security, Liquidity and Yield in the Investment Service** A proposed development for Member reporting is the consideration and approval of security and liquidity benchmarks.

These benchmarks are targets and so may be breached from time to time. Any breach will be reported, with supporting reasons in the Annual Treasury Report.

9. Yield - These benchmarks are currently widely used to assess investment performance. Local measures of yield benchmarks are:
- Investments - Internal returns above the 7 day LIBID rate
 - Investments - Internal returns above the 30 day LIBID rate
10. Security and liquidity benchmarks are already intrinsic to the approved treasury strategy through the counterparty selection criteria and some of the prudential indicators. However they have not previously been separately and explicitly set out for Member consideration. Proposed benchmarks for the cash type investments are below and these will form the basis of future reporting in this area. In the other investment categories appropriate benchmarks will be used where available.
11. Liquidity - This is defined as “having adequate, though not excessive cash resources, borrowing arrangements, overdrafts or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives” (CIPFA Treasury Management Code of Practice). In respect of this area the Council seeks to maintain:
- Bank overdraft - £0.250m
 - Liquid short term deposits of at least £1m available with a week’s notice.
12. The availability of liquidity and the term risk in the portfolio can be benchmarked by the monitoring of the Weighted Average Life (WAL) of the portfolio – shorter WAL would generally embody less risk. In this respect the proposed benchmark is to be used:
- WAL benchmark is expected to be 0.75 years, with a maximum of 1 year.
13. Security of the investments - In context of benchmarking, assessing security is a much more subjective area to assess. Security is currently evidenced by the application of minimum credit quality criteria to investment counterparties, primarily through the use of credit ratings supplied by the three main credit rating agencies (Fitch, Moody’s and Standard and Poors). Whilst this approach embodies security considerations, benchmarking levels of risk is more problematic. One method to benchmark security risk is to assess the historic level of default against the minimum criteria used in the Council’s investment strategy. The table beneath shows average defaults for differing periods of investment grade products for each Fitch/Moody’s Standard and Poors long term rating category over the last 20 years.

Economic Background

UK. After the UK surprised on the upside with strong economic growth in 2016, **growth in 2017 has been disappointingly weak**; quarter 1 came in at only +0.3% (+1.8% y/y), quarter 2 was +0.3% (+1.5% y/y) and quarter 3 was +0.4% (+1.5% y/y). The main reason for this has been the sharp increase in inflation, caused by the devaluation of sterling after the EU referendum, feeding increases in the cost of imports into the economy. This has caused, in turn, a reduction in consumer disposable income and spending power and so the services sector of the economy, accounting for around 80% of GDP, has seen weak growth as consumers cut back on their expenditure. However, more recently there have been encouraging statistics from the **manufacturing sector** which is seeing strong growth, particularly as a result of increased demand for exports. It has helped that growth in the EU, our main trading partner, has improved significantly over the last year while robust world growth has also been supportive. However, this sector only accounts for around 10% of GDP so expansion in this sector will have a much more muted effect on the overall GDP growth figure for the UK economy as a whole.

While the Bank of England is expected to give forward guidance to prepare financial markets for gradual changes in policy, the **Monetary Policy Committee, (MPC), meeting of 14 September 2017** managed to shock financial markets and forecasters by suddenly switching to a much more aggressive tone in terms of its words around warning that Bank Rate will need to rise soon. The Bank of England Inflation Reports during 2017 have clearly flagged up that it expected CPI inflation to peak at just under 3% in 2017, before falling back to near to its target rate of 2% in two years' time. The Bank revised its forecast for the peak to just over 3% at the 14 September meeting. (Inflation actually came in at 3.1% in November so that may prove now to be the peak.) This marginal revision in the Bank's forecast can hardly justify why the MPC became so aggressive with its wording; rather, the focus was on an emerging view that with unemployment having already fallen to only 4.3%, the lowest level since 1975, and improvements in productivity being so weak, that **the amount of spare capacity in the economy was significantly diminishing** towards a point at which they now needed to take action. In addition, the MPC took a more tolerant view of low wage inflation as this now looks like a common factor in nearly all western economies as a result of automation and globalisation. However, the Bank was also concerned that the withdrawal of the UK from the EU would effectively lead to a *decrease* in such globalisation pressures in the UK, and so this would cause additional inflationary pressure over the next few years.

At its 2 November meeting, the MPC duly delivered a 0.25% increase in Bank Rate. It also gave forward guidance that they expected to increase Bank Rate only twice more in the next three years to reach 1.0% by 2020. This is, therefore, not quite the 'one and done' scenario but is, nevertheless, a very relaxed rate of increase prediction in Bank Rate in line with previous statements that Bank Rate would only go up very gradually and to a limited extent.

However, some forecasters are flagging up that they expect growth to accelerate significantly towards the end of 2017 and then into 2018. This view is based primarily on the coming fall in inflation, (as the effect of the effective devaluation of sterling after the EU referendum drops out of the CPI statistics), which will bring to an end the negative impact on consumer spending power. In addition, a strong export performance will compensate for weak services sector growth. If this scenario was indeed to materialise, then the MPC would be likely to accelerate its pace of increases in Bank Rate during 2018 and onwards.

It is also worth noting the **contradiction within the Bank of England** between action in 2016 and in 2017 **by two of its committees**. After the shock result of the EU referendum, the **Monetary Policy Committee (MPC)** voted in August 2016 for emergency action to cut Bank Rate from 0.50% to 0.25%, restarting £70bn of QE purchases, and also providing UK banks with £100bn of cheap financing. The aim of this was to lower borrowing costs, stimulate demand for borrowing and thereby increase expenditure and demand in the economy. The MPC felt this was

necessary in order to ward off their expectation that there would be a sharp slowdown in economic growth. Instead, the economy grew robustly, although the Governor of the Bank of England strongly maintained that this was *because* the MPC took that action. However, other commentators regard this emergency action by the MPC as being proven by events to be a mistake. Then in 2017, we had the **Financial Policy Committee (FPC)** of the Bank of England taking action in June and September over its concerns that cheap borrowing rates, and easy availability of consumer credit, had resulted in too rapid a rate of growth in consumer borrowing and in the size of total borrowing, especially of unsecured borrowing. It, therefore, took punitive action to clamp down on the ability of the main banks to extend such credit! Indeed, a PWC report in October 2017 warned that credit card, car and personal loans and student debt will hit the equivalent of an average of £12,500 per household by 2020. However, averages belie wide variations in levels of debt with much higher exposure being biased towards younger people, especially the 25 -34 year old band, reflecting their lower levels of real income and asset ownership.

One key area of risk is that consumers may have become used to cheap rates since 2008 for borrowing, especially for mortgages. It is a major concern that **some consumers may have over extended their borrowing** and have become complacent about interest rates going up after Bank Rate had been unchanged at 0.50% since March 2009 until falling further to 0.25% in August 2016. This is why forward guidance from the Bank of England continues to emphasise slow and gradual increases in Bank Rate in the coming years. However, consumer borrowing is a particularly vulnerable area in terms of the Monetary Policy Committee getting the pace and strength of Bank Rate increases right - without causing a sudden shock to consumer demand, confidence and thereby to the pace of economic growth.

Moreover, while there is so much uncertainty around the Brexit negotiations, consumer confidence, and business confidence to spend on investing, it is far too early to be confident about how the next two to three years will actually pan out.

EZ. Economic growth in the eurozone (EZ), (the UK's biggest trading partner), had been lack lustre for several years after the financial crisis despite the ECB eventually cutting its main rate to -0.4% and embarking on a massive programme of QE. However, growth picked up in 2016 and has now gathered substantial strength and momentum thanks to this stimulus. GDP growth was 0.6% in quarter 1 (2.1% y/y), 0.7% in quarter 2 (2.4% y/y) and +0.6% in quarter 3 (2.6% y/y). However, despite providing massive monetary stimulus, the European Central Bank is still struggling to get inflation up to its 2% target and in November inflation was 1.5%. It is therefore unlikely to start on an upswing in rates until possibly 2019. It has, however, announced that it will slow down its monthly QE purchases of debt from €60bn to €30bn from January 2018 and continue to at least September 2018.

THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed.-

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HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

306 DECLARATIONS OF INTEREST

No interests were declared.

313 TREASURY MANAGEMENT & PRUDENTIAL INDICATORS

Prudential indicators for 2017/18 to 2020/21 were outlined and the expected treasury
operations were explained.

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Hinckley & Bosworth
Borough Council

A Borough to be proud of

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

SCRUTINY COMMISSION
COUNCIL

1 FEBRUARY 2018
22 FEBRUARY 2018

WARDS AFFECTED: HINCKLEY WARDS

OFF STREET PARKING PLACES ORDER

Report of Director Environment and Planning

1. PURPOSE OF REPORT

1.1 To seek variation of the Off Street Parking Places Order.

2. RECOMMENDATION

2.1 That Council approves the proposed variation to the Off Street Parking Places (Hinckley and Bosworth) Order 2014.

2.2 That Council delegates authority to the Head Of Street Scene Services to publish a notice of proposals in relation to the Off Street Parking Places (Hinckley and Bosworth) Order 2014 as attached at Appendix A.

2.3 That subject to there being no objections received within the relevant statutory period that authority be delegated to the Head of Street Scene Services to make the order and publish the notice of making.

2.4 That where there are objections received that a written report be produced by the Head of Street Scene Services detailing the objections and that authority be delegated to the Director of Environment and Planning, the Executive Member with responsibility for Car Parks, in conjunction with the Legal Services Manager, to consider such objections and consider whether the variation to the order should be confirmed or not.

3. BACKGROUND TO THE REPORT

3.1 The Council is able to control parking within its administrative area through the production of an Off Street Parking Places Order under the Traffic Regulation Act 1984. The variation to the Order recommended within this report sets out the terms and conditions for use of Council owned car parks, and the charges and penalties

which apply to those using the car parks. Once made, it would form the legal basis from which all future charges and enforcement actions are made.

- 3.2 The Council commissioned a Hinckley car parks study which was finalised in January 2017. This identified that there was sufficient parking but that certain car parks were very busy (particularly short stay), and that there was a shortfall of short stay parking on Saturdays.
- 3.3 An action plan has been developed to address the issues identified and this will be considered by Scrutiny Commission before approval by Executive. NB This report is will be presented to Scrutiny on 22 March 2018.
- 3.4 Certain proposals require a variation to the existing 2014 order, and a variation is therefore proposed. A copy of the variation order is attached in appendix A.
- 3.5 Key changes included within the variation to change the number and use of short and long stay parking spaces are:-
- Changes to charges at Trinity Lane East car park (changing this to a short stay car park).
 - Changes to charges on long stay car parks (introduction of 1 and 2 hour tariffs on all long stay car parks)
 - Increase charges for longer stays on short stay car parks.
 - Changes to the boundary of Castle car park to exclude the delivery yard and staff parking for Cut Price Suites (this area is now within the lease for this building).
 - Maximum stay of 3 hours on Church Walk and St Marys car parks (including the blue badge holders bays). No return within 2 hours.
- 3.6 Key changes included to the variation to change the permits available are:-
- Introduction of new reserved bay parking permits for residents on New Street car park (£120 per year – this car park is currently free. Should spaces not be fully utilised then they will be offered to local businesses for £180 per year)
 - Changes to residents parking permits to replace the current 21 residents permits as they expire with:-
 - 25 short stay residents permits valid from 3.30pm – 10am Monday to Friday / individual permits restricted to 1 named car park only / limited availability per car park / includes Castle car park)
 - 25 long stay residents permits valid 3.30pm – 8.00am and all day Saturday on long stay car parks/ individual permits restricted to 1 named car park only / limited availability per car park)
 - Change to long stay parking permits to be valid at the following car parks only:- Trinity West, Trinity Vicarage, Lower Bond Street, Holliers Walk, Alma Road, Druid Street, Thorneycroft (limited to 170 permits)
 - Introduction of a new long stay permit to include all those car parks above plus Castle long stay car park (limited to 25 permits / Cost £500 pa).
 - Introduction of 5 residents permits only bays a Oaks Way Earl Shilton (to protect parking for residents as high usage by commercial users).
- 3.7 The following changes are proposed to improve the operation of the Leisure Centre car park.
- Designation of 2 parking bays within the Leisure Centre car park as mini buses only 9am – 4pm Monday to Friday
 - Designation of limited waiting bay for coach parking at the Leisure Centre car park (maximum stay 30 minutes – no return within 60 minutes)
 - Designation of 1 parking bay for motorcycles only.

- Designation of limited waiting bay on Leisure centre service road (off Mount Road adjacent to hospital / health centre) (maximum stay 30 minutes – no return within 30 minutes)
- Designation of limited waiting for existing disabled parking bays (maximum stay 3 hours – no return within 3 hours).
- The introduction of a new Leisure Centre Gym members permit allowing free parking between 4pm and 6pm daily.

3.8 The following change is proposed to payment methods: Introduction of cashless payments (chip and pin and / or contactless). NB This will be phased in as pay and display machines are replaced.

3.9 The following changes are proposed to charges:-

Pay and Display	Current	Proposed
Short Stay	£	£
Up to 1 hour	0.50	0.60
Over 1 hour and up to 2 hours	1.00	1.20
Over 2 hours and up to 3 hours	1.50	2.00
Over 3 hours and up to 4 hours	2.60	3.00
Over 4 hours	4.80	6.00
Long Stay		
upto 1 hour		0.60
upto 2 hours		1.20
up to 5 hours	1.30	1.60
Over 5 hours	2.40	2.50
Castle car park		
upto 1 hour	0.50	0.60
upto 2 hours	1.00	1.20
up to 5 hours	1.30	2.00
Over 5 hours	2.40	4.00
Permits		
Season tickets (long stay only)		
Per year from month of issue	375.00	375.00
Per half year from month of issue	200.00	200.00
Per quarter from month of issue	110.00	110.00
Per month (valid 1st day of month)	40.00	40.00
Per month direct debit (for full year permits only)		31.25
Season tickets (long stay plus Castle car park)		
Per year	375.00	500.00
Residents parking season ticket (restricted availability)	40.00	
Short stay per year		75.00
Long stay per year		50.00
New street per month Direct debit only		10.00

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 This report is to be taken in open session.

5. FINANCIAL IMPLICATIONS [CS]

5.1 It is anticipated that the proposed pay and display parking charges will generate an additional £99,000 of income. Season ticket income is also expected to increase by £5,000. This additional income has been reflected in the 2018/19 estimates.

5.2 Additional costs associated with the changes total £15,640 and are made up of the following:

Advertising the Off Street Parking Places Order plus on-going bank and software charges for cashless payments £9,640.

One-off machine and signage changes £6,000.

These additional costs have been reflected in the 2018/19 estimates.

6. LEGAL IMPLICATIONS [AR]

6.1 The Council has the statutory power to vary and make off-street parking places and control those places under section 32, 35 and Schedule 9 of the Road Traffic Regulation Act 1984. The legal implications are referred to in this report.

7. CORPORATE PLAN IMPLICATIONS

7.1 The variation to the parking places order supports the following Corporate Plan aims:

- Places: ensure the transport and community infrastructure can support growth.
- Prosperity: support the regeneration of our town and village centres.

8. CONSULTATION

8.1 The variation to the Order will be open to public consultation for 28 days of the notice of proposals, or, if later, the end of the Council's compliance with the publicity and deposit rules. Objections must be in writing and state the grounds for objection. responses received will be fully considered before the making of the variation to the order.

8.2 Two stakeholder workshops were held as part of the car parks study. Attendees included local businesses, other car parks providers, representatives from Leicestershire County Council and HBBC. Responses from these workshops informed the study and the action plan.

8.2 A joint working group was established in 2015 to assess car parks provision in Hinckley. This group consists of representatives from HBBC, the Hinckley BID the Chamber of Trade and the Crescent. This study was agreed by the group, and the action plan is supported by the group in 2017. Wider changes to pay and display charges have not been discussed at the group.

- 8.3 In 2017 Councillors from Demontfort and Castle wards have had the opportunity to discuss the changes to the residents parking permits and the action plan. As a result secure slight amendments have made to the residents parking permits. These members requested that local consultation be held regarding the residents permits. All existing residents parking permit holders will be written to and invited to comment once the parking places order changes are advertised.
- 8.4 The Scrutiny Commission gave consideration to this report at its meeting on 1 February. An extract from the minutes of that meeting is attached.

9. RISK IMPLICATIONS

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Failure to make and implement the Order – loss of revenue and control over parking	Ensure Order is promptly advertised, made and implemented	Caroline Roffey

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 10.1 No changes are proposed to the provision of free car parking for blue badge holders.
- 10.2 The increased number of permits available for residents should assist residents living near the town centre.

11. CORPORATE IMPLICATIONS

- 11.1 By submitting this report, the report author has taken the following into account:
- Community Safety implications
 - Environmental implications
 - ICT implications
 - Asset Management implications
 - Procurement implications
 - Human Resources implications
 - Planning implications
 - Data Protection implications
 - Voluntary Sector

Background papers: Appendix A: Variation to HBBC Off Street Parking Places Order Including schedule 1.

Contact Officer: Caroline Roffey x5782
Executive Member: Councillor C Ladkin

HINCKLEY & BOSWORTH BOROUGH COUNCIL THE DISTRICT OF HINCKLEY & BOSWORTH
(OFF-STREET PARKING PLACES) (VARIATION) (NO. 3) ORDER 2017

Hinckley & Bosworth Borough Council (the "Council") in exercise of its powers under Section 32 and 35 of the Road Traffic Regulation Act 1984 (as amended) (hereinafter referred to as "the Act of 1984") Schedule 9 to the Act of 1984, the Traffic Management Act 2004 (hereinafter referred to as "the Act of 2004") and all other enabling powers and with the consent of Leicestershire County Council in accordance with Section 39 (3) of the Act of 1984 and the Act of 2004 and after consultation with the Chief Officer of Police in accordance with Part III of Schedule 9 to the Act of 1984 hereby make the following Order.

PART 1: PRELIMINARY

1. **Title**

This Order may be cited as the District of Hinckley & Bosworth (Off-Street Parking Places) (Variation) (NO. 3) Order 2018.

2. **Commencement and Effect**

This Order shall come into operation on the [] day of [] 2018.

Save as varied by this Order the District of Hinckley & Bosworth (Off Street Parking Places) Order 2014 (the "2014 Order") and the Hinckley & Bosworth (Off-Street Parking Places) (variation) Order 2016 (the "2016 Order") and the Hinckley & Bosworth Borough (Off-Street Parking Places) (variation) (no.2) 2016 (the "2016 Order No.2") will continue to apply.

3. With effect from the [] day of [] 2018 the 2014 Order and 2016 Order and the 2016 Order No.2 shall have effect with the following variations.

PART 2: AMENDMENTS

4. Schedule 1 to the 2014 Order is replaced by Schedule 1 to this Order.

The following amendments have been made to Schedule 1:-

- a. Trinity Lane East Car Park is changed to a short stay car park.
 - b. Amendments to the scale of charges for all car parks.
 - c. Changes to the boundary of Castle Car Park.
 - d. Maximum stay of 3 hours on Church walk and St Marys car parks (including blue badge holders bays). No return within 2 hours.
5. Addition of a new reserved bay parking permit for residents at New Street Car Park.
6. The current 35 residential parking permits presently in force are to be phased out on their respective expiry date and transitioned with:-
- a. 25 short stay residential parking permits valid from 3pm to 10pm daily for use in all Council operated car parks, subject to availability of parking places.

- b. 25 long stay residential parking permits valid from 3pm to 8.00am on Weekdays and all day in all Council operated car parks, subject to availability of parking places.
7. Amendment of the long stay parking permit to be valid on the following: Trinity Lane West Car Park; Trinity Vicarage Car Park; Lower Bond Street Car Park; Holliers Walk Car Park; Alma Road Car Park; Druid Street Car Park; Thorny Croft Car Park.
8. Addition of new long stay parking permits to include all car parks specified at (7) and at Castle Car Park limited to 40 only and incurring an extra cost.
9. Addition of 5 residential parking permits in respect of residential parking bays at Oaks Way Earl Shilton which is own edged on the plan entitled 'Oaks Way Earl Shilton'.
10. Addition of 2 designated parking spaces at the Leisure Centre Car Park for exclusive use of mini-buses on Weekdays between the hours of 9am and 4pm.
11. Addition of a designated limited waiting bay for coaches at Leisure Centre Car Park subject to a maximum stay of 30 minutes and no return within 60 minutes.
12. Addition of 1 designated parking space for motorcycles only at the Leisure Centre Car Park.
13. Addition of a limited waiting bay on the Leisure Centre Car Park service road (shown edged red on the plan entitled 'Leisure Centre Car Park service road') subject to a maximum stay of 30 minutes and no return within 30 minutes.
14. Designation of limited waiting for existing disabled parking bays (maximum stay 3 hours – not return within 3 hours).
15. The introduction of a cashless (chip and pin and /or contact less), to be phased in, subject to requirement, at all pay and display machines presently servicing Council operated car parks subject to this Order.
16. Addition of a "Leisure Centre gym members permit" which is issued by the Leisure Centre Provider on behalf of in accordance with the Council's Conditions for Issuing Parking Permits for the time being in force which entitles a vehicle to park in the Leisure Centre Car Park from 4pm to 6pm free of charge.

PART 3: INTERPRETATION

17. Interpretation

For the purpose of this Order –

- a. The residential parking permits provided by the Council are strictly on the basis of one permit to one named vehicle.
- b. A "Weekday" means any day which is not a Saturday or a Sunday.

GIVEN under THE COMMON SEAL of THE BOROUGH COUNCIL OF HINCKLEY AND BOSWORTH on the day of 2017.

THE COMMON SEAL of THE BOROUGH COUNCIL OF HINCKLEY AND BOSWORTH

Was hereunto affixed this in the presence of:

Authorised Officer

HINCKLEY & BOSWORTH BOROUGH COUNCIL
THE DISTRICT OF HINCKLEY & BOSWORTH (OFF-STREET PARKING PLACES) (VARIATION) (NO.3) ORDER
2017
SCHEDULE 1

DRAFT

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Name of parking place	Controlled Hours	Charged Hours (excluding Bank Holidays - unless otherwise specified)	Maximum period for which vehicles may wait during charged hours	Scale of charges during controlled hours
1	2	3	4	5
Alma Road Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 5 hours - £2.00 Over 5 hours - £2.50
Atkins Building Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	30 minutes free parking no return within 60 minutes	Up to 30 minutes – free no return within 60 mins unless valid Atkins permit shown
Atkins Building Long Stay Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit. Parking restricted to Atkins long stay permit holders only	Parking restricted to Atkins long stay permit holders only
Castle Car Park, Hill Street, Hinckley	All days	0800 hours to 1800 hours	Leisure Centre Permit holders 3 hour maximum stay if P&D ticket shown with valid permit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 5 hours - £2.00 Over 5 hours - £4.00 60p for 3 hours when ticket on display with leisure centre permit Leisure Centre Permit holders 3 hour maximum stay if P&D ticket shown with valid permit
Church Walk Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	Maximum stay 3 hours, no return within 2 hours (including Blue badge holders bays)	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 3 hours - £2.00
Clarendon Park Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	3 hours and no return within 3 hours	Up to 3 hours – no charge
Druid Street Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 5 hours - £2.00 Over 5 hours - £2.50
Hinckley Business Park Car Park Hinckley	All days	0800 hours to 1730 hours Monday to Saturday inclusive	No limit Parking restricted to HBP permit holders only	Parking restricted to HBP permit holders only

Name of parking place	Controlled Hours	Charged Hours (excluding Bank Holidays - unless otherwise specified)	Maximum period for which vehicles may wait during charged hours	Scale of charges during controlled hours
1	2	3	4	5
Holliers Walk Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 5 hours - £2.00 Over 5 hours - £2.50
Jubilee Building Car Park Hinckley (Harrowbrook Ind Estate)	All days	0600 hours to 1400 hours Monday to Friday inclusive	No limit Parking restricted to Jubilee permit holders only	Parking restricted to Jubilee permit holders only
Lower Bond Street Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 5 hours - £2.00 Over 5 hours - £2.50
Lower Bond Street North Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit Parking restricted to LBSN permit holders only	Parking restricted to LBSN permit holders only
Mansion Street Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 3 hours - £2.00 Up to 4 hours - £3.00 Over 4 hours - £6.00
Leisure Centre Car Park*	All days	0800 hours to 1800 hours Monday to Saturday inclusive	Leisure Centre Permit holders 3 hour maximum stay if P&D ticket shown with valid permit Blue badge holder bays maximum stay 3 hours no return within 3 hours	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 3 hours - £2.00 Up to 4 hours - £3.00 Over 4 hours - £6.00 60p for 3 hours when ticket on display with leisure centre permit Leisure Centre Permit holders 3 hour maximum stay if P&D ticket shown with valid permit
Leisure centre access roads	All days	No Waiting at any time	No Waiting at any time	No Waiting at anytime
New Street Car Park Hinckley	All days	All hours including bank holidays	No limit	Parking restricted to New Street permit holders only
North Warwickshire and Hinckley College Car Park	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Parking restricted to NWHC permit holders only

Name of parking place	Controlled Hours	Charged Hours (excluding Bank Holidays - unless otherwise specified)	Maximum period for which vehicles may wait during charged hours	Scale of charges during controlled hours
1	2	3	4	5
North Warwickshire and Hinckley Construction College (Harrowbrook Ind Estate)	All days	None	No limit	Parking restricted to NWHC / HBBC permit holders only
Rear of Castle Street Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 3 hours - £2.00 Up to 4 hours - £3.00 Over 4 hours - £6.00
St Marys North Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	30 minutes, no return within 60 minutes	30 minutes, no return within 60 minutes
St Marys Road Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	Maximum stay 3 hours, no return within 2 hours (including Blue badge holders bays)	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 3 hours - £2.00
Stockwell Head Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 3 hours - £2.00 Up to 4 hours - £3.00 Over 4 hours - £6.00
The Hub Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	Max stay 3 hours -No Return within 3 hours	Up to 2 hours - no charge Up to 3 hours - £2.00
Thornycroft Road Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 5 hours - £2.00 Over 5 hours - £2.50
Trinity Lane East Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 3 hours - £2.00 Up to 4 hours - £3.00 Over 4 hours - £6.00
Trinity Lane West Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 5 hours - £2.00 Over 5 hours - £2.50
Name of parking place	Controlled	Charged Hours	Maximum period for which	Scale of charges

	Hours	(excluding Bank Holidays - unless otherwise specified)	vehicles may wait during charged hours	during controlled hours
1	2	3	4	5
Trinity Vicarage Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Up to 1 hour – 60p Up to 2 hours - £1.20 Up to 5 hours - £2.00 Over 5 hours - £2.50
Westfield Community Centre Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit Parking restricted to Westfield permit holders only	Parking restricted to Westfield permit holders only
Willowbank Car Park Hinckley	All days	0800 hours to 1800 hours Monday to Saturday inclusive	No limit Parking restricted to Willowbank permit holders only	Parking restricted to Willowbank permit holders only
Westfields Car Park Barlestone	All days	No limit	No limit	Free of charge
Dovecote Way Car Park Barwell	All days	No limit	No limit	Free of charge
Stanley Street Car Park Barwell	All days	No limit	No limit	Free of charge
High Street Car Park Desford	All days	No limit	No limit	Free of charge
Hallfields Car Park Earl Shilton	All days	No limit	No limit	Free of charge
Kings Walk Street Car Park Earl Shilton	All days	No limit	No limit	Free of charge
Oaks Way Car Park Earl Shilton	All days	No limit	No limit	Free of charge 5 bays restricted for Residents permits only
Rectory Lane Car Park Market Bosworth	All days	0800 hours to 1800 hours Monday to Sunday inclusive	No limit	Up to 1 hour – 30p Up to 2 hours – 50p Up to 4 hours - £1.00 Over 4 hours - £2.00
Main Street Car Park Markfield	All days	No limit	No limit	Free of charge
The Rock Car Park, Hinckley	All day	0800 hours to 1800 hours Monday to Saturday inclusive	No limit	Parking restricted to Rock permit holders only

*Leisure Centre Permits may park for 3 hours maximum whilst displaying a valid 60p Pay & Display ticket with their Leisure Centre Permit. After 3 hours leisure centre permit holders must pay the charges at the above stated hourly rate and the Leisure centre permit may only be used once a day.

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

306 DECLARATIONS OF INTEREST

No interests were declared.

315 OFF STREET PARKING PLACES ORDER

The Scrutiny Commission gave consideration to a report which recommended varying
the Off Street Parking Places Order following an independent study of car park usage.

The introduction of card payment (including contactless) facilities was welcomed but the
importance of ensuring machines were easy to use was noted.

Councillor Bray wished it to be noted that he objected to the recommendation within the
report and made the following points:

- Car parking was a major issue amongst the public
- Any increase in car parking charges would push more people to park on street,
exacerbating inconvenience to residents
- Whilst an additional 10p would not affect visitors to the town or occasional car
park users, for those working in the town centre every day the increase would
have a greater impact
- The increase in the cost of residents permits would affect those residents who
already struggled to park near their homes
- Whilst it was noted that New Street car park was very busy, it was suggested that
this was because it was a free car park, and any imposition of a charge (in light of
the per month charge proposed) would increase on street parking and reduce
use of the car park, again exacerbating the situation for residents
- Increasing charges for council car parks would put additional pressure on
Sainsbury's car park and, as a result, further increase traffic in that area
- Paragraph 8.3 referred to ward councillors having had the opportunity to discuss
the changes to the residents parking permits, yet the invitation to discuss had not
been convenient for those that work and was not flexible and, as a result, he had
not been able to engage in the discussion. He emphasised that it had been
agreed that member meetings would be held at 6.30pm and that HBBC had
always been supportive of councillors that were in full time employment, so this
was disappointing.

Reference was made to a report scheduled for the Scrutiny Commission on 22 March on the car parks action plan, and it was suggested that the action plan and the report before members at this meeting should be brought together and in order to achieve this, this report should be deferred. In response, officers advised that this report needed to go to Council on 22 February as it was linked to the budget reports.

RESOLVED – the reservations raised be noted and submitted to Council and a further report on the town centre car parks be welcomed.



Hinckley & Bosworth Borough Council

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

SCRUTINY COMMISSION 1 FEBRUARY 2018
COUNCIL 22 FEBRUARY 2018

WARDS AFFECTED: ALL WARDS

PAY POLICY STATEMENT 2018/19

Report of Director (Corporate Services)

1. PURPOSE OF REPORT

1.1 To present to Members for approval the proposed HBBC Pay Policy Statement for 2018/19.

2. RECOMMENDATION

2.1 That Council approves the HBBC Pay Policy Statement for 2018/19.

3. BACKGROUND TO THE REPORT

3.1 The Localism Act 2011 came into force on 15 January 2012. The Act contains provisions relating to “pay accountability” in local government and section 38(1) of the Act requires local authorities to prepare pay policy statements setting out the authority’s own policies in regard to the remuneration of its staff, in particular its senior staff (or ‘chief officers’) and its lowest paid employees.

3.2 Pay policy statements must be prepared and approved by full Council each financial year and following approval, the statement must be published on the council’s website.

3.3 The legislation provides that the pay policy statement must set out the council’s policies for the financial year relating to:

- The remuneration of its chief officers
- The remuneration of its lowest paid employees
- The relationship between the remuneration of its chief officers and its employees who are not chief officers

Other specific aspects of chief officer's remuneration: during recruitment, increases and additions to remuneration, use of performance related pay, bonuses and termination payments

- 3.4 The council also has a statutory duty to have regard to the Government guidance 'Openness and accountability in local pay: Guidance under Section 40 of the Localism Act'. The guidance suggests that authorities consider expressing the relationship between the pay of the chief officers and others as a ratio between the higher and median salaries, known as the 'pay multiple'.
- 3.5 Local authorities are also required under the Local Government Transparency Code 2015 to publish data required under the regulations. The code requires councils to publish:
- An organisation chart covering staff in the top three levels of the organisation
 - Information about employees whose salary is above £50,000 in addition to that already required under the Accounts and Audit (England) Regulations 2015
 - The pay multiple (as defined in 3.4)

This is also set out within the pay policy statement in order to meet the requirements of the code.

- 3.6 At the time of writing the report, the National Employers have made a pay offer to the joint trade unions for Local Government Services. The offer is for two years (2018/19 and 2019/20) and the unions started their consultation in early January with the outcome likely to be known by early/mid-March. Given the time constraints to have the Pay Policy 2018/19 policy approved by April 2018, an assumption has been made that the pay award is agreed and the Pay Policy will reflect the pay increase for 2018/19.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

- 4.1 The report to be taken in open session.

5. FINANCIAL IMPLICATIONS [DW]

- 5.1 In accordance with Accounts and Audit (England) Regulations officer remuneration above £50,000 has to be disclosed as a note in the Council's Statement of Accounts.

6. LEGAL IMPLICATIONS [AR]

- 6.1 These are contained within the body of the report.

7. CORPORATE PLAN IMPLICATIONS

- 7.1 The publication of the Pay Policy Statement ensures transparency and accountability and is a legal requirement.

8. CONSULTATION

- 8.1 All pay decisions, at national and local level, have undergone full consultation with the trade unions.
- 8.2 The Scrutiny Commission considered the report at its meeting on 1 February. An extract from the minutes of that meeting is attached.

9. RISK IMPLICATIONS

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

None

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

- 10.1 By publishing the Pay Policy Statement will ensure greater transparency in regard to how pay is determined thus ensuring accountability to citizens within the borough. The pay policy statement also sets out how the authority, through its robust pay policies does not discriminate against any groups of staff within the protected characteristics as contained within the Equality Act 2010.

11. CORPORATE IMPLICATIONS

- 11.1 By submitting this report, the report author has taken the following into account:
- Community Safety implications
 - Environmental implications
 - ICT implications
 - Asset Management implications
 - Procurement implications
 - Human Resources implications
 - Planning implications
 - Data Protection implications
 - Voluntary Sector

Background papers: None.

Contact Officer: Julie Stay, HR & Transformation Manager Ext 5688
Executive Member: Councillor M Hall

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HINCKLEY AND BOSWORTH BOROUGH COUNCIL

PAY POLICY STATEMENT 2018/19

1. Introduction

The council is committed to fairness, transparency and the principle of equal pay in employment.

This Pay Policy Statement sets out Hinckley and Bosworth Borough Council's policy on pay for senior managers and employees for 2018/19 and is in accordance with the requirements of Section 38 of the Localism Act 2011.

The policy will set out the council's policies for the financial year relating to:

- The remuneration of its chief officers
- The remuneration of its lowest paid employees; and
- The relationship between the remuneration of its chief officers and its employees who are not chief officers (the pay multiple)

The policy was approved by Full Council on 22 February 2018 and is effective from 1 April 2018.

All appointments for Chief Officers and above are subject to approval by Council.

2. The Local Government Transparency Code 2015

The Local Government Transparency Code 2015 requires local authorities to publish open data, including an organisation chart giving information on senior employees' salaries. The organisation chart required under the code must provide information on all staff in the top three levels of the organisation, excluding those whose salary does not exceed £50,000.

3. About the Council

The Council has approximately 420 staff across 3 service areas. The Chief Executive and Directors form the council's Strategic Leadership Team that lead the work that

provides services across Hinckley and Bosworth. Appendix 1 details the senior management structure across the council.

4. Definition of Chief Officer

For the purposes of this pay policy statement the following definitions apply.

Chief Officers are:

- Head of Paid Service (under S.4 of the Local Government and Housing Act 1989);
- Monitoring Officer (designated under section 5(1) of that Act);
- A statutory chief officer mentioned in 2(6) of that Act;
- A non-statutory chief officer mentioned in 2(7) of that Act;
- A deputy chief officer mentioned in section 2(8) of that Act (for the purpose of this policy these are service managers that report to a Director)

5. Pay Structure

The pay and grading of employees at Chief Officer-level as defined under paragraph 4, is evaluated using the Local Government Senior Manager Job Evaluation Scheme. Officers within the Strategic Leadership Team are paid a fixed salary. For officers at Head of Service level the pay range for each grade is attached at Appendix 2.

For all other staff below this level, the council adopted the National Joint Council Job Evaluation scheme, with pay ranges for each grade in the structure. The structure was introduced in 2006 and all new and changed job roles are evaluated using the scheme and the grades applied as appropriate. The grading structure is attached at Appendix 3. The council has agreed to apply market rates to specific posts to address recruitment and retention difficulties subject to strict criteria and Strategic Leadership Team approval.

6. Senior Employee Pay

Details of senior management remuneration are set out at Appendix 4. Performance related pay and bonuses, including lease cars, do not form part of senior employee's pay within the council.

7. Lowest Paid Employee

The first pay point on the councils pay and grading structure is Grade 1 spinal column point 6 which is £16,394 (£8.50 per hour) [2017/18 £15,014 (£7.78 per hour)] and is defined as the lowest point within the council. However, the council has agreed to pay all staff Grade 2 spinal column point 11 which is £17,007 (£ 8.82 per hour) as a minimum [2017/18 £15,807 (£8.19 per hour)]. This is above the National Living Wage rate which is currently £7.83 per hour.

8. Pay Multiple

The pay multiple between the median and highest earner

Median gross pay is £21,693 (2017/18 £21,268) which represents a 5.22:1 ratio to that of the Chief Executive (2017/18 5.22:1). The multiplier is monitored each year and the differential between the top earner and the median average earner has remained static.

The pay multiple between the lowest and highest earner

Lowest gross pay is £17,007 (2017/18 £15,807) which represents a 6.66:1 ratio to that of the Chief Executive (2017/18 7.03:1). The multiplier is monitored each year and the differential between the top earner and the lowest earner has reduced which is a positive result. This is due to higher a percentage pay award being awarded at the lower end of the pay scale.

9. Starting Pay

All employees, including senior employees, will normally be appointed to the minimum point of the grade for the job.

In certain cases it may be appropriate to appoint to a higher point of the pay grade. This may arise when, for example, the preferred candidate for the job is or has been, in receipt of a salary at a higher level than the grade minimum.

10. Pay Progression

All employees, including senior employees, receive annual increments until the top of the development point is reached. The final increment, above the development point on each grade, is subject to outstanding performance.

11. National Pay Award

The council's pay and grading structure is adjusted by a 'cost of living' increase agreed nationally by the three bodies that represent staff at the council, this includes The JNC for Chief Officers, JNC for Chief Executives and NJC for local government services (for all staff below that level). The pay award for April 2018 has already been agreed as part of a two-year deal and is reflected within this statement.

12. Terms and Conditions

From March 2006 all employees covered by the pay policy statement have enjoyed the same terms and conditions. The Chief Executive, Chief Officers and local government service employees have different negotiating bodies that determine other conditions such as disciplinary procedures and pay awards.

13. Protection of Earnings Policy

The Council's policy on protection of earnings applies to all employees of the council and provides protection for an employee's basic pay where it is reduced as a result of:

- Redeployment into a suitable alternative vacancy where an employee is at risk or under notice of redundancy
- Redeployment into a suitable alternative vacancy on health grounds
- The introduction of a revised pay and grading system

The period of pay protection is for a period of up to two years from the date of change to basic pay.

14. Termination of employment

Early retirement (Efficiency of Service)

The Local Government Pension Scheme allows employers certain discretionary powers but the council's usual policy is not to enhance pension benefits for any employee. Therefore there are no provisions for employees to seek early retirement on the grounds of efficiency of the service.

How the council exercise various discretions are set out at Appendix 5.

Redundancy

No additional payments are made to any employee of the council, including senior employees, at the point of leaving the employment of the council, except on circumstances of redundancy. This is in accordance with the council's redundancy policy.

The Public Sector Exit Payment Regulations 2016 which were expected to come into force during 2017, restrict exit payments and will be capped at £95,000 should an employee leave their role as a result of redundancy or through voluntary exit. This will include pension capital costs to the authority. Employees earning over £80,000 will also be required to repay exit payments if they return to a public sector role within 12 months. The Government has consulted on the draft regulations however it has not kept to the proposed timetable and the implementation date is not currently known.

15. Re-engagement

Employees who have been made redundant are eligible to apply for vacancies which may arise after they have left the council's employment. Any such applications will be considered together with those from other candidates and the best person appointed to the post.

Where a senior manager, as defined under paragraph 4, has left the authority on redundancy grounds, the authority will not re-employ at a later stage or re-engage as a consultant.


16. Publication and Access to Information

This statement will be published on the council's website, together with the council's pay and grading structure and information relating to senior management remuneration.


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Senior management structure



Chief Executive
(Head of Paid Service)
Bill Cullen
(P.A. Jane Stew 01455 255606)



Director
(Community Services)
Sharon Stacey
(P.A. Clare Bray 01455 255934)



Director
(Environment and Planning)
Rob Parkinson
(P.A. Sonia Dee 01455 255676)



Director
(Corporate Services)
[and Monitoring Officer]
Julie Kenny
(P.A. Jo McLaren 01455 255737)

Community Safety & Performance Manager Rachel Burgess 01455 255746	Anti-Social Behaviour & Tenancy Manager Madeline Shellard 01455 255746	Housing Repairs Investment Manager Mark Tuff 01455 255673	Housing Repairs Operations Manager Ged Hickey 01455 255705
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Environ'l Services Manager (Commercial) Steve Merry 01455 255735	Snr Envir'l Health Manager (Pollution) Simon Smith 01455 255769	Head of Planning vacant post	Head of Street Scene Services Caroline Roffey 01455 255782
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Head of Leics Revs and Bens Partnership Sally O'Hanlon 01455 638150	Legal Services Manager Aftab Razzaq 01455 255621	HR and Transformation Manager Julie Stay 01455 255688	Comms and Promotions Officer Jacqueline Puffett 01455 255630
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Cultural Services Manager Simon Jones 01455 255699	Housing Options Manager Jo Wykes 01455 255957	Private Sector Housing Manager Rosemary Leach 01455 255923	Housing Assets & Support Team Manager Clive Taylor 01455 255890	Strategic & Community Planning Manager Edwina Grant 01455 255629
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Democratic Services Officer Rebecca Owen 01455 255879	Head of ICT Mike Dungey 01455 255900	Head of Finance [Sec 151 Officer] Ashley Wilson 01455 255607	Estates and Assets Manager Malcolm Evans 01455 255614
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APPENDIX 2

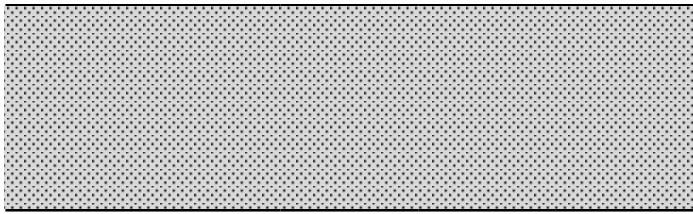
HEAD OF SERVICE	SCP	GRADE 1	GRADE 2
		£	£
	1	55,372	
	2	56,881	
	3	58,392	
	4	59,902	59,902
	5	61,411	61,411
	6		62,920
	7		64,431
	8		66,448

 Developmental progression

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Sp Pt	Salary Structure 1 April 2018	Hourly	278	337	385	431	478	520
			1	2	3	4	5	6
54	53,660	27.81						
53	52,369	27.14						
52	51,091	26.48						
51	49,802	25.81						
50	48,513	25.15						
49	44,697	23.17						
48	43,757	22.68						
47	42,806	22.19						
46	41,846	21.69						
45	40,858	21.18						
44	39,961	20.71						
43	39,002	20.22						
42	38,052	19.72						
41	37,107	19.23						
40	36,153	18.74						
39	35,229	18.26						
38	34,106	17.68						
37	33,136	17.18						
36	32,233	16.71						
35	31,401	16.28						
34	30,756	15.94						
33	29,909	15.50						
32	29,055	15.06						
31	28,221	14.63						
30	27,358	14.18						
29	26,470	13.72						
28	25,463	13.20						
27	24,657	12.78						
26	23,866	12.37						
25	23,111	11.98						
24	22,401	11.61						
23	21,693	11.24						
22	21,074	10.92						
21	20,541	10.65						
20	19,819	10.27						
19	19,446	10.08						
18	18,870	9.78						
17	18,672	9.68						
16	18,319	9.50						
15	17,972	9.32						
14	17,681	9.16						
13	17,391	9.01						
12	17,173	8.90						
11	17,007	8.82						

10	16,863	8.74	Please note SCP 6 - SCP 10 no longer in use
9	16,755	8.68	
8	16,626	8.62	
7	16,495	8.55	
6	16,394	8.50	



Appendix 4 – Senior Employee Pay

Chief Executive	Salary	FTE	Grade
<p>Chief Executive <i>Responsible for the delivery of all council services to residents of the borough through the strategically direction of the councils senior management team and staff. The council employs approx. 420 staff (370 FTE) serving a local population of 110,000.</i></p> <p><i>The Chief Executive as Head of Paid Service, along with the Section 151 Officer and Executive has overall responsibility for all council resources, amounting to a net budget requirement of circa £19.8m</i></p>	£113,322	1.0	Fixed salary

Community Services	Salary	FTE	Grade
<p>Director (Community Services) <i>Responsible for Housing Services including: Private Sector Housing, Council House Management and Repairs, Older Persons Services, Community Safety, and Anti-Social behaviour. The post also has responsibility for Cultural Services, Partnerships, Community Planning and the Voluntary Services.</i></p> <p><i>Net budget circa £616k (Expenditure £18.6m less Income £18m)</i></p>	£77,265	1.0	Fixed salary
<p>Cultural Services Manager <i>Responsible for Town Centre , Children and Young People, Sports and Arts Development, and Tourism and Events</i></p> <p><i>Net budget circa £732k</i></p>	£53,660	1.0	Grade 11 (SCP 54)

Corporate Services	Salary	FTE	Grade
<p>Director (Corporate Services) <i>As the council's Monitoring Officer, the post holder is responsible for the Revenues and Benefits Partnership, Finance, ICT Services and Asset and Estates Management. The post is also responsible for Corporate Services including: HR, Legal, Communications, Democratic Services, Electoral Services and Customer Services.</i></p> <p><i>Net budget circa £10.7m</i></p>	£77,265	1.0	Fixed salary
<p>Head of Revenues and Benefits Partnership <i>Responsible for the Leicestershire Revenues and Benefits Partnership; this post holder oversees the delivery of the Housing Benefit and Council Tax function (including NNDR) for three local authorities. Whilst the post holder has overarching operational responsibility it is the key lead for developing the commercial strategy for the partnership.</i></p> <p><i>Net budget circa £960k</i></p>	£71,639	1.0	Fixed salary
<p>Head of Finance <i>As the Section 151 Officer, the post holder is responsible for the management of the financial affairs of the council, directly managing the Accountancy and Audit team. The post holder also has responsibility for investment management, the councils insurance and the payments and income function.</i></p> <p><i>Net budget circa £1.2m</i></p>	£66,448	1.0	Head of Service Grade 2 (SCP 8)
<p>Head of ICT <i>Responsible for managing the ICT Shared Service and delivering the ICT Strategy for four local authorities. The role is responsible for managing an outsourced ICT contract with a private sector partner.</i></p> <p><i>Net budget circa £1.4m</i></p>	£58,392	1.0	Head of Service Grade 1 (SCP 3)
Estates and Assets Manager			

<p><i>Designated as the council's corporate property officer, the post holder is responsible for managing the authority's property assets and future property portfolio. The post holder is also responsible for facilities management.</i></p> <p><i>Net budget circa £1.3m</i></p>	£53,660	1.0	Grade 11 (SCP54)
<p>HR and Transformation Manager</p> <p><i>Responsible for the management of HR and Payroll Services and delivering the People Strategy for the authority. The role is also responsible for Customer Services, Electoral Services and corporate transformation projects.</i></p> <p><i>Net budget circa £1.1m</i></p>	£53,660	1.0	Grade 11 (SCP54)
Environment and Planning	Salary	FTE	Grade
<p>Director (Environment and Planning)</p> <p><i>Responsible for the Planning Service, including Development Control, Planning Policy, Building control and Environmental Health. Responsible for all aspects of Street Scene Services including Refuse and Recycling, Grounds Maintenance, management of green spaces.</i></p> <p><i>Net budget circa £7.9m</i></p>	£77,265	1.0	Fixed salary
<p>Head of Planning and Development</p> <p><i>The post holder is the Chief Planning Officer for the council. Responsible for overarching all planning services including Development Management, Planning Policy, Regeneration and Building Control.</i></p> <p><i>Net budget circa £1.8m</i></p>	£58,392	1.0	Head of Service Grade 1 (SCP 3)
<p>Head of Street Scene Services</p> <p><i>Responsible for the management of Street Scene service including Refuse and Recycling service, Grounds Maintenance operations and management of green spaces. The post holder also has responsibility for Car Parks.</i></p> <p><i>Net budget circa £5m</i></p>	£61,411	1.0	Head of Service Grade 1 (SCP 5)

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Employer: Hinckley & Bosworth Borough Council

Local Government Pension Scheme, (LGPS), Regulations Policy statement on all eligible employees

Under Regulation 60 of the LGPS Regulations 2013, (as amended), each scheme employer must publish and keep under review a Statement of Policy to explain how it will apply certain discretions allowed under the Pensions Regulations.

This statement is applicable to all employees of **Hinckley & Bosworth Borough Council** who are eligible to be members of the LGPS

There is a requirement to publish the following five policies.

1. LGPS Regulations - Regulation 31: Power of employer to award additional pension

Explanation	Employer's Policy
An employer may resolve to award a member additional pension of not more than £6,500 (figure as at 1 April 2014) a year within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.	The Council will not normally agree to award an additional pension under this regulation.

2. LGPS Regulations 2013 - Regulation 16(2)(e) and 16(4)(d) : Funding of additional pension contributions (shared cost):

Explanation	Employer's Policy
<p>An active member in the main section of the scheme who is paying contributions may enter into arrangements to pay additional pension contributions (APCs) by regular contributions or a lump sum.</p> <p>Such costs may be funded in whole or in part by the member's Scheme employer.</p> <p>The employer will need to determine a policy on whether it will make a contribution towards the purchase of extra pension.</p> <p>This does not relate to cases where a member has a period of authorised unpaid leave of absence and elects within 30 days of return to work to pay a shared cost APC to cover the amount of pension "lost" during that period of absence. In these cases the employer <u>MUST</u> contribute 2/3rds of the cost (Regulation 15(5) of the LGPS Regulations 2013.</p>	<p>The Council has not adopted this discretion.</p>

3. LGPS Regulations 2013 - Regulation 30 (6): Flexible Retirement

Explanation	Employer's Policy
<p>An active member who has attained the age of 55 or over who reduces working hours or grade of an employment may, with the Scheme employer's consent, elect to receive immediate payment of all or part of the retirement pension to which that member would be entitled in respect of that employment if that member were not an employee in local government service on the date of the reduction in hours or grade, adjusted by the amount shown as appropriate in actuarial guidance issued by the Secretary of State.</p> <p>As an employer you need to determine the conditions under which you would approve a flexible retirement taking place.</p>	<p>The Council has agreed to release pension where there is no cost and not to waive any reduction.</p> <p>Members must reduce their hours by a minimum of 40% and/or reduce their grade</p> <p>The Council may however allow the release of pension where there is a cost or waive reduction in a potential redundancy situation, where a reduction may occur through redeployment, or in other exceptional circumstances supported by a business case.</p>

4. LGPS Regulations 2013 - Regulation (paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014): Switching on rule of 85

Explanation	Employer’s Policy
<p>A member who has not attained normal pension age but who has attained the age of 55 or over, may elect to receive immediate payment of a retirement pension in relation to an employment if that member is not an employee in local government service in that employment, reduced by the amount shown as appropriate in actuarial guidance issued by the Secretary of State.</p> <p>In these circumstances (other than flexible retirement) the 85 year rule does not automatically apply to members who would otherwise be subject to it who choose to voluntarily draw their benefits on or after age 55 and before 60.</p> <p>The employer has the discretion to “switch on” the 85 year rule for such member (paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.</p> <p>If the employer does agree to switch back on the rule of 85, the cost of any strain on the fund resulting from the payment of benefits before age 60 would have to be met by the employer.</p>	<p>The Council will not apply either discretion, unless there is a business case to support this as an alternative to a redundancy situation</p>

5. LGPS Regulations 2013 - Regulation (paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014): Waiving of actuarial reduction

Explanation	Employer's Policy
<p>An employer has the discretion, under a number of retirement scenarios, to waive actuarial reductions on compassionate grounds.</p> <p>The cost of which would fall upon the employer.</p> <p>n.b. "Compassionate grounds" is not defined in the regulations</p>	<p>The Council will not apply this discretion, unless there are exceptional circumstances</p> <p>The Strategic Leadership Board (SLB) will consider any cases and will decide whether the actuarial reductions should be waived. In all cases the financial position of the Council must be considered.</p>

There are a number of other discretions which Scheme employers may exercise under the LGPS Regulations 2013, whilst there is no requirement to have a written policy in respect of these there are another five in respect of which it would perhaps be appropriate for Scheme employers to have a written policy in order that members can be clear on these matters

1. LGPS Regulations 2013 – Regulation 17 - Shared Cost Additional Voluntary Contribution Facility

Explanation	Employer's Policy
This discretion allows the Employer to maintain and contribute to an employee's Additional Voluntary Contribution Scheme.	<p>The Council has not adopted this discretion.</p> <p>This will not have any effect on the existing AVC facility available where the employee only is able to make such contributions.</p>

2. LGPS Regulations 2013 - Regulation 100 (6) – election to transfer within 12 months

Explanation	Employer's Policy
This discretion allows the Employer extend the 12 month limit a member has in which to elect to transfer other pension rights into the LGPS. This has to be with the agreement of the Administering Authority	<p>The Council as the Administering Authority will not normally allow an extension of the 12 month limit</p> <p>Extenuating circumstances may apply and this would include</p> <ul style="list-style-type: none"> • Where evidence exists that an election was made within 12 months but his was not received by the administering authority • Where evidence exists that the member was not aware

	of the 12 month limit due to maladministration
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3. LGPS Regulations 2013 - Regulation 22 (7) and (8) – election to aggregate within 12 months of commencement

Explanation	Employer’s Policy
<p>This discretion allows the Employer to extend the 12 month time limit a member has within which they must elect not to have deferred benefits aggregated with their new LGPS employment</p>	<p>The Council will not normally extend this 12 month time limit</p> <p>Extenuating circumstances may apply and this would include</p> <ul style="list-style-type: none"> • Where evidence exists that an election was made within 12 months but his was not received by the administering authority • Where evidence exists that the member was not aware of the 12 month limit due to maladministration

4. LGPS Regulations 2013 - Regulation 9 – allocation of contribution band

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Explanation	Employer's Policy
<p>This discretion allows the Employer to determine which contribution band is allocated on joining the scheme and at each April. It also determines the circumstances when an employee's band may be reviewed.</p>	<ul style="list-style-type: none"> • Base pay on actual pay in April plus previous years overtime • Run an exercise half yearly as a check and re-band up or down where necessary • Re-band on all <u>contractual</u> changes, but not ad hoc hours changes and re-band upon a pay award.

5. LGPS Regulations 2013 - Regulation 21 – assumed pensionable pay

Explanation	Employer's Policy
<p>This discretion allows the Employer to determine whether to include in the calculation of assumed pensionable pay the amount of any “regular lump sum payment”.</p> <p>This is in cases where an employee's pay needs to be calculated where their pay has been reduced due to certain absences in order that they are not unduly advantaged or disadvantaged.</p>	<ul style="list-style-type: none"> • To determine in individual cases where necessary to establish in a fair, equitable and justifiable way what the members likely pay would have been but for the absence, and in cases where this pay is to be used for future enhancements whether that level of pay would have been received every year to normal retirement age.

I confirm that should any of the decisions change in the future the Pensions Section will be notified immediately.

I have read the attached statements and certify that they are correct on behalf of:


Employer's Name: Hinckley & Bosworth BC



Signed:

Print Name: Julie Stay

Position: HR & Transformation Manager



Signed:

Date: 6 June 2014

Please sign and copy. Keep one for reference and return the other to carol.haywood@leics.gov.uk

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HINCKLEY AND BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

1 FEBRUARY 2018 AT 7.00 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile and Mr KWP Lynch – Vice-Chairman

Mr DC Bill MBE, Mr SL Bray, Mr WJ Crooks, Mr DW MacDonald, Mr BE Sutton,
Mr R Ward, Mr HG Williams, Mr DS Cope, Mrs H Smith and Miss DM Taylor

Also in attendance: Councillor MA Cook, Councillor M Hall, Councillor J Kirby, Councillor
K Morrell, Councillor M Nickerson and Councillor MJ Surtees

Officers in attendance: Rebecca Owen, Ilyas Bham, Bill Cullen, Julie Kenny, Caroline
Roffey and Ashley Wilson

306 DECLARATIONS OF INTEREST

No interests were declared.

318 PAY POLICY STATEMENT

The Scrutiny Commission was presented with the pay policy statement for 2018/19.

RESOLVED – the report be noted.

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Hinckley & Bosworth
Borough Council

A Borough to be proud of

URGENT DECISION TAKEN BY A MEMBER OF THE EXECUTIVE

1. Name of member(s) taking decision: Councillor Mike Hall (Leader / Executive member for Finance) and Councillor Richard Allen (Executive member for Development Management)
2. Reason for these members taking the decision: Responsibility for finance and responsibility for Development management. The constitution states that this matter may be considered urgent and the decision taken by the Executive or a member of the Executive.
3. Is this a matter to which an exemption of public and press applies (please see Access to Information Procedure Rules in the Council's Constitution, or seek advice from the Monitoring Officer or Democratic Services Officer:
Public: ✓ Exempt:
4. Type of decision:
Key decision (fees & charges)
Council decision (planning)
Decision outside of the budget & policy framework.
5. Reasons for urgency:

On 20 December, regulations were made under the Town and Country Planning (fees for applications, deemed applications, requests and site visits) (England) (Amendment) Regulations 2017 which provided for an increase in planning fees from 17 January 2018.

In the absence of a scheduled meeting of the Council, there would insufficient time by that date to arrange a quorate meeting of Council.

To delay the decision to the next meeting of Council would mean a loss of revenue to the authority which would not be financially prudent as advised by the Proper Officer for Financial Affairs. In addition, this is a mandatory increase imposed by the Government so to delay for a decision of Council would not change the imposition of the increase from 17 January.

6. Has the chairman of the Scrutiny Commission agreed to the reasons for urgency?

The chairman of the Scrutiny Commission, Councillor Matthew Lay, was consulted on 22 December 2017 and confirmed he was supportive of the urgent decision being taken, given the reason for urgency, on 23 December 2017.

7. Decision taken:

To apply changes to planning fees from 17 January 2018 in accordance with SI 2017 no. 1314 (Town and Country Planning (fees for applications, deemed applications, requests and site visits) (England) (Amendment) Regulations 2017).

These changes include a 20% increase in planning fees, a new fee of £402 per 0.1 hectare for Permission in Principle applications, the ability to charge for applications for planning permission following the removal of permitted development rights through Article 4 directions or by condition and a fee of £96 for prior approval applications to permitted development rights introduced in April 2015 and April 2017.

8. Date of decision:

9 January 2018

9. Reasons for decision:

To reflect the making of the Regulations under the Town and Country Planning (fees for applications, deemed applications, requests and site visits) (England) (Amendment) Regulations 2017.

To implement the changes from the earliest date (17 January 2018) for reasons of prudent financial management and in accordance with regulations.

10. Alternative options considered and rejected:

Considered and rejected delaying the decision to the next meeting of the Council.

Considered and rejected not applying the increases.

11. List background documents included (these will be published and made available for four years, unless the subject matter contains exempt information):

None.

Form completed by: Rebecca Owen, Democratic Services Officer

2017 No. 1314

TOWN AND COUNTRY PLANNING, ENGLAND

**The Town and Country Planning (Fees for Applications,
Deemed Applications, Requests and Site Visits) (England)
(Amendment) Regulations 2017**

Made - - - - *20th December 2017*

Coming into force in accordance with regulation 1

The Secretary of State, in exercise of the powers conferred by sections 303(1), (1A), (2), (4), (5) and (6) and 333(2A) of the Town and Country Planning Act 1990(a), makes the following Regulations.

In accordance with section 303(8)(a) of that Act, a draft of this instrument has been laid before and approved by resolution of each House of Parliament.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment) Regulations 2017 and come into force on the twenty eighth day after the day on which they are made.

(2) In these Regulations “the 2012 Regulations” means the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012(b).

Amendments in relation to an increase in application fees

2.—(1) The 2012 Regulations are amended as follows.

(2) In regulation 11—

- (a) in paragraph (3)(b) for “£195” substitute “£234”;
- (b) in paragraph (6)(a) for “£385” substitute “£462”; and
- (c) in paragraph (6)(b) for “£19,049” substitute “£22,859”, for “£115” substitute “£138” and for “£250,000” substitute “£300,000”.

(3) In regulation 15—

- (a) in paragraph (4) for “£331” substitute “£397”; and

(a) 1990 c.8. Section 303 was substituted by section 199 of the Planning Act 2008 (c.29). Section 303(1A) was inserted by section 1(2) of, and paragraph 10 of Schedule 1 to, the Growth and Infrastructure Act 2013 (c.27). There are other amendments to section 303 which are not relevant to these Regulations. Section 333(2A) was inserted by section 118(1) of, and paragraph 14 of Schedule 6 to, the Planning and Compulsory Purchase Act 2004 (c.5).

(b) S.I. 2012/2920, amended by S.I. 2013/2153, which in particular inserted new regulations 2A, 9A and 11A, and S.I.s 2014/357 and 2014/2026.

- (b) in paragraph (5) for “£110” substitute “£132”.
- (4) In paragraph (1) of regulation 16—
- (a) in sub-paragraph (a) for “£28” substitute “£34”; and
- (b) in sub-paragraph (b) for “£97” substitute “£116”.
- (5) In regulation 17—
- (a) the first provision is numbered as paragraph (1);
- (b) in paragraph (1)(a) for “£28” substitute “£34”; and
- (c) in paragraph (1)(b) for “£195” substitute “£234”.
- (6) In paragraph (2) of regulation 18, for “£195” substitute “£234”.
- (7) In Part 1 of Schedule 1—
- (a) in paragraphs 3(1) and 4(2) for “£385” substitute “£462”;
- (b) in paragraphs 5 and 6(b) for “£195” substitute “£234”;
- (c) in paragraph 7(1)—
- (i) in paragraph (a) for “£57” substitute “£68”;
- (ii) in paragraph (b) for “£575” substitute “£690”;
- (iii) in paragraph (c) for “£195” substitute “£234”; and
- (d) in paragraph 14(2)—
- (i) in paragraph (a) for “£385” substitute “£462”;
- (ii) in paragraph (b) for “£9,527” substitute “£11,432”, for “£115” substitute “£138” and for “£125,000” substitute “£150,000”.
- (8) In Part 2 of Schedule 1 (scale of fees), in the “Fee Payable” column of the table, for any fee of an amount specified in Column 1 of the table below, substitute the increased amount specified in Column 2.

Column 1 – amount in £ specified in the scale of fees table in Part 2 of Schedule 1 to the 2012 Regulations

<i>Column 1 – amount in £ specified in the scale of fees table in Part 2 of Schedule 1 to the 2012 Regulations</i>	<i>Column 2 – increased amount</i>
£80	£96
£115	£138
£126	£151
£172	£206
£195	£234
£214	£257
£339	£407
£385	£462
£423	£508
£1,690	£2,028
£2,150	£2,580
£9,527	£11,432
£19,049	£22,859
£29,112	£34,934
£31,725	£38,070
£32,100	£38,520
£65,000	£78,000
£125,000	£150,000
£250,000	£300,000

- (9) In Schedule 2 in the table, for “£110” in both places it occurs, substitute “£132” and for “£385” substitute “£462”.

Amendments in relation to permission in principle

3.—(1) The 2012 Regulations are amended as follows.

(2) In regulation 1—

(a) after paragraph (4)(b)(i) insert—

“(iiza) applications for permission in principle;”(a) and

(b) in paragraph (4)(b)(ix) omit “to planning permission”.

(3) In paragraph (1) of regulation 3, after “development of land” insert “, for permission in principle”.

(4) In regulation 8—

(a) in paragraph (1) at the end of sub-paragraph (a) omit “or” and after that sub-paragraph insert—

“(aa) an application for permission in principle which is made following the granting of permission in principle for development which the local planning authority are satisfied is development of the same character or description as the development to which the application relates, on an application for permission in principle made by or on behalf of the same applicant; or”;

(b) in paragraph (2)(a) after “planning permission” insert “, grant of permission in principle”; and

(c) in paragraph (2)(b) at the end of paragraph (i) omit “or” and after that paragraph insert—

“(ia) in the case of an application for permission in principle, to the same site as that to which the grant of permission in principle related, or to part of that site, and to no other land except land included solely for the purpose of providing a different means of access to the site; or”.

(5) In regulation 9—

(a) in paragraph (1) after sub-paragraph (a) insert—

“(aa) an application for permission in principle which is made following the withdrawal (before notice of the decision was issued) of a valid application for permission in principle made by or on behalf of the same applicant;”;

(b) in paragraph (1) after sub-paragraph (b) insert—

“(ba) an application for permission in principle which is made following the refusal of permission in principle (whether by the local planning authority or by the Secretary of State on appeal or following the reference of the application to the Secretary of State for determination) on a valid application for permission in principle made by or on behalf of the same applicant;”;

(c) in paragraph (1) after sub-paragraph (c) insert—

“(ca) an application for permission in principle which is made following the making of an appeal to the Secretary of State under section 78(2) of the 1990 Act (right of appeal against failure to take planning decisions) in relation to a valid application for permission in principle made by or on behalf of the same applicant;”;

(d) in paragraph (2)(b)(i) after “planning permission” insert “or permission in principle”;

(e) in paragraph (2)(c) after “planning permission” insert “or permission in principle”; and

(f) after paragraph (2)(d) insert—

“(da) in the case of an application for planning permission which is in the form of an application for technical details consent, that the earlier application was also in the form of an application for technical details consent;”(b).

(a) See sections 58A and 59A of the 1990 Act (which were inserted by section 150 of the Housing and Planning Act 2016 (c.22)).

(b) See section 70(2ZZB) of the Town and Country Planning Act 1990 (c.8) for the meaning of “technical details consent”.

(6) In paragraph (1) of regulation 9A, after “planning permission” insert “, or permission in principle”.

(7) In paragraph (2) of regulation 12, after “planning permission” insert “or permission in principle, as the case may be,”.

(8) In regulation 17—

- (a) in the heading after “planning permission” insert “or permission in principle”; and
- (b) in paragraph (1) omit the words “to planning permission”.

(9) In Schedule 1—

(a) in Part 1—

- (i) in paragraph 1(3)(a) after “planning permission” insert “or permission in principle”;
- (ii) in paragraph 8(1)(a) after “planning permission” insert “or permission in principle”;
- (iii) in paragraph 8(1)(b) after “Development Management Procedure Order (general provisions in relation to applications)” insert “or article 5D(1) of the Town and Country Planning (Permission in Principle) Order 2017, as the case may be.”; **(a)**
- (iv) in paragraph 10(1)(a) after “planning permission” insert “or permission in principle”;
- (v) in paragraph 10(2) after “planning permission” insert “, permission in principle”; and

(b) in the table in Part 2—

- (i) in the entry relating to category 1, in the second column (fee payable), after subparagraph (1) insert—

“(1A) Where the application is for permission in principle, £402 for each 0.1 hectare of the site area.”;

- (ii) in the entry relating to category 2, in the second column (fee payable), after subparagraph (1) insert—

“(1A) Where the application is for permission in principle, £402 for each 0.1 hectare of the site area.”;

- (iii) in the entry relating to category 3, in the second column (fee payable), after subparagraph (1) insert—

“(1A) Where the application is for permission in principle, £402 for each 0.1 hectare of the site area.”.

(a) S.I. 2017/402, article 5D was inserted by the Town and Country Planning (Permission in Principle) (Amendment) Order 2017 S.I. 1309

Amendments in relation to fees for pre-application advice given by a Mayoral development corporation or an urban development corporation

- 4.—(1) In regulation 2 of the 2012 Regulations—
- (a) before the definition of “the 1990 Act” insert—
 - ““the 1980 Act” means the Local Government, Planning and Land Act 1980;”(a);
 - (b) after the definition of “landfill site” insert—
 - ““Mayoral development corporation” means a corporation which is—
 - (a) established for a Mayoral development area, and
 - (b) specified as the local planning authority for the purposes of Part 3 of the 1990 Act for all or part of that area, - by an order made by the Secretary of State under section 198 of the Localism Act 2011;
 - ”(b); and
 - (c) after the definition of “site visit” omit the word “and” and insert—
 - ““urban development corporation” means a corporation which is—
 - (a) established for an urban development area by an order made by the Secretary of State under section 135 of the 1980 Act; and
 - (b) specified as the local planning authority for the purposes of Part 3 of the 1990 Act, for all or part of that area in an order made by the Secretary of State under section 149 of the 1980 Act; and”.
- (2) After regulation 2A of the 2012 Regulations insert—

“Pre-application advice given by a Mayoral development corporation or an urban development corporation

2B.—(1) Subject to paragraph (2), where a Mayoral development corporation or an urban development corporation (“the corporation”), gives advice to a person at the request of that person about applying for any permission, approval or consent under Part 3 of the 1990 Act (“pre-application advice”), the corporation shall charge that person a fee.

(2) The corporation may only charge a fee for pre-application advice under paragraph (1) if—

- (a) a fee schedule has been adopted by the corporation in accordance with paragraphs (3) and (4);
- (b) the requirements of paragraph (5) have been met;
- (c) the fee schedule has come into effect on or before the date on which the request for pre-application advice is made;
- (d) the fee schedule meets the requirements in paragraph (6);
- (e) the fee schedule provides for a fee to be charged for that advice; and
- (f) the fee is calculated in accordance with the fee schedule.

(3) A fee schedule is adopted when the corporation resolves to adopt it.

(4) A corporation may only adopt a fee schedule if it has published a copy of the proposed fee schedule—

(a) 1980 c.65. Section 135 was amended by section 179(4) of the Leasehold Reform, Housing and Urban Development Act 1993 c.28; section 149 has been amended by sections 3 and 4 of, and Schedule 1 to, and paragraph 44(6) of Schedule 2 to, the Planning (Consequential Provisions) Act 1990 (c.11). See also sections 7 and 7A of the 1990 Act (c.8). Section 7A of the 1990 Act was inserted by section 222 of the Localism Act 2011 (c.20). For the definition of “urban development area” see section 134 of the 1980 Act.

(b) 2011 c.20. For the definition of “Mayoral development area” see section 197 of the Act.

- (a) in one or more newspapers, whose circulation or combined circulations cover the corporation's area; and
 - (b) on its website,
- at least 21 days before the fee schedule is adopted.
- (5) Within 5 days of adopting the fee schedule, the corporation must publish a copy of it on its website and make hard copies of it available on request.
- (6) The fee schedule referred to in paragraph (2) must—
- (a) set out how a fee charged under paragraph (1) is to be calculated; and
 - (b) specify the date on which it comes into effect, which may not be earlier than 10 days after the day on which it is adopted.
- (7) The corporation may amend a fee schedule at any time and, in relation to the charging of a fee under paragraph (1) for advice to which the amendment relates, paragraphs (2) to (6) apply but as if for “fee schedule” there were substituted “amended fee schedule”.

Amendments in relation to fees for certain applications under the General Permitted Development Order

5.—(1) In regulation 2 of the 2012 Regulations in the definition of “the General Permitted Development Order” for “Order 1995” substitute “(England) Order 2015”(a).

(2) Omit regulation 5 of the 2012 Regulations.

(3) In regulation 14 of the 2012 Regulations for sub-paragraphs (za) to (b) of paragraph (1) substitute—

- “(za) for an application under any Part of that Schedule relating to development which involves the making of any material change in the use of any buildings or other land, except for an application under Part 4 (temporary buildings and uses), £96;
- (zb) for an application under Part 3 of that Schedule relating to development consisting of the making of a material change in the use of any buildings or other land and building operations in connection with that change of use, £206;
- (a) for an application under Parts 4 (temporary buildings and uses), 6 (agricultural and forestry), 7 (non-domestic extensions, alterations etc), 11 (heritage and demolition) or 14 (renewable energy) of that Schedule, £96; and
- (b) for an application under Part 16 of that Schedule (communications), £462.”

Amendments consequential on the Town and Country Planning (Development Management Procedure) Order 2015

6.—(1) The 2012 Regulations are amended as follows.

(2) In paragraph (1) of regulation 2 in the definition of “the Development Management Procedure Order” for “2010” substitute “2015”(b).

(3) In regulation 9—

(a) for paragraph (2)(a)(ii) substitute—

- “(ii) in the case of an application which is made following an appeal under section 78(2) of the 1990 Act, the date when (by virtue of article 27 (applications made under a planning condition) or 34 (time periods for decisions) of the Development Management Procedure Order or article 5S of the Town and Country Planning (Permission in Principle) Order 2017, as the case may be)

(a) S.I. 2015/596, amended by S.I. 2016/332, 2016/1040 and 2017/391.

(b) S.I. 2015/595, amended by S.I. 2017/571.

the period for the giving of notice of a decision on the earlier valid application expired; or”(a); and

(b) for paragraph (3) substitute—

“(3) In this regulation “valid application” has the same meaning as in article 34(4) of the Development Management Procedure Order or article 5S(3) of the Town and Country Planning (Permission in Principle) Order 2017, as the case may be.”

(4) In regulation 9A in paragraph (3), for the definition of “valid application” substitute—

““valid application” is—

(a) where the application is made to a local planning authority, to have the same meaning as in article 34(4) of the Development Management Procedure Order or article 5S(3) of the Town and Country Planning (Permission in Principle) Order 2017, as the case may be;

(b) where the application is made under section 62A of the 1990 Act, to have the same meaning as in article 8(4) of the Town and Country Planning (Section 62A Applications) (Procedure and Consequential Amendments) Order 2013.”(b).

(5) In regulation 11 in paragraph (5)(a)(ii) for “article 35” substitute “article 39”.

(6) In paragraph (8) of regulation 11A for the words from “article 29(3)” to the end substitute “article 8(4) of the Town and Country Planning (Section 62A Applications) (Procedure and Consequential Amendments) Order 2013.”

(7) In Part 1 of Schedule 1—

(a) in paragraph 7(1) for “article 18(1)(b) or (c)” substitute “article 20(1)(b) or (c)”; and

(b) in paragraph 8(1)(b) for “article 10(1)” substitute “article 11(1)”.

Transitional provision

7. The amendments made by regulations 2 and 5 of these Regulations do not apply to—

(a) applications—

(i) made, or

(ii) deemed to have been made by virtue of section 177(5) of the 1990 Act (grant or modification of planning permission on appeals against enforcement notices) in connection with an enforcement notice issued,

before the date on which these regulations come into force “the coming into force date”;

(b) requests made before the coming into force date; and

(c) site visits which take place before the coming into force date.

Signed by authority of the Secretary of State for Communities and Local Government

Alok Sharma
Minister of State

20th December 2017

Department for Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Regulations)

Regulation 2 of these Regulations provides for an increase of approximately 20% for all existing fees to be paid to local planning authorities in respect of applications, deemed applications,

(a) S.I. 2017/402 article 5S was inserted by the Town and Country Planning (Permission in Principle) (Amendment) Order 2017 S.I. 1309

(b) S.I. 2013/2140 to which there are amendments not relevant to these Regulations.

requests or site visits in respect of which a fee is payable under the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012 (S.I. 2012/2920), “the 2012 Regulations”. The increase was offered by Government to all local planning authorities in Command Paper 9352 (paragraph 2.15) if they agreed that the additional money would be re-invested within their planning department. All local planning authorities accepted the offer.

Regulation 3 of these Regulations makes consequential changes to the 2012 Regulations so that a fee will be payable for applications for permission in principle. Permission in principle is a new route to planning permission, see sections 58A and 59A of the Town and Country Planning Act 1990 (c. 8), which were inserted by section 150 of the Housing and Planning Act 2016 (c.22).

Regulation 4(2) of these Regulations inserts new regulation 2B into the 2012 Regulations, so that Mayoral development corporations and urban development corporations can charge for giving advice, in their area, about planning applications at the pre-application stage. Regulation 4(1) inserts into the 2012 Regulations definitions relevant to new regulation 2B. Under section 303(10) of the Town and Country Planning Act 1990, Mayoral development corporations and urban development corporations will be under a duty to secure that, taking one financial year with another, the income from pre-application fees does not exceed the cost to them of giving that advice.

Regulation 5(2) omits regulation 5 of the 2012 Regulations. This means that a planning application fee may be charged by local planning authorities where they have made a direction withdrawing permitted development rights under article 4 of the Town and Country Planning (General Permitted Development) (England) Order 2015 (S.I. 2015/596 “the General Permitted Development Order 2015”) or where permitted development rights have been withdrawn by a condition imposed on a planning permission. Regulation 5(3) is made in consequence of the introduction of new classes of permitted development rights under the General Permitted Development Order 2015, which came into force on 15th April 2015 and the Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2017 (S.I. 2017/39) which came into force on 6th April 2017. Class CA of Part 4 of Schedule 2 to that Order permits the provision of temporary state-funded schools on vacant commercial land, Class E of Part 4 of Schedule 2 to that Order permits the temporary use of buildings or land for film making, Class C of Part 7 of that Schedule permits the erection of a collection facility within the curtilage of a shop and Class J(c) of Part 14 of that Schedule permits the installation, alteration or replacement of solar PV equipment with a generating capacity of up to one megawatt on the roof of a non-domestic building. Each of the new permitted development rights are subject to certain matters about which the applicant must seek the prior approval of the local planning authority. Where such an application is made, the fee will be £96.

Cross-references have been updated in the 2012 Regulations following the making of the Town and Country Planning (Development Management Procedure) (England) Order 2015 S.I. 2015/595 and the General Permitted Development Order 2015.

Regulation 7 is a transitional provision. It provides that the changes made by these Regulations, including the increased fees and the introduction of a fee for a prior approval in relation to the new permitted development rights, will only apply where an application, request or site visit is made or deemed to have been made on or after the coming into force date of these Regulations.

An impact assessment was prepared in relation to regulation 5(3) of these Regulations, in respect of the new permitted development rights introduced by the General Permitted Development Order 2015. This covered fees for the prior approvals associated with those rights. The assessment was published alongside that Order at <http://www.legislation.gov.uk/uksi/2015/596/impacts> and copies may be inspected at the Planning Directorate, Department for Communities and Local Government, Fry Building, 2 Marsham Street, London SW1P 4DF. Command Paper 9352 is available on www.gov.uk or copies may be also inspected at the Planning Directorate of the Department for Communities and Local Government at the address given above.

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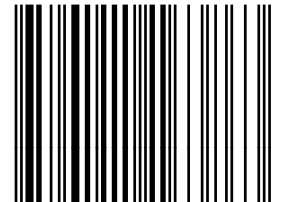
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Making sure people with MND have access to the right services



People with MND typically find their care needs are complex and can change rapidly. This combination of complexity and rapid progression poses a major challenge to health and social care services.

Many services and professionals are involved in caring for someone with MND. These include: health professionals in both specialist and local centres, social workers, therapists, hospices, equipment services, housing services and the benefits system. This complex web of support is essential to enable people with MND to live their lives as fully as possible and die with dignity.

It is therefore vital that these services are well co-ordinated, and that policy-makers, commissioners and professionals always consider and plan for the care needs of people with MND.



Your local MND Association branch or group contact details are:

MND Association
PO Box 246 Northampton NN1 2PR
Telephone: 0207 250 8447
Email: campaigns@mndassociation.org
www.mndassociation.org

Registered charity no. 294354

2/16

mnda
motor neurone disease
association



30%
of people with
MND die within
12 months of
diagnosis

Motor neurone disease: a guide for councillors

This short guide is designed to help you understand motor neurone disease (MND) and how you can support your constituents with MND.

About motor neurone disease (MND)



MND is a fatal, rapidly progressing disease that affects the brain and spinal cord.

It can leave people locked in a failing body, unable to move, talk and eventually breathe.

A person's lifetime risk of developing MND is up to one in 300.

It kills around 30% of people within 12 months of diagnosis, more than 50% within two years.

It affects people from all communities.

It has no cure.

Agenda Item 17

How you can help as a councillor



As a councillor you may have a say in many of the services people with MND rely on, such as:

- Social care.
- Housing and adaptations.
- Carers assessments and services.
- Health care.
- Public transport.



As a councillor you can:

Champion the MND Charter

Help make a difference to people with MND and their carers in your area by encouraging your council to adopt the MND Charter*

Adopting the Charter is a simple way for you and your council to raise awareness of the needs of people with MND and the importance of the right care, in the right place, at the right time.

For more information visit www.mndassociation.org/mndcharter

Support people with MND in your constituency

Your constituents may contact you to:

- Ask for your help when they face difficulties accessing local services.
- Ask you to support the *Champion the Charter* campaign.
- Ask you to support a local campaign to change or improve local services.
- Ask you to help raise awareness and support local people with MND by attending an event or meeting.

If you want to meet people with MND in your area and find out how you can support them, please contact your local volunteer-led MND Association branch or group.

Keep up to date on social media

Follow our campaigning work on Facebook and Twitter to keep up to date on issues affecting people with MND and their carers.

🐦 @mndcampaigns

🐦 @mndcampaignsWLS (*Wales*)

📘 /mndcampaigns

*The MND Charter is a statement of respect, care and support that people with MND and their carers deserve and should expect.

How the MND Association helps



The MND Association is the only national charity in England, Wales and Northern Ireland focused on MND care, research and campaigning. A separate organisation covers Scotland www.mndscotland.org.uk

We fund 20 MND care centres and networks in partnership with NHS Trusts across England, Wales and Northern Ireland.

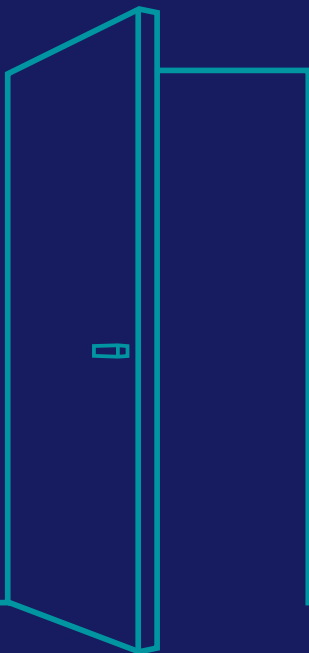
We employ 26 Regional Care Development Advisers who are in touch with people living with MND and work to influence local health and social care service providers. In 2015, we issued more than 46,000 pieces of care information to people with, or affected by, MND. We also have a network of volunteer branches, groups and Association visitors providing information and emotional support.

We fund and promote research that leads to new understanding and treatments, bringing us closer to a cure for MND. The value of our whole research grant portfolio on 1 February 2016 was £13.1 million.



In 2014, our support grants to help people with MND and their carers manage the disease, for example by helping to pay for home adaptations to allow for continued home living, totalled £893,000. We spent £247,000 on lending out specialist equipment to help people with MND carry out day to day tasks and communicate.

Much of the funding provided by the MND Association for care, equipment and other support for people with MND pays for services that could or should be provided by the NHS or local authorities. We will never walk away from a person with MND, or carer, who is in need, but we do not believe charitable funds should be relied on to cover shortfalls in statutory service provision.



Life with motor neurone disease (MND) is hard.

As a councillor you can help to make it a bit easier.

You can champion the MND Charter



**CHAMPION
THE CHARTER
ON YOUR
DOORSTEP**

Locked in a failing body. Unable to move, talk and eventually breathe.

This is life with MND.

"I was approached by one of my constituents whose wife had died early after being diagnosed with MND. His personal story and passion to raise awareness inspired me"

Cllr Susan Quinn,
Tameside council

About MND

MND is a fatal, rapidly progressing disease that affects the brain and spinal cord.

It attacks the nerves that control movement so muscles refuse to work.

A third of people with MND die within a year of diagnosis, and more than half within two years.

It kills six people per day in the UK, and affects up to 5,000 adults at any one time.

There is no cure.



How you can help

A vital role

As a councillor you can play a vital role in supporting people living with MND and their carers in your local area.

As well as helping individuals with casework, you can influence the planning of services people with MND rely on, such as:

- **Social care**
- **Housing and home adaptations**
- **Carers assessments and services**
- **Health care**
- **Public transport.**

Whatever kind of council you're part of, there will be ways you can support people with MND.

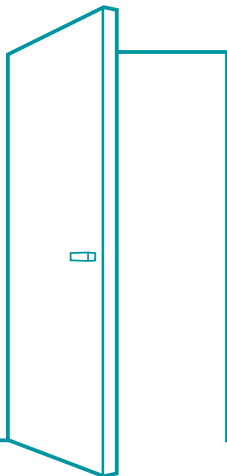
"MND is devastating and can be really isolating, but with the right support, we can enjoy the time we have left" Stephen Rhodes, who is living with MND

Champion the MND Charter

Getting your council to adopt the MND Charter is a powerful way of supporting people with MND in your community.

Like the growing number of councils who have already adopted the Charter, you would be sending a powerful message to local people with MND that you hear their voice, and are working hard to ensure they are valued, respected, and well supported by your council.

Read on to find out how it works.



The MND Charter

The MND Charter is a statement of the respect, care and support that people living with MND and their carers deserve and should expect.

The five points of the Charter are:

1. **The right to an early diagnosis and information.**
2. **The right to access quality care and treatments.**
3. **The right to be treated as individuals and with dignity and respect.**
4. **The right to maximise their quality of life.**
5. **Carers of people with MND have the right to be valued, respected, listened to and well-supported.**

"I was overwhelmed when I learnt how quickly the disease takes hold of people. As a council we are committed to ensuring people living with MND are afforded the support and help they require"

Cllr Donna Jones, Leader of Portsmouth City Council

While councils aren't responsible for everything outlined in the MND Charter, they are a significant part of the jigsaw. When services such as social care and housing are provided in a timely person-centred way, this has a huge impact on the person with MND and their family.

MND is a devastating, complex disease and particularly difficult to manage. If you can get it right for MND, you can get it right for residents with other neurological conditions and disabilities too.



How it works

Adopting the MND Charter is a straight forward process, and doesn't cost a penny.

Get on board → **Adopt** → **Celebrate**

Get on board

Your journey will usually start with a meeting between you and a local resident who wants to discuss how the council supports people with MND and their carers in your community. If you've approached us about adopting the Charter, a meeting might not be necessary, you might just need some information and support. It's up to you.

Adopt

There's no set process you must follow, but we'd recommend either:

- Proposing a motion to adopt the MND Charter at your next full council meeting, or
- Writing to the leader or elected mayor and asking them to adopt the MND Charter on behalf of the council.

You'll also need to rally the support of your fellow councillors, asking them to vote for the motion or join you in writing to the leader or elected mayor. If there is a vote, we can help

you to present the case, for example by putting you in touch with a local person living with or affected by MND who can explain to your colleagues why this matters.

Celebrate!

You can publicise the Charter adoption with a press release, on your digital platforms, and perhaps by organising a reception. We will provide you with postcards, leaflets and posters to disseminate, as well as advice and support.

Adopting the Charter...

... allows you to:

- help people with MND
- show your support publicly
- know that you're making a real difference.

... means:

- you agree to promote the MND Charter as widely as possible
- you will share the promotional materials – for example with councillors, council staff, and health and social care professionals who deliver services for the council
- you will consider other ways of working together to support people with MND.

Next steps

After you've adopted the Charter

It's up to you how you take the Charter forward to help improve the lives of people living with MND after the adoption. We're here to support you on that journey, and can discuss additional steps we could take together. We'll also celebrate the good work you choose to do.

Adopting the Charter isn't about us accrediting you or giving you a kitemark. We do hope that adopting the MND Charter is the start of a strong partnership between your council and the MND Association.

To find out which councils have already adopted the Charter so far, visit www.mndassociation.org/mndcharter

PO Box 246, Northampton NN1 2PR

Telephone: 020 7250 8447

Email: campaigns@mndassociation.org

www.mndassociation.org/mndcharter

 @mndcampaigns

 @mndcampaignsWLS (Wales)

 /mndcampaigns

Further information

To find everything you need to get started please visit www.mndassociation.org/mndcharter

If you'd like to talk to someone about what adopting the Charter means or how it works, please email campaigns@mndassociation.org or call 020 7250 8447.

Adopting the MND Charter is easy, and could make a big difference to people with MND in your community. We'll help you every step of the way, and won't stop until there's a world free from MND.

Your local MND Association branch or group contact details are:

By virtue of paragraph(s) 3, 10 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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