

Guildhall Gainsborough  
Lincolnshire DN21 2NA  
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**This meeting will be webcast live and published on the Council's website**

## AGENDA

**PLEASE NOTE DUE TO CONTINUED SOCIAL DISTANCING REQUIREMENTS THE PUBLIC VIEWING GALLERY IS CURRENTLY SUSPENDED**

This Meeting will be available to watch live via: <https://west-lindsey.public-i.tv/core/portal/home>

Prayers will be conducted prior to the start of the meeting.  
Members are welcome to attend.

**Notice** is hereby given that a meeting of the Council will be held in the Council Chamber - The Guildhall, , on **Monday, 7th March, 2022 at 7.00 pm**, and your attendance at such meeting is hereby requested to transact the following business.

**To: Members of West Lindsey District Council**

1. APOLOGIES FOR ABSENCE
  
2. MINUTES OF THE PREVIOUS MEETING  
To confirm and sign as a correct record the Minutes of the previous Full Council Meeting held on 24 January 2022.  
  
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3. MEMBERS' DECLARATIONS OF INTEREST  
Members may make any declarations of interest at this point and may also make them at any point during the meeting.

4. MATTERS ARISING

Setting out current position of previously agreed actions as at 25 February 2022.

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5. ANNOUNCEMENTS

- i) Chairman of Council
- ii) Leader of the Council
- iii) Chief Executive

6. PUBLIC QUESTION TIME

Questions, if received, under this Scheme will be published by way of supplement following closure of the deadline.

7. QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE NO. 9

Questions submitted by Members under Procedure Rule No.9 will be published by way of supplement following closure of the deadline.

8. MOTIONS PURSUANT TO COUNCIL PROCEDURE RULE NO. 10

**Motion 1**

**Walking and Cycling to School – Road Safety Measures**

West Lindsey District Council supports the campaigns of Government, Education and Health Authorities to promote pupils walking and cycling to and from school. This daily activity instils good life style habits with our young people as well as improving their health, including obesity, and wellbeing. It also has a potential to improve the climate and environmental issues faced by our planet.

The Council also recognises that for such schemes to successfully taken up the pupils and their parents/carers must feel they can carry out the activity in a safe environment. Unfortunately, many of our area's schools suffer from a lack of adequate pavements and safety barriers, inadequate parking spaces, traffic travelling at fast speeds and air pollution from passing motor vehicles making

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them risky and unsafe for pedestrians. In rural villages and back street locations the narrowness of the roads frequently heightens the problem. Where schools do have safety zones and other speed reduction schemes outside their premises they are mainly advisory and not mandatory and so are frequently ignored.

The Council require the Leader and Chief Executive Officer to write to Cllr Martin Hill OBE as Leader of Lincolnshire County Council and to Councillor Mrs Patricia Bradwell OBE Executive Member for Children Services and Cllr Richard Davies Executive Member for Highways to request, as a matter of urgency they help to bring about an increase in pupils undertaking active travel to and from school by providing outside and in the immediate vicinity of all schools in the District:

- adequate pavements and associated infrastructure
- a **mandatory** speed limit of 20mph, in line with the '20 is Plenty Campaign'
- parking free zones outside the school
- help in identifying and providing suitable parent car parking in areas away from the school – which will allow park and stride schemes to operate.

I so move.

Councillor. Stephen Bunney”

## **Motion 2**

### **Selective Licensing**

“In England the private housing sector accounts for 4.4 million or 19% of households compared with 4.0 million or 17% households in the social rented sector. Therefore private landlords clearly play an important role in supporting local authorities meeting local housing demand.

WLDC introduced a Selective Licensing Scheme of Private Landlords in parts of the Gainsborough South West Ward in 2016 and the authority is currently carrying out a consultation process with a view of extending the scheme to other areas of the district in 2023.

Whilst we welcome the consultation it has to be recognised that an online process has limitations regarding the current challenges faced by the private rented sector in our urban and rural areas.

Clearly there are many advantages for the authority building improved partnerships with the private rented sector, including meeting our statutory requirements regarding homelessness, employment, domestic violence, mental health etc. They also support the authority meeting the housing needs of many individuals who have exhausted their options regarding social housing.

Our citizens deserve good housing standards, the selective licensing scheme can improve the quality of accommodation however it has had limited success in many other areas such as anti social behaviour, community safety and crime levels.

It is therefore essential before we extend the selective licensing scheme we gain a far better understanding of how many of these other issues can be addressed, There we 'move'

1. The consultation process is halted and reformulated to address the limitations of the online consultation process including a district wide meeting between elected members and the private landlords of the designated areas.
2. The key findings are considered and implemented into the new selective licensing scheme.
3. A report is produced and presented to the following Prosperous Communities Committee prior to the new licensing scheme being implemented.

We so Move

Councillor Trevor Young  
Gainsborough South-West Ward

Councillor Stephen Bunney  
Market Rasen Ward

Councillor Paul Howitt Cowan  
Hemswell Ward

Councillor Tom Regis  
Wold View Ward"

## 9. REPORTS FOR DETERMINATION

- a. Executive Business Plan 2022/23 to 2024/25, Medium Term Financial Plan 2022/23 to 2026/27, Council Tax and Revenue Budget 2022/23 and Capital Programme 2022/23 to 2026/27

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## 10. EXCLUSION OF PUBLIC AND PRESS (IF REQUIRED)

To resolve that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

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11. EXEMPT REPORT (S)

- a. Executive Business Plan 2022/23 to 2024/25, Medium Term Financial Plan 2022/23 to 2026/27, Council Tax and Revenue Budget 2022/23 and Capital Programme 2022/23 to 2026/27 - Exempt Appendix

\* Appendix 3 Continued – Exempt Fees and Charges.

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Ian Knowles  
Head of Paid Service  
The Guildhall  
Gainsborough

Friday, 25 February 2022

# Agenda Item 2 Public Document Pack

West Lindsey District Council - 24 January 2022

## WEST LINDSEY DISTRICT COUNCIL

Minutes of the Meeting of Council held in the Council Chamber - The Guildhall on 24 January 2022 at 7.00 pm.

### Present:

Councillor Mrs Angela Lawrence (Vice-Chairman) - in the Chair for the meeting.

Councillor Owen Bierley	Councillor Matthew Boles
Councillor Mrs Jackie Brockway	Councillor Stephen Bunney
Councillor Liz Clews	Councillor David Cotton
Councillor Mrs Tracey Coulson	Councillor Michael Devine
Councillor David Dobbie	Councillor Jane Ellis
Councillor Ian Fleetwood	Councillor Mrs Caralyne Grimble
Councillor Paul Howitt-Cowan	Councillor Mrs Cordelia McCartney
Councillor John McNeill	Councillor Mrs Jessie Milne
Councillor Peter Morris	Councillor Jaime Oliver
Councillor Keith Panter	Councillor Roger Patterson
Councillor Mrs Judy Rainsforth	Councillor Tom Regis
Councillor Mrs Diana Rodgers	Councillor Jim Snee
Councillor Mrs Mandy Snee	Councillor Jeff Summers
Councillor Mrs Anne Welburn	Councillor Mrs Angela White
Councillor Trevor Young	

### In Attendance:

Ian Knowles	Chief Executive
Tracey Bircumshaw	Assistant Director of Finance and Property Services and Section 151 Officer
Emma Redwood	Assistant Director People and Democratic Services
Katie Storr	Democratic Services & Elections Team Manager

**Also in Attendance:** Mr Richard Quirk, Chairman of the Independent Remuneration Panel

### Apologies

Councillor Steve England  
Councillor Christopher Darcel  
Councillor Timothy Davies  
Councillor Cherie Hill  
Councillor Mrs Lesley Rollings  
Councillor Robert Waller

## **50 CHAIRMAN'S WELCOME**

The Vice Chairman (who was taking the Chair for the meeting) welcomed all Members and Officers to the meeting, the first meeting of Full Council, back in the Chamber for nearly two years.

A warm welcome was also extended to Mr Richard Quirk, Chairman of the Independent Remuneration Panel, who would later in the meeting present his Panel's recommendations to Full Council.

Well wishes were extended to the Chairman of the Council, in his absence following recent ill health. A speedy recovering was hoped for by all.

Brief reference was made to Covid measures still in place, and Members were advised to wear masks, when not speaking, given the closer proximity of attendees.

The public gallery, for those wishing to view proceedings remained suspended for Full Council, due to space limitations, but the meeting could be viewed live on the Council's website.

## **51 MINUTES OF THE PREVIOUS MEETING**

(a) Minutes of the Meeting of Full Council held on 1 November 2021

**RESOLVED** that the Minutes of the Meeting of Full Council held on 1 November 2021 be confirmed and signed as a correct record.

## **52 MEMBERS' DECLARATIONS OF INTEREST**

No declarations of interest were made at this point of the meeting.

For the avoidance of doubt, the Chairman advised the Chamber that Members were not required to make declarations in respect of the Members' Allowance Report, as this was an area in which all Councillors were granted an exemption by the relevant legislation.

## **53 DISTRICT COUNCIL NETTLEHAM WARD BY-ELECTION RESULT - DECEMBER 2021**

Members gave consideration to a report which set out the results of the recent District Council By-Election for the Nettleham Ward held on 16 December 2021.

Members welcomed and congratulated newly elected Councillor, Councillor Ms Jaime Oliver.

**RESOLVED** that the results of the District Council By-Election for the Nettleham Ward held on 16 December 2021 be received and noted.

## **54 MATTERS ARISING**

The Chairman introduced the report advising Members that the report would be taken “as read” unless Members had any questions that they wished to raise.

With no comments or questions and with no requirement for a vote, the Matters Arising were **DULY NOTED**.

## **55 ANNOUNCEMENTS**

### **Chairman**

In the absence of the Chairman of Council, the Vice-Chairman highlighted to the meeting a few events Councillor England had supported since the last Meeting of Full Council, this included:-

- Reception in the Heritage Centre at RAF Scampton on 11 November -
- A delayed tour of Lea Fields Crematorium on 12 November - for the first charity, St Barnabas, who had received donations from the metal recycling scheme. Ward Member Councillor Mrs Jessie Milne had also been in attendance.
- Remembrance Sunday attendance at two services, All Saints Church in Gainsborough in the morning and All Saints Church in Nettleham in the afternoon
- The Official opening of the new depot at Caenby Corner on 26 November
- The Salvation Army Toy Service in Gainsborough on 12 December

The pandemic had continued to see events interrupted with the Chairman’s Annual Carol Service having again been cancelled, although he had been able to create and distribute video Christmas messages to staff and the community filmed in St Mary’s Church in Welton.

### **Leader**

The Leader made the following address to Council: -

“May I begin by congratulating our new colleague, Councillor Jaime Oliver, on her election to the Council; I keenly anticipate working alongside her. It is also most pleasing that we are able to come together in this Chamber once again; the last time we met here was on 2<sup>nd</sup> March 2020!

This reflects the success to-date of our collective national response to the coronavirus pandemic; the fact that a meeting of the Lincolnshire Outbreak Engagement Board was postponed from last Wednesday to this really speaks volumes. Whilst infection rates remain relatively high, the latest information I have is that Lincolnshire ranks third in England for the take up of booster



vaccinations and that there are now only two Covid-19 patients in County intensive care units. Given the lifting this Thursday of the Government's Plan B restrictions (and our return to Plan A) continued adherence to all official guidance and regular self-testing will remain vital tools to help keep one another and our communities safe and to protect our valued National Health Service.

**The ten upper-tier Councils in Lincolnshire have been working collaboratively in preparation for the imminent publication of the Government's ambitious Levelling Up White Paper, which will include a strategy for devolved decision-making. This presents an opportunity to reset the relationship between central and Local Government and to give councils more power to deliver effectively on behalf of the areas and communities they serve. Our aim is to achieve the early submission of a compelling case for devolved powers for the historic area we represent. Not to do so would, without doubt, be regarded as a huge missed opportunity to build a better future.**

Officers in the Joint Planning Unit are presently preparing the submission draft of the new Central Lincolnshire Local Plan informed by representations made during the 2021 consultation. Subject to approval by Committee members at the meeting on Monday, 28<sup>th</sup> February the document will then be published ready for a further formal six-week public consultation period (Regulation 19) in the spring. Following that, the document will be finalised and submitted to the Planning Inspectorate for its Examination in Public and adoption, expected to be later in 2022.

Preparations are well under way for the introduction of the separate collection of paper and cardboard in West Lindsey, an environmental imperative. New purple-lidded bins will be delivered in March, with the service beginning in April. Copies of the 2022 collection calendar and recycling guide are currently being delivered to every home. These specify the date of commencement, however further detailed information packs will also be provided to further assist householders. New and renewal subscriptions to the Council's popular green bin service are also welcomed. The material collected is composted and used as a soil improver within the district exemplifying a 'virtuous circle'."

## **Chief Executive**

Following on from the Leader, the Chief Executive echoed his comments with regard to being able to make a safe return to the Chamber in the Guildhall, taking the opportunity to remind Members they should wear their masks around the building. The Chief Executive confirmed that the District Council alongside a number of Local Government officer groups continued to lobby Government to legalise virtual meetings.

Council were advised that the Authority had been visited by the Health and Safety Executive (HSE) the previous week. Having viewed the Authority's arrangements on the ground floor and having spoken at length with the Council's Health and Safety Officer – the HSE were more than satisfied with the arrangements and mitigations in place. The Chief Executive placed on record his thanks to Simon Hunt, the Health and Safety Officer and all employees

for their co-operation in keeping the building and their colleagues safe.

Following the recent relaxation of regulations the Chief Executive advised that employees were again being asked to start and book desks in the Guildhall; this would assist in developing new working patterns that would in-turn assist with identifying the appropriate capacity required in the Guildhall.

Moving on to the Levelling Up Fund Programme, the Chief Executive advised recruitment had commenced for a programme team to deliver this key project for the District and was pleased to confirm that the first round of recruitment had been successful, with six appointments having been made.

Finally, consultation on a new Selective Licensing Scheme had commenced in the month and would remain open until 11 April. Members were asked to encourage all relevant landlords and tenants to engage with the consultation.

## **56 PUBLIC QUESTION TIME**

The Chairman advised the meeting that no public questions had been received.

## **57 QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE NO. 9**

The Chairman advised the meeting that four question pursuant to Council Procedure Rule No.9 had been submitted to the meeting. This had been circulated to all Members, separately to the agenda.

The Chairman invited, Councillor John McNeill, Ward Member for Market Rasen, to put his question to the Leader, as follows: -

"The Boundary Commission for England following the passing of the Parliamentary Constituencies Act 2020 in December 2020 and the publication of the relevant Parliamentary electorate data in January 2021 commenced a new review of Parliamentary constituencies in England (referred to as the '2023 Review'), of which the first statutory consultation on initial proposals concluded on 2nd August 2021.

The Boundary Commission for England anticipate publishing the responses to the first consultation early this year and undertaking their second consultation from 22nd February 2022 for six weeks. Following this and the formulation of their proposals they intend to publish their proposals late this year and conduct a four week consultation on them. Their intention is then to submit and publish their final report in June 2023.

The current proposals by the Boundary Commission for England for the Gainsborough constituency, of which West Lindsey is a part, is to remove that part of the constituency comprising Wragby Ward of East Lindsey District Council and in effect make the Gainsborough constituency have the same boundary as the district of West Lindsey.

Is the Leader aware of the detail of these proposals?

Given the current proposal, would he support the District Council engaging in the Boundary Commission for England's second consultation to propose that the name of the Gainsborough constituency, despite its historical associations, be amended to 'West Lindsey'? Would he further agree that and support all members of this Council to make representations on this matter to the Boundary Commission for England?

"Surely the Leader will agree that there can be few similar opportunities to, not only promote the brand of West Lindsey nationally, but also to support the desire of many in this Council and District who are concerned about the perceived Gainsborough-centric bias of the District Council.

Councillor John McNeill"

The Leader of the Council, Owen Bierley, responded as follows:

Thank you for your question Cllr McNeill.

Yes, I am indeed aware of the review of the Parliamentary constituencies in England and in particular of the proposals for the Gainsborough constituency which, as you suggest, do present a unique opportunity to further our ambition to firmly place West Lindsey as a distinct and acknowledged entity, recognised at a national level.

This is especially important in the context of a potential bid for devolved powers for our County and in light of the present consultation on an extended Selective Licensing Scheme. It is closely related to our success, last year, in gaining an award of £10.27m in the first round of bidding in the Levelling Up Fund and in demonstrating the efficient delivery of the scheme.

Whilst I believe many people are aware of the Ridings of Yorkshire there is far less recognition of the significance of the historic Parts of Lincolnshire, Lindsey, Kesteven and Holland another matter this could only help to address.

Accordingly I welcome your timely question Cllr McNeill and will be pleased not only to make such a representation on behalf of our Council, but also to promote the opportunity and support others to engage in the forthcoming consultation too.

Thank you again for your question Cllr McNeill."

Councillor McNeill thanked the Leader for the response.

The Chairman then invited the second questioner, Councillor Trevor Young, Ward Member for Gainsborough South West Ward to put his question to the meeting, as follows: -

"In recent weeks there has been numerous rumours and concerns from the

public regarding the newly opened waste depot site facility at Caenby Corner, could the Leader of the Council please provide a verbal update to members.

Councillor Trevor Young”

The Leader of the Council, Councillor Owen Bierley, responded as follows: -

“Thank you for your question Cllr Young.

Sir Edward Leigh MP formally opened our new Operational Services Depot in early December and the facility is now fully operational. I’m delighted to report that the levels of safety and welfare facilities for our operational colleagues have improved enormously following the move. This has been a major capital investment and unsurprisingly, there have been a few very minor teething issues. I am confident the Waste Management Team, alongside the developer will resolve all of these in the coming weeks. A stage four project closure report will be heard by the internal Portfolio Board in the next couple of months, however it is very much being viewed as a success as the project has been delivered on time, under budget and to a very high standard.

Thank you again for your question Cllr Young.

Having heard the response Councillor Young, with permission from the Chairman, posed a supplementary question:

Leader in terms of the planning and approval process for the facility Members were assured that this was a state-of-the-art facility and that it was future-proof. It is concerning that reports I am receiving from public and staff regarding such things as doors not being wide enough to take vehicles, platforms not high enough for machines such as the sand bagger and the facility does not take items such as brick rubble, or no provision has been made – that is a real concern given the level of fly-tipping. Can I ask Leader what are your views on that?

The Leader of the Council responded, indicating that this was the first time he had been made aware of such issues. As such he indicated that he would need to speak with relevant Officers and provide further information outside of the meeting to Councillor Young.

The Chairman invited the third questioner, Councillor Liz Clews, Ward Member for Scotter and Blyton, to put her question to the meeting.

With Councillor Clews having been addressing Council for a short time, a point of Order was raised as concerns were raised that Councillor Clews was not putting the question as submitted. The point of order was upheld by the Chairman, who advised Councillor Clews that she could only raise the question she had submitted and information previously stated would fall outside of the question.

Councilor Clews then put her question as submitted and as follows: -

“Lincoln County Hospital serves a large proportion of West Lindsey residents in relation to urgent treatment and emergency health services.

Following the recent announcement that the County Hospital declared a ‘major incident’ there are obvious concerns by Gainsborough and surrounding village residents regarding accessing emergency treatment in a timely and safe manner.

Could you explain what discussions have been taken place with NHS colleagues and what systems have been put in place following the announcement of the ‘major incident’ to ensure West Lindsey residents have access to the appropriate services in time of emergency?

Councillor Liz Clews”

The Leader of the Council, Councillor Owen Bierley, responded as follows: -

“Thank you for your question Cllr Clews.

The situation is being managed through the Lincolnshire Resilience Forum (LRF). Depending on the nature of the current threat, strategic and tactical meetings can be held as often as daily in order to identify the need for, and provide, mutual support. This includes information sharing regarding the current risk level within each partner agency and ensures a timely response to emerging issues. Senior officers have engaged fully with this process throughout the Covid crisis and have offered support to other agencies whenever it has been logistically possible. This support means that the NHS and other agencies can concentrate on delivering their core functions, especially primary care. Practical examples where the Council has supported the LRF include our Communications team sharing important messages on all our platforms, especially the booster vaccine campaign, which helped Lincolnshire have one of the highest rates of fully vaccinated residents in the country. We have also helped logistically, for example offering up a van and driver to distribute LFT tests to local pharmacies. This is quite understandably appreciated and indeed all members will recently have received a copy of a generous letter of thanks from the Lincolnshire Clinical Commissioning Group.

Thank you again for your question Cllr Clews”.

Whilst Councillor Clews did indicate she held real concerns and wanted to understand what was happening at the hospital, in the light of concerns residents had raised with her, the Chairman ruled it was not a matter that the District Council had authority over, nor could individual cases or complaints regarding the services and practices at The John Coupland Hospital be discussed, and as such, there was no supplementary question to be put.

The Chairman invited the fourth and final questioner, Councillor David Dobbie, Ward Member for Gainsborough East to put his question to the meeting as follows: -

“I am aware of the personal reasons for the changing of the time of the Governance and Audit Committee from an afternoon meeting to a morning

meeting but this has led to me having to step down from this Committee, as I work nights and cannot make morning meetings.

Should meetings not be held mostly on evenings to facilitate the engagement of those that work?

Councillor David Dobbie”

Councillor McNeill, Chairman of the Governance and Audit Committee responded to the question as follows: -

“Thank you for question, as Chairman of the Governance & Audit Committee, I have been asked to respond on behalf of the Chairman of the Council and the Leader of the Council.

I can confirm that the majority (seven of nine) of the meetings of West Lindsey District Council or its Committees are scheduled to meet in the evening, while only two meet during the day – being the Chief Officer Employment and the Governance & Audit Committees.

When meetings should be held is a matter determined by Members and it is considered annually by Full Council under Part V, Rule 1.3 (f) of the Constitution. The next opportunity to do so will be at our Annual Meeting of Council on 9<sup>th</sup> May 2022 at 7.00pm.”

Having heard the response Councillor Dobbie, with the permission of the Chairman posed the following supplementary question:-

“I understand the Governance and Audit Committee are always striving for best practice and have an opportunity to attend North Kesteven’s Committee next week. They hold their meetings at 5.00pm. Why do we not look at something like that? Then we would hold meetings that facilitate people like myself , who work nights, I am not asking for late evenings but early evenings, like North Kesteven who we are going to share best practice with. Why can’t we do something like that? I will be proposing that going forward and would like this Council to consider it as an option. Thank you.”

Councillor McNeill responded as follows

Following the meeting of the Governance and Audit Committee on 28<sup>th</sup> September 2021, I received representations from three members of the current Governance and Audit Committee, to consider the possibility of changing the time of our meetings from afternoons to mornings.

Therefore, I made enquiries regarding the matter with Officers at the Governance and Audit Committee Chairman’s Briefing on 21<sup>st</sup> October 2021 and I undertook an informal consultation exercise with all the elected and independent Members of the committee during late October and early November 2021. The result of this was that Officers, including representatives of our audit functions, and all nine members who responded to the consultation were either very much in favour of

the change or at worst indifferent to it. To be clear no one expressed a view that the proposed change would cause a difficulty or be in any way inconvenient. Although I acknowledge that you were the one member, I had been unable to contact and obtain your views.

Given the response to the consultation the possibility was raised during the Governance and Audit Committee's Pre-Meeting Briefing on 4<sup>th</sup> November 2021 and again during the Governance and Audit Committee meeting held on 9<sup>th</sup> November 2021 – Minute 40 refers – where your objection to the proposal was first raised.

Members will be aware that this was not a matter which the Governance and Audit Committee can determine itself, and so a report was submitted to the meeting of the Corporate Policy and Resources Committee on 16<sup>th</sup> December 2021, requesting such a change.

At that meeting a lengthy debate was had about the advantages and disadvantages of changing the time of the meetings of the Governance and Audit Committee, both in terms of Member availability and public participation – available to watch on the Council's website.

At the end of the debate the Corporate Policy and Resources Committee voted and resolved that the meetings of the Governance and Audit Committee would commence at 10.00am for the remainder of the civic year - these being meetings 11<sup>th</sup> January 2022, 8<sup>th</sup> March 2022 and 12<sup>th</sup> April 2022.

Thank you.”

## **58 MOTIONS PURSUANT TO COUNCIL PROCEDURE RULE NO. 10**

The Chairman advised the meeting that one motion pursuant to Council Procedure Rule No.10 had been submitted to the meeting, this was as set out in the agenda.

Councillor Bunney, was invited to put his motion to the meeting, and with the permission of the Chairman offered brief context asking Members to recognise that as a Government and Council we had agreed to work towards net zero carbon emissions by 2050, and understanding that to reach that target urgent action would be needed. The existence of the Council's Carbon Management Plan was acknowledged but Councillor Bunney referenced how this did not include carbon measurements for Council investments or some property in ownership.

The motion as submitted was then put as follows: -

“Chairman - It is generally recognised that burning fossil fuels contribute significantly to global warming, climate change and the decline in the biodiversity of the planet. If we are to meet the target for climate change mitigation it is imperative that current reserves of fossil fuels remain in the ground; their continued exploitation presents a substantial environmental risk to the survival of the planet for current and future generations.

West Lindsey District Council in adopting its Sustainability, Climate and Environmental Strategy has laid out a strong policy to address the threat from continued use of fossil fuels. However, to ensure successful implementation of replacing fossil fuels with renewable energies and green technologies the Council is asked to commit to the following:

1. Recognise that Fossil Fuel Investments are considered part of the Council's Carbon Footprint.
2. To review its investment strategy to create an Environmental Responsible Investment Policy which not only rules out new investments in companies involved in fuels but also divests in such companies.
3. Through the above policy to actively seek to invest in companies that reduce greenhouse emissions and minimize climate risk and biodiversity decline.
4. To work with our Pension Fund Partners to adopt the same criteria to investments as outline in 2 and 3 above.
5. To actively oppose any new venture to extract fossil fuels ensuring that they remain safely in the ground.

I so move.

Councillor Stephen Bunney”

Having being duly seconded, the matter was opened for debate, with the Leader making a lengthy response to each of the five points raised, as follows:-

**“Re - Recognise that Fossil Fuel Investments are considered part of the Council's Carbon Footprint.**

West Lindsey, along with all Local Authorities has a key role to play in achieving the UK's 2050 Net Zero greenhouse gas emissions target and phasing out the use of fossil fuels as soon as possible is crucial to that. Whilst West Lindsey District Council is directly responsible for only a small fraction of local emissions, through policies and partnerships Local Authorities have strong influence over more than a third of emissions in their area. Work to cut direct and indirect emissions is already underway through the Environment and Sustainability Action Plan and The Council's Carbon Management Plan.

When measuring and reporting on the Council's greenhouse gas emissions or carbon footprint, we refer to Scope 1, 2 and 3 emissions:

- Scope 1 is direct greenhouse gas emissions from sources owned or controlled by the local authority, for example emissions from boilers and vehicles. The Council has direct control over these emissions.
- Scope 2 accounts for emissions of purchased electricity consumed by the local authority. West Lindsey District Council impacts our Scope 2 emissions by choosing to purchase low carbon electricity, noting that 'green tariffs' do not necessarily support increased renewable energy provision. Checks are made if the energy is low carbon, using the Government's greenhouse gas conversion factors for company reporting.



- Scope 3 includes indirect emissions from wider supply chains (often reaching international jurisdictions) emissions from the use of local authority services, contracted out services and investments. Councils have a strong influence over some of these emissions (e.g. contracted out services and investments) and less over others.

The Council makes no direct investment in companies. However, it may be investing indirectly in financial instruments, which are either provided by banks, building societies or managed funds, which may have associations with fossil fuel companies. We do not have influence on these organisations.

West Lindsey does go further than most Authorities by already recognising and considering scope 3 emissions. An estimated 69% of the 2019/20 footprint is associated with scope 3 emissions from leased buildings, leisure centres, business travel and commuting, water and waste.

For the council to decarbonise effectively and deliver on wider environmental and sustainability objectives it is vital that consideration of these impacts form part of every decision the council makes – including our investment decisions. Officers are developing tools and methods to better enable decision-making and financial appraisals that consider the environmental impacts of each decision alongside other factors. This is recognised as a priority in the 2021 Environment & Sustainability Action Plan.

Incorporating the full carbon impact of our investments into West Lindsey's carbon footprint would be a challenging undertaking, but is something that can be considered by the Environment and Sustainability Member Working Group, alongside things that we are committed to examine such as our procurement decisions. Conclusions could be reported within, or alongside in the annual Greenhouse Gas Emissions report.

The GHG report is the performance framework that the LGA is looking to standardise across Authorities to make action on climate change visible and accountable within the everyday business of Councils, to allow performance to be tracked consistently and transparently.

**Re - To review its investment strategy to create an Environmental Responsible Investment Policy which not only rules out new investments in companies involved in fuels but also divests in such companies.**

Our Investment Strategy is reviewed on an annual basis and we are able to adapt it to what the Council considers appropriate.

Our strategy will always prioritise Security Liquidity and Yield, as required by legislation, as the key elements of our investment strategy and investments made.

The Council's ethical approach lies within its Treasury Management Investment Strategy and includes provision for investment in Environmental, Social and Governance (ESG) investments that are, by definition, responsible investments.

In relation to the Capital Investment Strategy all projects are subject to full business cases, which include the requirement to consider Environmental Implications.

By making the policy too restrictive then other considerations may result in increased risk, so if an organisation had bad governance for example, we would be at increased risk of losing our investment and if most banks had some association with fossil fuel companies, or if local authorities we invest with have agreed to fracking in their area, reduce our counterparties. Undertaking the due diligence on such matters would take additional resources and potentially limit the opportunities for investment.

The definition of 'involved' becomes onerous without a clear definition, for example those involved in fuel extraction, banks that hold accounts on behalf of such companies, investment funds that invest in such companies, property funds that have tenants in these industries, for example.

**Re -Through the above policy to actively seek to invest in companies that reduce greenhouse emissions and minimize climate risk and biodiversity decline.**

We do not invest directly with companies from a Treasury Management perspective.

However we do try to keep abreast of new capital investment opportunities and would consider the environmental implications along with other factors as part of the business case for any capital investment.

Whilst West Lindsey does not invest in companies directly, as per (1) above, the wider impact of our decision making, including the commissioning, procuring and managing of contracts offers considerable scope for influencing carbon reduction. By encouraging and enabling our supply chains to become more carbon efficient, the council will be helping our suppliers to become better placed to thrive in our future low carbon economy.

It is a stated aim of West Lindsey's Environment and Sustainability Strategy that our procurement decisions should better align with our action plan and targets. Carbon emissions that relate to goods and services procured by councils are classed as 'Scope 3' emissions. Councils have taken different approaches to whether they include Scope 3 emissions within their Net Zero targets. By looking at ways to incorporate procurement into our scope 3 considerations and favour companies with green credentials, our Council can increase its influence in this area and potentially have a similar effect as investing directly.

**Re - To work with our Pension Fund Partners to adopt the same criteria to investments as outline in 2 and 3 above.**

The pension fund currently categorises its investments based on the Global Industry Classification Standard (GICS) for holdings classified as 'Oil, Gas and

Consumable Fuels'. This category includes oil and gas exploration, production, refining & marketing, storage and transportation (including pipelines), and coal and consumable fuels.

At the end of December 2019 these holdings accounted for £20.7million of the total fund value of approximately £2.5billion – a very small percentage, but one that we would aspire to reduce. For context, in 2020, it was found that many councils that had declared climate emergencies still had substantial investments in fossil fuel industries through their pension funds; nearly £10billion in total.

The Council does have representation on the Pensions Board and as such can relay any decision the Council wishes to make. The view from the Local Government Association is that Local authority pension funds should disclose their approach to assessing and managing climate risks and should consider investing in Net Zero aligned schemes within their legal duties.

**Re- To actively oppose any new venture to extract fossil fuels ensuring that they remain safely in the ground.**

The determination of planning applications in relation to the extraction of fossil fuels is dealt with by Lincolnshire County Council under the current Lincolnshire Minerals and Waste Local Plan adopted in 2016. There is a policy that supports the 'exploration, appraisal and/or production of conventional and unconventional hydrocarbons' (Policy M9). However, the Central Lincolnshire Joint Strategic Planning Committee, of which West Lindsey District Council is a partner authority, has taken the view that both the legislative and policy context has evolved considerably since then.

As such the Draft Central Lincolnshire Local Plan, which will be consulted upon in Spring 2022, prior to submission to the Planning Inspectorate for Examination in Public (expected later in 2022) contains Policy S19 *Fossil Fuel Exploration, Extraction, Production or Energy Generation*, which makes it clear any proposal for fossil fuel based exploration, extraction production or energy generation for the determination by City of Lincoln, North Kesteven District Council or West Lindsey District Council will be refused on the basis that any remaining fossil fuels should remain under the ground as part of the commitment to a net zero-carbon society and economy.

Therefore, notwithstanding the County Council's responsibilities as the likely decision makers on such proposals, should one of the three district based Local Planning Authorities be the decision maker on a proposal which relates to fossil fuel exploration, extraction, production or energy generation, then policy S16 confirms such proposals will be refused. Ordinarily, however, the County Council is likely to be the decision maker. In such instances, the following policy cannot apply. However, the Joint Committee expresses its in-principle opposition to such proposals, and continues to respectfully request the County Council, as decision maker, and the District Councils as consultees, to take account of the Joint Committees' in-principle opposition when each party either makes a decision or comments on a proposal, respectively.

This policy currently has limited weight in decision-making, however it provides a

clear direction of travel and sets the context for West Lindsey's position on the extraction of fossil fuels.

In effect we have ethical strategies in place, which may not be as specific as this motion would propose, but which ensure we consider and assess environmental impacts.

Whilst recognising the laudable aims of the motion, which is also clearly reflective of the Council's direction of travel, I, and the Administration Group, are unable to support it and will vote against it for the reasons I've set out".

At the conclusion of his response, the Leader requested that the Council's Section 151 Officer, address the meeting to offer further advice and guidance to members.

In addressing the meeting, the Section 151 Officer indicated that in the context of the motion the term "involved in" would require an agreed definition. From a Treasury Management perspective, the Council was not permitted to invest directly into equities/companies, however the Council did invest in such projects as Money Markets Funds that may package together a number of organisations, some of which may be associated with fossil fuel extraction for example. Should the motion be supported, all Council investments would need to be reviewed. The Council's Treasury Management Strategy currently indicated that the Council would consider ESG investments, which was a transparent ranking of all organisations available to the Council. There would need to be a forensic analysis of any investments made in the future, which would require professional treasury advice or additional resources to enable Officers to look at investments in such a way. The risks and financial implications of such a change in Policy would need to be considered in greater detail, should the motion be supported.

Further debate ensued during which the matter of pension investments was raised. Pension investments was not a matter determined by this Authority, but by the Pensions Committee of the LCC, a former serving member of the Committee indicated that consideration had been given to such matters and concern was expressed that the motion would hinder plans already in place. The Green agenda and the use of fossil fuels was a complex issue with many difficult decisions and conflicting ramifications, and as such a number of Members expressed their satisfaction at the current approach and direction of travel to come in the future.

Members spoke of the laudable aims of the motion, but the specific nature and specific details, many considered put the Council at risk, giving examples. Should the Council not use fossil fuels in its vehicles? Do we invest in electrical vehicles, however their production came with ethical issues. The complex nature of sustainability was again raised. A number of Members considered the current policies in place provided a strong position and to adopt the motion would remove the Council's flexibility to move forward in the clearest and most advantageous ways for both West Lindsey and the bigger picture. The specific nature of the motion some considered would not allow the Council to act agilely when needed.

In response to a Members' enquiry the S151 Officer apologised to the meeting advising the Treasury Management Strategy, which included – ESG investments, previously referred to was not yet adopted but stood recommended to Council at their next meeting.

Other Members spoke in support of the motion particularly, aspect 5. Exercising his right of reply the submitter of the motion, addressed the meeting, thanking Members for the debate and views shared. He acknowledged the complex and area of work and the complex nature of the work that would need to be undertaken. He strongly believed that we needed to move forward, and act collectively across the world, to ensure everyone was held to account and as such it was a “fight” worth having.

A request for a recorded vote was made and duly seconded by a further Member.

On being put to the vote, votes were cast in the following manner: -

**For:** - Councillors Boles, Bunney, Clews, Cotton, Dobbie, Oliver, Panter, Rainsforth, M Snee, J Snee, and Young (11)

**Against:** - Councillors Bierley, Brockway, Coulson, Devine, Ellis, Fleetwood, Grimble, Howitt-Cowan, Lawrence, McCartney, J McNeill, Milne, Morris, Patterson, Regis, Rodgers, Summers and Welburn (18)

**Abstentions:** - Councillor White (1)

With a total of 11 votes in favour, 18 votes against and 1 abstention, it was **RESOLVED** that the motion be **NOT ACCEPTED**.

## **59 REVIEW OF THE ALLOCATION OF SEATS TO POLITICAL GROUPS ON COMMITTEES/SUB -COMMITTEES**

The Chairman presented the report, which set out details of the political groups on the Council, the number of Members to be appointed to serve on each Committee, and the allocation of seats on each of the Committees based on political groupings.

The requirement to review the allocations was as a result of the recent by-election held in the Nettleham Ward at which Councillor J Oliver was elected. Councillor Jaime Oliver had given due notice under Regulation 9b that she wished to be treated as Member of the Liberal Democrat Group

This was a matter, which had been determined by the Head of Paid Service under his delegated authority, in Consultation with the Group Leaders, all of which had indicated their agreement, as such, there was no requirement for a vote.

With no questions posed, the following was **DULY NOTED:** -

- (a) the details of the political groups, as set out in Appendix A of the report,
- (b) the number of Members to be appointed to serve on each committee and sub-committee; and
- (c) the allocation to different political groups of seats on committees/sub-committees, as set out in Appendix B of the report.

## **60 APPOINTMENT OF COMMITTEES AND TO RE-AFFIRM COMMITTEE CHAIRMEN/ VICE-CHAIRMEN FOR THE REMAINDER OF THE 21/22 CIVIC YEAR**

The Chairman of the Council presented the report which set out the wishes expressed by the political groups in respect of the appointment of Members to serve on each of the Council's formal Committees for the remainder of the 21/22 Civic Year.

Requests had been received that the Overview and Scrutiny be not politically balanced.

Members were asked to suspend the rules relating to proportionality in respect of the Overview and Scrutiny Committee and appoint the Members named in the report to the respective Committees.

Whilst the Council had had the need to re-appoint the Committees in accordance with its duty to make appointments to Committees in line with the wishes expressed by political groups, all Group Leaders had indicated they had no wish to amend the Chairmen and Vice-Chairmanship appointments previously made.

This report therefore merely sought re-affirmation of the positions previously appointed to.

With no questions posed, following a unanimous vote in favour it was

### **RESOLVED** that

- (a) That the rules relating to proportionality be suspended in relation to the Overview and Scrutiny Committee;
- (b) In accordance with the provisions of section 16 of the Local Government and Housing Act 1989 and the wishes expressed by political groups, Members be appointed to serve to the Council's Committees for the remainder of the civic year as follows: -

#### **Chief Officer Employment Committee (9 Members)**

Councillor Owen Bierley	
Councillor Jackie Brockway	Chairman
Councillor Stephen Bunney	
Councillor Mick Devine	Vice-Chairman
Councillor Diana Rodgers	
Councillor Lesley Rollings	
Councillor Anne Welburn	
Councillor Angela White	
Councillor Trevor Young	

#### **Corporate Policy and Resources Committee (14 Members)**

Councillor Owen Bierley  
Councillor Matt Boles  
Councillor Stephen Bunney  
Councillor Liz Clews  
Councillor Mick Devine  
Councillor Ian Fleetwood  
Councillor Paul Howitt-Cowan  
Councillor John McNeill  
Councillor Tom Regis  
Councillor Mandy Snee  
Councillor Jeff Summers Vice-Chairman  
Councillor Bob Waller  
Councillor Anne Welburn Chairman  
Councillor Trevor Young

**Governance and Audit Committee (7 Members)**

Councillor Jackie Brockway Vice-Chairman  
Councillor Stephen Bunney  
Councillor Tracey Coulson  
Councillor Chris Darcel  
Councillor Caralyne Grimble  
Councillor John McNeill Chairman  
Councillor Angela White

**Licensing Committee (14 Members)**

Councillor Liz Clews  
Councillor David Cotton  
Councillor Tim Davies  
Councillor Caralyne Grimble  
Councillor Paul Howitt-Cowan  
Councillor Angela Lawrence Vice-Chairman  
Councillor Cordelia McCartney  
Councillor Jessie Milne Chairman  
Councillor Peter Morris  
Councillor Keith Panter  
Councillor Judy Rainsforth  
Councillor Diana Rodgers  
Councillor Jim Snee  
Councillor Jeff Summers

**Regulatory Committee (14 Members)**

Councillor Liz Clews  
Councillor David Cotton

Councillor Tim Davies  
Councillor Caralyne Grimble  
Councillor Paul Howitt-Cowan  
Councillor Angela Lawrence Vice-Chairman  
Councillor Cordelia McCartney  
Councillor Jessie Milne Chairman  
Councillor Peter Morris  
Councillor Keith Panter  
Councillor Judy Rainsforth  
Councillor Diana Rodgers  
Councillor Jim Snee  
Councillor Jeff Summers

**Planning Committee (14 Members)**

Councillor Matt Boles  
Councillor David Cotton  
Councillor David Dobbie  
Councillor Mick Devine  
Councillor Ian Fleetwood Chairman  
Councillor Cherie Hill  
Councillor Cordelia McCartney  
Councillor Jessie Milne  
Councillor Peter Morris  
Councillor Roger Patterson  
Councillor Judy Rainsforth  
Councillor Jeff Summers  
Councillor Bob Waller Vice-Chairman  
Councillor Angela White

**Prosperous Communities Committee (14 Members)**

Councillor Owen Bierley Chairman  
Councillor Stephen Bunney  
Councillor Tracey Coulson Vice-Chairman  
Councillor Chris Darcel  
Councillor Mick Devine  
Councillor Jane Ellis  
Councillor Steve England  
Councillor John McNeill Vice-Chairman  
Councillor Jessie Milne  
Councillor Jaime Oliver  
Councillor Roger Patterson  
Councillor Jim Snee  
Councillor Mandy Snee  
Councillor Trevor Young



**Overview and Scrutiny Committee (11 members- unbalanced )**

Councillor Liz Clews  
 Councillor David Dobbie  
 Councillor Tim Davies  
 Councillor Caralyne Grimble.  
 Councillor Cherie Hill  
 Councillor Angela Lawrence  
 Councillor Keith Panter  
 Councillor Roger Patterson  
 Councillor Diana Rodgers  
 Councillor Lesley Rollings  
 Councillor Angela White

Vice-Chairman  
 Chairman  
 Vice-Chairman

(c) The current committee Chairmen, and Vice-Chairmen, as follows, be re-affirmed: -

Committee	Chairman	Vice-Chairman/men
Chief Officer Employment	Councillor Jackie Brockway	Councillor Mick Devine
Corporate Policy and Resources	Councillor Anne Welburn	Councillor Jeff Summers
Planning	Councillor Ian Fleetwood	Councillor Robert Waller
Governance and Audit	Councillor John McNeill	Councillor Jackie Brockway
Licensing	Councillor Jessie Milne	Councillor Angela Lawrence
Overview and Scrutiny	Councillor Lesley Rollings	Councillor Diana Rodgers Councillor Angela White
Regulatory	Councillor Jessie Milne	Councillor Angela Lawrence
Prosperous Communities	Councillor Owen Bierley	Councillor Tracey Coulson Councillor John McNeill

**61 APPOINTMENT TO VACANCIES ON BOARDS AND OTHER BODIES (INCLUDING OUTSIDE BODIES) FOLLOWING RESIGNATION**

Members considered a report which sought to appoint to vacancies on boards and other bodies (including outside bodies) arising from the resignation of former Councillor Giles McNeill.

**RESOLVED** that the following persons be appointed to the following vacancies: -

Lincoln Transport Strategy Delivery Board	Councillor Mrs Anne Welburn
PATROL	Councillor Mrs Diana Rodgers
Lincolnshire Show Panel	Councillor Mrs Diana Rodgers
Jubilee Events Planning Group	Councillor Mrs Anne Welburn

**62 RECOMMENDATION FROM THE INDEPENDENT REMUNERATION PANEL - MEMBERS ALLOWANCE SCHEME 22/23**

The Chairman again welcomed Mr Richard Quirk, Chairman of the Independent Remuneration Panel to the meeting and invited him to introduce the report.

Mr Quirk outlined the process that had been undertaken to produce the recommendations set out in the report. Consultation had taken place with Members and thanks were expressed to those that had responded, noting the response rate had again been low.

Mr Quirk also outlined the factors which had been taken into account, summarised in paragraph 1.2 of the report by the Panel in reaching its recommendations, namely an increase across the board of 1.5% to Members' basic allowance and Special Responsibility Allowances (SRA's).

This proposal if accepted would increase the Members' basic allowance in real terms by an extra amount of £1.77 per week per Member.

Acknowledging that Members had rejected their increase the previous years and whilst also recognising the reasons for this, Members were reminded of the importance of keeping remuneration at level to avoid a one off large increase should remuneration fall below comparable rates. Remuneration was there to ensure no one was prevented from being Councillor due to out of pocket expenses.

Debate ensued and a Member, whilst acknowledging the report was a fair and reasonable one, referencing the ongoing staff pay award settlement, considered the timing was unfortunate.

He outlined the current position between staff, unions and Government and as such felt taking an increase whilst staff were still awaiting their award for last year did not feel appropriate. Referencing staff for the asset they were concern was expressed at the lack of wage increase in a world of every increasing costs. It was questioned whether consideration of this matter should be deferred as he was of belief staff pay should be more of a priority than that of elected Members.

In respect of mileage rates, and given the huge rise in fuel prices, Members' rate had remained static for a many years. Some considered that those Members who did not live close to Gainsborough, as the administrative capital, were financially penalised.

In response, Mr Quirk, indicated that Treasury Guidance was used. 45p per mile was the maximum the Council could allow without evoking taxation rules. As such any rise would be lost to tax and would not be to the benefit of the Councillor.

Dependent Carers Allowance was raised and in reference to the living wage increase it was asked whether this could be considered by the Panel in future years.

Several Members spoke of their discomfort at staff not receiving their pay rise due to ongoing union negotiations. It was also acknowledged that the allowance did not currently cover all expenses, with those who worked often having to take unremunerated leave from their day jobs, but Councillors did not undertake their roles for the pay and they could not control when staff received any award, however an increase of some level was likely and as such the recommendations as written were proposed.

Members reminded one another that if the proposal was supported a Councillor could individually decline the increase, or not claim their travel, for example. The allowance was essential whilst the need was variable and it was in a Members gift to claim or not, as outlined, in accordance with their preferences.

The Remuneration Panel were thanked for their work by Members across the Chamber and across the political parties. Mr Quirk was congratulated for having engaged Members in the process.

Mr Quirk in turn thanked Members and the Officers of the Council who supported the Remuneration Panel's work; Alan Robinson, James O'Shaughnessy and Susan Norman.

There were concerns given the comments made through the debate and a Member reminded the Chamber that the Unions were the only bodies who could negotiate direct with the Government around staff remuneration. The importance of their existence, even to non-union members, was outlined and the alternative scenario was shared.

Having being moved and seconded it was: -

**RESOLVED** that the new rates, an increase of 1.5% to the individual Basic Allowance and Special Responsibility Allowances (SRA's), as detailed in the attached Appendix, for the Civic Year 2022/2023 be approved.

**Note:** Councillor Cotton requested that his abstention against the above vote be recorded in the minutes.

### **63 ADOPTION OF THE CORRINGHAM NEIGHBOURHOOD PLAN**

Members gave consideration to a report which sought approval to adopt (make) the Corringham Neighbourhood Plan as part of the West Lindsey Development Plan, following

the plan's successful referendum, held on 2 December 2021.

The Local Ward Member presented the report and in doing so, acknowledged the enormous amount of time and effort, Corringham Parish Council and its residents had put into producing the Plan. He outlined the difficulties encountered at the outset of the process, and resulting impacts, personally congratulating the Group for their determination to continue and reaching this final stage. He welcomed how West Lindsey and the parishes within his community had embraced the Localism Act and the opportunity it provided communities to shape development within their area. Once made the Plan's existence would require the Planning Committee to take into consideration the content of the Plan when determining application in the parish.

In seconding the report, the Chairman of the Planning Committee welcomed and encouraged the development of Local Plans. With current planning legislation, it was incredibly useful to have local input from local communities to ensure West Lindsey and local communities developed and prospered in an appropriate way.

In the wider context, the adoption of the Plan would mean that West Lindsey would now have 22 adopted Plans, with 19 in preparation and two being reviewed.

The planning status and "weight" given to Neighbourhood Plans, once made, when determining planning applications was considerable and as such some Members commented on the disappointing referendum turnouts often seen. It was so important that as a District we somehow engendered in local communities how significant and important these documents were and tried to encourage greater interest.

Having being moved and seconded, on being put to the vote it was

**RESOLVED** that the Corringham Neighbour Plan be adopted and made, in accordance with the Neighbourhood Planning Regulations 2012.

A round of applause, in the Group's absence followed the resolution, with the Chairman again offering congratulations to them in their absence.

**Note:** Councillor Paul Howitt-Cowan and Councillor Tom Regis left the meeting following consideration of this item.

#### **64 COLLECTION FUND - COUNCIL TAX SURPLUS 2021/22 & COUNCIL TAX BASE 2022-23.**

The Section 151 Officer presented the report and advised that the Council was required to set its Council Tax Base and declare an estimate of its Council Tax Surplus which should be taken into account when setting the Council Tax for the following year.

The Council Tax Base for the year 2022/23 would be £31,038.46

The Council Tax Surplus of £ £1,470,700 had been calculated in accordance with statutory guidance with West Lindsey District Council's share being £225,500. This amount would be

built into the 2022/23 Budget prior to setting the Council Tax.

Having been moved and seconded on being put to the vote it was: -

**RESOLVED** that

- (a) the estimated surplus of £225,500 be accepted and declared as accruing in the Council's Collection Fund at 31 March 2022 relating to an estimated Council Tax surplus;
- (b) the Council uses its element of the Collection Fund surplus/deficit in calculating the level of Council Tax in 2022/23; and
- (c) in accordance with the Local Authorities (Calculation of Tax Base) Regulation 1992 (as amended) the amount calculated by the Council, as its Council Tax Base for the whole of the District area for 2022/23 be approved and set at £31,038.46, as detailed in the report and appendices.

**65 RECOMMENDATION FROM CORPORATE POLICY AND RESOURCES COMMITTEE - MID YEAR TREASURY REPORT 2021-22**

Councillor Anne Welburn in her capacity as Chairman of the Corporate Policy and Resources Committee, presented the report which sought approval of the Mid Year Treasury Report 2021/22.

The report had been presented to the Corporate Policy and Resources Committee, where it had been fully considered and debated and stood referred to Council for approval

Members were advised there had been no breach of prudential indicators and the mid year review had been undertaken, taking into account changes to the Capital Programme and forecasts of cash flow requirements including investing and borrowing estimates.

The report provided an update of the treasury management prudential indicators, as required in the prudential code and Local Government Act and sets revised indicators for the remainder of the year. In presenting the report the Chairman highlighted key revisions, the reasons for revisions and positions mid year: -

Covid 19 continued to have an adverse effect on the economy and interest rates remained low at 0.1%.

The Capital Financing Requirement, reflected the Council's borrowing need for 2021/22, and had reduced from £41.340m to £40.088m due to a voluntary charge to reduce borrowing against our investment properties.

A voluntary revenue provision of £374,000 would be made this year and the £707,000 provided for last year was not included in the original indicator, set in advance of the year end.

In addition, there had been small slippage on some capital schemes funded by borrowing.

The council was currently holding around £20m of investments on a regularly monthly basis, this was in the main due to additional grants from Government, however the councils cashflow had been revised and by year end balances were expected to be around £17m.

This revision had established that the Councils external borrowing would likely be £25m as such the anticipated external debt had been revised and reduced down accordingly. Internal borrowing was likely to be circa £15.088m at year end, resulting in total borrowing of £40.088m.

Table 4.2 of the report set out how these revisions impacted the cost of council tax and financing costs in relation to the net revenue stream.

Reference Section 1.4 and the investment returns stated at £154,000 a Member sought indication what this was in percentage terms against the investment. Whilst the Section 151 Officer indicated the figure to be in the region of just over 1%, she did not have the exact figure to hand. However, such information was reported to the Corporate Policy and Resources Committee on a quarterly basis with the next report being due in February 2022.

Having been moved and seconded it was

**RESOLVED** that recommendation from the Corporate Policy and Resources Committee be accepted and as such the Mid-Year Treasury Management Report and changes to Prudential Indicators be approved.

## **66 RECOMMENDATION FROM CORPORATE POLICY AND RESOURCES COMMITTEE - LOCAL COUNCIL TAX SUPPORT SCHEME 2022/23**

Councillor Anne Welburn as Chairman of the Corporate Policy and Resources Committee, was pleased to present the report to Council which sought approval of the Council Tax Support Scheme for 2022/23, on recommendation from the Corporate Policy Resources Committee

The scheme had not been amended significantly since 2019/20 due to the implementation of Universal Credit and the subsequent pandemic. Data available showed that it had been an effective scheme and that the collection rate for Council Tax Support claimants last year was just over 95%. The high collection rate had been aided by the introduction of discretionary hardship relief to assist council tax payers during the pandemic and was funded by central Government for 2020/21 and 2021/22.

Covid19 continued to cause considerable financial hardship to many of the District's residents with the uplift of Universal Credit ending and the impending fuel increases expected in April yet to be felt within the council tax collection rates.

Option 1 within the report had been supported by the Corporate Policy and Resources Committee at their meeting in December 2021 and as such was recommended to Full Council for approval and adoption from 1 April 2022.

Councillor Welburn concluded her introduction by moving the recommendation, which was

duly seconded.

Thanks were expressed to all the Staff within the Revenues and Benefits Service and it was acknowledged their collection rate sat within the top quartile of all local authorities, something Members considered should be openly praised.

On being put to the vote it was:-

**RESOLVED** that the Recommendation from the Corporate Policy and Resources Committee be accepted and Option 1 of the report be adopted as the Local Council Tax Support Scheme for West Lindsey District Council for 2022/23.

## **67 RECOMMENDATION FROM GOVERNANCE AND AUDIT COMMITTEE - OPTING- IN TO PUBLIC SECTOR AUDIT APPOINTMENTS LTD**

Councillor John McNeill, as Chairman of the Governance and Audit Committee, was pleased to present the report to Council which recommended that West Lindsey District Council accept the invitation of opting-in to the Public Sector Audit Appointments (PSAA) sector led option for the appointment of our external auditors for the period 2023/2024 to 2027/2028.

This report had been considered by the Governance and Audit Committee at its meeting on 11 January 2022 and stood recommended to Council.

The report detailed the advantages and disadvantages relating to the decision.

Whilst it was ultimately for the Council to determine how it appoints its external auditor, the Governance and Audit Committee had been of the view that accepting the invitation to opt into the PSSA scheme was the most appropriate route to ensure a quality auditor and to achieve value for money.

The Government incorporated the PSAA in the 2018/2019 financial year to be the appointing person for Local Government and Police body's external auditors. As such it would be the PSAA who would appoint the auditors, set the fees and monitor quality and compliance, if the recommendation was accepted.

The current 5-year contract arranged through the PSAA with external auditors, Mazars, would end following the conclusion of the audit of the statement of accounts for 2022/2023. Overall, the Council could be assured that it had received a good level of service under the current contract.

In concluding his introduction, The Chairman of the Governance Audit Committee brought to Members' attention the changes made, nationally, in regulations and how the concomitant effect on resources and costs had significantly impacted the delivery of local authority audits within the statutory timelines, with costs increasing by around 25%. However, the Government had recently announced several measures to improve the situation, in addition to providing additional funding to support the increased costs to local authorities of these regulatory changes.

Having been moved and duly seconded, on being put to the vote it was: -

**RESOLVED** that the Recommendation from the Governance and Audit Committee be accepted and as such the invitation of opting in to the PSAA sector led option for the appointment of external auditors for the period 2023/24 to 2027/28 be accepted.

The meeting concluded at 8.51 pm.

Chairman



# Minute Item 62

## Appendix One: Special Responsibility Allowances (SRA): Recommended Rates

<b>Allowance</b>	<b>Rate 2021/2022</b>	<b>Proposed Rate 2022/2023</b>
Basic Allowance	£6,150	£6,242
SRA – Leader of Council	£12,425	£12,611
SRA – Deputy Leader/s (in the event of two or more being nominated, the payment to be shared)	£4,505	£4,573
SRA – Chair of Council	£3,980	£4,040
SRA – Vice-Chair of Council	£1,370	£1,391
Civic allowance for the Chairman of Council	£1,610	£1,634
Civic allowance for the Vice Chairman Of Council	£1,370	£1,391
SRA – Committee Chairs (excluding Licensing Cttee and Regulatory Cttee)	£3,105	£3,152
SRA – Regulatory Chair	£1,555	£1,578
SRA – Licensing Chair	£1,555	£1,578
SRA – Committee Vice-Chairs (excluding Licensing Cttee and Regulatory Cttee)	£1,470	£1,492
SRA – Regulatory Vice-Chair	£735	£746
SRA – Licensing Vice-Chair	£735	£746
SRA – Leader of the Opposition (in the event of the Council being a ‘hung’ Council, the Leaders of the two largest groups	£4,505	£4,573

be paid the same special responsibility allowance as for the Leader of the Opposition)

SRA – Deputy Leader of the Opposition	£820	£832
SRA – Minority Group Leaders (per group member, and including the Group Leader)	£100	£102
Independent Members: Governance & Audit and Standards Committees – A payment of £60.00 for the first four hours of attendance at a meeting/event and a second payment for attendance in excess of four hours. The first four hours would commence from the start time of the meeting (To be paid when not chairing a meeting).	£60	No change
Dependent Carer’s Allowance	£10	No Change

**Purpose:**

To consider progress on the matters arising from previous Council meetings.

**Recommendation:** That members note progress on the matters arising and request corrective action if necessary.

**Matters arising Schedule**

Meeting	Full Council				
Status	Title	Action Required	Comments	Due Date	Allocated To
Black	<b>promotion of boundary commission consultation following question to Council</b>	<p>Extract from mins of mtg 24/1/22</p> <p>question ....Given the current proposal, would he support the District Council engaging in the Boundary Commission for England’s second consultation to propose that the name of the Gainsborough constituency, despite its historical associations, be amended to ‘West Lindsey’? Would he further agree that and support all members of this Council to make representations on this matter to the Boundary Commission for England?</p> <p>..response.....I will be pleased not only to make such a representation on behalf of our Council, but also to promote the opportunity and support others to engage in the forthcoming consultation too.</p>	<p><b>Information received from boundary commission that has been circulated and promoted to Members. including link to consultation Consultation opened on 22 February and is open until 4 April.</b></p> <p><b>A response on behalf of the Leader has been submitted.</b></p> <p><b>The Commission have also provided promotional material , this has been shared with Councillors and will go in the Parish Council News also .</b></p> <p><b>discussions are taking place between the elections team and communications team regarding promotion of this matter on our website making use of the toolkit provided by the commission</b></p>	07/03/22	Cllr.O Bierley

Black	<p><b>response to supplementary questions regarding depot facilities</b></p>	<p>extract from mins of mtg 24/1/22</p> <p>Leader in terms of the planning and approval process for the facility Members were assured that this was a state-of-the-art facility and that it was future-proof. It is concerning that reports I am receiving from public and staff regarding such things as doors not being wide enough to take vehicles, platforms not high enough for machines such as the sand bagger and the facility does not take items such as brick rubble, or no provision has been made – that is a real concern given the level of fly-tipping. Can I ask Leader what are your views on that?</p> <p>The Leader of the Council responded, indicating that this was the first time he had been made aware of such issues. As such he indicated that he would need to speak with relevant Officers and provide further information outside of the meeting to Councillor Young.</p>	<p><b>The questioner has been provided with a full response to the supplementary question.</b></p>	25/02/22	Ady Selby
Green	<p><b>motion to council - street lights</b></p>	<p>extract from mins of meeting 28/6/21</p> <p>(a) The Leader of the Council to commence robust discussions with Leading Members of the County Council with a view to seeking the re-introduction of street lighting in parts of West Lindsey, particularly into those communities we ourselves have deemed to be vulnerable; and</p> <p>(b) the Leader feed back to this Council, by way of reporting to Prosperous Communities, the outcome of these discussions, potential options which could be investigated and their associated costs.</p>	<p><b>A written approach has been made to the Leader and relevant portfolio holder of LCC requesting a meeting to further discuss this matter initially – a response is awaited”</b></p> <p><b>Further information will be presented to The Prosperous Comms Cttee in accordance with the motion as this matter progresses”</b></p> <p><b>arising report will need programming into Prosp Comms workplan .</b></p> <p><b>This matter was again raised at the meeting on 6 September : -</b></p> <p><b>The Leader of the Opposition expressed his disappointment and the lack of willingness from the Administration to provide an update</b></p>	25/10/21	Cllr. O Bierley

			<p>regarding street lighting motion, passed by the Council, and which was important to many residents. He commented on the noticeable absence of any media coverage regarding the motion, surmised at the reasons for this, and spoke of opportunities missed by the Leader.</p> <p>The Chairman interjected and advised that he would request the Leader to respond in writing, but that Leader's announcements were concluded and not for debate.</p> <p>22/10 - Up to the time of writing Lincolnshire County Council has not responded to my (the Leaders) letter; however I have been informally advised that requests for specific lighting to be turned on overnight, made through the normal channels, will be considered. This clearly remains work in progress.</p> <p>Further communications have been issued to the Leader of LCC requesting engagement - it is hoped a report can be made to the Prosperous Communities Committee before the end of the civic year</p>		
Green	Promotion of Motions submitted to Full Council - Constitutional Query	Reference debate at Council on 6 September /1 November, this matter to be considered as part of the wider constitutional review		01/05/22	Katie Storr

Green	<b>New Code - Adoption by Parish Councils</b>	<p>Extract from mins of mtg 6/11/21</p> <p>all Parish Council's across the District be encouraged to adopt West Lindsey's new Code of Conduct by May 2022</p> <p>(c ) the implementation of the roll-out process detailed in Section 3 of the report and set out below be approved ;</p> <p>Communications to Parish and Town Councils November 2021</p> <p>Series of Workshops / Training to be held with Parish Councils to raise awareness and encourage adoption. These may be cluster events or attendance at individual Parishes Virtual arrangements will be used wherever possible Jan – March 2022</p>	<p><b>Communications issued to all Parish Council by end of February and matter promoted in parish news</b></p> <p><b>workshops to be held in March/April</b></p>	01/06/22	Emma Redwood
Green	<b>Members Allowances Scheme 2022/23</b>	<p>The proposed scheme was approved. Statutory notice is required and publication of the new scheme</p>	<p><b>Relevant Statutory notice has been displayed.</b></p> <p><b>Scheme will be re-placed on-line and in the Constitution on 1 April when it becomes effective</b></p>	31/03/21	Katie Storr



**Council**

**Monday 7 March 2022**

**Subject: Executive Business Plan 2022/23 to 2024/25  
Medium Term Financial Plan 2022/23 to 2026/27  
Council Tax and Revenue Budget 2022/23  
Capital Programme 2022/23 to 2026/27**

Report by:

Assistant Director of Finance and Property Services and Section 151 Officer

Contact Officer:

Tracey Bircumshaw  
Assistant Director of Finance and Property Services and Section 151 Officer

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Purpose / Summary:

The purpose of the Executive Business Plan is to set out the actions the Executive will take to deliver the Corporate Plan objectives over the next 3 years.

The purpose of the Medium Term Financial Plan (MTFP) is to set a robust overall framework for the Council's Financial Strategy and spending plans over the next 5 years in support of delivering the Corporate Plan. The report also sets out the Council Tax 2022/23.

The Medium Term Financial Analysis includes the budget for 2022/23 and estimates to 2026/27. It is based on assumptions for levels of future Government Funding and revises previous estimates up to 2026/27.

The Capital Investment Strategy and Capital Programme records our 5 year investment plan

The Treasury Management Strategy details our Investment, Borrowing strategies and Minimum Revenue Provision Policy.

**RECOMMENDATION(S): That Members:**

- a) That Members recognise the external environment and the severity of the financial challenges being faced as detailed in the Financial Strategy.
- b) That Members accept the Statement of the Chief Finance Officer on the Robustness of Estimates and Adequacy of Reserves. (MTFP 2.10)
- c) That Members approve the Medium Term Financial Plan 2022/23 to 2026/27 and are aware of the associated Risks (Appendix 2)
- d) That Members receive a Mid-Year Review of the Medium Term Financial Plan during 2022/23.
- e) That Members approve a £5 increase in the Council Tax to £227.74 (Average Band D equivalent) (Appendix 8-12)
- f) That Members approve the Revenue Budget 2022/23 (MTFP 3.2)
- g) That Members approve the Movement in Reserves (MTFP 2.8)
- h) That Members set the Fees and Charges 2022/23 (Appendix 3)
- i) That Members adopt the Capital Investment Strategy (Appendix 4)
- j) That Members approve the Capital Programme 2022/23 to 2026/27 and proposed financing (Appendix 5 and 6).
- k) That Members approve the Treasury Management Strategy 2022/23 and adopt the Treasury Investment Strategy, the Borrowing Strategy and the Treasury and Borrowing Prudential Indicators (Appendix 7)
- l) That Members approve the Minimum Revenue Provision (MRP) Policy as contained in the Treasury Management Strategy (Appendix 7)
- m) That Members approve the 2022/23 Pay Policy Statement (Appendix 13) and Human Resources Statement 2022/23 (Appendix 14)

**IMPLICATIONS**



**Legal:** The Council has a responsibility to determine a legitimate balanced budget and Council Tax requirement in compliance with statutory deadlines.

Local Authorities (Standing Orders) (England) (Amendment) Regs 2014 (SI 165) requires that once the budget is approved the minutes of the proceedings must record the names of the persons who cast a vote for the decision, against the decision or abstained.

The Local Government Act 2003 introduced the requirement to comply with the Prudential Code and approve an Annual Treasury Management Strategy. Under the Act, Councils have the freedom to determine the level of borrowing they wish to undertake to deliver their capital programme, subject to it being affordable and sustainable.

### **Financial : FIN/179A/22/TJB**

The report presents a balanced budget for 2022/23, without the requirement to support it with funds from the General Fund Balance. It addresses the financial implications arising from the recommended revisions to the MTFP and the requirement to determine the Council Tax for 2022/23 taking into account the approved Tax Base 31,038.46 and Council Tax Surplus £0.225m

The Provisional Settlement was announced on the 16<sup>th</sup> December 2021 and has been incorporated into this report, the grants are in line with expectations for a one year settlement with the addition of a Services Grant of £0.208m and a further allocation of Local Services Grant of £0.138m

The 2022/23 Draft Budget totals £14.979m is fully funded and presents a balanced budget.

Contributions to Earmarked Reserves total £2.637m and Use of Earmarked Reserves total £1.692m and are projected to be £16.163m at the end of 2022/23

The movement on the General Fund Balance is a reduction of £0.774m and is forecast to be £3.323m at the end of 2022/23.

The Capital Programme totals £33.458m over the Medium Term Financial Plan and is fully funded.

**Staffing :** The Medium Term Financial Analysis includes budget provision for all approved posts, some of which are funded from grant, capital budgets or Earmarked Reserves.

**Equality and Diversity including Human Rights** : The Equality Act 2010 places a responsibility on Councils to assess their budget options before taking decisions on areas that could result in discrimination. Where appropriate assessments have been undertaken by the relevant service area.

**Data Protection Implications** : None directly from this report

**Climate Related Risks and Opportunities** : The MTFP includes provision for investment in schemes designed to contribute to a reduction in our carbon emissions. In addition the Budget 2021/22 proposes the creation of an Environmental and Climate Change Reserve of £500,000 to support the Sustainability, Climate Change and Environmental Strategy being developed for 2021/22, through financing and match funding opportunities.

**Section 17 Crime and Disorder Considerations** : The budget provides resources to reduce anti-social behaviour in addition to funding the costs of the CCTV service

**Health and Well Being Implications:** The budget provides resources to support the health and wellbeing of our residents. In addition the Health and Wellbeing Reserve of £250,000 is available to support delivery of better outcomes for our residents.

**Title and Location of any Background Papers used in the preparation of this report:**

Wherever possible please provide a hyperlink to the background paper/s  
If a document is confidential and not for public viewing it should not be listed.

**Risk Assessment :**

The Local Government Act 2003 requires the Chief Finance Officer to report on the adequacy of reserves and provisions and the robustness of budget estimates as part of the annual budget setting process.

An analysis of possible budget risks and comment on the level of reserves are included at Appendix B of the Medium Term Financial Plan.

**Call in and Urgency:**

**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

**Key Decision:**

A matter which affects two or more wards, or has significant financial implications

Yes

No

**1. Executive Summary**

1.1 Presented below is the Executive Business Plan and Medium Term Financial Plan 2022/23 – 2026/27 (which includes the Financial Strategy and Medium Term Financial Analysis). An Executive Summary is contained therein.

1.2 These documents are central to our financial planning and play a key role in the budget setting process to ensure that resources are aligned to the Corporate Plan priorities through the setting of the Revenue Budget and Capital Programme. Their impact and risks are considered in the Treasury Management Strategy (scrutinised by the Governance and Audit Committee and recommended to Council for approval).



**The Executive Business Plan** - The purpose of the Executive Business Plan is to set out the national, regional and local environment within which the Council works and details the Corporate Plan themes and objectives. The Executive Business Plan then details the deliverables designed to support the delivery of the Corporate Plan objectives over a 3 year rolling

**The Medium Term Financial Plan** – Aims to deliver an annual balanced and sustainable budget whilst considering the context of National and Local funding and its projections over a 5 year period. It ensures that our resources are directed towards delivery of the Council’s corporate priorities, and includes the Financial Strategy and Medium Term Financial Analysis.

**Financial Strategy** sets out through the establishment of objectives, the strategies to deliver the Corporate Priorities whilst ensuring the future financial sustainability of the Council, and to establish the principles on which financial decisions will be made within available resources.

**The Medium Term Financial Analysis (Appendix 1)** details, in monetary terms, the specific elements of the budget, our assumptions and estimates in developing a plan which covers a 5 year period. It is reviewed annually as part of the budget setting process, taking into consideration investment proposals, in year decisions impacting future years, forward planning, service and business planning deliverables and availability of resources. Ensuring we can set a balanced budget for the current year and identifying any funding gaps for future years. A 10 year estimate has also been undertaken, which incorporates the impact of those projects with longer term financial benefits.

### 1.3 The Council Tax 2022/23

The proposal for the Council to approve a Council Tax of £227.74 (£222.74 2021/22), reflects an increase of £5 being the maximum amount allowable under the Government’s referendum limit of up to 2% or £5 (whichever is the greater). This approach supports our future financial sustainability.

With an approved tax base of 31,038.46 Council Tax income of £7,068,700 will be budgeted for (30,128.37 and £6,710,800 2021/22). (The Medium Term Financial Analysis assumes a 0.75% increase in the tax base and an ongoing 2% increase in Council Tax annually, however it is uncertain what capping levels will be in the future.)

Lincolnshire County Council and the Police and Crime Commissioner have set their Council Taxes. The overall Council Tax for West Lindsey residents (excluding Parish Precepts) is detailed in the table below;

	2021/22	2022/23	Variance	
	£	£	£	%
Lincolnshire County Council	1,364.16	1,432.17	68.01	4.99%
Police	266.31	276.30	9.99	5.94%
West Lindsey District Council	222.74	227.74	5.00	2.24%
Direct Parish Precept Charges	72.57	75.19	2.62	3.61%
<b>Total Average Council Tax</b>	<b>1,925.78</b>	<b>2,011.40</b>	<b>85.62</b>	<b>4.45%</b>

#### 1.4 The Revenue Budget 2022/23

The General Fund Revenue Budget 2022/23 (detailed in the table below) reflects a balanced budget and a Net Revenue Budget Requirement of £14.979m (£13.279m 2022/23)

Members should be aware; that the budget associated with government funding is based on the final one year financial settlement announced on 7 February 2022 by the Minister for the Department of Levelling Up, Housing and Communities, Housing and Local Government, Rt. Hon Michael Gove MP

The Revenue Budget is compiled through a robust process, which has included consultation with our residents and business. This process was awarded a High Assurance rating (2020) from our Internal Auditors.

The Budget is presented below and is analysed by our Service Clusters;

**Our People** – Strategic Focus: Health & Wellbeing, Education & Skills, Vulnerable Groups & Communities i.e. Benefits, Homelessness and Housing, Community Grants, Employment & Skills Partnership, Arts & Leisure

**Our Place** – Strategic Focus: Economy, Housing Growth, Public Safety & Environment i.e. Building Control, Licensing, Food Safety, Car Parks, Asset Management, CCTV, Domestic Waste Collections, Development Control, Economic Development

**Our Council** – Strategic Focus: Customer, Finances, Staff & Members i.e. Finance, Human Resources, Committee Administration, ICT, Change Management, Business Improvement, Elections, Corporate Fraud, Debtors, Local Tax Collection, Local Land Charges, Crematorium, Commercial Properties, Customer Relations, Green Waste Service, Bulky Waste Collections, Trade Waste, Markets

The table below details the proposed revenue budget 2022/23 for approval and is compared to the original budget 2021/22 and analysed over our Service Clusters (Corporate Plan themes) and includes other elements of operating expenditure and movements in reserves resulting in a £14.979m Budget Requirement (£13.279m 2021/22), an increase of £1.7m. Further analysis of the Budget is contained within Appendix 1 of the Medium Term Financial Analysis

Cluster	Original Budget 2021/22 £	Proposed Budget 2022/23 £
Our Council	6,279,000	6,068,000
Our People	1,529,000	1,731,700
Our Place	3,871,800	4,223,800
<b>Cluster Total</b>	<b>11,679,800</b>	<b>12,023,500</b>

Interest Receivable	(124,600)	(149,200)
Investment Income - Property Portfolio	(1,434,900)	(1,470,800)
Drainage Board Levies	388,100	413,100
Parish Precepts	2,186,600	2,333,800
Interest Payable	377,700	451,800
Statutory MRP (repayment of borrowing)	442,900	898,000
<b>Other Operating Expenditure</b>	<b>1,835,800</b>	<b>2,476,700</b>

<b>Net Revenue Expenditure</b>	<b>13,515,600</b>	<b>14,500,200</b>
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Transfer to / (from) General Fund	(1,943,700)	(465,700)
Transfer to / (from) Earmarked Reserves	1,707,200	944,900

<b>Amount to be met from Government Grant or Council Tax</b>	<b>13,279,100</b>	<b>14,979,400</b>
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<b>Funding Income</b>		
Business Rate Retention Scheme	1,989,000	3,433,900
Collection Fund Surplus - Council Tax	167,500	225,500
Parish Councils Tax Requirement	2,186,600	2,333,800
New Homes Bonus	719,100	924,400
Other Government Grants	831,100	993,100
Covid Grants	675,000	0
<b>Council Tax Requirement</b>	<b>6,710,800</b>	<b>7,068,700</b>

<b>TOTAL FUNDING</b>	<b>13,279,100</b>	<b>14,979,400</b>
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<b>Balanced Budget/Funding Target</b>	<b>0</b>	<b>0</b>
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## 1.5 Significant Movements

The most significant movements include;

Expenditure Pressures

- £0.908m staff resourcing, pay awards changes to Employers National Insurance and increased Pension Deficit Contribution
- £0.085m Contracts
- £0.455m Change to MRP Policy for repayment of borrowing.

#### Expenditure Savings

- £0.605m Saving in borrowing costs from internal borrowing

#### Additional Income

- £0.160m in Garden Waste income from the proposed 2 year fee of £39 required to ensure cost recovery of the service, in line with the Fees and Charges Policy.
- £0.022m Fees and Charge Review
- £0.058m Interest from Investments

#### Additional Funding

- £0.125m increase in Council Tax Surplus Share
- £0.122m Council Tax – Tax Base increase of 3% above
- £1.444m Business Rates – 1 year Financial Settlement
- £0.208m Financial Settlement – Services Grant

The movement in net Contributions to Reserves totals £0.716m

## 1.6 Review of Earmarked Reserves

Due to the one year settlement gain and the General Fund Working Balance currently being above the minimum level of £2.5m there is an opportunity to contribute to existing reserves. The Committee are requested to approve the following in addition to the business as usual movements detailed at 2.8 of the Medium Term Financial Strategy

### Increase in Earmarked Reserves

- **Cultural Strategy Reserve - £0.180m**  
to increase to £250k to support delivery of the strategy
- **Environmental and Climate Change Reserve - £0.182m**  
To increase to £500k to support action plan initiatives
- **ICT Reserve - £0.250m**  
To support new technology and transition
- **Communities at Risk Reserve £0.141m**  
To increase to £250k increase
- **Facilities Reserve £0.250m**  
To support delivery of the Strategic Asset Management Plan
- **Redundancy Reserve – £0.062m**  
To increase to £0.250m

- **Investment for Growth Reserve - £0.924m**  
To earmark New Homes Bonus for future investment in regeneration and growth

In addition, and detailed in full at 2.8 of the Medium Term Financial Plan

Business as Usual Contributions to Earmarked reserves totals £0.648m  
Use of Earmarked Reserves to fund Revenue and Capital Projects £1.692m

The table below details the estimated year end reserve balances over the medium term. It assumes the approval of the above proposals and takes account of current expectations of the 2021/22 out turn position, the movement in reserves for capital investment financing, contributions to and from reserves for the purposes of service and project investment and the significant impact of Covid-19 Business Rates Reliefs Grant 2021/22 which will be utilised in 2022/23 to offset the resultant deficit (circa 0.888m)

RESERVE	CURRENT YEAR	MTFP				
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
General Fund Working Balance	4,096,381	3,322,681	3,273,981	3,233,281	3,248,681	3,264,081
Earmarked Reserves	18,454,783	16,163,449	14,661,283	14,775,683	14,613,983	14,934,283
Capital Receipts	1,245,959	955,260	844,444	909,628	972,325	1,032,325
Capital Grants Unapplied	0	0	0	0	0	0
<b>TOTAL</b>	<b>23,797,124</b>	<b>20,441,390</b>	<b>18,779,708</b>	<b>18,918,592</b>	<b>18,834,990</b>	<b>15,966,609</b>

EARMARKED RESERVES	CURRENT YEAR	MTFP				
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Service Investment/Renewals	3,690,063	3,222,063	2,827,463	2,909,863	2,865,163	3,302,463
Contingency/Risk	5,819,756	4,681,356	4,301,756	4,184,756	4,067,756	3,950,756
Investment for Priorities	8,944,965	8,260,031	7,532,065	7,681,065	7,681,065	7,681,065
<b>Grand Total</b>	<b>18,454,783</b>	<b>16,163,449</b>	<b>14,661,283</b>	<b>14,775,683</b>	<b>14,613,983</b>	<b>14,934,283</b>

### 1.7 Fees and Charges (Appendix 3)

Fees and charges have been considered and recommended by the Prosperous Communities and Corporate Policy and Resources Committees and are detailed at Appendix 3 of the Medium Term Financial Plan.



## 1.8 The Capital Investment Strategy (Appendix 4)

The Capital Investment Strategy forms a key part of the Council's overall corporate planning framework. It provides a mechanism by which the Council's capital investment and financing decisions can be aligned with the Council's over-arching corporate priorities and objectives over a medium term (five year) planning horizon. Providing a framework to enable both revenue and capital investment decisions which contribute to the achievement of the Council's priorities and objectives as set out in the Corporate Plan.

## 1.9 The Capital Investment Programme (Appendix 5)

The Capital Programme 2022/23 to 2026/7 provides a plan of future capital investments totalling £33.458m with £12.972m estimated for 2022/23. The programme is monitored in year through Corporate Policy and Resources Committee and is reviewed bi-annually and may result in significant changes as business cases for schemes are developed or schemes re-profiled over financial years due to external factors.

Service Cluster	Estimate 2022/23 £	Estimate 2023/24 £	Estimate 2024/25 £	Estimate 2025/26 £	Estimate 2026/27 £	Total Capital Programme £
Our People	1,911,150	674,900	1,424,900	674,900	674,900	<b>5,360,750</b>
Our Place	10,424,235	11,771,518	718,000	472,000	90,000	<b>23,475,753</b>
Our Council	636,800	570,000	115,000	200,000	100,000	<b>1,621,800</b>
Investment	0	3,000,000	0	0	0	<b>3,000,000</b>
<b>Grand Total</b>	<b>12,972,185</b>	<b>16,016,418</b>	<b>2,257,900</b>	<b>1,346,900</b>	<b>864,900</b>	<b>33,458,303</b>

There are a number of significant programmes of work, which at this time have not been the subject of a full financial appraisal, and to that end Members should be aware that the estimates within this programme could go up and/or down by 50%.

Members are asked to approve the Budget only and receive reports for specific schemes prior to approval to spend, in accordance with financial regulations. This excludes business as usual schemes such as replacement and renewal programmes ie Strategic Asset Management Plan, Vehicle replacement programme, ICT replacement programme where approval to spend is recommended within this report.

The Capital Investment Programme is to be funded from;

<b>CAPITAL FINANCING</b>	<b>Estimate 2022/23 £</b>	<b>Estimate 2023/24 £</b>	<b>Estimate 2024/25 £</b>	<b>Estimate 2025/26 £</b>	<b>Estimate 2026/27 £</b>	<b>TOTAL CAPITAL INVESTMENT £</b>
Grants & Contributions etc	-9,066,251	-9,644,652	1,767,900	-674,900	-674,900	<b>-21,828,603</b>
Revenue/Earmarked Reserves	-3,236,234	-1,601,766	-490,000	-672,000	-190,000	<b>-6,190,000</b>
Useable Capital Receipts	-526,700	-3,186,000	0	0	0	<b>-3,712,700</b>
Prudential Borrowing	-143,000	-1,584,000	0	0	0	<b>-1,727,000</b>
<b>Total Capital Programme Funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-33,458,303</b>

The detailed Capital Investment Programme and its financing are attached at Appendix 5/6.

### **1.10 Robustness of Estimates and Adequacy of Reserves**

In accordance with Section 25 of the Local Government Act 2003, the Council's Chief Finance Officer is required to report on the robustness of estimates, the adequacy of reserves and the prudence of capital investment decisions. This information enables a longer-term view of the overall position to be taken.

It is the professional opinion of the Chief Finance Officer that the overall adequacy of the total level of reserves and the robustness of estimates is integral to the sign off of the overall agreed budget. The Chief Finance Officer having taken into consideration risks, sensitivity analysis, benchmarking and resilience information, can confirm that the budget assumptions are relevant, estimates are robust, the adequacy of reserves is satisfactory and the capital programme is affordable; further detail is included within the Medium Term Financial Analysis (paragraph 4)

### **1.11 The Pay Policy Statement (Appendix 13)**

Section 38/11 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement each financial year. This document comprises that Pay Policy Statement being recommended for adoption.

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# EXECUTIVE BUSINESS PLAN 2022/23





## Introduction

Welcome to the Council's Executive Business Plan which outlines the national, regional and local environment in which the Council operates and sets out key activity for the next three years. Against a backdrop of rising uncertainty in a rapidly changing world, the environment in which the Council operates is constantly moving and it is therefore vital that the Council appraises all current and possible future scenarios.

The supporting financial strategy is set out in Section 1 of the Medium Term Financial Plan and focuses on growth, efficiencies and future sustainability. This details how key activity and projects will be funded and takes a medium term perspective while also looking further ahead to consider actions that will have an impact beyond the medium term horizon.

The Council's Corporate Plan (2019-2023) is the organisation's primary strategic document. It sets out the Council's strategic objectives and desired outcomes for the lifespan of the Corporate Plan and beyond. This Executive Business Plan complements the Corporate Plan by setting out, annually, a rolling three year programme of key deliverables designed to achieve the required objectives. It reflects short, medium and longer term goals, acting as a guide for the Council's Senior Leadership Team, managers, staff and Members, regarding current and future decisions and activity.

## National Context

**Covid-19 Pandemic** – 2020 was dominated by the global coronavirus pandemic. As the world acted to limit the spread of a disease that has claimed the lives of over five million people to date, the effects on the global economy have been significant, resulting in the worst global recession since World War Two. As we near the end of 2021, coronavirus and the emergence of new variants continues to place health services under pressure, though the success of the vaccine rollout has allowed most restrictions in the UK to be lifted. A stronger than anticipated economic recovery resulted in the Office for Budget Responsibility revising its economic forecast with a prediction that the UK's economy is likely to return to pre-pandemic levels by January 2022, though rising energy prices, rising inflation and supply shortages linked to the pandemic pose a risk to the country's economic outlook.



Local government remains at the forefront of responding to the crisis, shifting its focus from response to recovery during the latter half of 2021 and continuing to support communities in a variety of ways from provision of social care, to supporting the local economy, to maintaining the provision of vital services such as waste collection and public safety; all of which is underpinned by sound governance and decision making. At the same time, the income streams available to Councils' continue to be affected by business rate holidays, re-negotiation of leases and rents for commercial properties; and services such as arts venues that are not yet operating at pre-pandemic levels. This is further compounded by rising costs such as record fuel prices, rising energy prices and the increasing

need for agency staff as a result of unfilled job vacancies and coronavirus related sickness absence.

The future outlook remains uncertain and much depends on the successful mass roll-out of vaccines across the population to enable some semblance of normality to resume. Much has been said about harnessing the benefits that accrued during periods of national lockdown; less traffic and pollution, a renewal of the natural environment, the wide-spread adoption of home-working and using the recovery period as a means of investing in new technologies and engineering an economic recovery that puts people and the planet first, a "green recovery" that will help the country come back better and stronger than it was before.

**Climate Change and Sustainability** – There is global recognition that the planet is in the midst of a climate crisis, though the extent to which world leaders' are prepared to act to reduce carbon emissions differs significantly across the globe. The COP26 summit, at which 120 world leaders are due to convene in Glasgow during November 2021, is widely recognised as the



“best last chance” to bring runaway climate change under control and to work towards the shared aim of limiting global temperature rises to “well below” 2C by 2030, as set out in the Paris Agreement of 2015. History will judge the success of COP26 but it is clear that there has been a culture shift towards urgent action to tackle the worst effects of global warming, with a number of commitments arising from the summit including a pledge by 100 world leaders (covering 85% of the world’s forests) to reverse deforestation by 2030; and a pledge from 80 countries to reduce global methane emissions by 30% by 2030.

To demonstrate the UK’s commitment to play a leading role in addressing this challenge, in November 2020, the Prime Minister set out an ambitious ten-point plan for a green industrial revolution. The plan covers clean energy, transport, nature and innovative technologies, mobilising £12bn of government investment to create and support up to 250,000 highly-skilled green jobs in the UK.

To support this acceleration, the Prime Minister has previously announced a range of funding pledges including:

- £1bn in 2021 into making new and existing homes and public buildings more efficient, extending the Green Homes Grant voucher scheme by a year and making public sector buildings greener and cutting bills for hospitals and schools, as part of the Public Sector Decarbonisation Scheme.
- Up to £500m for trialling homes using hydrogen for heating and cooking, starting

with a Hydrogen Neighbourhood in 2023, moving to a Hydrogen Village by 2025, with an aim for a Hydrogen Town – equivalent to tens of thousands of homes – before the end of the decade. Of this funding, £240m will go into new hydrogen production facilities.

- £525m to help develop large and smaller-scale nuclear plants, and research and develop new advanced modular reactors.
- £1.3bn to accelerate the rollout of charge points for electric vehicles in homes, streets and on motorways across England, so people can more easily and conveniently charge their cars.
- £582m in grants for those buying zero or ultra-low emission vehicles to make them cheaper to buy and incentivise more people to make the transition.
- Nearly £500m to be spent in the next four years for the development and mass-scale production of electric vehicle batteries, as part of a commitment to provide up to £1bn boosting international investment into strong manufacturing bases including in the Midlands and North East.
- An extra £200m of new funding to create two carbon capture clusters by the mid-2020s, with another two set to be created by 2030. This increases the total invested to £1bn, helping to support 50,000 jobs, potentially in areas such as the Humber, Teesside, Merseyside, Grangemouth and Port Talbot.

Other key parts of the plan will be driven forward by significant investment already announced, including the £1bn energy innovation fund to stay ahead of the latest technologies needed to reach new energy targets, £5bn for alternative greener ways of travel including cycling, walking and buses and £5.2bn to create new flood and coastal defences in England by 2027.

Furthermore, following the UK Government's amendments to the Climate Change Act (2008), where a commitment was made to reduce UK CO<sub>2</sub> emissions to net-zero by 2050, the Government announced in December 2020 an ambitious target to cut emissions by 68% by 2030 based on 1990 levels. Commentators have calculated that for this to be achieved it will require the UK working 50% harder than it currently is.

Following suit, most local authorities across the UK have committed to reducing the impact of their operations on the environment, by announcing plans to take positive action to reduce carbon emissions at a local level. To meet this agenda, in June 2021, West Lindsey District Council formally adopted its first Sustainability, Climate Change and Environment Strategy, underpinned by Member and Officer Working Groups and led by a newly appointed Climate Change and Sustainability Officer with responsibility for ensuring the Council's Climate Change Action Plan is implemented in full in order to meet the authority's commitment to reducing its carbon footprint to net-zero by 2050.

**Industrial Strategy and the Build Back Better Plan for Growth** – in response to the shifting national and global economic landscape, the government's Industrial Strategy has transitioned into a new Build Back Better Plan for Growth. Whilst creating and supporting jobs remains the central focus, the new Plan, launched in March 2021, places significant emphasis on three core pillars of infrastructure, skills and innovation. These overarching themes encompass key funding streams for which all local authorities have the opportunity to apply, such as the Levelling Up Fund, the UK Shared Prosperity Fund, the Towns Fund and the High Street Fund. West Lindsey was successful in its bid to the first round of Levelling Up Fund, which is covered in more detail below.

**Levelling Up Agenda** – The government is committed to resetting the balance between central and local government and placing councils at the heart of delivering the government's ambitious programme to improve opportunities across the country. By some measures, the UK is the most geographically unequal developed economy in the world with higher concentrations

of wealth, prosperity and productivity in the South-East of England compared to the South-West, North and much of the Midlands which all lag behind. In recognition of this, the government department responsible for local government, communities and housing was renamed the Department for Levelling Up, Housing and Communities and placed in charge of overseeing the levelling up agenda through a programme of infrastructure development and investing in education and skills. As part of the initial phase, local authorities in England and Wales were invited to bid for a share of a new £4bn Levelling Up Fund, with each Council able to bid for up to £20m to support “shovel ready” projects designed to improve roads, town centres and public transport.

As part of the October 2021 Spending Review, the Chancellor announced the successful applicants of the first round of Levelling Up bid applications, including West Lindsey District Council which was awarded over £10mn to deliver its “Thriving Gainsborough” bid as a share of £203mn awarded to 10 projects (including West Lindsey) in the East Midlands region. This major programme will deliver a number of projects including a new four-screen cinema, improvements to Whitton’s Gardens, the creation of a new park at Baltic Mill and refurbishment of the bus station, all of which will be completed by 2024.

**Grant Funding** – The pandemic accelerated the range and level of grant funding available to support Councils’ with tackling inequality and recovering from the pandemic. In addition to the Levelling Up Fund, in 2020, West Lindsey was one of only six places successfully awarded a share of a new £33m Local Access investment programme which will support charities, community groups and social enterprises in Gainsborough to grow the low social economy and tackle local issues that cause inequality.



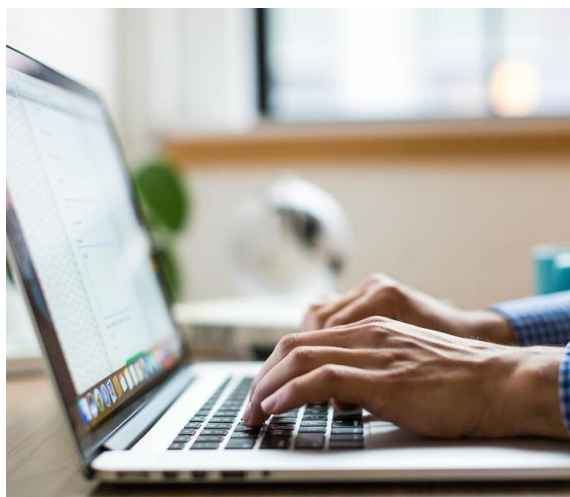
West Lindsey was also a recipient of the Welcome Back Fund, receiving over £84k from a pot of £56m from the European Regional Development Fund to support Councils with a safe return to the high street following the pandemic. This builds on the Reopening High Streets Safely Fund previously announced in May 2020, with the money granted to West Lindsey District Council earmarked to promote a safe return to the high street for trade and tourism, as well as to improve the look and feel of the high street through initiatives such as public realm improvements, additional street cleansing and the installation of additional seating and picnic areas to encourage footfall into the district’s high streets.

**Post-Brexit Britain** – Historically, the European Union (EU) was a provider of significant funding to support regeneration projects across the Union, including in the UK. The UK’s departure from the EU meant that access to such funding streams is no longer available, resulting in the government establishing the UK Shared Prosperity Fund. Due to be launched in April 2022, the Fund is designed to replace EU structural funding through a single, UK wide framework which will distribute over £2.6bn over a three year period. The 2021 Autumn Spending Review announced £560m of this funding will be spent on a new ‘Multiply’ programme to boost adult functional numeracy skills as a way of improving employment prospects. Whilst this is a UK wide programme, the funding is expected to particularly benefit adults in the North East, West Midlands and Yorkshire and the Humber where adult literacy rates are among the lowest in the UK.

**Post-Brexit Agricultural Subsidies** – The Agriculture Act was passed in November 2020, which sets the legislative framework for the new agricultural subsidy regime in England. From November 2021, farmers will have a seven year transition period to adapt to a new, post-Brexit



agricultural system with an emphasis on public money for public goods. The list of which public goods for which subsidies may be paid include initiatives to increase biodiversity, restore landscapes, reduce climate flooding, tackle the effects of climate change, promote animal welfare and increase investment in new equipment and technology. Further details are due to be announced in late 2021 but the implications for West Lindsey are likely to be of significance given the rural nature of the district, which relies heavily on agriculture.



**Digital Connectivity** – Many pledges have been made by Government over recent years to improve and expand the digital infrastructure across the country; particularly in rural areas such as West Lindsey where many residents and businesses suffer from poor broadband speeds. In November 2020, the Government scaled back its target for nationwide coverage of gigabit broadband to 85% coverage by 2025, accompanied by £1.25bn in funding to enable this. As of September 2020, just 27% of UK premises had a gigabit broadband connection available, though the government is projecting this will rise to 60% by the end of 2021. While it is looking increasingly likely that this target will be

met, the Public Affairs Committee has expressed concern that rural areas will continue to be locked out of gigabit broadband coverage for “years to come.” This is pertinent for West Lindsey which has already experienced significant delays in the roll-out of superfast broadband across the District under the BDUK scheme.

**Homes** - The Government continues to work towards its five year Homes England Strategic Plan 2018/19 – 2022/23. Its purpose is to improve housing affordability, helping more people access better homes in areas where they are needed most. The plan outlines a new mission and the steps to be taken in partnership with all parts of the housing industry sector, to respond to the long-term housing challenges facing the country. Welcome news to support the plan was received in March 2020 as the



Chancellor announced a reversal to the Public Works Loans Board (PWLB) one percent rise in interest rates, which threatened the ability of Councils to deliver capital schemes including vital council house building projects. The cut was heralded as a means of supporting local authorities to invest in their communities.

In August 2021, the government announced the launch of an Affordable Homes Programme, an £8.6bn fund to deliver 119,000 homes, including 57,000 homes for ownership, 29,600 for social rent and 6,250 affordable rural homes. Such a programme is expected to support up to 370,000 jobs across the country and generate £26bn in additional private and public investment. The provision of affordable rural homes is particularly pertinent to West Lindsey,

one of the largest rural districts in England and Wales. While the Council is a non-stock holding authority, it has a key role to play in ensuring everyone has access to good quality housing which meets their needs and aspirations. With a worse than average housing affordability ratio (the median house price compared to median earnings), additional provision of affordable rural homes can only be of benefit to West Lindsey.

To support the climate agenda and improve the quality of housing stock across the country, two schemes were announced during 2020. Firstly, the Future Homes Standard will require new build homes to be future-proofed with low carbon heating and world-leading levels of energy efficiency. It will be a phased introduction, with some measure being introduced during 2022, with target energy efficiency levels being reached by 2025. .

Secondly, the launch of Green Homes Grant is one of a number of recent Government backed schemes designed to encourage home owners to improve the energy efficiency of their homes and address fuel poverty issues. This £2bn initiative is aimed at giving over 600,000 homeowners in England up to £10,000 to install insulation, heat pumps, draft proofing and more, to help households cut energy bills and improve energy efficiency. Again, the jobs created by such a scheme are also designed to form part of an overarching 'Green Recovery' from the effects of the Covid19 pandemic.

An additional tranche of this scheme takes the form of the Green Homes Grant Local Authority Delivery scheme, which accounts for £500m of the overall £2bn funding package. Local authorities can bid for funding under this scheme to improve the energy efficiency of low-income households in their area. Many authorities are forming consortiums to pool resources and capacity to draw down funds and administer the scheme. Across Lincolnshire, Lincs 4 Warmer Homes has been created between local authorities across the county, offering energy efficiency improvements and advice.

**Local Government Finance** – Local government experienced an unprecedented rise in costs during the coronavirus pandemic, whilst at the same time experiencing a large loss in revenue from Council Tax, business rates and charges. Whilst the majority of these losses were covered by central government, not all lost income was compensated for, resulting in 72% of district councils having to use their reserves to cover costs associated with the pandemic and avoid running a deficit.



The government announced that local authority core spending power is expected to rise by just over 1.8% (excluding government grants for adult social care) each year over the period of the spending review which is slightly lower than the 1.9% the Institute for Fiscal Studies states that Councils need to maintain service provision at their current levels. The Institute for Government projects that Councils will be required to spend 2% more on services (excluding social care) in 2024/25 than in 2019/20 in order to maintain current service provision. While a rise in core spending power is good news for Councils, challenges remain in ensuring the financial sustainability to maintain levels of service provision in future years.

For some time the Government has been consulting on a number of proposals as part of the reform of local government funding, including a Fairer Funding methodology, Business Rates Retention of 75% (rather than the current 50%) and a Business Rates Reset. Clarification was

expected during 2020-21, however the pandemic has resulted in a further one year financial settlement for local government for 2021-22.

## Regional and Local Context

### **Greater Lincolnshire Local Enterprise Partnership**

- At a regional level, the Greater Lincolnshire Local Enterprise Partnership (GLLEP) covers the Lincolnshire county as well as North Lincolnshire, North East Lincolnshire and Rutland unitary authorities. It works with Government to improve the economic climate across Greater Lincolnshire and is a private sector led partnership between the private and public sector. Its aim is to improve infrastructure and the conditions for doing business. The GLLEP works across a diverse range of industries, from ports, logistics and farming to tourism and engineering. Working to its Strategic Economic Plan, by 2030 the GLLEP intends to have created 13,000 new jobs, delivered 100,000 new homes, supported 22,000 businesses and increased the value of the Greater Lincolnshire economy by £3.2bn.



The GLLEP's Industrial Strategy aims to increase productivity, growth and resilience in priority sectors and, as a result, create more prosperous communities. It is considered that this will offer competitive advantage for Greater Lincolnshire and therefore the possibility for real growth and greater productivity. West Lindsey District Council has contributed meaningfully to this Strategy, ensuring that the district is prominent within it and the district's evidence base, priorities, opportunities and challenges are all accurately reflected.

In November 2021, the GLLEP announced the launch of the internationally significant UK Food Valley. This ambitious programme aims to create a top 10 global food cluster in Greater Lincolnshire with the potential to create 11,000 jobs and £2bn of GVA by 2030. The programme focuses on three main themes:

- Digitalisation and automation in the food chain
- Low carbon transition
- Promoting the production and consumption of “naturally good for you” food

Agri-food is one of West Lindsey's strongest economic sectors and so the creation of a UK Food Valley is strategically important in supporting growth and encouraging inward investment into the district over the next decade.

**Central Lincolnshire Local Plan** – Due to changes in National Policy, a review of the current Central Lincolnshire Local Plan (CLLP), adopted in 2017, has been undertaken. The vision and objectives of the Local Plan will remain the same, as well as the spatial strategy for growth. A second consultation on the draft Central Lincolnshire Local Plan took place during 2021. As part of the review, significant attention has been paid as to what the CLLP can reasonably achieve in tackling climate change and delivering a net zero carbon compatible local plan. Research undertaken by consultants has concluded that Central Lincolnshire can become a net zero carbon district by 2050, but ambitious policy and decisive action is needed to get there. A net zero carbon compliant local plan will be critical in achieving this aim. The final draft of the Local Plan will be consulted on in early 2022, with an examination in public and final adoption taking place later that year.

**Devolution** – While a decision was made by government that devolution for Lincolnshire would not be the right course of action during a pandemic, devolution for English regions remains a priority for this government. However, a much anticipated White Paper on plans for English devolution has been replaced by the Levelling Up White Paper though no date has yet been announced for its publication. In July 2021, the Prime Minister outlined how more devolution deals could support the Levelling Up agenda but, with no further details announced since then, it is unclear what this might mean for Lincolnshire and West Lindsey in the future. What is certain is that local government reform will remain a subject of current and future debate for some time to come.

**The Council’s Corporate Plan**

Following the Council elections in May 2019, the new administration took ownership of the Council’s Corporate Plan 2019-2023. The Plan’s vision is that:

***“West Lindsey is a great place to be where people, businesses and communities can thrive and reach their potential.”***

The Plan is built around three themes; Our Council; Our People; Our Place and each contains a number of areas of focus.



Each theme also sets out its strategic aims and the desired outcomes to be achieved for each area of focus. To ensure that the Corporate Plan remains ‘live’, progress against its aims and objectives is reported annually to Members and other stakeholders.

While a focus remains on supporting growth across the District, the Plan also emphasises the need for social regeneration to address deprivation, vulnerability and other social issues faced by communities.

**Business Plan Deliverables 2022-23**

On an annual basis, the Council’s service areas each undertake a business planning exercise. The purpose is two-fold, with the objectives being to identify, over a three year time frame, potential initiatives and projects that could be implemented in support of the Corporate Plan and to offer suggestions that would achieve greater value for money or efficiency, new or

increased income streams, improved performance or higher levels of customer satisfaction. The suggestions put forward are analysed to evaluate the potential financial benefits, investment requirements and the likelihood of successful implementation. Each year a set of initiatives are approved for implementation, with the financial impacts reflected within the Medium Term Financial Plan (MTFP) and capital programme and delivery monitored via the relevant Programme Board.

This Executive Business Plan provides details of the work to be carried out over the next three years to deliver against Corporate Plan objectives. It includes work currently in progress that will be completed within the three year timeframe and new initiatives that will be commenced during 2022-23. All of the 'deliverables' have been aligned to at least one objective within the Council's Corporate Plan which sit within the themes of 'Our People', 'Our Place' and 'Our Council'.

## Our People

Corporate Plan Strategic Aim	Corporate Plan Objective	Key Deliverables	Responsible Portfolio
To reduce health inequalities and promote wellbeing across the district through the promotion of healthy lifestyles	<ul style="list-style-type: none"> <li>Increased opportunities for participating in sport, cultural and leisure activities</li> </ul>	<ul style="list-style-type: none"> <li>Implement a framework for co-ordinating and delivering cultural activities within the District</li> </ul>	Operational and Commercial Services
		<ul style="list-style-type: none"> <li>Bid for National lottery funding to support and develop Trinity Arts centre as the hub for cultural activity within the District</li> </ul>	Operational and Commercial Services
		<ul style="list-style-type: none"> <li>Support the Jubilee programme of activity</li> </ul>	People and Democratic Services
		<ul style="list-style-type: none"> <li>Refresh Visitor Economy Strategy and develop approach to Cultural Strategy / events programme</li> </ul>	Planning and Regeneration
		<ul style="list-style-type: none"> <li>Deliver agreed events programme for Townscape Heritage and Mayflower 400</li> </ul>	Planning and Regeneration
	<ul style="list-style-type: none"> <li>Greater quality of life and levels of independence among vulnerable residents</li> </ul>	<ul style="list-style-type: none"> <li>Develop local programme of work aligned to Health Inequalities programme Board (to support Lincolnshire ICS development)</li> </ul>	Homes and Communities
	<ul style="list-style-type: none"> <li>Deliver services and health improvements to enable re-establishment of lives after crisis</li> </ul>	<ul style="list-style-type: none"> <li>Develop proposals for delivery of Temporary/Emergency Accommodation</li> </ul>	Homes and Communities
	<ul style="list-style-type: none"> <li>Ensure housing solutions provide choice and</li> </ul>	<ul style="list-style-type: none"> <li>Develop proposals for delivery of accommodation which</li> </ul>	Homes and Communities

Corporate Plan Strategic Aim	Corporate Plan Objective	Key Deliverables	Responsible Portfolio
	support independence	meets needs of those not eligible for social housing outside of Gainsborough (extension of the Viable Housing Scheme)	
		<ul style="list-style-type: none"> <li>Support delivery of affordable housing to meet identified needs</li> </ul>	Planning and Regeneration
		<ul style="list-style-type: none"> <li>Enable delivery of housing with care and/or support to meet specific need i.e. extra care housing</li> </ul>	Homes and Communities
		<ul style="list-style-type: none"> <li>Implementation of First Homes</li> </ul>	Homes and Communities
To create strong and self-reliant communities and promote positive life choices for disadvantaged residents	<ul style="list-style-type: none"> <li>Improve homes and transform places</li> </ul>	<ul style="list-style-type: none"> <li>Enable continuation of community broadband programme</li> </ul>	Homes and Communities
		<ul style="list-style-type: none"> <li>Implement the agreed options for the future of Selective Licensing within the District</li> </ul>	Change Management and Regulatory Services
	<ul style="list-style-type: none"> <li>Promote self-reliant communities</li> </ul>	<ul style="list-style-type: none"> <li>Develop normalisation strategy for RAF Scampton</li> </ul>	Homes and Communities
To facilitate the creation of a highly skilled workforce that meets the present and future needs of the local and wider economy	<ul style="list-style-type: none"> <li>Understand the skills needs of local employers and improve access to training and employment for residents</li> </ul>	<ul style="list-style-type: none"> <li>Extension of the Employment and Skills Partnership</li> </ul>	Homes and Communities

## Our Place

Corporate Plan Strategic Aim	Corporate Plan Objective	Key Deliverables	Responsible Portfolio
To ensure that economic regeneration in West Lindsey is sustainable and benefits all our communities	<ul style="list-style-type: none"> <li>Improve the economic performance of Gainsborough town centre and the district's market towns</li> </ul>	<ul style="list-style-type: none"> <li>Enable an evidenced decision for the future of street Markets in West Lindsey</li> </ul>	Operational and Commercial Services
		<ul style="list-style-type: none"> <li>Implement the projects outlined in the Council's successful 'Thriving Gainsborough' bid as part of the Levelling Up Fund</li> </ul>	Planning and Regeneration
		<ul style="list-style-type: none"> <li>Deliver activity associated with the Welcome Back Fund</li> </ul>	Planning and Regeneration
		<ul style="list-style-type: none"> <li>Develop a comprehensive West Lindsey Place Making Plan including</li> </ul>	Planning and Regeneration

Corporate Plan Strategic Aim	Corporate Plan Objective	Key Deliverables	Responsible Portfolio
		development of new projects	
		<ul style="list-style-type: none"> <li>Maintain delivery of existing projects outlined in the Growth Programme</li> </ul>	Planning and Regeneration
		<ul style="list-style-type: none"> <li>Establish capacity framework for Planning Commercial Support Contract</li> </ul>	Planning and Regeneration
		<ul style="list-style-type: none"> <li>Complete Business Grant programme including required post payment assurance</li> </ul>	Planning and Regeneration
		<ul style="list-style-type: none"> <li>Specific focus for the Council's Regulatory Services on supporting businesses being able to re-establish their services post pandemic</li> </ul>	Change Management and Regulatory Services
To create a safer, cleaner district in which to live, work and socialise	<ul style="list-style-type: none"> <li>Increased quality of life for residents</li> </ul>	<ul style="list-style-type: none"> <li>Develop and deliver the Open and Green Space Strategy</li> </ul>	Homes and Communities
	<ul style="list-style-type: none"> <li>Use the Council's statutory functions to increase public safety and cleanliness in the district</li> </ul>	<ul style="list-style-type: none"> <li>Review key policies such as the Corporate Enforcement Policy and Local Enforcement Plan</li> </ul>	Change Management and Regulatory Services
	<ul style="list-style-type: none"> <li>Reduce antisocial behaviour</li> </ul>	<ul style="list-style-type: none"> <li>Review options and develop new approach to antisocial behaviour, enviro-crime and fly-tipping</li> </ul>	Change Management and Regulatory Services

## Our Council

Corporate Plan Strategic Aim	Corporate Plan Objective	Key Deliverables	Responsible Portfolio
To put the customer at the centre of everything we do	<ul style="list-style-type: none"> <li>Deliver high quality, customer centric services, offering excellent customer experiences, value for money and</li> </ul>	<ul style="list-style-type: none"> <li>Progress the Council's transformational Programme 'Together 24' incorporating people led change and technology enabled service reviews.</li> </ul>	All
		<ul style="list-style-type: none"> <li>Manage the smooth migration of existing</li> </ul>	Change Management and

Corporate Plan Strategic Aim	Corporate Plan Objective	Key Deliverables	Responsible Portfolio
	demonstrating a culture of continuous learning and improvement	working age housing benefit claimants to Universal Credit	Regulatory Services
		<ul style="list-style-type: none"> <li>Review the consultation and options for an 'income banded scheme' for Council Tax Support to improve productivity and reduce administration of the claims</li> </ul>	Change Management and Regulatory Services
		<ul style="list-style-type: none"> <li>Undertake review, procurement and implementation of the Council's website and document management system</li> </ul>	Change Management and Regulatory Services
		<ul style="list-style-type: none"> <li>Provide quality assurance and support; and maintain Change Management leadership for the delivery of programmes and projects including a whole Council overview on efficient use of resources, and monitoring key accountabilities and deliverables, on time and within budget</li> </ul>	Change Management and Regulatory Services
		<ul style="list-style-type: none"> <li>Create and implement a new Customer Experience Strategy</li> </ul>	Operational and Commercial Services
To maintain our position as a well-managed and well-governed Council	<ul style="list-style-type: none"> <li>Create and maintain an effective and highly skilled workforce</li> </ul>	<ul style="list-style-type: none"> <li>Ensure future-proofed structures are in place to ensure our services are sustainable and resilient</li> </ul>	All
		<ul style="list-style-type: none"> <li>Implement and embed phase one of the OneCouncil system (ERP) and develop individual business cases for further modules as part of phases two and three</li> </ul>	Change Management and Regulatory Services  And Finance and Property Services
		<ul style="list-style-type: none"> <li>Implement self-service for private land search companies including implementation of central transition to HM Land Registry and re-launch of service</li> </ul>	Change Management and Regulatory Services
		<ul style="list-style-type: none"> <li>Review the options to utilise external 'propensity to pay' reports in Revenues to enable focus</li> </ul>	Change Management and Regulatory Services



Corporate Plan Strategic Aim	Corporate Plan Objective	Key Deliverables	Responsible Portfolio
		on collectable debt to increase collection rates.	
		<ul style="list-style-type: none"> <li>Review the options and implement a Single Person Discount Continuous Review to increase income and reduce fraud and error</li> </ul>	Change Management and Regulatory Services
	<ul style="list-style-type: none"> <li>Ensure appropriate governance arrangements and skill sets amongst elected Members to enable effective decision making and fulfilment of Member advocacy role</li> </ul>	<ul style="list-style-type: none"> <li>Explore options to provide local data on range of topics required to evidence projects and to gain greater understanding of needs of local communities (Parish Profiles)</li> </ul>	Homes and Communities  Policy and Strategy
		<ul style="list-style-type: none"> <li>Carry out a governance review</li> </ul>	People and Democratic Services
		<ul style="list-style-type: none"> <li>Consider the business case for replacement equipment to support the Council's Committee meetings</li> </ul>	People and Democratic Services
		<ul style="list-style-type: none"> <li>Prepare for Members' ICT provision following the 2023 Local Elections</li> </ul>	People and Democratic Services  And  Change Management and Regulatory Services
<ul style="list-style-type: none"> <li>Local democracy operating in an effective and ethical manner across the district</li> </ul>	<ul style="list-style-type: none"> <li>Prepare for potential changes arising from the forthcoming Elections Bill</li> </ul>	People and Democratic Services	
To remain financially sustainable	<ul style="list-style-type: none"> <li>Improve the support available for, and the financial acumen of, budget holders</li> </ul>	<ul style="list-style-type: none"> <li>Effect and embed changes in procedures and processes to gain efficiencies from the implementation of new technology.</li> </ul>	Finance and Property Services
	<ul style="list-style-type: none"> <li>To create a sustainable Medium-Term Financial Plan</li> </ul>	<ul style="list-style-type: none"> <li>Delivery of the Treasury Management Investment Strategy and consideration of Environmental, Social and Governance investments</li> </ul>	Finance and Property Services

## Climate Change and the Sustainable Environment

Whilst not an explicit area of focus in the current Corporate Plan, the Council is committed to playing its part as a place shaper with the aim of reducing carbon emissions in West Lindsey to net zero by 2050. To support this, the Council adopted its first Climate Change Action Plan in 2021, aiming to implement a 'green thread' throughout all areas of Council activity in order to achieve its aims. The following table sets out some of the key deliverables that will support the sustainability agenda over the next three years.

Key Deliverables	Responsible Portfolio
<ul style="list-style-type: none"> <li>An appraisal of the implications from the Governments new Environment Bill, including proposals for weekly food waste collections and free garden waste collections for all</li> </ul>	Operational and Commercial Services
<ul style="list-style-type: none"> <li>Delivery, subject to Member approval, of separate collections of paper and card in a change to the current co-mingled recycle collection regime. This is in line with recent work undertaken by Lincs Waste Partnership</li> </ul>	Operational and Commercial Services
<ul style="list-style-type: none"> <li>Appraise potential to further proposals to introduce energy efficient vehicles as part of our vehicle replacement strategy</li> </ul>	Operational and Commercial Services
<ul style="list-style-type: none"> <li>Property Strategy review and de-carbonisation measures within our own properties</li> </ul>	Finance and Property Services
<ul style="list-style-type: none"> <li>Develop a system for carbon accounting</li> </ul>	Finance and Property Services
<ul style="list-style-type: none"> <li>Support the Council's aims and programme of work in relation to carbon reduction and sustainability, for example, conducting a review of the Council's Transport Policy</li> </ul>	People and Democratic Services
<ul style="list-style-type: none"> <li>Finalise climate change policies within Local Plan</li> </ul>	Planning and Regeneration
<ul style="list-style-type: none"> <li>Lead economic input into Climate Change agenda including monitoring of targeted grant support</li> </ul>	Planning and Regeneration
<ul style="list-style-type: none"> <li>Undertake a review, procurement and implementation of printing, scanning and copying solutions to reduce usage.</li> </ul>	Change Management and Regulatory Services
<ul style="list-style-type: none"> <li>Increase take-up of e-billing and digital communications in the Council Tax service</li> </ul>	Change Management and Regulatory Services

## SECTION 2 – THE FINANCIAL CONTEXT

### 2.1 Introduction

Since the commencement of government funding cuts in 2010/11 the Council has effectively managed a reduction of £4.8m in Settlement Funding Allocation (an amount set by Government as a calculation of our funding need). Managing this level of reductions has been achieved through sound financial management through its Financial Strategy initiatives to reduce expenditure, increase income and generate new income streams. In addition to benefitting from the Government's, New Homes Bonus, a reward grant to reflect our growth in housing and changes, and increase in growth from our Business Rates.

The Council's aim over this period was to become non-reliant on Government Grant Funding as the Revenue Support Grant ceased in 2019/20. Our income from local taxation (Council Tax and Business Rates excluding implications of Covid) is 85% (46.6% 2010/11)

Income from Customer and Client receipts and Investment Property Portfolio has increased income levels from £3.363m to £7.143m (112%) during that period and reflects the success of the fees and charges policy and commercial strategies.

The Council is proud to have continued to deliver award winning services for our residents during a prolonged period of austerity.

Our budget setting process has been given the accolade of a High Assurance rating by our internal auditors and our Statement of Accounts and Value for Money assessments receive Unqualified Audit Opinions, confirming that our financial management is sound and statements provide a true and fair view of the organisation's financial standing.

### 2.2 National Context

The financial settlement for Local Government 2022/23 was announced on 7 February 2022 by the Secretary of State for the Department of Levelling Up, Housing and Communities, The Rt Hon Michael Gove MP.

#### **The main points affecting this Council were;**

- £3.7bn more funding for local Councils
- Providing £822m for a one-off services grant

- Council Tax referendum limit of 2% or £5 whichever is the greater to help councils invest in services they provide to residents whilst protecting hard-working taxpayers from unfair hikes in rates.
- £2.6bn for UK Shared Prosperity Funding which helps people access opportunities in places of need.
- £4.8bn for Levelling Up
- Rolling over the current approach to the New Homes Bonus worth £554 million.
- £85m Keeping the Rural Services Delivery Grant
- £111m - Maintaining the Lower Tier Services Grant
- £85m for Rural Service Delivery Grant (an increase of £4m) and there will be no change to the methodology for distribution

## 2.3 Local Context

There are a number of factors which affect the funding available to us, the way we use this funding and how we can be affected by external factors.

### **Covid-19**

Has changed the way in which we work, from the initial crisis response, to recovery, and new ways of working. The Council continues to be impacted by reductions in income from car parks, the theatre etc. The Medium Term Financial Plan does not include for any ongoing impacts of Covid-19, which is in line with the expectation that there will be no further government support. We do however have a commercial contingency budget of £0.2m which will be utilised if income levels fall short of expectations. In addition we continue to support our Leisure Management provider with remaining government funding held in reserves.

### **National Economy and inflation**

Whilst the economy has started to recover from Covid-19 employment remains below that of pre-covid levels. By the end of Q2 2021 UK GDP was still 4.4% below its Q4 2019 peak. We are currently seeing inflation rise to its highest level, with the cost of fuel and utilities being the main factors. We are currently seeing increased costs across our revenue expenditure for the supply of contracts, goods and services. Our General Fund Working Balance is currently above the £2.5m minimum and will mitigate any in year budget pressures.

## Levelling Up

The Governments anticipated Levelling Up White Paper (strategy for delivery from 2022/23) has now been published.

The Council has been successful in attracting £10.275m of funding to support jobs, businesses and economic growth as part of our Thriving Gainsborough Programme.

## Fairer Funding and Business Rates Retention Scheme

A one year financial settlement has been announced, and again delays to both the reviews of local government funding are now expected for 2023/24. This results in continued uncertainty of future funding for the Council. We have been pro-active in ensuring that we prepare for any reductions by taking a prudent approach to setting the Medium Term Financial Plan forecasts.

Whilst we have assumed our settlement funding remains comparable, we are anticipating a loss of £1.4m from accumulated growth from Business Rates retention as we reset back to the baseline of 2013/14 (taking account of inflation).

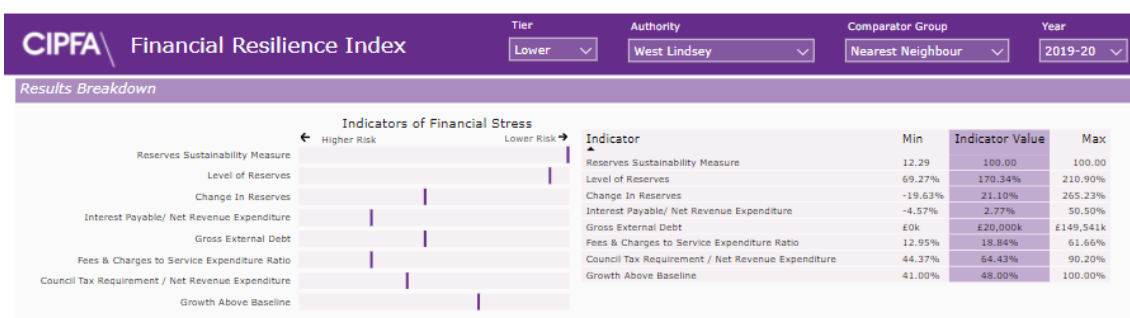
The one year settlement has however given us another year of resources we otherwise may not have had. We have proposed to Earmark a significant element of these funds to support the delivery of the Corporate Plan objectives.

The table below shows the Core Spending Power for West Lindsey DC based on the Local Government Settlement 2022/23.

West Lindsey	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Settlement Funding Assessment	3.023	3.023	3.162	3.263	3.263	3.263
Compensation for under-indexing the business rates Council Tax excluding Parish Precepts	0.157	0.248	0.260	0.268	0.268	0.268
New Homes Bonus	6.710	6.930	7.393	7.393	7.393	7.393
Lower Tier Services Grant	0.719	0.924	0.203	0.203	0.000	0.000
Rural Services Delivery Grant	0.129	0.138	0.000	0.000	0.000	0.000
Services Grant	0.498	0.498	0.508	0.518	0.518	0.518
	0.000	0.208	0.071	0.072	0.073	0.074
<b>Core Spending Power</b>	<b>11.236</b>	<b>11.969</b>	<b>11.597</b>	<b>11.717</b>	<b>11.515</b>	<b>11.516</b>

## 2.4 How we compare – Financial Resilience

The Cipfa Resilience model indicates that we are in a good financial position in relation to the level of reserves and our sustainability reflecting a 100% low risk.



As can be seen from the indicators above the Council has low financial risk and a sustainability index score of 100% reflecting the level of our reserves are adequate to support us over the longer term.

## 2.4 General Fund Balances

The Council sets a minimum revenue balance of £2.5m the unallocated balance is forecast at £3.3m

## 2.5 Earmarked Reserves

The Council holds Earmarked reserves for the purpose of

- Investment in Corporate Priorities
- Service investment and replacement/renewals
- Contingencies and Risks

We estimated that there will be a balance of £18.455m as at 31.3.2022 reducing to £14.934m by 2026.27 and taking into account spending plans, both revenue and capital.

# Medium Term Financial Plan: 2022/23 to 2026/27

Including: Financial Strategy,  
Medium Term Financial Analysis  
2022/23 to 2026/27, Budget 2022/23,  
Capital Programme 2022/23 to 2026/27

## **MEDIUM TERM FINANCIAL PLAN**

**Section 1 - The Medium Term Financial Strategy**

**Section 2 - The Medium Term Financial Analysis**

**Section 3 - The 2022/23 Revenue Budget**

**Section 4 - Capital Investment Programme and Financing**

**Section 5 – Treasury Management Strategy**

**Section 6 – Pay Policy and Human Resources Statement**

## **APPENDICES**

**Appendix 1 Medium Term Financial Analysis (Revenue Budget Summary)**

**Appendix 2 Risk Register**

**Appendix 3 Fees and Charges**

**Appendix 4 Capital Investment Strategy**

**Appendix 5 Capital Investment Programme 2022/23 – 2026/27**

**Appendix 6 Analysis of Capital Financing**

**Appendix 7 Treasury Management Strategy**

**Appendix 8 The Council Tax Requirement 2022/23**

**Appendix 9 Parish Tax Base 2022/23**

**Appendix 10 Determination of Council Tax where special items apply**

**Appendix 11 Determination of Council Tax for each part of the area**

**Appendix 12 Overall Levels of Council Tax**

**Appendix 13 Pay Policy 2022/23**

**Appendix 14 Human Resources Statement 2022/23**



# MEDIUM TERM FINANCIAL PLAN

## 2022/23-2026/27

### 1. Introduction

The Medium Term Financial Plan (MTFP) is the primary strategic financial document for this Council and is a key part of the Council's Policy and Budget Framework and financial planning process.

This document will support the national and local context as set out in the Executive Business Plan, the commitments of the Council to achieve objectives, deliver services, invest in capital development and establish the principles on which financial decisions will be made within available resources and that they represent value for money.

### 2. Governance

This document meets a number of regulatory requirements and good practice:

- The requirement for the Local Authority to agree a balanced budget for each financial year prior to the start of that year.
- The requirement for the Local Authority to establish the level of Council Tax for the coming year on the basis of that budget.
- Meet best practice (supported by CIPFA) by setting out the coming year's budget in addition to a 5 year MTFP.

In October 2018 the Chartered Institute of Public Finance and Accountancy (CIPFA) published a Financial Management Code (FM Code) which has been designed to support good and sustainable financial management throughout the full financial planning cycle, budget planning, setting, monitoring, reporting and statutory reporting.

The framework sets explicit standards of financial management, complying with these standards will be the responsibility of elected Members, the Chief Finance Officer and the Management Team.

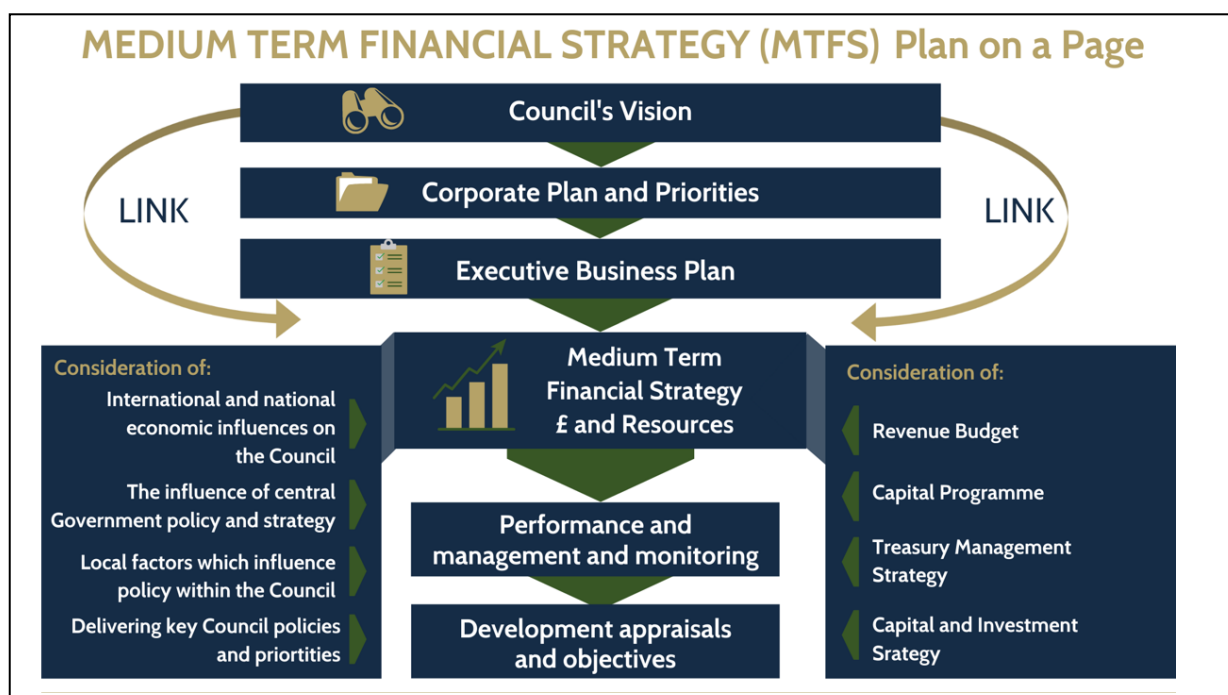
The framework will provide assurance in the prudent use of public resource, effective management of those resources, adherence to legislative requirements for which we are responsible and provide evidence of good governance.

### 3. The Medium Term Financial Plan and Financial Strategy

Our MTFP provides a five year time horizon for West Lindsey District Council and sets out a high level financial strategy and where possible proposals being considered to deliver a sustainable budget position. In addition the MTFP attempts to reflect the longer term impact of the decisions of the Council and shows how some of our major projects will contribute in the years beyond the five year time horizon.

The Financial Strategy will focus on the delivery of growth to increase our tax bases and subsequently funding from local taxation and the reduction of costs through the realisation of cashable savings from efficiencies gained from the review of services and introduction of new technology to contribute to the financial sustainability of the Council.

The MTFP is designed to complement the values set out in the Corporate Plan and deliver the key priorities of the Council by supporting the following values and approach. It also takes reflects the implications and resourcing needs to deliver the Executive Business Plan initiatives.



The Corporate Plan details the values which guide our working:

1. To put the customer at the centre of everything we do
2. To act as One Council
3. To be business smart, to act on evidence and take advantage of opportunities, thinking creatively and getting things done
4. To communicate effectively with all stakeholders
5. To have integrity in everything we do

Our MTFP supports these values and the Executive Business Plan objectives with the following principles:

- To focus on achieving outcomes
- To drive a robust and sustainable financial position
- To support growth and service deliver, utilising the Council's resources
- To ensure finance decision making is based on robust, risk assessed business cases that clearly match our ambitions

The MTFP will deliver against these objectives and principles by:

- Explaining the financial context, over the medium term, within an uncertain economic and funding environment in which the Council is set to operate
- Helping to ensure that the Council's financial resources are directed to support delivery of the Corporate Plan priorities and value for money
- Providing a medium term forecast of resources and expenditure and to illustrate the financial effects of existing financial commitments, both revenue and capital, over the medium term, and to inform transformational and commercial strategies necessary to achieve a balanced budget.
- Maximising the Council's resilience and management of risk and volatility, including maintaining adequate risk reserves
- Managing effectively the Council's land and property assets by undertaking a prudent level of capital investment in addition to maximising returns on new investments
- Establishing a robust, stable and sustainable budget capable of withstanding future financial pressures

### 3.1 Value for Money

The Council has limited resources. It is therefore vital these resources are deployed in the most efficient and effective way to secure excellent services for the residents of West Lindsey. This is ever more important as WLDC has had to deal with austerity and contribute towards the Public Sector spending reductions. Now more than ever it is vital that the Council seeks to achieve the most possible benefit in terms of Value for Money from the ongoing process of optimising the relationship between resources and outcomes. This is achieved through a focus on;

- **Economy** – minimising the cost of resources used or required: reducing inputs for the same outputs
- **Efficiency** – producing the same or better outputs by doing things differently and reducing the inputs required
- **Effectiveness** – deploying resources to meet objectives

Our strategy is to embed Value for Money throughout the organisation for all activities, business processes and business planning.

The Council has responded to the financial challenges in a systematic approach to achieving value for money and by embedding the right culture throughout the organisation by:

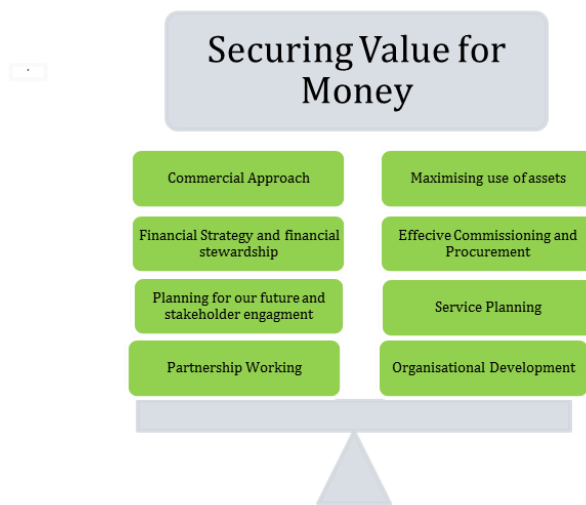
- Investing in communities (to help themselves and others)
- A more commercial council – to generate additional income and identifying opportunities that align with residents needs
- Modern, innovative and collaborative – utilising the best technology and commissioning delivery to achieve outcomes

This has resulted in WLDC maintaining a strong track record of identifying and delivery savings and efficiencies whilst protecting priority services.

Our benchmarking toolkit, CFO Insights national data sets such as the Government financial returns. West Lindsey have developed the use of the tool as a means of delivering VFM through a selection of services in the following ways:

- Helping performance improvement and transformation planning
- Locating potential income generating opportunities
- Supporting budgeting and spending decision making
- Provide transparency in relation to scrutiny questions

The diagram below illustrates the framework West Lindsey has in place to ensure the delivery of Value for Money, which is underpinned by a robust approach to decision making;



Value for Money achievements can be demonstrated throughout the following actions:

- To understand the financial returns on investments
- To understand the absolute and relative cost of providing services through benchmarking our costs and performance
- To assess business case proposals for VFM
- To monitor and scrutinise on-going performance measured against business plans
- Managing our customer needs and demands and understanding how that impacts on services
- Appropriate procurement procedures
- Reviewing and measuring outcomes

### **3.2 Commercial Approach**

West Lindsey has embedded a commercial approach to the delivery of all services.

In addition, we will consider capital investment as a means in which to deliver our corporate priorities and where appropriate to generate revenue returns.

Decisions are made in line with existing policies and as a result of compelling business cases, which are fully supported by cost benefit analysis to inform financial viability, in addition we undertake extensive due diligence. West Lindsey uses a five case Business Model ensuring Financial, Legal, Operational, Strategic and Commercial implications are considered and all risks assessed to enable informed choices.

### **3.3 Partnership Working**

West Lindsey District Council aspires to be a good partner for service delivery and has a successful enabling role in encouraging collective responsibility in our Communities. By working in partnership with other agencies, Councils, Parish Councils, other public sector organisation, voluntary groups and community groups and addition to the private sector, has secured better outcomes in the form of inward investment, pooled resources, cohesion and engagement with residents and build effective relationships.

### **3.4 Strategic Asset Management Plan**

West Lindsey's Strategic Asset Management Strategy will demonstrate that we have in place an effective management framework, which actively maximises the value for money achieved from existing assets and provides a strategic context for future investments and to achieve the best possible outcomes condition surveys are undertaken on our properties to ascertain the extent of works to be undertaken, which subsequently informs the MTFP.

### **3.5 Organisational Development**

In order to deliver an ambitious Corporate Plan against finite resources, the Council needs people who have the skills, knowledge, attitude and flexibility which supports this. We will look to embed a Value for Money culture where staff are empowered to deliver against Council values and to encourage them to challenge inefficiencies and waste. Team leaders and managers are responsible for delivering services 'right first time' and ensure VFM exists in the day to day management of their services.

We are committed to investing in our greatest asset 'our staff' to ensure continued professional development, opportunities for development and growth and robust succession planning to ensure we remain fit for the future.

The Council as a learning organisation approves the Workforce Development Plan in addition to a Member Development Plan which is in place to support elected members.

### **3.6 Business Planning**

The business planning process focuses services in identifying opportunities for cost reduction, income generation and alternative methods of service delivery such as partnership working. Where appropriate these opportunities will be pursued over the medium term with further opportunities being identified and undertaken over the life of the MTFP. These plans are then translated into business cases, projects and ultimately individual work plans.

Annual service plans are used to monitor service and individual performance plans are part of the Golden Thread to how services will contribute to achieving our corporate objectives.

### **3.7 Commissioning and Procurement**

We will seek to deliver value for money to the local taxpayer by maximising best value on every pound spent on commissioning and procurement. We will be commercially aware, provide clarity on our expectations to our supply chain, continuously review and ensure our procedures are efficient and seek to achieve maximum benefits from our systems.

The Council manages its contracts carefully and reviews them regularly, which not only delivers significant savings in year, but also identifies further opportunities to reduce operating costs and better achieve the Council's outcome.

### **3.8 Capital Investment Strategy (Appendix 4) and Capital Investment Programme and Financing (Appendix 5)**

The Council invests significant sums in a wide range of projects. At this stage the Capital Programme can only be estimated as the costs, levels of grant funding and other funding sources are yet to be confirmed. Schemes and projects are subject on future reports to the Corporate Policy and Resources Committee for approval to spend on an individual basis. Projects include;

- Regeneration and housing schemes, which bring inward investment from the private sector and the opportunity for significant grant funding, in turn generating additional income for the Council and economic and social benefit for the wider economy
- Investment in technology, to achieve efficiencies and cost savings
- Investment in our own property assets to ensure fit for purpose facilities for service delivery

### **3.9 The Treasury Management Strategy (Appendix 7)**

The Strategy has been scrutinised and recommended to full Council by the Governance and Audit Committee.

The Council invests money in a wide range of financial institutions and the investment interest earned is used to support the budget. The major issue for treasury management over the MTFP will be the significant difference between investment rates and borrowing rates, where the cost of carry of borrowing will exceed investment interest. Therefore cash flow management and monitoring of interest rate forecasts will be a key focus.

Emphasis continues to be placed, in line with the Treasury Management Strategy, on mitigating counterparty risk by giving preference to security and liquidity. This has resulted in greater use of investments with higher security and increased liquidity. The Strategy supports a policy of limiting the need for external borrowing by the utilisation of internal funds

The Minimum Revenue Provision (MRP) Policy provides options on what is considered prudent provision for the repayment of debt. The policy has been revised for 2022/23 to include for an annual MRP for our investment properties.

### **3.10 Borrowing for Capital Investment**

For the Council to achieve its corporate priorities, reduce cost and increase revenue income streams, it is expected that a significant amount of capital investment will be required, funded from Prudential Borrowing.

Borrowing from external sources will only be undertaken after consideration of our cash flow requirements. In addition any external borrowing will be prudent, affordable and sustainable and as such will be informed by robust business cases and in the main should have no impact on the council tax payer.

Any external borrowing is usually undertaken to maturity, ie repayable at the end of the borrowing term.

### **3.11 Financial Sustainability**

The sustainability of our plans are underpinned by ensuring a good working relationship with the private and community sectors which develops trust and encourages collaboration where possible. The use of grants and enabling funds to support both sectors will create a future infrastructure that will continue to support district communities beyond the initial investment/contribution.

These opportunities will not come without risk, however the approach will always be to mitigate risk where possible and ensure that decisions are evidence based and transparent on inherent risks.

In providing a forecast for the five years on a sustainable basis there are a number of assumptions that have been made.

The key assumptions are:

- That we will be able to borrow for self-funding capital investments and generate financial benefits that at least equal to the cost of borrowing including the minimum revenue provision (MRP), a regulatory requirement on Local Authorities
- We assume that we will generate significant revenue from new income streams from investment in assets
- We will generate efficiencies through service redesigns and the implementation of digital strategies for the benefit of our customers

### **3.12 The Pay Policy Statement (Appendix 13)**

Under Section 40 of the Localism Act the Council must approve and publish a Pay Policy Statement for each financial year. Pay policies can be amended during the financial year and full Council or a meeting of Members must be offered the opportunity to vote before large (£100k or above) salary packages are offered.

The purpose of the Pay Policy Statement is to ensure transparency and accountability with regard to our approach to setting pay.

The Pay Policy Statement identifies;

- The level and elements of remuneration for each chief officer
- The remuneration of the lowest paid employees
- The relationship between the remuneration of chief officer and other officers; and
- Other specific aspects of chief officer remuneration and other discretionary payments

Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, enhancements of pension entitlements and termination payments.

## **2. The Medium Term Financial Analysis**

### **2.1 Introduction**

The Medium Term Financial Analysis provides a 5 year estimation of our Net Revenue Expenditure and highlights the level of resources required to set a balanced budget in future years.

For 2022/23 the Budget has been based on the approved budgets for each Committee and in line with the 2022/23 Local Government Financial Settlement.



Future years are difficult to predict due to uncertainty in relation to the outcome of the review of Local Government Funding, which includes a number of elements including the overall financial settlement, the Fairer Funding Review, the Business Rates Reset and the Business Rates Retention Scheme where a rethink may be required due to the affect Covid-19 has had on tax payers. We have however taken a prudent approach by removing Business Rates Growth, to put us back to Baseline funding 2013/14 (+ inflation). In addition we have assumed that there will continue to be some element of funding to reflect rurality.

The Government has indicated that a 3 year settlement based on the outcome of these reviews will be available for 2023/24 budget setting. These unknown impacts and the level of financial risk that the Council may be exposed to will require regular monitoring and a mid-year update will provide some indication of likely outcomes as the consequences become clear.

Prudently the Council is now earmarking funds of £1m within the Finance Reserve to mitigate any future year shortfalls to balance the budget over the medium term, and has a General Fund Working Balance of £3.3m to support any in year budget pressures.

## **2.2 The Budget Planning Cycle**

The Budget planning process has achieved a High Assurance Rating from our Internal Auditors and includes the following actions;

- Meetings with Budget Managers to ensure resources align to the delivery of Corporate Priorities and to review budgets, identifying ongoing pressures/savings and horizon scanning for future issues, including political, economic or legislative implications
- Business Planning reviews have been undertaken to identify further income generation opportunities and budget reduction proposals, which can be delivered to ensure a sustainable budget
- A robust Fees and Charges review, which resulted in an increase in income budget of £0.022m. Full details of proposed fees and charges were presented to Policy and Resources Committee in November 2021
- Regular updates have been provided to Management Team who have also reviewed, challenged and proposed inclusion of the pressures and savings incorporated into this budget which have not already been approved by this Committee
- Regular meetings have been held with the Chairs and Vice Chairs of Committees to ensure they are fully engaged in the process.
- Inclusion of the revenue implications of the Capital Programme 2022/23-2026/27
- Consultation with Parish Councils, residents and business rate payers has been undertaken and feedback has been considered when setting the budget.
- The review of Earmarked Reserves has identified a need to increase reserves in to support delivery of strategies and plans.

## 2.3 Budget Assumptions

There are a number of other assumptions which contribute to the financial estimates provided, the major assumptions include;

- Employees – Pay award 2% 2022/23 and 2% thereafter
- Pensions – 1% annual increase (includes employers contribution and deficit reduction payment) as estimated by the Actuary
- Council Tax increases of £5 for 2022/23 and 2% onwards with annual tax base growth of 0.75%
- NNDR and reversion as per financial settlement. Baseline from 2023/24 onwards
- Contractual inflation applied only to service expenditure budgets
- New Homes Bonus no new allocations from 2023/24 and legacy funding for 2020/21
- Utilities – Electricity 0%, Gas 35%, Water 2.9%
- Capital Programme is based on best estimates of total investment, total borrowing; use of reserves; impact on revenue

## 2.4 Council Tax (Appendix 8-12)

The latest population estimates for West Lindsey in 2019 is 96,100. It is estimated that over the life of the MTFP this will have increased by 4% to 99,600. This increase will impact on the demand for housing and with the Council enabling significant Housing Growth over the longer term this will therefore increase the Council's Tax Base and which will generate additional Council Tax income.

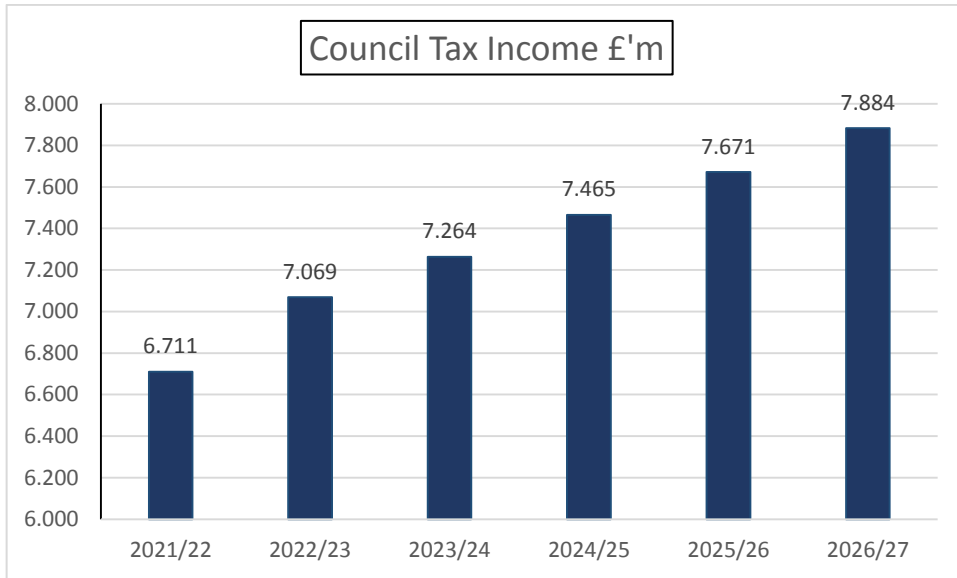
The Tax Base for 2022/23 has been approved at 31,038.46 (30,128.37 2021/22) reflecting growth of 3.02% (0.47% 2021/22) Average growth over past 3 years has been 1.68%. The MTFP includes annual growth rate of 0.75% for future years.

In terms of actual Council Tax, the Council's current strategy is to increase Council Tax to the Governments maximum capping levels (Assumed 2% or £5 whichever is the greater for 2022/23 and 2% ongoing), this strategy helps to support future sustainability. As a guide a 1% increase results in an additional £0.067m in the first year increasing to £0.361m by year 5.

The Council Tax increase for 2022/23 is proposed at £5 (£5, 2.3% in 2021/22) giving a Band D equivalent Council Tax of £227.74 (£222.74).

Within the Medium Term Financial Analysis below we have assumed a 2% increase in the Council Tax for all future years and a collection rate of 98.3% (which is also the National Average).

In addition the Council Tax Surplus for 2022/23 has been calculated to be £0.225m (£0.168m 2021/22) and will be included in the budget. The Medium Term Financial Analysis includes an estimated £0.100m ongoing.



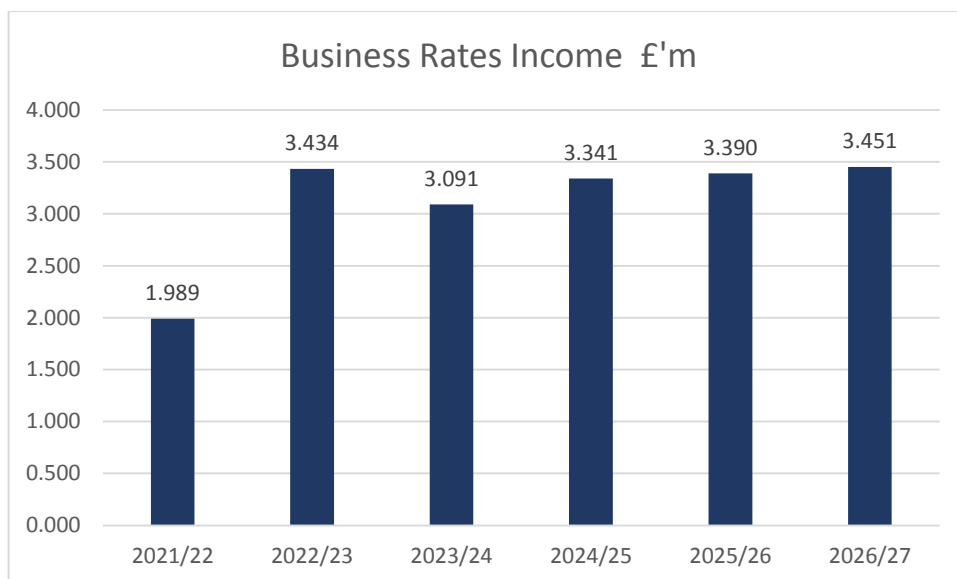
## 2.5 Business Rates

A further one year settlement for 2022/23 is estimated to provide business rates income of £3.434m (£1.989m 2021/22). However, this figure will be supplemented by transfers from the Business Rates Volatility Reserve of £1.077m (£2.664m 2021/22) which will offset previous years deficits included within the business rates income figure as a consequence of arrangements for Covid-19 reliefs.

We will continue to benefit of continuing to be a part of the Lincolnshire Business Rates Pool, provides an additional benefit of £0.453m (£0.451m 2021/22) being 60% of the levy which would have been payable to the Government.

For future years, with the impending review of the Business Rates Retention Scheme to a 75% rather than a 50% retention model and in addition to a full reset, where we are likely to see a reset back to our baseline level in 2013/14 of £3.1m, thus removing all benefits of growth during that period.

Whilst full details of the scheme are not yet known there will also be the impact of the Fairer Funding Review, both of these proposals bring significant change to the local government financing and have been delayed, initially due to the need to focus on the Brexit deal and subsequently due to the demands in responding to the Covid-19 pandemic and the effect this has had on local government finances. It is expected that the new funding models will be implemented by 2023/24, and there are ongoing demands from the sector that a 3 year settlement funding deal would aid future financial planning for Local Government. We have taken a prudent approach to our forecasts and are estimating income from Retained Business Rates over the medium term is detailed below:



## 2.6 New Homes Bonus

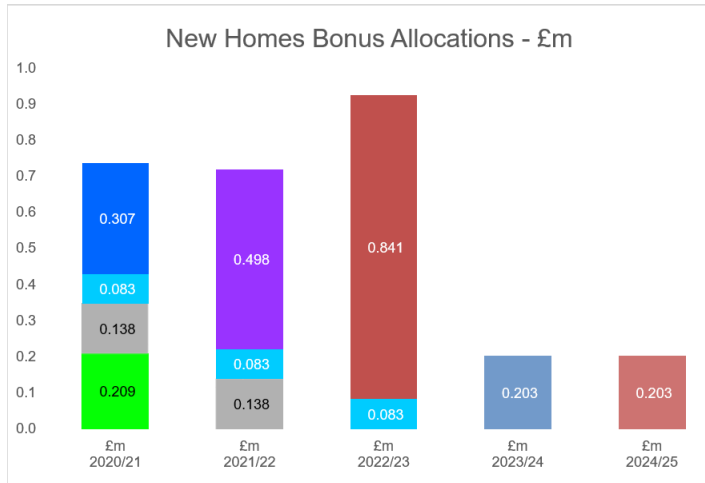
The New Homes Bonus was introduced in 2011/12 by Central Government and payable to local councils to incentivise housing growth in their area. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and bringing long term empty properties back into use. There is also an extra payment for providing affordable homes.

Since 2011 the Council has seen an increase in chargeable properties of 4,520 to its current level of 44,660 (44,123 2021/22).

As part of the one year funding Settlement the scheme has again been extended for a further year and will result in an additional £0.841m being received in 2022/23 this is in addition to our legacy funding of £0.083m. The overall New Homes bonus allocation for 2022/23 is £0.924m (£0.719m 2021/22). In total we will have received £14.832m of New Homes Bonus Grant which has been earmarked and or used to support investment in growth and regeneration.

It is assumed that there will be no new allocations beyond 2022/23 but a share of the central balance will be distributed over the following 2 years at £0.203m per year and will be contributed to the Investment for Growth Reserve.

Our strategy is to use New Homes Bonus for future investment in regeneration and growth, as such it will be transferred to the Investment for Growth Reserve. This strategy continues to be supported by residents.



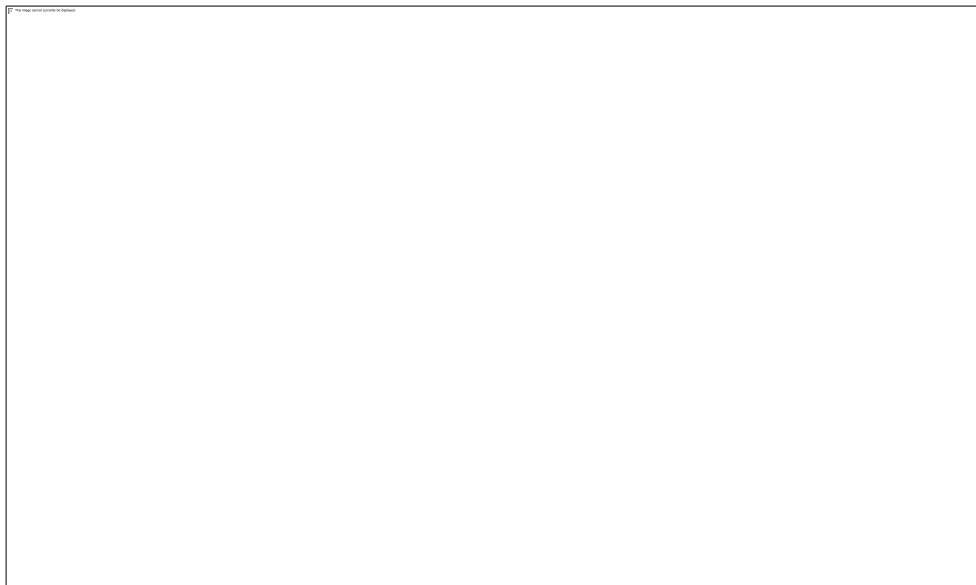
## 2.7 Pension Contributions

As an employer within the Lincolnshire Pension Fund, we are required to make contributions to the fund for current employees and to reduce any pension fund deficit in accordance with amounts provided by the Actuary of the scheme, Hymans Robertson.

The employers contribution rate for the period 2022/23 has been determined at 17.2% per annum.

In relation to the pension deficit, currently £47.453m as at 31 March 2021 (£37.795m 2020). Our strategy is to contribute an appropriate amount with the aim of removing the deficit over a 20 year period. The payment for 2022/23 is £1.119m (£1.028m 2021/22).

Age Profile of 256 Members of the Superannuation Scheme as at 31/12/2021 (255 2020) is shown in the graph below;



## 2.8 Reserves

The Council are requested to approve the movement on Reserves.

The level of the General Funds Working Balance will be set, as a minimum at £2.5m. This minimum balance will represent funds available to mitigate risks the Council is facing in any one year and which will depend upon the robustness of the estimates within the budgets, the adequacy of budgetary control and external factors such as inflation and interest rates and the ongoing impact of Covid-19. In addition, such risks may also include changes in Government policy, further funding reductions post 2022/23 and other market factors.

The level of general reserves will continue to be closely monitored during the period of this MTFP in the context of protecting the Council from existing and future liabilities. This is extremely important given the uncertainty around future funding levels and the impact of Covid-19 on our income and expenditure. Reserves will continue to be maintained at a prudent level.

Earmarked reserves will be reviewed annually to ensure they are utilised to their best effect to support both revenue and capital projects and investment aligned to Corporate Plan priorities and to ensure that adequate reserves are held for longer term investment need.

Reserves held are invested in accordance with the Treasury Management Strategy. They are used to support internal borrowing thus saving interest payable with any interest received from their investment supporting the Councils revenue budget.

The table below illustrates the projected Reserve Balances over the MTFP;

RESERVE	CURRENT YEAR	MTFP				
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
General Fund Working Balance	4,096,381	3,322,681	3,273,981	3,233,281	3,248,681	3,264,081
Earmarked Reserves	18,454,783	16,163,449	14,661,283	14,775,683	14,613,983	14,934,283
Capital Receipts	1,245,959	955,260	844,444	909,628	972,325	1,032,325
Capital Grants Unapplied	0	0	0	0	0	0
<b>TOTAL</b>	<b>23,797,124</b>	<b>20,441,390</b>	<b>18,779,708</b>	<b>18,918,592</b>	<b>18,834,990</b>	<b>15,966,609</b>

The table below reflects the movement on the General Fund Balance 2022/23

<b>GENERAL FUND WORKING BALANCE MOVEMENTS</b>		<b>2022/23</b>
Estimated Balance Brought Forward		4,096,381
Less Estimated Carry Forwards from 2021/22		-308,000
Less Increases to Earmarked Reserves		-373,500
Less Approved Use of Reserves		-117,200
Add Contributions to Reserves		25,000
<b>Grand Total</b>		<b>3,322,681</b>

The table below details the estimated balances of Earmarked Reserves over the Medium Term Financial Plan.

<b>EARMARKED RESERVES</b>	<b>CURRENT YEAR</b>	<b>MTFP</b>				
	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
Service Investment/Renewals	3,690,063	3,222,063	2,827,463	2,909,863	2,865,163	3,302,463
Contingency/Risk	5,819,756	4,681,356	4,301,756	4,184,756	4,067,756	3,950,756
Investment for Priorities	8,944,965	8,260,031	7,532,065	7,681,065	7,681,065	7,681,065
<b>Grand Total</b>	<b>18,454,783</b>	<b>16,163,449</b>	<b>14,661,283</b>	<b>14,775,683</b>	<b>14,613,983</b>	<b>14,934,283</b>

In relation to Earmarked Reserves - the use of Reserves and contributions to Reserves anticipated over the medium term are detailed in the tables below;

<b>USE OF RESERVES</b>	<b>2022/23</b> £	<b>2023/24</b> £	<b>2024/25</b> £	<b>2025/26</b> £	<b>2026/27</b> £
Revenue Grants Unapplied	(47,600)	(39,200)	0	0	0
Valuation Volatility	0	(117,000)	(117,000)	(117,000)	(117,000)
Wheeled Bin Replacement	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Elections	0	(160,000)	0	0	0
Project Investment Reserve	(52,400)	(56,400)	(59,900)	0	0
Project Investment Reserve	(30,000)	0	0	0	0
Finance Budget Risks	(37,800)	(21,300)	0	0	0
Finance Budget Risks	(84,400)	(52,300)	0	0	0
Supporting Vulnerable Communities	(6,000)	0	0	0	0
Community Grant Scheme	(100,000)	0	0	0	0

IT Upgrade/Refresh	(85,600)	(24,300)	0	0	0
IT Upgrade/Refresh	(10,500)	(5,500)	(5,500)	(5,500)	(5,500)
IT Upgrade/Refresh	(36,000)	0	0	0	0
IT Upgrade/Refresh	(11,900)	0	0	0	0
Cultural Strategy Reserve	(38,000)	(27,200)	0	0	0
Environmental and Climate Change Reserve	(54,000)	(54,000)	(54,000)	0	0
Business Rates Volatility Reserve	(1,077,600)	(189,000)	0	0	0
<b>TOTAL USE OF RESERVES</b>	<b>(1,691,800)</b>	<b>(766,200)</b>	<b>(256,400)</b>	<b>(142,500)</b>	<b>(142,500)</b>

<b>CONTRIBUTIONS TO RESERVES</b>	<b>2022/23</b> £	<b>2023/24</b> £	<b>2024/25</b> £	<b>2025/26</b> £	<b>2026/27</b> £
Maintenance of Facilities	102,900	102,900	102,900	102,900	102,900
Wheeled Bin Replacement	19,300	19,300	19,300	19,300	19,300
Elections	40,000	40,000	40,000	40,000	40,000
Vehicle Replacement Programme	347,800	347,800	347,800	347,800	347,800
IT Upgrade/Refresh	132,800	147,800	142,800	137,800	137,800
Civic Reserve	5,000	5,000	5,000	5,000	5,000
Investment for Growth	924,400	203,000	203,000	0	0
IT Upgrade/Refresh	250,000	0	0	0	0
Environmental and Climate Change Reserve	182,000	0	0	0	0
Cultural Strategy Reserve	180,200	0	0	0	0
Maintenance of Facilities Reserve	250,000	0	0	0	0
Redundancy Contingency Reserve	61,400	0	0	0	0
Communities at Risk Reserve	140,900	0	0	0	0
<b>TOTAL CONTRIBUTIONS TO RESERVES</b>	<b>2,636,700</b>	<b>865,800</b>	<b>860,800</b>	<b>652,800</b>	<b>652,800</b>

<b>NET MOVEMENT ON RESERVES</b>	<b>944,900</b>	<b>99,600</b>	<b>604,400</b>	<b>510,300</b>	<b>510,300</b>
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## 2.9 Medium Term Financial Plan Analysis 2022/23 to 2026/27 (Appendix 1)

The 5 year Medium Term Financial Plan 2021/22 has been updated during the budget process and this 5 year plan, now extends to 2026/27, the movements are detailed in the table below.

The analysis presents a balanced budget for 2022/23 and future funding gaps from 2023/24 to 2026/27 rising to £1.9m over the life of the Medium Term Financial Plan. In the main, the funding gap reflects an assumed return to Business Rates Baseline Funding of £3.1m, a reduction of £1.4m, this should be the worst case scenario as the Government review both Fairer Funding and Business Rates Retention allocation methods. However, the Council is anticipating a reduction and has a number of initiatives which will aim to reduce the gap, but which either cannot be forecast at this time, or will be reviewed on an annual basis, for example;

- We will continue to manage our Treasury Management position effectively and utilise internal borrowing where appropriate.
- Our Together24 Programme (reviewing service design and technology) has a target of £0.300m cashable savings with £0.046m already achieved and which has been built into the MTFP.
- Investing in Regeneration and Growth to increase the tax bases.
- Consider opportunities to achieve a commercial return.

MEDIUM TERM FINANCIAL PLAN BFWD	MTFP 2022/23 - 2026/27 5 YRS				
	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
	857	873	898	910	1,045
Pressures	721	811	789	824	912
Savings	(49)	(58)	(55)	(58)	(55)
Additional Income	(197)	(185)	(257)	(258)	(309)
MRP and Change to Policy	326	255	255	255	255
Capital Financing (Internal Borrowing)	(439)	97	120	121	123
<b>Movement on Net Expenditure</b>	<b>362</b>	<b>920</b>	<b>852</b>	<b>884</b>	<b>926</b>
<b>Movement in Reserves</b>	<b>790</b>	<b>29</b>	<b>66</b>	<b>69</b>	<b>69</b>
<b>Movement in Funding:</b>					
Council Tax Surplus	(126)	0	0	0	0
Council Tax	(122)	(55)	16	92	172
Business Rates	(1,393)	(100)	(100)	(100)	(161)
Government Grants	(368)	(71)	(73)	(74)	(76)
<b>Movement in Funding</b>	<b>(2,009)</b>	<b>(226)</b>	<b>(157)</b>	<b>(82)</b>	<b>(65)</b>
<b>FUNDING GAP</b>	<b>0</b>	<b>1,596</b>	<b>1,659</b>	<b>1,781</b>	<b>1,975</b>

## **2.10 The Chief Finance Officer Statement on the Robustness of Estimates, the Adequacy of Reserves and the affordability of capital investments**

In accordance with Section 25 of the Local Government Act 2003, the Council's Chief Finance Officer is required to report on the robustness of estimates, the adequacy of proposed reserves and the prudence of capital investment decisions. This information enables a longer-term view of the overall position to be taken.

Key factors in ensuring the robustness of estimates include the initial challenge process to establish budget options, essential project management for the proposals, monitoring and reporting arrangements and utilisation of key, skilled finance staff in drawing up detailed estimates and monitoring proposals going forward. Cross cutting and sound key assumptions are also vital to ensuring proper estimates. The key assumptions, i.e. pay awards, inflation, Council Tax, Business Rates, Government Grant and pension contributions are detailed within this report. It is essential that in order to secure a balanced budget the base estimates are considered robust.

Budget changes have been built on amounts approved by the Corporate Policy and Resources Committee throughout the year, and changes approved under delegation. Changes to the base budget have been reported to both Prosperous Communities Committee and Corporate Policy and Resources Committee during February 2022.

Budget monitoring will be presented to management on a monthly basis and to Corporate Policy and Resources Committee quarterly throughout the financial year (or by exception).

The balance of General Reserves are considered to be adequate to cover risks, peaks and troughs and the investments proposed. A minimum General Fund Balance has been set at £2.5m or 10% of Net Operating Expenditure and is forecast to exceed this target over the MTFP.

This represents;

- 79% of MTFP total 2 year deficit (£3.150m)
- 36% of MTFP total funding gap (£6.863m)
- 17% of budget requirement
- 25 days of average gross expenditure cover (£0.096m per day)

The earmarked reserves as set aside by the Council at the year-end are independently verified by the external auditor.

A review of reserves has been undertaken and is incorporated into the Medium Term Financial Plan.

The prudential borrowing regime places a duty on the Chief Finance Officer to ensure that the financial impact of decisions to incur borrowing are affordable both in the immediate and over the longer term.

Consideration of all new capital schemes and their revenue impact is undertaken alongside other revenue issues to ensure resources are appropriately allocated and impacts are reflected in the Prudential Indicators within the Treasury Management Strategy.

Despite the current economic uncertainty and issues around Local Government reform the Council remains in a stable financial position, with adequate reserves to deal with any economic impacts and work will continue to be undertaken to ensure that the Council is in a sound position to manage its budget within the anticipated funding reductions.

The professional opinion of the Chief Finance Officer on the overall adequacy of the total level of reserves and the robustness of estimates is integral to the sign off of the overall agreed budget. The Chief Finance Officer therefore confirms that the budget estimates are robust, the adequacy of reserves is satisfactory and the Capital Programme is affordable.

## 2.11 Risk Analysis (Appendix 2)

The Council maintains a Risk Aware strategy to decision making and maintains Strategic and Service Risk Registers as well as considering risk in all Business Cases and Committee reports.

We will continually assess financial risks associated with activities and mitigate these risk by the creation and utilisation of provisions, earmarked reserves and general reserves.

We will review and report on internal controls and governance arrangements and will address any significant issues.

We will report to the Governance and Audit Committee who will monitor the effectiveness of risk management and governance arrangements.

<b>RISK</b>	<b>MITIGATION</b>
Future Funding Levels	10% or £2.5m minimum General Fund Working Balance. In addition £1m earmarked which can be used to support a balanced budget should it be required giving the Council time to manage the implications of future settlement funding
Inflation under estimated	General Fund Working Balance
Borrowing Interest Rates under estimated	We budget at 100% borrowing need. In reality as we utilize our own cash reserves for some element of this borrowing (internal borrowing) saving on interest costs.

	There are long term implications in relation to interest rate risk which is managed in line the the Treasury Management Strategy.
Changes to Grant Funding	Initiatives and Projects would cease/reduce in line with Grant levels Rates Review impacts
Demand for Services reduces income levels	Commercial Contingency Budget £0.2m General Fund Working Balance £2.5m for in year risk. Fees and Charges annual review to attain cost recovery.
Unforeseen events/emergencies/ budget overspend (including Covid response and recovery)	Unexpected costs or income pressures which are not supported from government grant. General Fund Working Balance of £2.5m
Savings not achieved	General Fund Working Balance of £2.5m Commercial Contingency Budget £0.2m Ongoing monitoring of delivery of efficiencies.

## 2.12 Sensitivity Analysis

Within the MTFP in relation to assumptions and risks, the table below shows the effect of change on the main assumptions;

Impact of +/-	Equates to +/-
1% Pay award	£0.107m
1% Council Tax	£0.071m
1% Business Rates	£0.034m
1% Non-Pay Budget	£0.206m
1% Interest on balances	£0.237m
1% on Borrowing	£0.250m
1% on Fees and Charges	£0.056m

## 3. COUNCIL TAX AND REVENUE BUDGET 2022/23

### 3.1 Council Tax 2022/23 (Appendix 8-12)

The Council Tax for West Lindsey District Council of £227.74 represents an increase of £5 (2.24%) and with a tax base of 31,038.46 is budgeted to generate £7,068,700.

The average Band D equivalent Council Tax for West Lindsey residents including Lincolnshire County Council, The Police Crime Commissioner and an average Parish Precept totals £2,011.40 as detailed below;

	2021/22	2022/23	Variance	
	£	£	£	%
Lincolnshire County Council	1,364.16	1,432.17	68.01	4.99%
Police Crime Commissioner	266.31	276.30	9.99	5.94%
<b>West Lindsey District Council</b>	<b>222.74</b>	<b>227.74</b>	<b>5.00</b>	<b>2.24%</b>
Direct Parish Precept Charges	72.57	75.19	2.62	3.61%
<b>Total Average Council Tax</b>	<b>1,925.78</b>	<b>2,011.40</b>	<b>85.62</b>	<b>4.45%</b>

The aggregate amounts (excluding Parish Precepts) for West Lindsey area by Council Tax Band is detailed below

Band	West Lindsey DC	Lincolnshire CC	Police & Crime Commissioner Lincolnshire	Aggregate Council Tax
<b>A</b>	<b>151.83</b>	954.78	184.20	1,290.81
<b>B</b>	<b>177.13</b>	1,113.91	214.90	1,505.94
<b>C</b>	<b>202.44</b>	1,273.04	245.60	1,721.08
<b>D</b>	<b>227.74</b>	1,432.17	276.30	1,936.21
<b>E</b>	<b>278.35</b>	1,750.43	337.70	2,366.48
<b>F</b>	<b>328.96</b>	2,068.69	399.10	2,796.75
<b>G</b>	<b>379.57</b>	2,386.95	460.50	3,227.02
<b>H</b>	<b>455.48</b>	2,864.34	552.60	3,872.42

### 3.2 Revenue Budget 2022/23

The Council presents a Balanced Revenue Budget for 2022/23, and is represented over our Service Clusters;

**Our People** – Strategic Focus: Health and Wellbeing, Education and Skills, Vulnerable Groups and Communities i.e. Benefits, Homelessness and Housing, Community Grants, Employment and Skills Partnership, Arts and Leisure

**Our Place** – Strategic Focus: Economy, Housing Growth, Public Safety and Environment i.e. Building Control, Licensing, Food Safety, Car Parks, Asset Management, CCTV, Domestic Waste Collections, Development Control, Economic Development

**Our Council** – Strategic Focus: Customer, Finances, Staff and Members i.e. Finance, Human Resources, Committee Administration, ICT, Change Management, Elections, Corporate Fraud, Debtors, Local Tax Collection, Local

Land Charges, Crematorium, Commercial Properties, Customer Relations, Green Waste Services, Bulky Waste Collections, Trade Waste, Markets

### 3.3 Settlement Funding 2022/23

The Settlement Funding Assessment determines our local share of Business Rates and provides details of other Core Funding Grants and any additional Grants the Minister announces. Whilst the final settlement funding has yet to be announced, this draft budget has been prepared based on the Provisional Settlement issued in December 2021, we are not expecting any significant changes.

The announcement for West Lindsey included;

A one year Settlement Funding which would be based on the 2021/22 assessment increased for cpi.

Also announced was additional funding for;

- An additional year of New Homes Bonus - £0.841m (£0.924m in total)
- An additional year of Lower Tier Services Grant - £0.138m
- Rural Services Delivery Grant £0.497m (same value as 2021/22)
- A new Services Grant £0.208m

The elements of our Core Funding is detailed in the table below;

West Lindsey	Actual 2021/22 £m	Actual 2022/23 £m
Settlement Funding Assessment	3.023	3.023
Compensation for under-indexing the business rates multiplier	0.157	0.248
Council Tax excluding Parish Precepts	6.710	6.930
New Homes Bonus	0.719	0.924
Lower Tier Services Grant	0.129	0.138
Rural Services Delivery Grant	0.498	0.498
Services Grant	0.000	0.208
<b>Core Spending Power</b>	<b>11.236</b>	<b>11.969</b>

### 3.4 Revenue Budget 2022/23

Cluster	Original Budget 2021/22 £	Budget 2022/23 £
Our Council	6,279,000	6,068,000
Our People	1,529,000	1,731,700
Our Place	3,871,800	4,223,800
<b>Cluster Total</b>	<b>11,679,800</b>	<b>12,023,500</b>

Interest Receivable	(124,600)	(149,200)
Investment Income - Property Portfolio	(1,434,900)	(1,470,800)
Drainage Board Levies	388,100	413,100
Parish Precepts	2,186,600	2,333,800
Interest Payable	377,700	451,800
Statutory MRP (repayment of borrowing)	442,900	898,000
<b>Other Operating Expenditure</b>	<b>1,835,800</b>	<b>2,476,700</b>

<b>Net Revenue Expenditure</b>	<b>13,515,600</b>	<b>14,500,200</b>
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Transfer to / (from) General Fund	(1,943,700)	(465,700)
Transfer to / (from) Earmarked Reserves	1,707,200	944,900

<b>Amount to be met from Government Grant or Council Tax</b>	<b>13,279,100</b>	<b>14,979,400</b>
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<b>Funding Income</b>		
Business Rate Retention Scheme	1,989,000	3,433,900
Collection Fund Surplus - Council Tax	167,500	225,500
Parish Councils Tax Requirement	2,186,600	2,333,800
New Homes Bonus	719,100	924,400
Other Government Grants	831,100	993,100
Covid Grants	675,000	0
<b>Council Tax Requirement</b>	<b>6,710,800</b>	<b>7,068,700</b>

<b>TOTAL FUNDING</b>	<b>13,279,100</b>	<b>14,979,400</b>
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<b>Balanced Budget/Funding Target</b>	<b>0</b>	<b>0</b>
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### 3.4 Base budget movements

The Budget of £14.979m, (£13.279m 2021/22) is proposed for approval and reflects an increase of £1.7m (including movements in reserves). The significant movements are detailed below;

#### Service Clusters

- Employee costs reduction (£0.096m) includes impact of pay awards
- Contractual cost increases £0.091m
- Housing Benefit Rent Allowances overpayments recovery £0.166
- Introduction of a 2% vacancy factor (£0.77m)
- Together24 efficiency saving (£0.029)
- Covid-19 recovery and response £0.675 (funded from Gov. Grant)
- Various other pressures £0.105
- Various other savings (£0.018)

#### Other Operating Expenditure

- Interest payable on borrowing budget reduction due to expected actual borrowing for treasury purposes and change to capital programme (£0.627m)
- Interest payable on borrowing budget reduction due to expected actual borrowing for treasury purposes and change to capital programme (£0.627m)
- Interest receivable £0.126m, reduced investment rates and internal borrowing implications
- Investment Properties net reduction in income as change to capital programme and additional rental income from last acquisition £0.189m

#### Funding

- Business Rates – One off settlement, additional support for 2021/22 income losses net of 2021/22 deficit payable in 2022/23 £2.197m of which £2.664m relates to the previous year deficit on Business Rates from the Covid-19 Relief for Retail, Hospitality and Leisure sectors and which has been funded by the Government and earmarked at the end of 2021/22

## 4. CAPITAL PROGRAMME 2022/23 TO 2026/27

### 4.1 Introduction

The draft Capital Programme 2022/23 to 2026/27 provides a plan of future capital investments, this is reviewed annually and may result in significant change as business cases for schemes are developed or schemes re-profiled over financial years due to external factors.



Members are requested to approve the Capital Programme and approval to spend for Business As Usual activity for 2022/23.

All schemes except those classified as Business as Usual, ie Disabled Facilities Grants, Replacement and Renewal programmes for Vehicles, ICT and Facilities Management, (which is aligned to the Strategic Asset Management Plan) require a full business case and will require the approval of the Corporate Policy and Resources Committee before any spend is incurred.

## 4.2 Strategic Asset Management Plan

The Capital Programme takes account of the objectives of the Corporate Plan in relation to our Assets and the Strategic Asset Management Plan which identifies the actions and resources required to achieve these objectives. The property related budgets (both revenue and capital) are set based on these plans at a point in time, informed by condition surveys and inspections. These works are generally funded from the Facilities Management Reserve.

Initiative	2022/23	2023/24	2024/25	2025/26	2026/27
	£	£	£	£	£
Strategic & Operational Plans	8,000	0	0	0	0
Physical Assets (Fit for Purpose)	10,000	0	30,000	40,000	0
Risk Management (Physical Estate)	0	0	0	0	0
Operational & Maintenance	65,000	105,000	55,000	0	27,000
Physical Assets	0	0	0	0	10,000
Capital Works Planning	30,000	0	0	0	0
Capital Works	70,000	320,000	80,000	50,000	100,000
<b>Total</b>	<b>183,000</b>	<b>425,000</b>	<b>165,000</b>	<b>90,000</b>	<b>137,000</b>

## 4.3 The Summary Capital Programme 2022/23 to 2026/27

(The detailed Capital Programme is attached at Appendix 4)

Service Cluster	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Total Capital Programme
	£	£	£	£	£	£
Our People	1,911,150	674,900	1,424,900	674,900	674,900	<b>5,360,750</b>
Our Place	10,424,235	11,771,518	718,000	472,000	90,000	<b>23,475,753</b>
Our Council	636,800	570,000	115,000	200,000	100,000	<b>1,621,800</b>
Investment	0	3,000,000	0	0	0	<b>3,000,000</b>
<b>Grand Total</b>	<b>12,972,185</b>	<b>16,016,418</b>	<b>2,257,900</b>	<b>1,346,900</b>	<b>864,900</b>	<b>33,458,303</b>

The overall Capital Investment Programme totals £33.458m however, £9.579m relates to the approved Capital Budgets (Stage 3 and Business as usual) with the remainder of £23.879m being pipeline projects. Only approved Capital Budgets will be monitored throughout the financial year.

The 4 levels of the Programme are detailed below;

- Pre-stage 1 – Business Case in preparation
- Stage 1 – Budget approved – requires full business case
- Stage 2 – Business case approved
- Stage 3 and Business as Usual (BAU) – Approved to spend and funding secured

Stage	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£	£	£	£	£	£
BAU	1,572,900	1,036,900	1,154,900	1,346,900	864,900	<b>5,976,500</b>
Pre-Stage 1	2,500,000	5,111,000	10,000	0	0	<b>7,621,000</b>
Stage 1	1,053,000	20,000	750,000	0	0	<b>1,823,000</b>
Stage 2	7,243,822	6,848,518	343,000	0	0	<b>14,435,340</b>
Stage 3	602,463	3,000,000	0	0	0	<b>3,602,463</b>
<b>Grand Total</b>	<b>12,972,185</b>	<b>16,016,418</b>	<b>2,257,900</b>	<b>1,346,900</b>	<b>864,900</b>	<b>33,458,303</b>

There are a number of significant programmes of work, which at this time have not been subject to a full financial appraisal, and to that end Members should be aware that the estimates within this programme could vary significantly.

The full details of the Capital Investment Programme is attached at Appendix 4 for consideration and recommendation to Council.

#### 4.4 Capital Investment Financing

The proposed funding for the Capital Programme 2022/23 – 2026/27 is detailed below;

CAPITAL FINANCING	Estimate 2022/23 £	Estimate 2023/24 £	Estimate 2024/25 £	Estimate 2025/26 £	Estimate 2026/27 £	TOTAL CAPITAL INVESTMENT £
Grants & Contributions etc	-9,066,251	-9,644,652	1,767,900	-674,900	-674,900	<b>-21,828,603</b>
Revenue/Earmarked Reserves	-3,236,234	-1,601,766	-490,000	-672,000	-190,000	<b>-6,190,000</b>
Useable Capital Receipts	-526,700	-3,186,000	0	0	0	<b>-3,712,700</b>
Prudential Borrowing	-143,000	-1,584,000	0	0	0	<b>-1,727,000</b>
<b>Total Capital Programme Funding</b>	<b>12,972,185</b>	<b>16,016,418</b>	<b>2,257,900</b>	<b>1,346,900</b>	<b>-864,900</b>	<b>-33,458,303</b>

## 4.5 New Bids

Members should be aware that the Capital Investment Programme has 3 new bids for 2022/23;

- Trinity Arts Centre Improvements (subject of a Grant Funding Bid) £5m
- Cemetery Extension £0.150m
- Affordable Housing scheme – S106 £0.180m

## 5 Treasury Management Strategy 2022/23 (Appendix 7)

### 5.1 Treasury Management Strategy and Prudential Indicators

The full Treasury Management Strategy, Minimum Revenue Provision Policy and Investment Strategy has been scrutinised by the Governance and Audit Committee and will be presented to Council for approval.

The Strategy has been updated to include the principles for both Socially Responsible Investing (SRI) and Environmental, Social and Governance investing (ESG) which will ensure these considerations are undertaken in our decision making.

In addition the Minimum Revenue Provision Policy (MRP) now includes for an annual MRP to reduce borrowing against our investment property portfolio. This will reduce the need for the Valuation Volatility Reserve, which in this Medium Term Financial plan will be reduced from 5% to 3% of acquisition cost.

#### a. The Capital Financing Requirement

The Capital Financing Requirement reflects the level of overall approved borrowing for capital purposes, net of any Minimum Revenue Provision (MRP) which is an annual amount charged to the tax payer reflecting repayment of the borrowing over the life of the asset.

	2020/21 Actual £'m	2021/22 Estimate £'m	2022/23 Estimate £'m	2023/24 Estimate £'m	2024/25 Estimate £'m
<b>Capital Financing Requirement</b>					
<b>Accounting Adj</b>	1.065	1.065	1.065	1.065	1.065
<b>Finance Leases</b>	0	0	0	0	0
<b>Prudential Borrowing</b>	37.460	38.360	37.176	37.787	36.813
<b>Total CFR</b>	<b>38.525</b>	<b>39.425</b>	<b>38.241</b>	<b>38.852</b>	<b>37.878</b>
Of which: Commercial Investment Property	20.959	20.585	20.211	19.837	19.463

<b>Movement in CFR</b>	<b>0.620</b>	<b>0.890</b>	<b>-1.184</b>	<b>0.611</b>	<b>-0.974</b>
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<b>Movement in CFR represented by</b>					
Net borrowing need for the year (above)	1.608	1.743	0.143	4.585	0
Less MRP and other financing movements	-0.958	-0.824	-0.898	-3.945	-0.945
Loan Principal repaid	-0.030	-0.029	-0.429	-0.029	-0.029
<b>Movement in CFR</b>	<b>0.620</b>	<b>0.890</b>	<b>-1.184</b>	<b>0.611</b>	<b>-0.974</b>

## 5.2 Borrowing

The Council's forward projections for borrowing 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), and internal borrowing as a percentage of the CFR.

<b>£m</b>	<b>2020/21 Actual</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>
<b>External Debt</b>					
Debt at 1 April	20.000	20.000	21.500	26.500	33.500
Expected change in Debt	0	1.500	5.000	7.000	-2.000
<b>Gross external debt at 31 March</b>	<b>20.000</b>	<b>21.500</b>	<b>26.500</b>	<b>33.500</b>	<b>31.500</b>
Internal Borrowing (at 31 March)	18.535	17.925	11.741	5.352	6.378
<b>The Capital Financing Requirement</b>	<b>38.535</b>	<b>39.425</b>	<b>38.241</b>	<b>38.852</b>	<b>37.878</b>
<b>Internal Borrowing %</b>	<b>48.09</b>	<b>45.47</b>	<b>30.70</b>	<b>13.78</b>	<b>16.84</b>

## 5.3 Liability Benchmark

To Compare the Council's actual borrowing against an alternative strategy, a Liability Benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as in the table above, but that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk.

<b>£m</b>	<b>2020/21 Actual</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>
Borrowing CFR	38.535	39.425	38.241	38.852	37.875
Usable Reserves	-31.126	-24.147	-21.227	-19.715	-19.851
Working Capital	-7.362	-1.018	-1.580	-0.288	-0.288
Minimum Investments	19.953	10.000	10.000	10.000	10.000
<b>Liability Benchmark</b>	<b>20.000</b>	<b>24.260</b>	<b>25.434</b>	<b>28.849</b>	<b>27.739</b>

## **6. Pay Policy Statement (Appendix 13) and Human Resources Statement (Appendix 14)**

### **6.1 The Pay Policy Statement (Appendix 13)**

Section 38/11 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement each financial year. This document comprises that Pay Policy Statement being recommended for adoption.

The Act and supporting statutory guidance provides details of matters that must be included in this statutory pay policy but also emphasises that each local authority has the autonomy to take its own decisions on pay and pay policies. The Pay Policy Statement must be approved formally by Full Council by the end of March each year, can be amended in year, must be published on the Council's website and must be complied with when setting the terms and conditions of chief officer employees.

The Council will comply with the National Living Wage legislation.

The pay policy includes a policy on:

- The level and elements of remuneration for each chief officer
- The remuneration of the lowest paid employees
- The relationship between the remuneration of chief officer and other officers; and
- Other specific aspects of chief officer remuneration and other discretionary payments

Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, enhancements of pension entitlements and termination payments.

### **6.2 The Human Resource Statement (Appendix 14)**

The Human Resource Statement details the budgeted full time equivalents of 287.80 (288.77 2021/22) by Service Cluster and Business Unit.

## APPENDIX 1

Cluster	Proposed Budget 2022/23 £	Forecast Budget 2023/24 £	Forecast Budget 2024/25 £	Forecast Budget 2025/26 £	Forecast Budget 2026/27 £
Our Council	6,068,000	6,246,100	6,135,200	6,206,000	6,455,200
Our People	1,731,700	1,662,700	1,632,100	1,662,800	1,725,700
Our Place	4,223,800	4,322,300	4,440,000	4,556,200	4,691,400
<b>Cluster Total</b>	<b>12,023,500</b>	<b>12,231,100</b>	<b>12,207,300</b>	<b>12,425,000</b>	<b>12,872,300</b>

Interest Receivable	(149,200)	(150,700)	(160,400)	(162,800)	(161,100)
Investment Income - Property Portfolio	(1,470,800)	(1,536,400)	(1,547,900)	(1,570,100)	(1,569,000)
Drainage Board Levies	413,100	431,100	449,800	468,000	487,300
Parish Precepts	2,333,800	2,380,500	2,428,100	2,476,700	2,526,200
Interest Payable	451,800	978,900	1,008,700	1,012,400	1,012,900
Statutory MRP (repayment of borrowing)	898,000	944,800	944,800	944,800	944,800
<b>Other Operating Expenditure</b>	<b>2,476,700</b>	<b>3,048,200</b>	<b>3,123,100</b>	<b>3,169,000</b>	<b>3,241,100</b>

<b>Net Revenue Expenditure</b>	<b>14,500,200</b>	<b>15,279,300</b>	<b>15,330,400</b>	<b>15,594,000</b>	<b>16,113,400</b>
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Transfer to / (from) General Fund	(465,700)	(48,700)	(40,700)	15,400	15,400
Transfer to / (from) Earmarked Reserves	944,900	99,600	604,400	510,300	510,300

<b>Amount to be met from Government Grant or Council Tax</b>	<b>14,979,400</b>	<b>15,330,200</b>	<b>15,894,100</b>	<b>16,119,700</b>	<b>16,639,100</b>
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<b>Funding Income</b>					
Business Rate Retention Scheme	3,433,900	3,090,800	3,341,400	3,390,100	3,451,100
Collection Fund Surplus - Council Tax	225,500	100,000	100,000	100,000	100,000
Parish Councils Tax Requirement	2,333,800	2,380,500	2,428,100	2,476,700	2,526,200
New Homes Bonus	924,400	203,000	203,000	0	0
Other Government Grants	993,100	695,500	698,000	700,500	703,400
<b>Council Tax Requirement</b>	<b>7,068,700</b>	<b>7,264,100</b>	<b>7,465,000</b>	<b>7,671,400</b>	<b>7,883,500</b>

<b>TOTAL FUNDING</b>	<b>14,979,400</b>	<b>13,733,900</b>	<b>14,235,500</b>	<b>14,338,700</b>	<b>14,664,200</b>
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<b>Balanced Budget/Funding Target</b>	<b>0</b>	<b>1,596,300</b>	<b>1,658,600</b>	<b>1,781,000</b>	<b>1,974,900</b>
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## MEDIUM TERM FINANCIAL ANALYSIS BY TYPE

	Proposed Budget 2022/23 £	Forecast Budget 2023/24 £	Forecast Budget 2024/25 £	Forecast Budget 2025/26 £	Forecast Budget 2026/27 £
<b>Expenditure</b>	<b>36,072,300</b>	<b>36,287,100</b>	<b>36,520,300</b>	<b>36,819,500</b>	<b>37,417,700</b>
Employees	12,619,600	12,586,800	12,798,000	13,010,200	13,458,300
Interest Payable	451,800	978,900	1,008,700	1,012,400	1,012,900
Other Operating Expenditure- Drainage Board Levies	413,100	431,100	449,800	468,000	487,300
Other Operating Expenditure-Parish Precepts	2,333,800	2,380,500	2,428,100	2,476,700	2,526,200
Premises	1,086,800	1,131,300	1,138,300	1,167,300	1,195,600
Supplies and Services	2,608,400	2,417,900	2,400,600	2,404,500	2,444,200
Third Party Payments	1,434,100	1,372,200	1,308,400	1,292,000	1,304,800
Transfer Payments	14,087,500	13,998,700	13,998,700	13,998,700	13,998,700
Transport	1,037,200	989,700	989,700	989,700	989,700

<b>Income</b>	<b>(22,470,100)</b>	<b>(21,952,600)</b>	<b>(22,134,700)</b>	<b>(22,170,300)</b>	<b>(22,249,100)</b>
Customer and Client Receipts	(5,631,000)	(5,233,200)	(5,322,800)	(5,342,000)	(5,418,000)
Government Grants	(14,679,300)	(14,427,700)	(14,424,700)	(14,415,800)	(14,420,300)
Interest Receivable	(149,200)	(150,700)	(160,400)	(162,800)	(161,100)
Investment Income - Property Portfolio	(1,511,700)	(1,578,400)	(1,590,600)	(1,613,500)	(1,613,500)
Other Grants and Contributions	(498,900)	(562,600)	(636,200)	(636,200)	(636,200)

<b>Transfers To / (From) Reserves</b>	<b>1,377,200</b>	<b>995,700</b>	<b>1,508,500</b>	<b>1,470,500</b>	<b>1,470,500</b>
Transfer to / (from) General Fund	(465,700)	(48,700)	(40,700)	15,400	15,400
Transfer to / (from) Earmarked Reserves	944,900	99,600	604,400	510,300	510,300
Statutory MRP	898,000	944,800	944,800	944,800	944,800

<b>Amount to be met from Government Grant or Council Tax</b>	<b>14,979,400</b>	<b>15,330,200</b>	<b>15,894,100</b>	<b>16,119,700</b>	<b>16,639,100</b>
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	<b>Proposed Budget 2022/23 £</b>	<b>Forecast Budget 2023/24 £</b>	<b>Forecast Budget 2024/25 £</b>	<b>Forecast Budget 2025/26 £</b>	<b>Forecast Budget 2026/27 £</b>
<b>FUNDED BY:</b>					
Business Rate Retention Scheme	3,433,900	3,090,800	3,341,400	3,390,100	3,451,100
Collection Fund Surplus - Council Tax	225,500	100,000	100,000	100,000	100,000
Parish Council Tax Requirement	2,333,800	2,380,500	2,428,100	2,476,700	2,526,200
New Homes Bonus	924,400	203,000	203,000	0	0
Other Government Grants	993,100	695,500	698,000	700,500	703,400
COVID Grants	0	0	0	0	0
<b>Council Tax Requirement</b>	<b>7,068,700</b>	<b>7,264,100</b>	<b>7,465,000</b>	<b>7,671,400</b>	<b>7,883,500</b>
<b>Grand Total</b>	<b>14,979,400</b>	<b>13,733,900</b>	<b>14,235,500</b>	<b>14,338,700</b>	<b>14,664,200</b>
<b>Balanced Budget/Cumulative Savings Target</b>	<b>0</b>	<b>1,596,300</b>	<b>1,658,600</b>	<b>1,781,000</b>	<b>1,974,900</b>



## MEDIUM TERM FINANCIAL ANALYSIS BY CLUSTER AND BUSINESS UNIT

Cluster and Business Unit	Proposed Budget 2022/23 £	Forecast Budget 2023/24 £	Forecast Budget 2024/25 £	Sum of Forecast Budget 2025/26 £	Sum of Forecast Budget 2026/27 £
<b>Investment Income-Property Portfolio</b>	<b>(1,470,800)</b>	<b>(1,536,400)</b>	<b>(1,547,900)</b>	<b>(1,570,100)</b>	<b>(1,569,000)</b>
Investment Properties	(1,470,800)	(1,536,400)	(1,547,900)	(1,570,100)	(1,569,000)
<b>Our Council</b>	<b>6,068,000</b>	<b>6,246,100</b>	<b>6,135,200</b>	<b>6,206,000</b>	<b>6,455,200</b>
Admin Buildings	245,800	253,000	258,300	266,300	273,500
Change Management	359,100	376,000	386,400	398,700	416,100
Commercial Waste Service	(235,400)	(241,900)	(248,200)	(254,600)	(252,500)
Communications	235,000	226,200	212,300	218,300	225,800
Corporate Management - Finance	375,300	380,500	375,300	352,300	340,600
Corporate Systems	49,300	49,100	49,100	49,100	49,100
Crematorium	(222,700)	(259,900)	(310,400)	(300,900)	(289,200)
Customer Services	630,600	623,900	643,000	662,700	685,600
Debtors	65,700	68,900	71,800	74,200	76,300
Democratic Representation	631,800	656,300	664,100	679,700	697,900
Elections	183,300	347,800	191,600	195,400	200,600
Financial Services	823,400	842,500	873,300	904,800	940,600
Fraud	5,700	3,000	6,000	3,000	6,300
Governance & Legal Compliance	282,700	293,700	300,400	307,300	316,300
Guildhall - Commercial	(154,500)	(156,900)	(152,100)	(146,700)	(140,600)
Human Resources	572,300	590,500	605,400	619,300	637,300
ICT Services	340,500	345,500	349,600	353,900	359,400
Land Charges	58,700	50,700	41,600	43,300	46,000
Local Tax Collection	398,300	418,600	435,400	451,800	471,500
Other Council Properties	(6,300)	(6,300)	(6,200)	(6,100)	(6,000)
Policy, Strategy & Environment	198,500	207,500	212,600	116,900	118,300
Precepts	8,200	8,200	8,200	8,200	8,200
Property Services	420,500	429,400	440,100	451,200	464,200
Property Services-Town Centre Management	3,500	3,500	3,500	3,500	3,500
Support Services	190,000	197,800	203,400	208,500	215,200
Systems Development	847,600	769,700	743,900	762,700	785,900
Waste Management-Chargeable Services	(238,900)	(231,200)	(223,200)	(216,800)	(194,700)

Cluster and Business Unit	Proposed Budget 2022/23 £	Forecast Budget 2023/24 £	Forecast Budget 2024/25 £	Sum of Forecast Budget 2025/26 £	Sum of Forecast Budget 2026/27 £
<b>Our People</b>	<b>1,731,700</b>	<b>1,662,700</b>	<b>1,632,100</b>	<b>1,662,800</b>	<b>1,725,700</b>
Community Action	280,400	298,300	307,000	315,100	325,600
Culture and Theatres	140,400	146,900	151,700	158,400	164,000
General Grants etc.	285,800	186,100	186,400	186,700	187,100
Homelessness & Housing Advice	459,300	463,000	435,900	446,500	459,900
Housing Benefits Admin	295,200	321,200	345,100	359,800	378,700
Housing Benefits Payments	(23,300)	(12,200)	(12,200)	(12,200)	(12,200)
Housing Strategy	251,900	192,600	220,900	207,000	216,200
Leisure	(95,600)	(169,200)	(242,600)	(242,500)	(242,300)
Parish Lighting	58,200	61,200	64,500	68,000	71,800
Parks & Open Spaces	124,800	124,800	124,800	124,800	124,800
Private Sector Housing Renewal	44,000	45,100	45,700	46,300	47,200
Wellbeing	(89,400)	4,900	4,900	4,900	4,900

Cluster and Business Unit	Proposed Budget 2022/23 £	Forecast Budget 2023/24 £	Forecast Budget 2024/25 £	Sum of Forecast Budget 2025/26 £	Sum of Forecast Budget 2026/27 £
<b>Our Place</b>	<b>4,223,800</b>	<b>4,322,300</b>	<b>4,440,000</b>	<b>4,556,200</b>	<b>4,691,400</b>
Building Control	91,900	104,700	115,700	125,200	137,000
Car Parks	(115,100)	(133,100)	(151,100)	(148,500)	(145,400)
Cemeteries and Churchyards	66,800	67,100	71,300	67,500	67,900
Commercial Properties	(174,700)	(177,600)	(177,300)	(176,700)	(176,000)
Commercial Services	127,200	131,000	134,000	137,100	141,400
Community Safety	195,700	196,400	201,800	207,700	214,800
Development Management	333,700	352,800	395,600	440,400	432,700
Economic Development	302,000	306,800	314,700	323,200	335,200
Emergency Planning	33,400	34,200	34,800	35,400	36,300
Environmental Initiatives	59,700	59,800	59,900	60,000	60,100
Food Safety	229,200	237,900	245,300	251,700	260,200
Industrial Estates	(19,500)	(19,500)	(19,500)	(19,500)	(19,500)
Licences - Community	(500)	2,100	3,900	5,800	9,700
Lincolnshire Show	7,000	7,000	7,000	7,000	7,000
Markets	119,400	97,200	98,900	87,700	88,500
Neighbourhood Planning & Local Plans	49,700	51,100	52,200	53,200	54,600
Operational Buildings	98,800	101,300	102,000	105,000	106,400
Other Council Properties - Housing	4,600	4,600	4,600	4,700	4,600
Pest and Dog Control	25,500	25,600	25,700	25,700	25,900
Planning Policy - Forward Planning	102,100	106,100	108,900	111,700	115,400
Pollution Control	158,000	174,200	184,500	185,400	191,300
Public Conveniences	59,500	61,500	62,900	65,200	66,200
Street Cleansing	637,800	676,200	692,300	709,200	731,000
Street Naming and Numbering	9,300	9,200	9,400	9,300	9,500
Visitor Economy	52,900	55,000	56,100	57,400	59,000
Waste Management	1,769,400	1,790,700	1,806,400	1,825,400	1,877,600
<b>Grand Total</b>	<b>10,552,700</b>	<b>10,694,700</b>	<b>10,659,400</b>	<b>10,854,900</b>	<b>11,303,300</b>

**APPENDIX 2**

	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation</b>
<b>Future available resources less than assumed</b>	<b>Likely</b>	<b>High</b>	Annual review of reserves. General Fund Working Balance increased Volatility/Contingency earmarked reserves in place. Planning for future reductions above those assumed in the MTFP would be implemented. However the GFB can support any medium term shortfall.
<b>Commercial Projects do not deliver anticipated benefits</b>	<b>Possible</b>	<b>Medium</b>	Project management and monitoring. Risk Register for each project Appropriate and robust due diligence. Commercial contingency of £200k in base budget
<b>Council is unable to provide a balanced budget in future years.</b>	<b>Unlikely</b>	<b>Medium</b>	The Council has an adequate level of General Fund Reserves to support balancing the budget over the MTFP should it be required.
<b>Volatility of Business Rates</b>	<b>Possible</b>	<b>Medium</b>	Volatility of funding stream outside of Council control but impact mitigated by establishment of contributions to an earmarked reserves.
<b>Pay and price increases above budgeted assumptions</b>	<b>Possible</b>	<b>Medium</b>	Assumption of 2% pay increase annually built into MTFP. Contractual inflation is included in budget. Average utilities % applied. Improved commissioning and procurement expected
<b>Future spending plans</b>	<b>Possible</b>	<b>Low</b>	All Services carry out effective horizon scanning with profile of service demands (past and future). This informs the MTFP budget modelling throughout the year. Pressures are dealt with as they arise. Contingencies and risk reserves in place.
<b>Anticipated savings/ efficiencies not achieved.</b>	<b>Possible</b>	<b>High</b>	Impact on longer term financial planning. Regular monitoring and reporting take place. Future funding unknown post 2021/22 but the size of the funding cuts increase the likelihood of this risk. Non achievement of savings would require compensating reductions in planned spending within services. A principle is

			in place to maintain General Reserve at a minimum of 10% of Net Operating Expenditure, this has been increased to £2.5m represents circa 19% due to future funding and economic uncertainty.
<b>Income targets not achieved.</b>	<b>Likely</b>	<b>Medium</b>	Income has been substantially affected and in the current economic climate recovery is likely to take some time. A commercial contingency budget of £200k mitigates impacts and government funding for impact of covid announced for April-June. Regular monitoring and reporting is undertaken with a full review of fees and charges annually which incorporates trend analysis and future demand estimations. Commercial trading monitor volumes and pricing. Appropriate due diligence for commercial property investments undertaken.
<b>Revenue implications of capital programmes not fully anticipated</b>	<b>Possible</b>	<b>Low</b>	Capital bid approval identifies revenue implications and links to Council priorities. Full analysis of revenue implications assessed and considered in scenario planning and in business case development.
<b>Loss of principal investments</b>	<b>Unlikely</b>	<b>Medium</b>	Limited by the controls in the Treasury Management Strategy which prioritise security of deposit over returns on a risk based approach. Impact limited due to the strategy of a diverse portfolio with high rated institutions.
<b>New duties imposed by Government</b>	<b>Likely</b>	<b>Low</b>	It has already been stated that new duties will be transferred to districts, however this will be considered in line with the retention of NNDR. Proactive preparation will be undertaken to engage early and influence the outcome. The availability of general reserves will also help smooth any initial financial impact, pending any reallocation of resources. In the event of new requirements being imposed 'new burdens' funding would also be sought.

<b>Review of NNDR Retention Scheme</b>	<b>Likely</b>	<b>Medium</b>	Government proposals for 75% of NNDR retention locally will have an impact on the resourcing of WLDC it is not yet known what future income levels will be, although it is assumed that we will revert to a 2013/14 baseline, therefore no growth since this period will be awarded. There will still be a need for government to distribute resources through a Top Up and Tariff system. MTFP assumes baseline funding as per 2013/14 from 2022/23 onwards. £1m contingency reserve created to mitigate any medium term funding gaps.
<b>The cultural change and capability required to deliver against the Council's aspiration may not be realised as quickly as the financial cuts, as changes in business models can take large organisations a number of years to realise regardless of the sector.</b>	<b>Possible</b>	<b>Low</b>	The officer Portfolio Board will ensure that the project management framework is effective and that robust business cases are developed prior to approval of projects and that projects are monitored, with issues being raised and escalated at an early stage for consideration.
<b>The assumptions contained within the MTFP are not realised.</b>	<b>Likely</b>	<b>Low</b>	Prudent assumptions are included in MTFP. A contingency budget, the General Fund Working Balance, in addition to a significant amount of reserves are held to mitigate any in year financial risks or volatility relating to income, or increases in expenditure, and which can be utilised in the event of variations to the assumptions made
<b>Recruitment and Retention of skilled staff</b>	<b>Likely</b>	<b>High</b>	The increased use of agency/ consultants brought in to do the right jobs.

**Policy and Resources Committee**

**Central & Democratic Services**

Statutory fees are set by section 110 of the Representation of the People Regulations 2001.

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

**Electoral Services (Statutory):**

**Printed Format**

Sale of Full Register/ Notice of Alteration/ Postal Vote Return Report (following an election)	£10.00	0.0%	£0.00	£10.00	£0.00	£10.00	OS
- Per thousand names or part	£5.00	0.0%	£0.00	£5.00	£0.00	£5.00	OS
Supply of Overseas Register	£10.00	0.0%	£0.00	£10.00	£0.00	£10.00	OS
- Per hundred names or part	£5.00	0.0%	£0.00	£5.00	£0.00	£5.00	OS

**Data Format**

Sale of Full Register/ Notice of Alteration/ Postal Vote Return Report (following an election)	£20.00	0.0%	£0.00	£20.00	£0.00	£20.00	OS
- Per thousand names of part	£1.50	0.0%	£0.00	£1.50	£0.00	£1.50	OS
Supply of Overseas Register	£20.00	0.0%	£0.00	£20.00	£0.00	£20.00	OS
- Per hundred names of part	£1.50	0.0%	£0.00	£1.50	£0.00	£1.50	OS

**Policy and Resources Committee**

**Central & Democratic Services**

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

**Street Naming and Numbering:**

Naming or renaming of a registered property	£73.00	4.1%	£3.00	£76.00	£0.00	£76.00	OS
Renaming an existing street at resident request, per street	£258.00	3.9%	£10.00	£268.00	£0.00	£268.00	OS
Renumbering an existing street at resident request, per property	£52.00	3.8%	£2.00	£54.00	£0.00	£54.00	OS
Naming a new street	£103.00	3.9%	£4.00	£107.00	£0.00	£107.00	OS
Naming of additional streets on the same application	£31.00	3.2%	£1.00	£32.00	£0.00	£32.00	OS
Numbering new development (plots 1-10), per plot	£31.00	3.2%	£1.00	£32.00	£0.00	£32.00	OS
Numbering new development (plots 11+), per plot	£21.00	4.8%	£1.00	£22.00	£0.00	£22.00	OS
Numbering a block of flats, per block	£103.00	3.9%	£4.00	£107.00	£0.00	£107.00	OS
Renumbering due to change in layout plan by developer (plots 1-10), per plot	£21.00	4.8%	£1.00	£22.00	£0.00	£22.00	OS
Renumbering due to change in layout plan by developer (plots 11+), per plot	£16.00	6.3%	£1.00	£17.00	£0.00	£17.00	OS
Confirmation of address details	£52.00	3.8%	£2.00	£54.00	£0.00	£54.00	OS

**Policy and Resources Committee**

**Revenue Services**

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
£	%	£	£	£	£	

**Revenues\***

Court costs added to Council Tax accounts.	£72.50	1.4%	£1.00	£73.50	£0.00	£73.50	OS
Court costs added to NNDR accounts.	£85.00	0.0%	£0.00	£85.00	£0.00	£85.00	OS

\* Charges agreed with Magistrates



2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

Car Parks								
Gainsborough not including Roseway	0-1 hours	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	S
	1-2 hours	£0.92	0.0%	£0.00	£0.92	£0.18	£1.10	S
	2-3 hours	£1.33	0.0%	£0.00	£1.33	£0.27	£1.60	S
	3-4 hours	£1.67	0.0%	£0.00	£1.67	£0.33	£2.00	S
	4-6 hours	£2.75	0.0%	£0.00	£2.75	£0.55	£3.30	S
	6+ hours	£3.25	0.0%	£0.00	£3.25	£0.65	£3.90	S
Roseway only	0-1 hours	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	S
	1-2 hours	£1.17	0.0%	£0.00	£1.17	£0.23	£1.40	S
	2-3 hours	£1.66	0.0%	£0.00	£1.66	£0.33	£2.00	S
	3-4 hours	£2.08	0.0%	£0.00	£2.08	£0.42	£2.50	S
	Travelodge permit	£5.42	0.0%	£0.00	£5.42	£1.08	£6.50	S
Market Rasen	0-1 hours	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	S
	1-2 hours	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	S
	2-3 hours	£0.67	0.0%	£0.00	£0.67	£0.13	£0.80	S
	3-4 hours	£0.83	0.0%	£0.00	£0.83	£0.17	£1.00	S
	4-6 hours	£1.42	0.0%	£0.00	£1.42	£0.28	£1.70	S
	6+ hours	£1.67	0.0%	£0.00	£1.67	£0.33	£2.00	S
<b>Annual Season Tickets</b>								
Gainsborough only	Mon-Sat	£510.00	0.0%	£0.00	£510.00	£102.00	£612.00	S
	Mon-Sat (If paid by monthly DD)	£440.00	0.0%	£0.00	£440.00	£88.00	£528.00	S
	Mon-Fri	£430.00	0.0%	£0.00	£430.00	£86.00	£516.00	S
	Mon-Fri (If paid by monthly DD)	£350.00	0.0%	£0.00	£350.00	£70.00	£420.00	S
Market Rasen Only	Mon-Sat	£255.00	0.0%	£0.00	£255.00	£51.00	£306.00	S
	Mon-Sat (If paid by monthly DD)	£220.00	0.0%	£0.00	£220.00	£44.00	£264.00	S
	Mon-Fri	£215.00	0.0%	£0.00	£215.00	£43.00	£258.00	S
	Mon-Fri (If paid by monthly DD)	£175.00	0.0%	£0.00	£175.00	£35.00	£210.00	S

<b>Penalty Charge Notice</b>								
Higher Rate		£70.00	0.0%	£0.00	£70.00	£0.00	£70.00	OS
Higher rate discounted if paid within 14 days		£35.00	0.0%	£0.00	£35.00	£0.00	£35.00	OS
Lower Rate		£50.00	0.0%	£0.00	£50.00	£0.00	£50.00	OS
Lower rate discounted if paid within 14 days		£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS

Penalty Charge Notices have replaced the Excess Charge Notice.

The Traffic Management Act 2004 has introduced differential Penalty Charge Notices.

Notices are categorised as 'Higher' or 'Lower' dependent on the severity of the parking infringement.

Higher penalties are payable at £70 and lower penalties at £50. These categories are as determined in National Guidance.

Electric Vehicle Charging	charge per kWh	£0.25	0.0%	£0.00	£0.25	£0.05	£0.30	S
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2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

**Gainsborough Market**

**Tuesday Market**

<b>Registered Trader</b>								
1 stall	£16.00	0.0%	£0.00	£16.00	£0.00	£16.00	OS	
2 stalls	£27.00	0.0%	£0.00	£27.00	£0.00	£27.00	OS	
3 stalls	£35.00	0.0%	£0.00	£35.00	£0.00	£35.00	OS	
4 stalls	£43.00	0.0%	£0.00	£43.00	£0.00	£43.00	OS	
5 stalls	£51.00	0.0%	£0.00	£51.00	£0.00	£51.00	OS	

<b>Casual Trader</b>								
1 stall	£17.50	0.0%	£0.00	£17.50	£0.00	£17.50	OS	
2 stalls	£35.00	0.0%	£0.00	£35.00	£0.00	£35.00	OS	
3 stalls	£52.50	0.0%	£0.00	£52.50	£0.00	£52.50	OS	
4 stalls	£70.00	0.0%	£0.00	£70.00	£0.00	£70.00	OS	
5 stalls	£87.50	0.0%	£0.00	£87.50	£0.00	£87.50	OS	

<b>Saturday Market</b>								
<b>Registered Trader</b>								
1 stall	£10.00	0.0%	£0.00	£10.00	£0.00	£10.00	OS	
2 stalls	£20.00	0.0%	£0.00	£20.00	£0.00	£20.00	OS	
3 stalls	£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS	
4 stalls	£30.00	0.0%	£0.00	£30.00	£0.00	£30.00	OS	
5 stalls	£35.00	0.0%	£0.00	£35.00	£0.00	£35.00	OS	

<b>Casual Trader</b>								
1 stall	£16.50	0.0%	£0.00	£16.50	£0.00	£16.50	OS	
2 stalls	£33.00	0.0%	£0.00	£33.00	£0.00	£33.00	OS	
3 stalls	£49.50	0.0%	£0.00	£49.50	£0.00	£49.50	OS	
4 stalls	£66.00	0.0%	£0.00	£66.00	£0.00	£66.00	OS	
5 stalls	£82.50	0.0%	£0.00	£82.50	£0.00	£82.50	OS	

All new traders offered £7.50 per stall on Saturday for a maximum of 6 months  
 The 6 month period will be cumulative and will be calculated on a rolling basis for each trader  
 Once a trader has had 6 months discount no further discounts will be given irrespective of time gap between trading

<b>Other Units (Vending Vans, Trailers etc.)</b>								
<b>Tuesday Market</b>								
Registered Trader	£23.50	0.0%	£0.00	£23.50	£0.00	£23.50	OS	
Casual Trader	£25.50	0.0%	£0.00	£25.50	£0.00	£25.50	OS	

<b>Saturday Market</b>								
Registered Trader	£15.00	0.0%	£0.00	£15.00	£0.00	£15.00	OS	
Casual Trader	£20.00	0.0%	£0.00	£20.00	£0.00	£20.00	OS	

2021/22 Excl. VAT	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

Development		2021/22 Excl. VAT	Proposed Increase / (Decrease)	2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate	
		£	%	£	£	£		
Householder development - do I need planning permission?		£25.00	33.4%	£8.34	£33.33	£6.67	£40.00	S
Householder development including alterations, extensions and outbuildings (this fee would also include establishing whether an application is required and any listed building consent enquiry if applicable)		£85.00	3.9%	£3.33	£88.33	£17.67	£106.00	S
Non-residential changes of use including siting of caravans for sites under 1 ha or buildings under 1,000 m2 (gross)		£181.67	4.1%	£7.49	£189.16	£37.83	£227.00	S
Non-residential changes of use including siting of caravans for sites of 1 ha or above or buildings of 1,000 m2 or above (gross)		£318.33	3.9%	£12.50	£330.83	£66.17	£397.00	S
Development of 1-9 dwellings including changes of use to residential	1st dwelling	£219.16	3.8%	£8.34	£227.50	£45.50	£273.00	S
	Additional dwellings	£121.67	4.1%	£5.00	£126.67	£25.33	£152.00	S
Development of 10-49 dwellings including changes of use to residential	10th dwelling	£1,315.83	3.8%	£50.00	£1,365.83	£273.17	£1,639.00	S
	Additional dwellings	£65.00	3.8%	£2.50	£67.50	£13.50	£81.00	S
Development of 50 or more dwellings	minimum fee	£3,942.50	3.8%	£150.00	£4,092.50	£818.50	£4,911.00	S
	additional fee subject to complexity of proposal	negotiable						
Non-residential development where no floor space is created.		£116.67	4.3%	£5.00	£121.67	£24.33	£146.00	S
Non-residential development up to 499 m2 floor area, or 0.5 ha site area		£159.17	4.2%	£6.67	£165.83	£33.17	£199.00	S
Non-residential development between 500 and 999 m2 floor area, or between 0.51ha and 1.0 ha.	For 500 m2 or 0.51ha	£240.84	3.8%	£9.16	£250.00	£50.00	£300.00	S
	Each additional 100 m2 or 0.1 ha	£121.67	4.1%	£5.00	£126.67	£25.33	£152.00	S
Non-residential development between 1,000 and 4,999 m2 floor area, or between 1.1ha and 2.0ha.	For 1,000 m2 or 1.1ha	£825.00	3.8%	£31.67	£856.67	£171.33	£1,028.00	S
	Each additional 100 m2 or 0.1 ha	£61.67	4.0%	£2.50	£64.16	£12.83	£77.00	S
Non-residential development of 5,000 m2 or more or 2.1ha or more.	Minimum fee	£3,355.00	3.8%	£127.50	£3,482.50	£696.50	£4,179.00	S
	additional fee subject to complexity of proposal	negotiable						
Variation or removal of condition.		£85.00	3.9%	£3.33	£88.33	£17.67	£106.00	S
Advertisements		£85.00	3.9%	£3.33	£88.33	£17.67	£106.00	S
Non-householder listed building consent		£165.84	4.0%	£6.67	£172.50	£34.50	£207.00	S
Additional site visit		£144.17	4.0%	£5.83	£150.00	£30.00	£180.00	S
Hazardous Substances		variable			£83.33	£16.67	£100.00	S

**N.B.**

- The fee for a mixed use developments would be derived from the total of the fees for all elements.
- Agricultural development and telecommunications are not included as they have their own national notification procedures which dictate whether there is an pre-application process fee or not.
- Cross boundary pre-application fees will be based upon the amount of development in each authority (if a dwelling straddles the boundary, the authority with the majority its floor space will receive the fee for that dwelling).

		2021/22 Excl.	Proposed Increase /		2022/23	VAT	2022/23	VAT	2022/23	VAT Rate
		VAT	(Decrease)							
		£	%	£	£	£	£	£	£	
Paper copies of plans, drawings and documents	per side of A4	£0.25	0.0%	£0.00	£0.25	£0.00	£0.25	OS		
	per side of A3	£0.55	0.0%	£0.00	£0.55	£0.00	£0.55	OS		
	per side A2, A1, A0	£6.50	0.0%	£0.00	£6.50	£0.00	£6.50	OS		
Requests for Planning Information		£61.67	4.1%	£2.50	£64.17	£12.83	£77.00	S		
Entry onto Self-Build and Custom-Build Housing Register		£52.00	0.0%	£0.00	£52.00	£0.00	£52.00	OS		
Public Path Orders, i.e. Diversion Orders	Minimum charge	£558.00	3.9%	£22.00	£580.00	£0.00	£580.00	OS		
	Maximum charge	£1,671.00	3.8%	£64.00	£1,735.00	£0.00	£1,735.00	OS		

2021/22 Excl. VAT	Proposed Increase / (Decrease)		2022/23 £	VAT Amount £	2022/23 Charge Inc. VAT £	VAT Rate
	£	%				

**Outline Applications**

Site area	Every 0.1 ha where the site does not exceed 2.5 ha	£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
	Where the site area exceeds 2.5 ha, £11,432 and an additional £138 for each 0.1 ha in excess of 2.5 hectares, subject to a maximum in total of £150,000	£138.00	0.0%	£0.00	£138.00	£0.00	£138.00	OS

**Full Applications (and First Submissions of Reserved Matters; or Technical Details Consent)**

Alterations/extensions to dwellinghouses, including works within boundaries	Where the application relates to a single dwellinghouse (or single flat)	£206.00	0.0%	£0.00	£206.00	£0.00	£206.00	OS
	Where the application relates to 2 or more dwellinghouses (or two or more flats)	£407.00	0.0%	£0.00	£407.00	£0.00	£407.00	OS
New dwellinghouses	Where number of new dwellinghouses is not more than 50	£462.00	-27.7%	-£128.00	£334.00	£0.00	£334.00	OS
	Where the number of dwellinghouses exceeds 50, £22,859 and an additional £138 for each dwelling in excess of 50 subject to a maximum in total of £300,000	£138.00	-27.5%	-£38.00	£100.00	£0.00	£100.00	OS
Erection of building (not dwellinghouses, agricultural, glasshouses, plant nor machinery)	No increase in gross floor space or no more than 40m <sup>2</sup>	£234.00	0.0%	£0.00	£234.00	£0.00	£234.00	OS
	More than 40m <sup>2</sup> but no more than 75m <sup>2</sup>	£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
	More than 75m <sup>2</sup> but no more than 3,750m <sup>2</sup> . £462 for each 75m <sup>2</sup> or part thereof	£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
	More than 3,750m <sup>2</sup> , £22,859 and an additional £138 for each 75m <sup>2</sup> in excess of 3,750m <sup>2</sup> up to a maximum of £300,000	£138.00	0.0%	£0.00	£138.00	£0.00	£138.00	OS
Erection/alterations/replacement of plant and machinery	Where site area does not exceed 5 ha; per 0.1 ha	£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
	Over 5 ha £22,859 and an additional £138 for each 0.1 ha in excess of 5 ha to a maximum of £300,000	£138.00	0.0%	£0.00	£138.00	£0.00	£138.00	OS
The erection of buildings (on land used for agriculture for agricultural purposes)	Not more than 465 m <sup>2</sup> gross floor space created	£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
	More than 465m <sup>2</sup> but no more than 540m <sup>2</sup>	£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
Between 540 > 4215 m <sup>2</sup> , £462 for the first 540 m <sup>2</sup> then £462 per additional 75 m <sup>2</sup>	More than 540m <sup>2</sup> but not more than 4,215m <sup>2</sup> . £462 for the first 540 m <sup>2</sup> then £462 per additional 75 m <sup>2</sup> (or part thereof) in excess of 540m <sup>2</sup>	£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
	More than 4,215 m <sup>2</sup> , £22,859 and an additional £138 for each 75 m <sup>2</sup> in excess of 4,215 m <sup>2</sup> up to a maximum of £300,000	£138.00	0.0%	£0.00	£138.00	£0.00	£138.00	OS
Erection of glasshouses (on land used for the purposes of agriculture)	Not more than 465 m <sup>2</sup> gross floor space created	£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
	More than 465 m <sup>2</sup> gross floor space created	£2,580.00	0.0%	£0.00	£2,580.00	£0.00	£2,580.00	OS

2021/22 Excl. VAT	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

**Applications other than Building Works**

Car parks, service roads or other accesses	For existing uses	£234.00	0.0%	£0.00	£234.00	£0.00	£234.00	OS
Other Operations (not coming within any of the above categories)	Any site area. £234 for each 0.1 ha (or part thereof) up to a maximum of £2,028	£234.00	0.0%	£0.00	£234.00	£0.00	£234.00	OS

**Lawful Development Certificate**

	Existing use or operation	Same as Full						OS
	Existing use or operation - lawful not to comply with any condition or limitation	£234.00	0.0%	£0.00	£234.00	£0.00	£234.00	OS
	Proposed use or operation	Half the normal planning fee						OS

**Prior Approval**

Larger home extensions		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Agricultural and Forestry buildings & operations		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Demolition of buildings		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Communications (previously referred to as "Telecommunications Code Systems Operators")		£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
Change of Use from Shops (Class A1), Professional and Financial Services (Class A2), Takeaways (Class A5), Betting Offices, Pay Day Loan Shops or Launderettes to Offices (Class B1a)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Change of Use of a building and any land within its curtilage from Business (Use Class B1), Hotels (Use Class C1), Residential Institutions (Use Class C2), Secure Residential Institutions (Use Class C2a) or Assembly and Leisure (Use Class D2) to a State Funded School or Registered Nursery		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Change of Use of a building and any land within its curtilage from an Agricultural Building to a State-Funded School or Registered Nursery		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Change of Use of a building and any land within its curtilage from an Agricultural Building to a flexible use within Shops (Use Class A1), Financial and Professional services (Use Class A2), Restaurants and Cafes (Use Class A3), Business (Use Class B1), Storage or Distribution (Use Class B8), Hotels (Use Class C1), or Assembly or Leisure (Use Class D2)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Change of Use of a building and any land within its curtilage from Offices (Use Class B1a) Use to Dwellinghouses (Use Class C3)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Change of Use of a building and any land within its curtilage from an Agricultural Building to Dwellinghouses (Use Class C3)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS

2021/22 Excl. VAT	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

	if it includes building operations in connection with the change of use	£206.00	0.0%	£0.00	£206.00	£0.00	£206.00	OS
Change of use of a building from Shops (Use Class A1), Financial and Professional Services (Use Class A2), Betting Offices, Pay Day Loans Shops, Launderette; or a mixed use combining one of these uses and use as a dwellinghouse to Dwellinghouses (Use Class C3)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
	if it includes building operations in connection with the change of use	£206.00	0.0%	£0.00	£206.00	£0.00	£206.00	OS
Change of use of a building and any land within its curtilage from Light Industrial (Use Class B1c) to Dwellinghouses (Use Class C3)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Change of Use of a building and any land within its curtilage from Amusement Arcades/Centres and Casinos (Sui Generis Uses) to Dwellinghouses (Use Class C3)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
	if it includes building operations in connection with the change of use	£206.00	0.0%	£0.00	£206.00	£0.00	£206.00	OS
Change of Use of a building from Shops (Use Class A1), Financial and Professional Services (Use Class A2), Betting Offices, Pay Day Loan Shops and Casinos (Sui Generis Uses) to Restaurants and Café's (Use A3)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
	if it includes building operations in connection with the change of use	£206.00	0.0%	£0.00	£206.00	£0.00	£206.00	OS
Change of Use of a building from Shops (use Class A1) and Financial and Professional Services (Use Class A2), Betting Offices, Pay Day Loan Shops (Sui Generis Uses) to Assembly and Leisure Uses (Use Class D2)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Change of Use from Shops (Class A1), Professional and Financial Services (Class A2), Takeaways (Class A5), Betting Offices, Pay Day Loan Shops or Launderettes to Offices (Class B1a)		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Development Consisting of the Erection or Construction of a Collection Facility within the Curtilage of a Shop		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Temporary Use of Buildings or Land for the Purpose of Commercial Film-Making and the Associated Temporary Structures, Works, Plant or Machinery required in Connection with that Use		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Installation, Alterations or Replacement of other Solar Photovoltaics (PV) equipment on the Roofs of Non-domestic Buildings, up to a Capacity of 1 Megawatt		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Erection, extension, or alteration of a university building		£96.00	0.0%	£0.00	£96.00	£0.00	£96.00	OS
Construction of new dwellinghouses	Not more than 50 Dwellinghouses	£334.00	0.0%	£0.00	£334.00	£0.00	£334.00	OS
	more than 50 dwellinghouses	£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS

2021/22 Excl. VAT	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

<b>Reserved Matters</b>								
Application for approval of reserved matters following outline approval					Full fee due or if full fee already paid then £462 due			OS
<b>Approval/Variation/discharge of condition</b>								
Removal or variation of a condition following grant of planning permission		£234.00	0.0%	£0.00	£234.00	£0.00	£234.00	OS
Discharge of condition(s) - Approval of details and/or confirmation that one of more planning conditions have been	Householder Permissions	£34.00	0.0%	£0.00	£34.00	£0.00	£34.00	OS
	All other permissions	£116.00	0.0%	£0.00	£116.00	£0.00	£116.00	OS
<b>Change of Use of a building to use as one or more separate dwellinghouses, or other cases</b>								
	no. of dwellings 50 or less	£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
	more than 50 dwellings, £22,859 and an additional £138 for each dwelling in excess of 50 dwellings up to a maximum of £300,000	£138.00	0.0%	£0.00	£138.00	£0.00	£138.00	OS
Other Changes of Use of a building or land		£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
<b>Advertising</b>								
Relating to the business on the premises		£132.00	0.0%	£0.00	£132.00	£0.00	£132.00	OS
Advance signs which are not situated on or visible from the site, directing the public to a business		£132.00	0.0%	£0.00	£132.00	£0.00	£132.00	OS
Other advertisements		£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS
<b>Application for a Non-material Amendment Following a Grant of Planning Permission</b>								
Applications in respect of householder developments		£34.00	0.0%	£0.00	£34.00	£0.00	£34.00	OS
Applications in respect of other developments		£234.00	0.0%	£0.00	£234.00	£0.00	£234.00	OS
<b>Application for Permission in Principle</b>								
Site Area	per 0.1 ha (or part thereof)	£402.00	0.0%	£0.00	£402.00	£0.00	£402.00	OS
<b>Concessions</b>								
Non-Profit making club, society, organisation or trust, providing sports or recreational facilities		£462.00	0.0%	£0.00	£462.00	£0.00	£462.00	OS



2021/22 Excl. VAT	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	%	£				

**CIL Charging Schedule - residential charging zones (charge per m<sup>2</sup>)**

Zone	Description	2021/22 Excl. VAT	Proposed Increase / (Decrease)	2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate		
Zone 1	Lincoln Strategy Area (LSA)	no. of dwellings 50 or less	£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS
Zone 2	Non Lincoln Strategy Area	more than 50 dwellings, £22,859 and an additional £138 for each dwelling in excess of 50 dwellings subject to maximum in total of £300,000	£15.00	0.0%	£0.00	£15.00	£0.00	£15.00	OS
Zone 3	North East Quadrant Sustainable Urban Extension	Each 0.1 ha of the site area, where the site does not exceed 15 ha	£20.00	0.0%	£0.00	£20.00	£0.00	£20.00	OS
Zone 4	Gainsborough West (as shown shaded green on the charging schedule map of Gainsborough)	Where the site exceeds 15 ha £34,934 and an additional £138 for each 0.1 ha in excess of 15ha subject to a maximum in total of £78,000	£138.00	0.0%	£0.00	£138.00	£0.00	£138.00	OS
£0 charge for apartments across all zones									

**CIL Charging Schedule - commercial charging zones (applicable to whole district) (charge per m<sup>2</sup>)**

Zone	Description	2021/22 Excl. VAT	Proposed Increase / (Decrease)	2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate		
	Convenience Retail *		£40.00	0.0%	£0.00	£40.00	£0.00	£40.00	OS
	All Other Uses **		£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	OS

\* Convenience retail is defined as everyday items including food, drink and non-durable household goods

\*\* All other uses and the £0 rate include comparison retail and retail warehousing

\*\*\* CIL charges subject to indexation

No change is permitted to the CIL charging schedule without a full examination by The Planning Inspectorate

		2021/22	Proposed Increase / (Decrease)		2022/23	VAT	2022/23	VAT Rate
		£	%	£	£	Amount	Charge Inc. VAT	
						£	£	
Depositing Litter	Fee set by Government - payable within 14 days of issue	£75.00	33.3%	£25.00	£100.00	£0.00	£100.00	OS
	Fee set by Government - discounted if paid within 10 days	£50.00	50.0%	£25.00	£75.00	£0.00	£75.00	OS
Failure to produce Waste Documents	Fee set by Government - payable within 14 days of issue	£300.00	0.0%	£0.00	£300.00	£0.00	£300.00	OS
Failure to produce Authority to Transport Waste	Fee set by Government - payable within 14 days of issue	£300.00	0.0%	£0.00	£300.00	£0.00	£300.00	OS
Unauthorised Distribution of Free Printed Matter	Fee set by Government - payable within 14 days of issue	£75.00	0.0%	£0.00	£75.00	£0.00	£75.00	OS
Failure to comply with a Domestic Waste Receptacles Notice	Fee set by Government - payable within 14 days of issue	£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS
	Fee set by Government - discounted if paid within 10 days	£75.00	0.0%	£0.00	£75.00	£0.00	£75.00	OS
Failure to comply with an Industrial and Commercial Waste Receptacles Notice	Fee set by Government - payable within 14 days of issue	£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS
	Fee set by Government - discounted if paid within 10 days	£75.00	0.0%	£0.00	£75.00	£0.00	£75.00	OS
Abandoning a Vehicle	Fee set by Government - payable within 14 days of issue	£200.00	0.0%	£0.00	£200.00	£0.00	£200.00	OS
Nuisance Parking	Fee set by Government - payable within 14 days of issue	£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS
Anti Social Behaviour Crime and Policing Act 2014 - Community Protection Notice	Fee set by Government - payable within 14 days of issue	£103.00	-2.9%	-£3.00	£100.00	£0.00	£100.00	OS
Anti Social Behaviour Crime and Policing Act 2014 - Public Space Protection Order	Fee set by Government - discounted if paid within 10 days	£75.00	0.0%	£0.00	£75.00	£0.00	£75.00	OS
Space Protection Order	Fee set by Government - payable within 14 days of issue	£103.00	-2.9%	-£3.00	£100.00	£0.00	£100.00	OS
Flytipping	Fee set by Government - payable within 14 days of issue	£75.00	0.0%	£0.00	£75.00	£0.00	£75.00	OS
High Hedge Fee	Fee set by Government - payable within 14 days of issue	£400.00	0.0%	£0.00	£400.00	£0.00	£400.00	OS
High Hedge Fee	Fee set locally	£325.00	83.1%	£270.00	£595.00	£0.00	£595.00	OS
Fee for abandoned shopping trolleys	Fee set locally (maximum charge)	£103.00	-2.9%	-£3.00	£100.00	£0.00	£100.00	OS

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

Housing Enforcement Charges								
Mandatory HMO Licence Application	Up to 5 units / bedrooms	£849.75	0.1%	£0.25	£850.00	£0.00	£850.00	OS
	Per additional unit	£51.50	1.0%	£0.50	£52.00	£0.00	£52.00	OS
	Maximum charge - n/a							
Mandatory HMO Licence Renewal	Up to 5 units / bedrooms	£721.00	0.0%	£0.00	£721.00	£0.00	£721.00	OS
	Per additional unit	£51.50	1.0%	£0.50	£52.00	£0.00	£52.00	OS
	Maximum charge - n/a							
Hazard Awareness Notice	None	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	OS
Improvement Notice	For one hazard	£360.50	3.9%	£14.06	£374.56	£0.00	£374.56	OS
Emergency Remedial Action Notice (plus work - see below)	Cost of works plus hourly rate of officer time			Cost of works plus officer time to execute and arrange		Cost of works plus officer time to execute and arrange	£0.00	£0.00
	Officer time charged at £39 per hour							
Prohibition Order		£360.50	0.0%	£0.00	£360.50	£0.00	£360.50	OS
Emergency Prohibition Order		£360.50	3.9%	£14.06	£374.56	£0.00	£374.56	OS
Demolition Order		£360.50	3.9%	£14.06	£374.56	£0.00	£350.00	OS
Immigration Procedure Inspection	Per inspection	£72.10	3.9%	£2.81	£74.91	£14.98	£89.89	S
Mobile Homes Act 2013 – Compliance Notice	Hourly rate of relevant officers with on costs plus work in default costs of works							OS
Mobile Homes Act 2014 – Emergency Remedial Action Notice	Hourly rate of relevant officers with on costs plus work in default cost of works							OS
Penalty Charge Notice (Smoke and Carbon Monoxide Alarm (England) Regulations 2015)	Up to £5,000							OS
Monetary penalty (Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc.) (England) Order 2014)	Up to £5,000							OS
Financial Penalty - Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020	up to £30,000							OS
Works In Default of any Legislation or Emergency Remedial Action *	Base charge							OS
Enforcement of the Domestic Minimum Level of Energy Efficiency (under the Energy Efficiency (Private Rented Property)(England and Wales) Regulations 2015, as amended)	up to £5,000							OS
Housing and Planning Act - Civil Penalties	up to £30,000							

\* Outside the scope of VAT unless the owner agrees in which case VAT is chargeable at the standard rate.

## Prosperous Communities Committee

## Communities

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

Defibrillator maintenance service (annual charge)	£83.33	0.0%	£0.00	£83.33	£16.67	£100.00	S
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## Prosperous Communities Committee

## Mobile Homes

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

Mobile Homes Act 2013								
Caravan Site - Fit & Proper Person	Oneoff license	£243.00	0.0%	£0.00	£243.00	£0.00	£243.00	OS
Issue of a New Licence		£309.00	3.9%	£12.05	£321.05	£0.00	£321.05	OS
Deposit of Site Rules		£31.00	3.2%	£1.00	£32.00	£0.00	£32.00	OS
Transfer and Alteration of a Licence		£103.00	3.9%	£4.02	£107.02	£0.00	£107.02	OS

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
£	%	£	£	£	£	

All charges are set by DEFRA

Application Fee								
- Standard Process		£1,650.00	0.0%	£0.00	£1,650.00	£0.00	£1,650.00	OS
- Reduced fee activities		£155.00	0.0%	£0.00	£155.00	£0.00	£155.00	OS
PVR I and PVR II activities		£257.00	0.0%	£0.00	£257.00	£0.00	£257.00	OS
Vehicle refinishers, & Parts 2, 3, 4 reduced fee activity		£362.00	0.0%	£0.00	£362.00	£0.00	£362.00	OS
- Mobile Screening and crushing plant		£1,650.00	0.0%	£0.00	£1,650.00	£0.00	£1,650.00	OS
- For the third to seventh applications		£985.00	0.0%	£0.00	£985.00	£0.00	£985.00	OS
- For the eighth and subsequent applications		£498.00	0.0%	£0.00	£498.00	£0.00	£498.00	OS
An additional charge of £297 applies to the above where the permit is for a combined part B and waste installation.								
Late Application Fee Schedule B reduce fee activity		£71.00	0.0%	£0.00	£71.00	£0.00	£71.00	OS
Late Application for other Part B activity or any other solvent emission		£1,188.00	0.0%	£0.00	£1,188.00	£0.00	£1,188.00	OS
Late Application for Mobile Plant		£1,188.00	0.0%	£0.00	£1,188.00	£0.00	£1,188.00	OS
Late Application Fee Schedule B Vehicle refinishers or any other Part B		£279.00	0.0%	£0.00	£279.00	£0.00	£279.00	OS
Annual Subsistence Fee -Standard Process	Low	£772.00	0.0%	£0.00	£772.00	£0.00	£772.00	OS
	Medium	£1,161.00	0.0%	£0.00	£1,161.00	£0.00	£1,161.00	OS
	High	£1,747.00	0.0%	£0.00	£1,747.00	£0.00	£1,747.00	OS
An additional charge of £104 for Low, £156 for Medium and £207 for High applies to the above where the permit is for a combined part B and waste installation.								
- Reduced fee activities	Low	£79.00	0.0%	£0.00	£79.00	£0.00	£79.00	OS
	Medium	£158.00	0.0%	£0.00	£158.00	£0.00	£158.00	OS
	High	£237.00	0.0%	£0.00	£237.00	£0.00	£237.00	OS
- PVR I & II Combined	Low	£113.00	0.0%	£0.00	£113.00	£0.00	£113.00	OS
	Medium	£226.00	0.0%	£0.00	£226.00	£0.00	£226.00	OS
	High	£341.00	0.0%	£0.00	£341.00	£0.00	£341.00	OS
- Vehicle refinishers	Low	£228.00	0.0%	£0.00	£228.00	£0.00	£228.00	OS
	Medium	£365.00	0.0%	£0.00	£365.00	£0.00	£365.00	OS
	High	£548.00	0.0%	£0.00	£548.00	£0.00	£548.00	OS
- Mobile Screening and crushing plant 1st to 2nd Permits	Low	£626.00	0.0%	£0.00	£626.00	£0.00	£626.00	OS
	Medium	£1,034.00	0.0%	£0.00	£1,034.00	£0.00	£1,034.00	OS
	High	£1,551.00	0.0%	£0.00	£1,551.00	£0.00	£1,551.00	OS
- Mobile Screening and crushing plant 3rd to 7th Permits	Low	£385.00	0.0%	£0.00	£385.00	£0.00	£385.00	OS
	Medium	£617.00	0.0%	£0.00	£617.00	£0.00	£617.00	OS
	High	£924.00	0.0%	£0.00	£924.00	£0.00	£924.00	OS
- Mobile Screening and crushing plant 8th and Subsequent permits	Low	£198.00	0.0%	£0.00	£198.00	£0.00	£198.00	OS
	Medium	£314.00	0.0%	£0.00	£314.00	£0.00	£314.00	OS
	High	£473.00	0.0%	£0.00	£473.00	£0.00	£473.00	OS

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

All charges are set by DEFRA

#### Application Fee for Part A(2) Activity

For Each Part A(2)		£3,363.00	0.0%	£0.00	£3,363.00	£0.00	£3,363.00	OS
SWIP (Small Waste Incineration Plant Installation)		£3,363.00	0.0%	£0.00	£3,363.00	£0.00	£3,363.00	OS
Mobile Small Waste Incineration Plant		£3,363.00	0.0%	£0.00	£3,363.00	£0.00	£3,363.00	OS
Late Fee Application Part A(2)		£1,188.00	0.0%	£0.00	£1,188.00	£0.00	£1,188.00	OS
Variation of Part A(2) Permit		£1,368.00	0.0%	£0.00	£1,368.00	£0.00	£1,368.00	OS
Subsistence Charge for Part A(2)	Low	£1,343.00	0.0%	£0.00	£1,343.00	£0.00	£1,343.00	OS
	Medium	£1,507.00	0.0%	£0.00	£1,507.00	£0.00	£1,507.00	OS
	High	£2,230.00	0.0%	£0.00	£2,230.00	£0.00	£2,230.00	OS

Where a part B installation is subject to reporting under the E-PRTR regulation an additional charge of £104 applies.

#### Transfer and Surrender

Transfer Schedule B Part B Reduced Fee Activity	Total Transfer	£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	OS
Transfer Schedule B Part B Reduced Fee Activity	Partial Transfer	£47.00	0.0%	£0.00	£47.00	£0.00	£47.00	OS
Transfer Schedule B Part B Any Other Part B or Solvent Emission Activity	Total Transfer	£169.00	0.0%	£0.00	£169.00	£0.00	£169.00	OS
Transfer Schedule B Part B Any Other Part B or Solvent Emission Activity	Partial Transfer	£497.00	0.0%	£0.00	£497.00	£0.00	£497.00	OS
Joint Application to Transfer Part B Mobile Plant		£53.00	0.0%	£0.00	£53.00	£0.00	£53.00	OS
Surrender Part B Permit		£0.00	0.0%	£0.00	£0.00	£0.00	£0.00	OS
Part A(2) Total Transfer		£235.00	0.0%	£0.00	£235.00	£0.00	£235.00	OS
Part A(2) Partial Transfer		£698.00	0.0%	£0.00	£698.00	£0.00	£698.00	OS
Party A(2) Surrender Permit		£698.00	0.0%	£0.00	£698.00	£0.00	£698.00	OS
Part A (2) where the substantial change results in SWIP		£3,363.00	0.0%	£0.00	£3,363.00	£0.00	£3,363.00	OS

#### Substantial Change

Reduce Fee Activity		£102.00	0.0%	£0.00	£102.00	£0.00	£102.00	OS
Other Part B or Solvent Emission Activity		£1,050.00	0.0%	£0.00	£1,050.00	£0.00	£1,050.00	OS
- Standard process where the substantial change results in a new PPC activity		£1,650.00	0.0%	£0.00	£1,650.00	£0.00	£1,650.00	OS
- New operator at low risk reduced fee		£78.00	0.0%	£0.00	£78.00	£0.00	£78.00	OS
Subsistence charges can be paid in four equal instalments at an additional cost of £38 p.a.								
Reduced Subsistence Charge		£52.00	0.0%	£0.00	£52.00	£0.00	£52.00	OS
Late Fee Payment of Subsistence Fees		£52.00	0.0%	£0.00	£52.00	£0.00	£52.00	OS

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

\*\*Statutory charges are set by DEFRA

**Request for Information / Document Disclosure where Charging is Permitted	Minimum per request plus cost of materials	£78.00	0.0%	£0.00	£78.00	£0.00	£78.00	OS
	Thereafter per hour	£46.00	0.0%	£0.00	£46.00	£0.00	£46.00	OS
Health Certificates		£57.00	3.5%	£2.00	£59.00	£0.00	£59.00	OS
Food Premises Register	Per page	£3.00	0.0%	£0.00	£3.00	£0.00	£3.00	OS
SFBB Pack	(including diary)	£11.00	0.0%	£0.00	£11.00	£2.20	£13.20	S
Diary Refill		£6.18	3.9%	£0.24	£6.42	£1.28	£7.71	S
Private Water Supply Work	Cost Recovery - Mileage (Per Mile)	£0.40	0.0%	£0.00	£0.40	£0.00	£0.40	OS
	Risk assessment - Maximum Hourly Charge	£43.58	7.1%	£3.10	£46.68	£0.00	£46.68	OS
	Sampling (each visit) - Maximum Hourly Charge	£43.58	7.1%	£3.10	£46.68	£0.00	£46.68	OS
	Investigation - Maximum Hourly Charge	£43.58	7.1%	£3.10	£46.68	£0.00	£46.68	OS
	Granting an authorisation (each authorisation) - Maximum Hourly Charge	£38.39	8.1%	£3.11	£41.49	£0.00	£41.49	OS
	Analysing a sample:-							
	Full Laboratory Costs	as per laboratory costs				as per laboratory costs	£0.00	£0.00
Full Courier Charges	as per laboratory costs				as per laboratory costs	£0.00	£0.00	OS
Public Health Exhumation		£0.00			£1,000.00	£0.00	£1,000.00	OS
Food Advisory	Charge for a visit (up to a maximum 2 hours contact time)	£138.00	3.6%	£5.00	£143.00	£28.60	£171.60	S
	Charge for additional hours	£44.00	4.5%	£2.00	£46.00	£9.20	£55.20	S
Food Hygiene Rating Scheme	Re-inspections	£170.00	4.1%	£7.00	£177.00	£0.00	£177.00	OS
	Additional inspections (outside routine plan)	£0.00			£177.00	£0.00	£177.00	OS
** Health Act 2006	Smoking in a smoke free place	£50.00	0.0%	£0.00	£50.00	£0.00	£50.00	OS
	Failure to display no smoking sign	£200.00	0.0%	£0.00	£200.00	£0.00	£200.00	OS

\* Private Water Supply Work 19/20 moved from a flat fee to a maximum hourly rate.

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

**Bingo Premises Licence**

Application Fee for Provisional Statement	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Licence for Provisional Statement Premises	£969.80	3.9%	£37.80	£1,007.60	£0.00	£1,007.60	OS
Application Fee New Premises	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Annual Fee	£898.70	3.9%	£35.00	£933.70	£0.00	£933.70	OS
Variation of Licence	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Transfer Fee	£932.60	3.9%	£36.40	£969.00	£0.00	£969.00	OS
Application for Reinstatement	£932.60	3.9%	£36.40	£969.00	£0.00	£969.00	OS

**Adult Gaming Centre**

Application Fee for Provisional Statement	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Licence for Provisional Statement Premises	£969.80	3.9%	£37.80	£1,007.60	£0.00	£1,007.60	OS
Application Fee New Premises	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Annual Fee	£932.60	3.9%	£36.40	£969.00	£0.00	£969.00	OS
Variation of Licence	£978.80	3.9%	£38.20	£1,017.00	£0.00	£1,017.00	OS
Transfer Fee	£932.60	3.9%	£36.40	£969.00	£0.00	£969.00	OS
Application for Reinstatement	£932.60	3.9%	£36.40	£969.00	£0.00	£969.00	OS

**Family Entertainment Centre**

Application Fee for Provisional Statement	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Licence for Provisional Statement Premises	£941.20	0.9%	£8.80	£950.00	£0.00	£950.00	OS
Application Fee New Premises	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Annual Fee	£750.00	0.0%	£0.00	£750.00	£0.00	£750.00	OS
Variation of Licence	£978.80	2.2%	£21.20	£1,000.00	£0.00	£1,000.00	OS
Transfer Fee	£898.70	3.9%	£35.00	£933.70	£0.00	£933.70	OS
Application for Reinstatement	£898.70	3.9%	£35.00	£933.70	£0.00	£933.70	OS

**Betting Premises (Other)**

Application Fee for Provisional Statement	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Licence for Provisional Statement Premises	£968.60	3.9%	£37.80	£1,006.40	£0.00	£1,006.40	OS
Application Fee New Premises	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Annual Fee	£600.00	0.0%	£0.00	£600.00	£0.00	£600.00	OS
Variation of Licence	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Transfer Fee	£932.60	3.9%	£36.40	£969.00	£0.00	£969.00	OS
Application for Reinstatement	£932.60	3.9%	£36.40	£969.00	£0.00	£969.00	OS

**Betting Premises (Tracks)**

Application Fee for Provisional Statement	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Licence for Provisional Statement Premises	£941.20	0.9%	£8.80	£950.00	£0.00	£950.00	OS
Application Fee New Premises	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Annual Fee	£846.70	3.9%	£33.00	£879.70	£0.00	£879.70	OS
Variation of Licence	£1,076.60	3.9%	£42.00	£1,118.60	£0.00	£1,118.60	OS
Transfer Fee	£898.70	3.9%	£35.00	£933.70	£0.00	£933.70	OS
Application for Reinstatement	£898.70	3.9%	£35.00	£933.70	£0.00	£933.70	OS



2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

**Miscellaneous**

Change of Circumstances	£50.00	0.0%	£0.00	£50.00	£0.00	£50.00	OS
Fee for Copy of a Licence Under the Gambling Act 2005	£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS
Temporary Usage License	£401.80	3.9%	£15.70	£417.50	£0.00	£417.50	OS

**Unlicensed FEC's & Prize gaming Permits (10 year duration)**

New Gaming Machine Permit (no annual fee)	£300.00	0.0%	£0.00	£300.00	£0.00	£300.00	OS
Renewal	£300.00	0.0%	£0.00	£300.00	£0.00	£300.00	OS
Change of name on permit	£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS
Copy of permit	£15.00	0.0%	£0.00	£15.00	£0.00	£15.00	OS
New Prize Gaming Permit (no annual fee)	£300.00	0.0%	£0.00	£300.00	£0.00	£300.00	OS
Renewal	£300.00	0.0%	£0.00	£300.00	£0.00	£300.00	OS
Change of name on permit	£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS
Copy of permit	£15.00	0.0%	£0.00	£15.00	£0.00	£15.00	OS

**Club Gaming Permit & Club Machine Permit (10 year duration)**

New grant Club Gaming Permit	£200.00	0.0%	£0.00	£200.00	£0.00	£200.00	OS
New grant Club Gaming Permit with Club Premises Certificate (fast track)	£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS
Renewal	£200.00	0.0%	£0.00	£200.00	£0.00	£200.00	OS
Renewal of Club Gaming Permit with Club Premises Certificate (fast track)	£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS
Annual Fee	£50.00	0.0%	£0.00	£50.00	£0.00	£50.00	OS
Variation	£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS
Copy of permit	£15.00	0.0%	£0.00	£15.00	£0.00	£15.00	OS

**Lotteries**

Society Lottery - New	£40.00	0.0%	£0.00	£40.00	£0.00	£40.00	OS
Society Lottery - Renewal	£20.00	0.0%	£0.00	£20.00	£0.00	£20.00	OS

**Machines in Alcohol Licensed premises - 3 or more machines**

New	£150.00	0.0%	£0.00	£150.00	£0.00	£150.00	OS
Annual Fee	£50.00	0.0%	£0.00	£50.00	£0.00	£50.00	OS
Transfer	£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS
Variation	£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS
Change of name on permit	£25.00	0.0%	£0.00	£25.00	£0.00	£25.00	OS
Copy of gaming machine permit	£15.00	0.0%	£0.00	£15.00	£0.00	£15.00	OS
Gambling Machine Permit - Up to 2 Machines	£50.00	0.0%	£0.00	£50.00	£0.00	£50.00	OS

One-off fee

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

£	%	£	£	£	£	£		
<b>Taxi Licensing (Including Horse Drawn Omnibus)</b>								
Driver's License Application (3Yr)	New/Renewal	£181.00	3.9%	£7.00	£188.00	£0.00	£188.00	OS
Knowledge Test Fee Including ID check	New Driver Licenses includes Right to licence checks	£37.00	2.7%	£1.00	£38.00	£0.00	£38.00	OS
Knowledge Test Fee - Resit	New Driver Licenses	£35.00	2.9%	£1.00	£36.00	£0.00	£36.00	OS
DBS Check	On New or Renewal	£44.00	0.0%	£0.00	£44.00	£0.00	£44.00	OS
DBS Admin Fee*	On New or Renewal	£10.00	0.0%	£0.00	£10.00	£0.00	£10.00	OS
	<i>*This fee is controlled by City of Lincoln Council and subject to change</i>							
Vehicle License	New	£256.00	3.9%	£10.00	£266.00	£0.00	£266.00	OS
Vehicle License	Renewal	£256.00	3.9%	£10.00	£266.00	£0.00	£266.00	OS
Replacement Plate ADD cost of materials	Plate only (does not include cost of plate)	£30.00	3.3%	£1.00	£31.00	£0.00	£31.00	OS
Replacement Plate & Bracket ADD cost of materials	Plate and Bracket (does not include cost of plate & bracket)	£39.00	5.1%	£2.00	£41.00	£0.00	£41.00	OS
Private Hire Operators Licence (5Yr)		£223.00	4.0%	£9.00	£232.00	£0.00	£232.00	OS
Transfer of Ownership of Taxi/Private Hire Vehicle License		£29.00	3.4%	£1.00	£30.00	£0.00	£30.00	OS
<b>Alcohol and Entertainment Licenses</b>								
<b>Charges set by Licensing Act 2003</b>								
<b>New Premise Licence</b>								
Category A		£100.00	0.0%	£0.00	£100.00	£0.00	£100.00	OS
Category B		£190.00	0.0%	£0.00	£190.00	£0.00	£190.00	OS
Category C		£315.00	0.0%	£0.00	£315.00	£0.00	£315.00	OS
Category D		£450.00	0.0%	£0.00	£450.00	£0.00	£450.00	OS
Category E		£635.00	0.0%	£0.00	£635.00	£0.00	£635.00	OS
Large scale application >4999 (minimum fee applies)		£1,000.00	0.0%	£0.00	£1,000.00	£0.00	£1,000.00	OS
Variation of Premises Licence		£100 - £635	0.0%	£0.00	£100 - £635	£0.00	£100 - £635	OS
Change of DPS or Disapplication of DPS		£23.00	0.0%	£0.00	£23.00	£0.00	£23.00	OS
<b>Annual fee demand</b>								
Category A		£70.00	0.0%	£0.00	£70.00	£0.00	£70.00	OS
Category B		£180.00	0.0%	£0.00	£180.00	£0.00	£180.00	OS
Category C		£295.00	0.0%	£0.00	£295.00	£0.00	£295.00	OS
Category D		£320.00	0.0%	£0.00	£320.00	£0.00	£320.00	OS
Category E		£350.00	0.0%	£0.00	£350.00	£0.00	£350.00	OS
Large scale annual fee >4999 (minimum fee applies)		£500.00	0.0%	£0.00	£500.00	£0.00	£500.00	OS
Minor Variation		£89.00	0.0%	£0.00	£89.00	£0.00	£89.00	OS
Provisional Statement		£195.00	0.0%	£0.00	£195.00	£0.00	£195.00	OS
Register of Interest		£21.00	0.0%	£0.00	£21.00	£0.00	£21.00	OS
Copy of Licence		£10.50	0.0%	£0.00	£10.50	£0.00	£10.50	OS
Club Premises Certificate - New		£100 - £635	0.0%	£0.00	£100 - £635	£0.00	£100 - £635	OS
Club Premises Certificate - Variation		£100 - £635	0.0%	£0.00	£100 - £635	£0.00	£100 - £635	OS
Club Premises Certificate - Minor Variation		£89.00	0.0%	£0.00	£89.00	£0.00	£89.00	OS
Personal Licence - New		£37.00	0.0%	£0.00	£37.00	£0.00	£37.00	OS
Personal Licence - Change of name /address		£10.50	0.0%	£0.00	£10.50	£0.00	£10.50	OS
Personal Licence - Copy of Licence (card part, paper part or both)		£10.50	0.0%	£0.00	£10.50	£0.00	£10.50	OS
Transfer of Premises Licence		£23.00	0.0%	£0.00	£23.00	£0.00	£23.00	OS
Temporary Event Notice		£21.00	0.0%	£0.00	£21.00	£0.00	£21.00	OS
Skin Piercing	Premises registration	£191.00	3.7%	£7.00	£198.00	£0.00	£198.00	OS
	Personal registration	£53.00	3.8%	£2.00	£55.00	£0.00	£55.00	OS
Street Trading Consents		£198.00	4.0%	£8.00	£206.00	£0.00	£206.00	OS
Copy of Any License Not Covered by the Licensing Act 2003 or Gambling Act 2005		£27.00	3.7%	£1.00	£28.00	£0.00	£28.00	OS



		2021/22		Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
		£	%	£	£				
Sale of Animals	New (Part A)	£205.00	3.9%	£8.00	£213.00	£0.00	£213.00	OS	
	New (Part B)	£111.00	3.6%	£4.00	£115.00	£0.00	£115.00	OS	
	Renewal (Part A)	£199.00	4.0%	£8.00	£207.00	£0.00	£207.00	OS	
	Renewal (Part B)	£108.00	3.7%	£4.00	£112.00	£0.00	£112.00	OS	
Animal Boarding Establishments (Excludes vet fees payable direct to vet)	Cats or Dogs - New (Part A)	£257.00	3.9%	£10.00	£267.00	£0.00	£267.00	OS	
	Cats or Dogs - New (Part B)	£111.00	3.6%	£4.00	£115.00	£0.00	£115.00	OS	
	Cats or Dogs - Renewal (Part A)	£249.00	4.0%	£10.00	£259.00	£0.00	£259.00	OS	
	Cats or Dogs - Renewal (Part B)	£108.00	3.7%	£4.00	£112.00	£0.00	£112.00	OS	
	Cats and Dogs (Dual) - New (Part A)	£302.00	4.0%	£12.00	£314.00	£0.00	£314.00	OS	
	Cats and Dogs (Dual) - New (Part B)	£111.00	3.6%	£4.00	£115.00	£0.00	£115.00	OS	
	Cats and Dogs (Dual) - Renewal (Part A)	£294.00	3.7%	£11.00	£305.00	£0.00	£305.00	OS	
	Cats and Dogs (Dual) - Renewal (Part B)	£108.00	3.7%	£4.00	£112.00	£0.00	£112.00	OS	
	Home Boarding - New (Part A)	£170.00	4.1%	£7.00	£177.00	£0.00	£177.00	OS	
	Home Boarding - New (Part B)	£111.00	3.6%	£4.00	£115.00	£0.00	£115.00	OS	
	Home Boarding - Renewal (Part A)	£165.00	3.6%	£6.00	£171.00	£0.00	£171.00	OS	
	Home Boarding - Renewal (Part B)	£108.00	3.7%	£4.00	£112.00	£0.00	£112.00	OS	
Hiring of Horses	New or Renewal (Part A) + vet fee	£257.00	3.9%	£10.00	£267.00	£0.00	£267.00	OS	
	New or Renewal (Part B) + vet fee	£114.00	3.5%	£4.00	£118.00	£0.00	£118.00	OS	
Dog Breeding	New (part A) + vet fee	£257.00	3.9%	£10.00	£267.00	£0.00	£267.00	OS	
	New (part B)	£114.00	3.5%	£4.00	£118.00	£0.00	£118.00	OS	
	Renewal (Part A)	£249.00	4.0%	£10.00	£259.00	£0.00	£259.00	OS	
	Renewal (Part B)	£114.00	3.5%	£4.00	£118.00	£0.00	£118.00	OS	
Dog Day Care	New (Part A)	£170.00	4.1%	£7.00	£177.00	£0.00	£177.00	OS	
	New (Part B)	£114.00	3.5%	£4.00	£118.00	£0.00	£118.00	OS	
Dog Day Care	Renewal (Part A)	£165.00	3.6%	£6.00	£171.00	£0.00	£171.00	OS	
	Renewal (Part B)	£108.00	3.7%	£4.00	£112.00	£0.00	£112.00	OS	
Exhibition Of Animals	New or Renewal (Part A)	£170.00	4.1%	£7.00	£177.00	£0.00	£177.00	OS	
Application to be re-rated	per hour or part of	£65.00	4.6%	£3.00	£68.00	£0.00	£68.00	OS	
Variation to the licence	per hour or part of	£65.00	4.6%	£3.00	£68.00	£0.00	£68.00	OS	
Dangerous Wild Animals (Excluding vet fees)	Vets fees plus admin costs of	£169.00	4.1%	£7.00	£176.00	£0.00	£176.00	OS	
Zoos (Excluding vet fees) - 4 yr. initial application	Application fee plus Vets fees plus admin/costs inc initial inspection and informal visits	£738.00	3.9%	£29.00	£767.00	£0.00	£767.00	OS	
Zoos (Excluding vet fees) - 6 yr. licence	Application fee plus Vets fees plus admin/costs inc initial inspection and informal visits	£1,803.00	3.9%	£70.00	£1,873.00	£0.00	£1,873.00	OS	
<b>Scrap Metal</b>									
New/Renewal Collectors fee - 3 yr.	Admin/processing of application (part A)	£113.00	3.5%	£4.00	£117.00	£0.00	£117.00	OS	
	Document inspection - year 1 (part B)	£40.00	5.0%	£2.00	£42.00	£0.00	£42.00	OS	
	Document inspection - year 2 (part B)	£42.00	4.8%	£2.00	£44.00	£0.00	£44.00	OS	
	Document inspection - year 3 (part B)	£42.00	4.8%	£2.00	£44.00	£0.00	£44.00	OS	
Change of details, name / address		£42.00	4.8%	£2.00	£44.00	£0.00	£44.00	OS	
New/Renewal Site fee - 3 yr.	Part A Admin of application includes initial yr. 1 inspection by 2 officers	£432.00	3.9%	£17.00	£449.00	£0.00	£449.00	OS	
	Part B Follow up compliance inspection by 2 officers - year 1	£271.00	4.1%	£11.00	£282.00	£0.00	£282.00	OS	
	Part B Follow up compliance inspection - year 2 by 2 officers	£281.00	3.9%	£11.00	£292.00	£0.00	£292.00	OS	
Change of site manager		£41.00	4.9%	£2.00	£43.00	£0.00	£43.00	OS	
Sex Shop Licences and Sexual Entertainment Venues	Initial application (part A)	£1,887.00	3.9%	£74.00	£1,961.00	£0.00	£1,961.00	OS	
	compliance check (part B)	£141.00	3.5%	£5.00	£146.00	£0.00	£146.00	OS	
	Renewal (part A)	£336.00	3.9%	£13.00	£349.00	£0.00	£349.00	OS	
	compliance check (part B)	£141.00	3.5%	£5.00	£146.00	£0.00	£146.00	OS	
	Transfer fee	£234.00	3.8%	£9.00	£243.00	£0.00	£243.00	OS	

\* To comply with legal requirements relevant licence fees are now made up of two parts. Part A is payable upon application, and Part B is only payable if the licence is granted and must be paid prior to the licence being issued. Applicants may, if they wish, pay both parts together at the time of the application but are under no obligation to do so. If an applicant does pay both parts of the fee at the time of the application and the licence is subsequently refused Part B will be refunded.

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

Access to data	Access to information not held on public registers (includes £5 admin fee)	£24.00	3.9%	£0.94	£24.94	£0.00	£24.94	OS
	Cancellation Fee	£6.50	3.9%	£0.25	£6.75	£0.00	£6.75	OS
LLC1:	Any one part of the register	£8.00	3.9%	£0.31	£8.31	£0.00	£8.31	OS
	Whole of the register	£24.00	3.9%	£0.94	£24.94	£0.00	£24.94	OS
	Per additional parcel (maximum of £16)	£1.50	33.0%	£0.50	£2.00	£0.00	£2.00	OS
CON 29R	One parcel	£75.50	3.9%	£2.94	£78.44	£15.69	£94.13	S
	Each additional parcel	£17.00	3.9%	£0.66	£17.66	£3.53	£21.20	S
	Lincolnshire County Council Fee	£23.10	3.9%	£0.90	£24.00	£4.80	£28.80	S
CON 29O								
submitted with CON29R or LLC1	Each printed enquiry	£18.50	3.9%	£0.72	£19.22	£3.84	£23.07	S
submitted on its own	Each printed enquiry	£18.50	3.9%	£0.72	£19.22	£3.84	£23.07	S
Administration Fee		£13.50	3.9%	£0.53	£14.03	£2.81	£16.83	S
Additional Enquiries *	Per additional enquiry	£32.00	3.9%	£1.25	£33.25	£6.65	£39.90	S/O
Filing a definitive certificate of the Lands Tribunal		£3.50	14.4%	£0.50	£4.00	£0.00	£4.00	OS
Office copy of any entry in the register (not including a copy or extract of any plan or document filed pursuant to these rules)								S

\* The VAT treatment of this supply will follow the treatment of the initial search (eg if CON29 it will be taxable, but if LLC1 it will be outside the scope)

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
£	%	£	£	£	£	

**Cost for interment of a person who had been a West Lindsey resident at the time of their death**

Single Grave not exceeding 9' x 4' (99 years) (B) For the interment of a West Lindsey resident	£637.00	3.9%	£25.00	£662.00	£0.00	£662.00	OS
Double Grave not exceeding 9' x 4' (99 years) (B) For the interment of a West Lindsey resident	£892.00	3.9%	£35.00	£927.00	£0.00	£927.00	OS
Single Grave not exceeding 9' x 4' (50 years) (B) for the interment of a West Lindsey resident	£319.00	3.9%	£12.50	£331.50	£0.00	£331.50	OS
Double Grave not exceeding 9' x 4' (50 years) (B) for the interment of a West Lindsey resident	£445.50	3.9%	£17.50	£463.00	£0.00	£463.00	OS
Cremated remains only grave not exceeding 4' 6" x 4' For the interment of a West Lindsey resident	£382.00	3.9%	£15.00	£397.00	£0.00	£397.00	OS
Cremated remains only grave not exceeding 4' 6" x 4' (C) (3 to 17 years) For the interment of a West Lindsey resident **	£103.00	3.9%	£4.00	£107.00	£0.00	£107.00	OS
Single grave (3 to 17 years) for the interment of a West Lindsey resident **	£172.00	0.0%	£0.00	£172.00	£0.00	£172.00	OS

**Cost for interment of a person who had not been a West Lindsey resident at the time of their death**

Single Grave not exceeding 9' x 4' (99 years) (B) For the interment of a Non West Lindsey resident	£1,274.00	3.9%	£49.50	£1,323.50	£0.00	£1,323.50	OS
Double Grave not exceeding 9' x 4' (99 years) (B) For the interment of a Non West Lindsey resident	£1,784.00	3.9%	£69.50	£1,853.50	£0.00	£1,853.50	OS
Single Grave not exceeding 9' x 4' (50 years) (B) for the interment of a Non West Lindsey resident	£638.00	3.9%	£25.00	£663.00	£0.00	£663.00	OS
Double Grave not exceeding 9' x 4' (50 years) (B) for the interment of a Non West Lindsey resident	£891.00	3.9%	£34.50	£925.50	£0.00	£925.50	OS
Cremated remains only grave not exceeding 4' 6" x 4' For the interment of a West Lindsey Non resident	£764.00	3.9%	£30.00	£794.00	£0.00	£794.00	OS
Cremated remains only grave not exceeding 4' 6" x 4' (C) (3 to 17 years) For the interment of a Non West Lindsey resident **	£103.00	3.9%	£4.00	£107.00	£0.00	£107.00	OS
Single grave (3 to 17 years) for the interment of a Non West Lindsey resident **	£172.00	0.0%	£0.00	£172.00	£0.00	£172.00	OS

**Exhumation:**

Body *	£553.50	3.9%	£21.50	£575.00	£0.00	£575.00	OS
Cremated remains *	£277.00	3.9%	£11.00	£288.00	£0.00	£288.00	OS

\* There will be an additional cost - Public Health Exhumation of £1000

\*\* There will be no charge up to 3 years

**Monuments, Gravestones, Tablets & Monumental Inscriptions (Permission to erect) (Includes initial inscription)**

Headstone up to 18 inches (C)	£127.50	3.9%	£5.00	£132.50	£0.00	£132.50	OS
Headstone 18 inches to 3ft (B)	£152.50	3.9%	£6.00	£158.50	£0.00	£158.50	OS
Headstone over 3ft but under 4ft (B)	£277.00	4.0%	£11.00	£288.00	£0.00	£288.00	OS
Small vase (up to 6 inches) (B) (C)	£55.00	3.6%	£2.00	£57.00	£0.00	£57.00	OS
Vase (6 inches to 1ft) (B) (C)	£102.00	3.9%	£4.00	£106.00	£0.00	£106.00	OS
Plaque (not exceeding 8" x 4" (fixed)) (B) (C)	£55.00	3.6%	£2.00	£57.00	£0.00	£57.00	OS
Plaque (not exceeding 12" x 6" (fixed)) (B) (C)	£102.00	3.9%	£4.00	£106.00	£0.00	£106.00	OS
Flat stone (not exceeding 12" x 12") (B) (C)	£102.00	3.9%	£4.00	£106.00	£0.00	£106.00	OS
Flat stone (not exceeding 12" x 18") (B) (C)	£113.00	4.0%	£4.50	£117.50	£0.00	£117.50	OS
Memorial figurine (not exceeding 12" (fixed)) (B) (C)	£102.00	3.9%	£4.00	£106.00	£0.00	£106.00	OS
Memorial figurine (12" up to 24" (fixed)) (B) (C)	£121.50	3.7%	£4.50	£126.00	£0.00	£126.00	OS
For each inscription after the first	£45.50	4.4%	£2.00	£47.50	£0.00	£47.50	OS

**Registration Fees**

Per certified copy of a certificate of grant of exclusive Right of Burial	£72.50	4.1%	£3.00	£75.50	£0.00	£75.50	OS
Per certified copy of entry in Register of Burials	£72.50	4.1%	£3.00	£75.50	£0.00	£75.50	OS

**Copies of Certificates**

Permission to plant memorial tree	£83.00	3.6%	£3.00	£86.00	£0.00	£86.00	OS
Permission to install memorial seat	£83.00	3.6%	£3.00	£86.00	£0.00	£86.00	OS

**NB. Burial grounds are at Market Rasen & Springthorpe**

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

Garden Waste and Additional Blue Sacks	Per 5 sacks	£9.15	0.0%	£0.00	£9.15	£0.00	£9.15	OS
	Postage & packaging of 5 sacks	£2.35	0.0%	£0.00	£2.35	£0.00	£2.35	OS
Garden Waste Wheeled Bin (Annual charge)	Collection of 1st bin	£35.00	11.4%	£4.00	£39.00	£0.00	£39.00	OS
Garden Waste Wheeled Bin (Annual charge)	Collection of 2nd and subsequent bins	£35.00	11.4%	£4.00	£39.00	£0.00	£39.00	OS
Wheeled Bin Replacement (supply & delivery)	Residual /blue recycling	£35.00	0.0%	£0.00	£35.00	£0.00	£35.00	OS
Wheeled Bins for New Properties (supply & delivery)	Residual/blue recycling	£35.00	0.0%	£0.00	£35.00	£0.00	£35.00	OS
Bulky Household Waste Collections	Collection articles worth up to 6 points	£33.00	3.9%	£1.30	£34.30	£0.00	£34.30	OS
	Additional articles worth 1 point collected at the same time	£4.30	4.7%	£0.20	£4.50	£0.00	£4.50	OS
Collection and Disposal of Fridges and Freezers from Commercial Premises		£91.60	3.9%	£3.60	£95.20	£0.00	£95.20	OS

2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

		£	%	£	£	£	£	
Cremation		£829.00	2.5%	£21.00	£850.00	£0.00	£850.00	X
Early start (09:00 & 09:45)		£669.50	2.5%	£16.50	£686.00	£0.00	£686.00	X
Direct Cremation (no attendance 08:45)		£463.50	0.3%	£1.50	£465.00	£0.00	£465.00	X
Body parts/slides and blocks		£77.50	2.6%	£2.00	£79.50	£0.00	£79.50	X
Saturday service (with discussion with Manager)		£1,161.00	2.5%	£29.00	£1,190.00	£0.00	£1,190.00	X
Late cancellation fee (cancellations within 72 hours of service)		£113.50	2.6%	£3.00	£116.50	£0.00	£116.50	X
Chapel fee (extension 20 minutes)		£180.50	2.5%	£4.50	£185.00	£0.00	£185.00	X
Chapel fee (extension 40 minutes)		£232.00	2.6%	£6.00	£238.00	£0.00	£238.00	X
Memorial Service (45mins)		£232.00	2.5%	£5.80	£237.80	£1.00	£238.80	X
Strewing/scattering of cremated remains from elsewhere		£55.00	0.0%	£0.00	£55.00	£0.00	£55.00	X
Witnessed scattering		£20.00	5.0%	£1.00	£21.00	£0.00	£21.00	X
The Farewell Service	A 10 minute service, for 6 mourners, 1 piece of music played on repeat. No minister.	£515.00	2.5%	£13.00	£528.00	£0.00	£528.00	X
Webcast recording		£40.00	3.8%	£1.50	£41.50	£8.30	£49.80	S
Webcast recording (available for 28 days and download)		£45.00	4.4%	£2.00	£47.00	£9.40	£56.40	S
DVD recording (1st copy)		£50.00	4.0%	£2.00	£52.00	£10.40	£62.40	S
DVD recording (each subsequent copy)		£25.00	4.0%	£1.00	£26.00	£5.20	£31.20	S
Visual tribute (1 photograph)		£15.00	3.3%	£0.50	£15.50	£3.10	£18.60	S
Visual tribute (2-25 photographs)	Slideshow played on a loop throughout service	£40.00	3.8%	£1.50	£41.50	£8.30	£49.80	S
Pro Visual tribute (2-25 photographs)	Professionally edited slideshow	£66.67	4.2%	£2.83	£69.50	£13.90	£83.40	S
Visual tribute (for additional 25 photos)	Both standard and professionally edited slideshow	£25.83	4.5%	£1.17	£27.00	£5.40	£32.40	S
Video tribute (up to 5 minutes)		£35.00	4.3%	£1.50	£36.50	£7.30	£43.80	S
DVD containing the tribute (1st copy)		£25.00	4.0%	£1.00	£26.00	£5.20	£31.20	S
DVD containing the tribute (each subsequent copy)		£20.00	5.0%	£1.00	£21.00	£4.20	£25.20	S
Extra work (Pro tribute)		£17.50	0.0%	£0.00	£17.50	£3.50	£21.00	S
Downloadable copy of Visual Tribute		£10.00	5.0%	£0.50	£10.50	£2.10	£12.60	S
Book of Remembrance (2 lines)		£75.00	4.0%	£3.00	£78.00	£15.60	£93.60	S
Book of Remembrance (each additional line) (to a maximum of 8 lines)		£8.33	2.0%	£0.17	£8.50	£1.70	£10.20	S
Book of Remembrance (illustrations)	plus Admin Fee £10-£30 dependent on requirements	POA			£0.00	POA	POA	S
Miniature book (leather - 2 lines)		£90.00	3.9%	£3.50	£93.50	£18.70	£112.20	S
Miniature book (leather - 5 lines)		£110.00	4.1%	£4.50	£114.50	£22.90	£137.40	S
Miniature book (leather - 8 lines)		£120.00	3.8%	£4.50	£124.50	£24.90	£149.40	S
Memorial card (2 lines)		£40.00	3.8%	£1.50	£41.50	£8.30	£49.80	S
Memorial card (5 lines)		£60.00	4.2%	£2.50	£62.50	£12.50	£75.00	S
Memorial card (8 lines)		£70.00	3.6%	£2.50	£72.50	£14.50	£87.00	S
Additional inscription to existing books and cards		£18.33	3.7%	£0.67	£19.00	£3.80	£22.80	S
Floral design (available for 5 and 8 lines only)		£40.00	3.8%	£1.50	£41.50	£8.30	£49.80	S
Caskets *		£45.00	4.4%	£2.00	£47.00	£9.40	£56.40	S
Temporary deposit of Cremated remains per month after initial month		£10.00	5.0%	£0.50	£10.50	£2.10	£12.60	S
*** Sanctum 2000 vault (leased for 10 years) including up to 80 letters **		£791.67	6.0%	£47.83	£839.50	£167.90	£1,007.40	S
*** Sanctum 2000 vault - per letter above 80		£1.75	14.3%	£0.25	£2.00	£0.40	£2.40	S
*** Barbican memorial (space lease for 5 years) **		£192.50	6.0%	£11.50	£204.00	£40.80	£244.80	S
*** Mulberry Tree - per leaf, space leased for 5 years **		£137.50	4.2%	£5.83	£143.33	£28.67	£172.00	S

\* If a casket is sold as part of a funeral package it will be exempt from VAT; if supplied on its own it will be standard rated

\*\* Sanctum 2000 vault/Barbican memorial/Mulberry tree - additional artwork/photo plaque can be provided - POA (plus Admin Fee £10-£30 dependent on requirements)

\*\*\* When a Mulberry leaf, Barbican plaque or Sanctum vault is purchased there will be a 10% discount applied to any book of remembrance purchase.



2021/22	Proposed Increase / (Decrease)		2022/23	VAT Amount	2022/23 Charge Inc. VAT	VAT Rate
	£	%				

		£	%	£	£	£	£			
*	Theatre (rehearsal) (Mon-Thurs)	per hour		£56.50	3.5%	£2.00	£58.50	£11.70	£70.20	S/X
*	Theatre (rehearsal) (Mon-Thurs)	per half day		£185.50	3.8%	£7.00	£192.50	£38.50	£231.00	S/X
*	Theatre (rehearsal) (Mon-Thurs)	per full day		£288.50	4.0%	£11.50	£300.00	£60.00	£360.00	S/X
*	Theatre (rehearsal) (Fri-Sun)	per hour		£56.50	3.5%	£2.00	£58.50	£11.70	£70.20	S/X
*	Theatre (rehearsal) (Fri-Sun)	per half day		£222.50	3.8%	£8.50	£231.00	£46.20	£277.20	S/X
*	Theatre (rehearsal) (Fri-Sun)	per full day		£350.00	3.9%	£13.50	£363.50	£72.70	£436.20	S/X
*	Theatre (performance) (Mon-Thurs)	per hour		£67.00	3.7%	£2.50	£69.50	£13.90	£83.40	S/X
*	Theatre (performance) (Mon-Thurs)	per half day		£237.00	3.8%	£9.00	£246.00	£49.20	£295.20	S/X
*	Theatre (performance) (Mon-Thurs)	per full day		£386.50	3.9%	£15.00	£401.50	£80.30	£481.80	S/X
*	Theatre (performance) (Fri-Sun)	per hour		£67.00	3.7%	£2.50	£69.50	£13.90	£83.40	S/X
*	Theatre (performance) (Fri-Sun)	per half day		£283.50	3.9%	£11.00	£294.50	£58.90	£353.40	S/X
*	Theatre (performance) (Fri-Sun)	per full day		£463.50	3.9%	£18.00	£481.50	£96.30	£577.80	S/X
	Room hire(Mon-Sat) (educational/charity)	per hour		£13.50	7.4%	£1.00	£14.50	£2.90	£17.40	X
	Room hire(Mon-Sat)	per hour		£20.50	4.9%	£1.00	£21.50	£4.30	£25.80	X
	Room hire(Mon-Sat)	per half day		£68.00	5.9%	£4.00	£72.00	£14.40	£86.40	X
	Room Hire (Mon-Sat)	per full day		£119.50	5.9%	£7.00	£126.50	£25.30	£151.80	X
	Thomas Johnson Room (Mon-Sat) (educational/charity)	per hour		£0.00			£8.50	£0.00	£8.50	X
	Thomas Johnson Room(Mon-Sat)	per hour		£0.00			£12.50	£0.00	£12.50	X
	Thomas Johnson Room(Mon-Sat)	per half day		£0.00			£55.00	£0.00	£55.00	X
	Thomas Johnson Room(Mon-Sat)	per full day		£0.00			£65.00	£0.00	£65.00	X
	Duty Manager/Technician	per hour		£13.50	3.7%	£0.50	£14.00	£2.80	£16.80	S
	Booking Fee (face to face / phone)			£1.00	0.0%	£0.00	£1.00	£0.20	£1.20	S
	Ticket insurance per ticket	£2 incl VAT		£1.67	0.0%	£0.00	£1.67	£0.33	£2.00	S
	Film showings - adult			£5.00	8.4%	£0.42	£5.42	£1.08	£6.50	S
	Film showings - concessionary **			£4.17	10.2%	£0.43	£4.59	£0.92	£5.51	S
	Film showings - TAC member	10% discount on eligible tickets								

Box office commission for community production hire agreements is 10%

Box office commission for professional production hire agreements is 15%

\* VAT is chargeable at the standard rate on room hire with additional services such as sound engineers, box office etc. Room only with no additional services provided in Exempt for VAT.

\*\* concessionary prices eligibility are school children, those on income support, senior citizens, students, those on disability allowance, Military id card and Blue light card

## APPENDIX 4

### CAPITAL INVESTMENT STRATEGY 2022/23 – 2026/27

#### 1. Introduction

The Council is required to approve a Capital Investment Strategy in accordance with the Prudential Code for Capital Finance in Local Authorities.

The Capital Investment Strategy provides a high level overview of how capital investment, capital financing and treasury management activity supports the provisions of services. It considers associated risks and how they are managed and ensures that future financial implications are identified to inform future year's budgets and financial sustainability.

The Strategy forms part of the Council's overall Corporate Planning Framework. It provides a mechanism by which the Council's capital investment and financing decisions can be aligned with the Council's corporate priorities and objectives over a medium term (five year) planning horizon and ensures that the revenue implications of investments are both affordable and sustainable.

The strategy provides a framework for determining the relative importance of individual capital projects. It defines how the capital programme is to be formulated, and it identifies issues and options that influence revenue and capital spending, and sets out how the resources will be managed.

Key elements of the strategy;

- Ensures investments meet our Corporate Plan objectives
- Incorporates the requirements of the Strategic Asset Management Plan
- Enables the development of a Capital Investment Programme over the medium term (5 years)
- A framework which will identify priorities for the use of resources for investment.
- Decisions are based on sound business cases.
- Risks are identified and mitigated where possible
- Directly links to the Treasury Management Strategy ensuring an affordable and sustainable Capital Investment Programme in adherence to legislation and the Prudential Code.
- Informs the Medium Term Financial Plan by identifying the revenue impacts of investment decisions.
- Incorporates an annual review to ensure the programme still meets our priorities.
- Considers innovative solutions to funding.

#### 1. Principles Supporting the Capital Investment Strategy

##### a) Strategy Principles

- The investment programme will support the Council's strategic priorities, therefore, the capital investment programme will link to all key strategic

planning documents: specifically the Corporate Plan, Executive Business Plan, Medium Term Financial Plan and the Strategic Asset Management Plan.

- Schemes within the programme will be prioritised on an authority wide basis and the process of assessing investments, against specific criteria, will optimise the benefit and relative importance of potential schemes.
- Responsible Investing (RI) - investing in opportunities that seek to generate both financial value and sustainable growth.
- Socially responsible investing (SRI), also known as sustainable, socially conscious, "green" or ethical investing (ESG), as well as any investment strategy which seeks to consider both financial return, environmental and social good and appropriate governance.

b) Capital Investment Policy

The Capital Investment Strategy will be underpinned by a Land and Property Investment Policy. The policy does not describe detailed operational investment activity but does describe the framework, and principal (underlying) considerations, which the Council will follow when reviewing and subsequently agreeing investment opportunities. It is designed to support the goals and objectives as outlined in the Corporate Plan, the general objectives of a UK public sector service provider and the very specific aims; goals and aspirations of the Council members; executive officers and their teams.

c) Finance Principles

- The overarching principal is the commitment to achieve affordable capital investments over the longer term.
- To pursue all available external funding options and opportunities for leverage of external resources.
- Ensure evaluation for value for money investments by whole life costing (where applicable) and by having robust Business Cases with full financial modelling, and appropriate due diligence in estimates in order to inform the full financial implications
- To develop partnerships, including the pursuit of shared services, joint ventures and community arrangements, where appropriate, to achieve the Council's investment aspirations and value for money.
- Monitoring and evaluation of approved budgets will form part of the quarterly budget monitoring reports.
- Monitoring and evaluation of approved Programmes and projects will form part of Performance Management.
- Encourage community engagement by informing on priorities and consultation on proposals.
- To invest in non-treasury activities to support ongoing sustainability in the delivery of services.
- Regularly review Business Cases as schemes are developed and update financial models to inform future budget impacts.

d) Asset Management Principles

**The Asset Management Policy ensures that;**

- We will take all reasonable and practical steps to ensure the health, safety and wellbeing of staff, visitors and contractors who use or visit our buildings, land or property and who use or are in contact with supporting asset infrastructure.
- We will ensure that all our buildings and land and property assets are fully compliant with current legal requirements, are fit for purpose and managed and maintained in accordance with best practice.
- We will ensure that infrastructure supporting our physical assets is safe and fully compliant with relevant legislative and regulatory requirements.
- All activity on our assets will be carried out in compliance with relevant legislative and statutory requirements.
- We will assess asset related risks and manage such risk in accordance with our corporate risk management policy or in accordance with procedures relevant to the specific asset, its use and function.
- We will retain and/or acquire physical assets which are appropriate to our business and function and dispose of those assets which are not fit for purpose or which cannot support our business or investment criteria.
- We shall continue to actively develop our asset management systems; processes and procedures in a way which is appropriate; efficient; transparent and sustainable and which supports the best management outcomes for our physical assets.
- We shall continue to train and develop staff across the asset management discipline and apply technology and innovation where practical.
- We shall seek continual improvement of our management capability and activities to ensure value for money for all stakeholders.

3. Capital Investment Priorities

The Council's proposed Capital Investment Programme 2022/23 will support the Corporate Plan's key themes;

- Our People – Health and Wellbeing, Leisure, Skills, Vulnerable Groups and Communities
- Our Place – Economic Growth, External Investment, Social Regeneration, Infrastructure, Enhanced Environment
- Our Council – Finances, Structures, Partnerships, Policies, Governance

The Council's financial planning process ensures that the decisions about the allocation of capital and revenue resources are taken to achieve a corporate and consistent approach. The key corporate documents and relevant linkages with this strategy include;

- The Corporate Plan – priorities for the medium term
- The Medium Term Financial Plan - incorporates the Financial Strategy, revenue budget financial impacts of capital investment decisions.
- The Reserves Strategy- prioritises the use of reserves for capital and revenue purposes.
- The Treasury Management Strategy (including Investment Strategy) informs the affordability and sustainability of prudent investment decisions.
- The Commercial Portfolio Strategy – informs how acquisitions of investment properties will be made on a risk based approach
- The Value for Money Strategy – Ensuring VFM is achieved from investment decisions.
- The Housing Strategy – Supporting housing growth and regeneration within the district.
- The Land and Property Investment Strategy -
- The Asset Management Policy – Investment needs of our own land and property holdings
- Service Plans – Investment need for delivery of quality services

#### 4. The Capital Investment Strategy Process

The strategic approach to revenue and capital investment decisions needs to be formalised to ensure that our resources are directed to the most appropriate schemes which both deliver our corporate priorities and which are based on sound business cases. Assessment and prioritisation of capital investments schemes are based on uniform criteria.

Therefore the Capital Investment Strategy Process has been developed which will ensure that prioritisation of investments are directed to deliver Corporate Objectives and delivery of the Executive Business Plan and Service Business Plans in addition to generating returns to support delivery of core services.

The process for includes:

- Review existing Capital Programme, timing, budget requirements etc.
- Annual review of existing Projects
- Strategic Asset Management Plan – detailed costs of required investment in property portfolio and property assets to be disposed.
- Review of asset replacement programmes
- Consideration of financing availability i.e. Earmarked Reserves, Grant funding, Capital Receipts and Prudential Borrowing
- Business Planning – identifying new schemes and projects for evaluation both capital and revenue.
- Evaluation of all proposed schemes against scoring matrix.
- Consider core service funding requirements and opportunities to invest in non-Treasury assets to generate returns

The final approved Capital Investment Programme and its financial implications, are included within the Medium Term Financial Plan, submitted to the Council annually in March for approval.

Fully costed and appraised business cases for each scheme will be presented to a relevant Board for consideration prior to any decision being made.

The Capital Programme consists of 4 levels of activity;

- Pre-Stage 1 – Business Case in preparation
- Stage 1 – Budget approved – requires full business case
- Stage 2 – Business case approved in principal or awaiting funding
- Stage 3 and Business as Usual (BAU) – Approved to spend and funding secured

The investment and the ongoing revenue implications of each scheme are ascertained from the financial implications and appraisals within the business case.

The Capital Investment Value is assessed against the capital definition, and deminimis limits (£10k).

Revenue Implications – include the impact on revenue budgets for running costs/additional staffing etc. and the impact of the cost of borrowing or loss of investment interest if capital receipts and revenue reserves are to be utilised.

## 5. Governance of the Capital Investment Programme

In accordance with the Constitution and governance arrangements, the Council reviews its capital requirements and determines its Capital Programme within the framework of the MTFP and as part of the annual budget process. Resource constraints mean the Council continually needs to prioritise expenditure in light of its aims and priorities and considers alternative solutions.

To ensure that available resources are allocated optimally, capital programme planning is determined in parallel with service and revenue budget planning processes within the frame work of the MTFP.

New programmes of expenditure will be appraised following a clearly defined Business Case gateway process.

The Council will approve in principal the Capital Investment Programme, and will approve the release of funding for replacement and renewal programmes. This is undertaken annually in March as part of budget setting and the approval of the Medium Term Financial Plan.

The Governance and Audit Committee will provide assurance on this Capital Investment Strategy.

Corporate Policy and Resources Committee will be responsible for approving release of funding for the Capital Investment Programme and will therefore

receive reports for each scheme detailing the business case, cost, proposed funding and revenue implications.

Corporate Policy and Resources Committee will receive quarterly monitoring and update reports which may include details of;

- New capital investment schemes
- Slippage in programme delivery
- Programmes removed or reduced
- Virements (budget movements) between schemes
- Revisions in spend profile
- Overspending
- Capital acquisitions and disposals
- Loan advances and outstanding loan balances

Progress on specific programmes will also be monitored in relation to projects through the Performance Monitoring reporting framework.

The programme boards will receive monthly highlight reports

The Management Team will receive quarterly monitoring reports and any exception reporting.

Budget Managers will receive monthly monitoring reports.

## 6. Capital Financing

The funding of Capital schemes can come from a number of resources, the use of external resources will take precedent;

- Prudential borrowing
- Revenue contributions and Earmarked Reserves
- Capital Receipts
- External grants and contributions (including S106 and Community Infrastructure Levies (CiL))
- Leasing
- Other sources – i.e. partnerships or private sector involvement

This strategy, the outcomes of which will inform the MTFP, is intended to consider all potential funding options available to the Council and to maximise the financial resources available for investment in corporate priorities and service provision and improvement.

To deliver our strategic objectives, especially in relation to economic and housing growth, regeneration, in addition to investment in commercial property which is designed to provide a revenue return, significant levels of investment will be required, which will result in a borrowing need.

## 7 Prudential Borrowing

The Council has discretion to undertake Prudential borrowing to fund capital projects with the full cost of that borrowing (interest and minimum revenue provision) being funded from Council revenue resources and/or capital receipts. This discretion is subject to complying with the Code's regulatory framework which essentially requires any such borrowing to be prudent, affordable and sustainable. Prudential borrowing provides an option for funding additional capital development however it has to be funded each year from within the revenue budget and by generating additional ongoing income streams from the investment.

Given the pressure on the Council's revenue budget in future years, prudent use will be made of this discretion in cases and only where there is a clear financial benefit, such as "invest to save", "invest to earn".

Borrowing for purely commercial investments is no longer allowed and the Public Works Loans Board (PWLB) will not support borrowing for this purpose.

Where there are elements of a commercial return within the wider project objectives then this is allowable and borrowing can be undertaken with the PWLB.

Where returns are expected to be higher than the revenue costs of the debt, provision of loans where principal repayments will be utilised as proxy for MRP, borrowing or major regeneration schemes which do not increase revenue expenditure levels in the longer term but provide a beneficial economic and or social impact.

The Council will remain cautious and prudent in the extent of prudential borrowing undertaken to fund new capital investment.

Where prudential borrowing is utilised to fund Capital Investment, financial implication considerations will be provided including the risks and opportunities of the investment over both the payback period and over the repayment period of any debt taken out.

## 8 Revenue Contributions and Earmarked Reserves

Our continued prudent approach is to set aside revenue resources to fund capital replacement programmes and asset management funding.

New Homes Bonus Grant will continue to be set aside for the purpose of investment in growth and regeneration (economic and housing) and this strategy has been included in the MTFP.

We will consider future Earmarking of Reserves for service investment needs, invest to save and invest to earn projects and enhancements to our own property assets, in addition to consideration of revenue contingencies, volatility and budget smoothing.



Our own resources will therefore be utilised to fund those schemes which provide a Socio-Economic return on investment, invest to save schemes which achieve efficiencies, and investment in our operational service asset needs.

## 9 Capital Receipts

Capital receipts generated from the following sources and where appropriate utilised as detailed.

- Loans principal repayments – used to repay prudential borrowing
- Receipts from Asset Disposal (operational property assets or surplus land)
- Commercial Portfolio Properties – repayment of borrowing
- Share of RTB Housing Transfer Agreement – future investment
- Insurance settlements – replacement of asset

## 10 External Grants and contributions (incl S106 and Community Infrastructure Levy (CiL))

The Council will actively pursue grants and contributions and other innovative solutions to funding of capital investment schemes. This funding will be utilised in the first instance.

## 11 Leasing

The use of leasing will be undertaken where alternative funding is not available for vehicles or minor equipment and the revenue budget does not allow for a full capital repayment. Where there is a robust business case then the option of leasing may be considered.

## 12 Other Sources of Funding

There are a range of other potential funding sources which may be generated locally either by the Council itself or in partnership with others i.e. a growing number of private organisations are showing interest where clear joint benefits exist. Each case will be subject to specific financial appraisals and appropriate governance arrangements.

## 13. Investment in Commercial Properties (Non Treasury Investments)

Any acquisition of Commercial Properties will be in accordance with the Commercial Portfolio Strategy. It is no longer acceptable to buy additional properties, however, we are able to manage our current portfolio effectively and therefore replacing any assets sold with new assets and we are able to borrow in this instance. The portfolio was acquired to support delivery of services in a financially sustainable organisation. Up to £30m has been approved for investment in Commercial Property in support and protection of Council Services.

Appropriate experts are engaged as required.

All assets will be assessed against a set criteria and the Chief Executive and the Leader of the Council have delegated Authority to complete on the acquisition of assets which score 50 or more out of 70. Any asset which falls below this threshold or registers a zero against any criteria may still be considered but specific justification will need to be provided and the decision to proceed taken to the Corporate Policy and Resources Committee for approval.

An annual review will be undertaken of the Commercial Property Portfolio to ascertain whether its fair value is sufficient to provide security against loss against the capital investment, and therefore adequate to meet the cost of outstanding borrowing.

Under the Minimum Revenue Provision (MRP) Policy, there will be an annual charge for borrowing undertaken to finance Commercial Properties. This reflects a change to the Policy for 2022/23. The previous policy included for a Voluntary MRP charge, subject to annual review.

A Valuation Volatility Earmarked Reserve has been created with a target balance of 5% of purchase price of the portfolio, which will reduce to 3% over the medium term, reflecting the introduction of an annual MRP charge to reduce outstanding prudential borrowing. This will help mitigate any financial loss of investment upon the sale of an asset should there be any shortfall against outstanding debt. A proportion of the annual revenue income generated from the investment will be allocated for risk provision.

A Commercial Contingency revenue base budget is also included within the MTFP to mitigate the risk of not achieving the desired level of yield from the Portfolio in year.

These investment assets are not deemed to be liquid over the short term but are likely to be held for the medium term of 5-10 years.

A number of prudential indicators in relation to these investments are contained within the Treasury Management Strategy and will be monitored throughout the year.

#### 14. Risk

All capital projects have a risk register, with all risks affecting the project considered.

A specific risk of capital investment is the impact on the Council's VAT partial exemption (recovery of exempt VAT up to 5% of overall VAT). If exempt VAT exceeds 5% the whole amount is then irrecoverable. Each scheme is therefore assessed for its impact.

## 15. Conclusion

The Capital Investment Strategy is a working document, which enables the Council to make informed rational capital investment decisions to achieve its corporate priorities and objectives. It provides a framework for determining the relative importance of individual projects.

The strategy will be reviewed annually to ensure that it remains relevant and effective.

**Appendix 5**
**Capital Investment Programme 2022/23 - 2026/27**

<b>Service Cluster / Scheme</b>	<b>Estimate 2022/23 £</b>	<b>Estimate 2023/24 £</b>	<b>Estimate 2024/25 £</b>	<b>Estimate 2025/26 £</b>	<b>Estimate 2026/27 £</b>	<b>TOTAL CAPITAL INVESTMENT £</b>
<b>Our People</b>						
Disabled Facilities Grants	674,900	674,900	674,900	674,900	674,900	<b>3,374,500</b>
Extra Care Provision	750,000	0	750,000	0	0	<b>1,500,000</b>
Affordable Housing - Leap - Supported Accommodation	80,000	0	0	0	0	<b>80,000</b>
Affordable Housing -Ongo, Marton	226,250	0	0	0	0	<b>226,250</b>
Affordable Housing - Lace - Romangate Court	180,000	0	0	0	0	<b>180,000</b>
<b>TOTAL OUR PEOPLE</b>	<b>1,911,150</b>	<b>674,900</b>	<b>1,424,900</b>	<b>674,900</b>	<b>674,900</b>	<b>5,360,750</b>
<b>Our Place</b>						
Vehicle Replacement Programme	828,000	192,000	375,000	472,000	90,000	<b>1,957,000</b>
Market Rasen 3 year vision	150,000	0	0	0	0	<b>150,000</b>
Gainsborough Heritage Regeneration - THI	449,600	408,500	343,000	0	0	<b>1,201,100</b>
Gainsborough Shop Front Improvement Scheme	52,413	0	0	0	0	<b>52,413</b>
5-7 Market Place - Redevelopment	404,500	0	0	0	0	<b>404,500</b>
One Public Estate Initiative	0	1,900,000	0	0	0	<b>1,900,000</b>
Food Waste Collection	0	531,000	0	0	0	<b>531,000</b>
Trinity Arts Centre Improvement (Lottery Bid)	2,500,000	2,500,000	0	0	0	<b>5,000,000</b>
Thriving Gainsborough - LUF	6,039,722	6,240,018	0	0	0	<b>12,279,740</b>
<b>TOTAL OUR PLACE</b>	<b>10,424,235</b>	<b>11,771,518</b>	<b>718,000</b>	<b>472,000</b>	<b>90,000</b>	<b>23,475,753</b>
<b>Our Council</b>						
Capital Enhancements to Council Owned Assets	70,000	170,000	80,000	50,000	100,000	<b>470,000</b>
Carbon Efficiency	160,000	0	0	0	0	<b>160,000</b>
ERP Systems (Phase 2)	200,000	200,000	0	0	0	<b>400,000</b>
Customer Relationship Management System	83,800	0	0	0	0	<b>83,800</b>
Replacement Planning System	123,000	0	0	0	0	<b>123,000</b>
Members laptop refresh	0	20,000	0	0	0	<b>20,000</b>
Desktop Refresh	0	0	25,000	150,000	0	<b>175,000</b>
Civic Car Replacement	0	30,000	0	0	0	<b>30,000</b>
Chamber Equipment Refresh (Cameras)	0	0	10,000	0	0	<b>10,000</b>
Gainsborough Cemetery Extension	0	150,000	0	0	0	<b>150,000</b>
<b>TOTAL OUR COUNCIL</b>	<b>636,800</b>	<b>570,000</b>	<b>115,000</b>	<b>200,000</b>	<b>100,000</b>	<b>1,621,800</b>
<b>Investment</b>						
Commercial Investment - Property Portfolio	0	3,000,000	0	0	0	<b>3,000,000</b>
<b>TOTAL INVESTMENT</b>	<b>0</b>	<b>3,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000,000</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>12,972,185</b>	<b>16,016,418</b>	<b>2,257,900</b>	<b>1,346,900</b>	<b>864,900</b>	<b>33,458,303</b>

## Appendix 6

### Analysis of Capital Programme Financing

Source	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	TOTAL
	£	£	£	£	£	£
<b>Use of Capital Receipts</b>	-526,700	-3,186,000	0	0	0	<b>-3,712,700</b>
<b>Use of Capital Grants</b>						
Disabled Facilities Grant	-674,900	-674,900	-674,900	-674,900	-674,900	<b>-3,374,500</b>
National Heritage Lottery Fund	-2,651,900	-2,908,500	-343,000	0	0	<b>-5,903,400</b>
LCC		-531,000				<b>-531,000</b>
Levelling up Fund	-4,495,788	-5,390,252				<b>-9,886,040</b>
Housing Infrastructure and Homes England						<b>0</b>
S106 - Developer Contributions	-1,236,250	-140,000	-750,000	0	0	<b>-2,126,250</b>
Capital Grants Unapplied	-7,413	0	0	0	0	<b>-7,413</b>
<b>Total Use of Grants</b>	<b>-9,066,251</b>	<b>-9,644,652</b>	<b>-1,767,900</b>	<b>-674,900</b>	<b>-674,900</b>	<b>-21,828,603</b>
<b>Use of Earmarked Reserves</b>						
IT Upgrades/Refresh	0	-20,000	-25,000	-150,000	0	<b>-195,000</b>
Maintenance of Facilities	-87,000	-320,000	-80,000	-50,000	-100,000	<b>-637,000</b>
Investment for Growth Fund	-1,914,434	-849,766	0	0	0	<b>-2,764,200</b>
Project Investment	-406,800	-200,000	-10,000	0	0	<b>-616,800</b>
Communities at Risk						<b>0</b>
Vehicle Replacement	-828,000	-192,000	-375,000	-472,000	-90,000	<b>-1,957,000</b>
Civic Fund	0	-20,000	0	0	0	<b>-20,000</b>
<b>Total Use of Earmarked Reserves</b>	<b>-3,236,234</b>	<b>-1,601,766</b>	<b>-490,000</b>	<b>-672,000</b>	<b>-190,000</b>	<b>-6,190,000</b>
Grants & Contributions etc	-9,066,251	-9,644,652	-1,767,900	-674,900	-674,900	<b>-21,828,603</b>
Usable Capital Receipts	-526,700	-3,186,000	0	0	0	<b>-3,712,700</b>
Prudential Borrowing	-143,000	-1,584,000	0	0	0	<b>-1,727,000</b>
<b>Capital Financing Total</b>	<b>-12,972,185</b>	<b>-16,016,418</b>	<b>-2,257,900</b>	<b>-1,346,900</b>	<b>-864,900</b>	<b>-33,458,303</b>

# TREASURY MANAGEMENT STRATEGY

## Minimum Revenue Provision Policy and Annual Investment Strategy

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## 1. INTRODUCTION

### 1.1 Background

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, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The Councils Corporate Plan identifies the Corporate Objectives of the Council and which then informs capital investment requirements. The 2022/23 to 2026/27 Capital Programme therefore includes significant capital investment which will require resourcing, from revenue, earmarked reserves, capital receipts, grant income, and borrowing.

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

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

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as;

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

The treasury management activity involves substantial sums of money, which it borrows and invests. This exposes the Council to potential large financial risk, which can include the loss of invested funds, or the revenue consequence of changes in interest rates. Therefore the successful identification, control and monitoring of risk are integral to this function and include credit and counterparty risk, liquidity risk, market or interest rate risk, refinancing risk and legal and regulatory risk.

## **1.2 Reporting Requirements**

### **1.2.1 Capital Investment Strategy**

The CIPFA 2021 Prudential and Treasury Management Codes require all Local Authorities to prepare a capital investment strategy report, which will provide the following:

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

The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital investment strategy requirements, governance procedures and risk appetite.

This capital investment strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The capital investment strategy shows:

- The corporate governance arrangements for these types of activities;
- Any service objectives relating to the investments;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (MRP policy);
- For non-loan type investments, the cost against the current market value;
- The risks associated with each activity.

Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.

Where the Council has borrowed to fund any non-treasury investment, there should also be an explanation of why borrowing was required and why the DLUHC Investment Guidance and CIPFA Prudential Code have not been adhered to.



If any non-treasury investment sustains a loss during the final accounts and audit process, the strategy and revenue implications will be reported through the same procedure as the capital investment strategy.

To demonstrate the proportionality between the treasury operations and the non-treasury operation, high-level comparators are shown throughout this report.

### **1.2.2 Treasury Management Reporting**

The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

**a) Prudential and treasury indicators and treasury strategy (this report)**

The first and most important report is forward looking and covers:

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

**b) A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, the Corporate Policy and Resources Committee will receive quarterly update reports.

**c) An annual treasury report** – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

### **Scrutiny**

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Governance and Audit Committee.

### **1.3 Treasury Management Strategy for 2022/23**

The strategy for 2022/23 covers two main areas:

#### **Capital issues**

- The capital expenditure plans and the associated prudential indicators;
- The Asset Management Plan
- The Minimum Revenue Provision (MRP) policy.

## **Treasury management issues**

- The current treasury position;
- Treasury indicators which limit the treasury risk and activities of the Council;
- Prospects for interest rates;
- The borrowing strategy;
- Policy on borrowing in advance of need;
- Debt rescheduling;
- The investment strategy;
- Creditworthiness policy; and
- The policy on use of external service providers.

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

### **1.4 Training**

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. This is mandatory training for the Governance and Audit Committee and is delivered annually. This training was undertaken on 5 January 2022. Further training will be arranged as required. The training needs of treasury management officers are periodically reviewed.

### **1.5 Treasury Management Consultants**

The Council uses Link Group, Treasury Solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

The scope of investments within the Council's operations now includes both conventional treasury investments, (the placing of residual cash from the Council's functions), and more commercial type investments, such as investment properties. The commercial type investments require specialist advisers, and the Council currently uses Cushman and Wakefield in relation to this activity.

## 2. THE CAPITAL PRUDENTIAL INDICATORS 2022/23 – 2024/25

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

### 2.1 Capital Expenditure and Financing

This prudential indicator is a summary of the Council's capital expenditure plans which are included in the approved Capital Programme and which are the key drivers to treasury management activity. The output of the programme is reflected in the Council's prudential indicators, which are designed to provide Members with an overview and Members are asked to approve the capital expenditure forecasts:

Capital Expenditure By Cluster £m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
<b>Our People</b>	2.844	1.677	1.911	0.675	1.425
<b>Our Place</b>	5.909	7.452	10.424	11.771	0.718
<b>Our Council</b>	0.281	0.868	0.637	0.570	0.115
<b>Investment*</b>	0	0	0	3.000	0
<b>Total</b>	<b>9.034</b>	<b>9.997</b>	<b>12.972</b>	<b>16.016</b>	<b>2.258</b>

\*Investment relates to areas such as capital expenditure on investment properties, loans to third parties etc.

Capital expenditure can be financed from a range of external and internal sources. External sources include private sector contributions i.e. S106 developer agreements, as well as government grants. Internal sources include capital receipts, earmarked reserves, and revenue contributions.

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

Financing of capital expenditure £m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Capital receipts	2.519	0.166	0.527	3.186	0
External Grants	3.314	5.120	7.830	9.504	1.018
S106	0.017	0.477	1.236	0.140	0.750
Earmarked Reserves	0	1.759	3.236	1.602	0.490
Revenue Resources	1.576	0.061	0	0	0

<b>Net borrowing need for the year</b>	<b>1.608</b>	<b>2.414</b>	<b>0.143</b>	<b>1.584</b>	<b>0</b>
<b>Total Financing</b>	<b>9.034</b>	<b>9.997</b>	<b>12.972</b>	<b>16.016</b>	<b>2.258</b>

The net financing need for commercial activities / non-financial investments included in the above table against expenditure is shown below

<b>Commercial activities / non-financial investments £m</b>	<b>2020/21 Actual</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>
Capital Expenditure	0	0	0	3.000	0
Financing costs	0	0	0	3.000	0
<b>Net borrowing need for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>0</b>
Percentage of total net financing need %	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The Council, will need to manage their Commercial Property Portfolio effectively and as such a £3m Capital Budget is proposed, to support the replacement of one of the properties (should it be sold) subject to the annual review of the portfolio.

Other long-term liabilities - The above financing need excludes other long term liabilities, such as leasing arrangements which already include borrowing instruments.

The forecast of Revenue and Capital Reserves after taking into account contributions to and from these reserves for both capital and revenue purposes are detailed in the table below;

<b>Year End Resources £m</b>	<b>2020/21 Actual</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>
General Fund Balance	7.338	4.096	3.323	3.271	3.230
Earmarked Reserves	18.217	18.455	16.163	14.661	14.776
<b>Total Revenue Reserves</b>	<b>26.585</b>	<b>22.551</b>	<b>19.486</b>	<b>17.932</b>	<b>18.006</b>
Capital receipts	1.168	1.246	0.955	0.844	0.910
Capital Grants Unapplied	2.366	0	0	0	0
<b>Total Capital Reserves</b>	<b>3.534</b>	<b>1.246</b>	<b>0.955</b>	<b>0.844</b>	<b>0.910</b>
<b>Total Useable Reserves</b>	<b>29.089</b>	<b>23.797</b>	<b>20.441</b>	<b>18.776</b>	<b>18.916</b>

## **2.2 The Council's Borrowing Need (The Capital Financing Requirement)**

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

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (e.g. finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the lease provider and so the Council is not required to separately borrow for these schemes. The Council is asked to approve the CFR projections below:

£m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
<b>Capital Financing Requirement</b>					
<b>Accounting Adj</b>	1.065	1.065	1.065	1.065	1.065
<b>Finance Leases</b>	0	0	0	0	0
<b>Prudential Borrowing</b>	37.470	38.360	37.176	37.787	36.813
<b>Total CFR</b>	<b>38.535</b>	<b>39.425</b>	<b>38.241</b>	<b>38.852</b>	<b>37.878</b>
Of which: Commercial Investment Property	20.959	20.585	20.211	19.837	19.463
<b>Movement in CFR</b>	<b>0.620</b>	<b>0.890</b>	<b>-1.184</b>	<b>0.611</b>	<b>-0.974</b>

<b>Movement in CFR represented by</b>					
Net borrowing need for the year (above)	1.608	1.743	0.143	4.585	0
Less MRP and other financing movements	-0.958	-0.824	-0.898	-3.945	-0.945
Loan Principal repaid	-0.030	-0.029	-0.429	-0.029	-0.029
<b>Movement in CFR</b>	<b>0.620</b>	<b>0.890</b>	<b>-1.184</b>	<b>0.611</b>	<b>-0.974</b>

A key aspect of the regulatory and professional guidance is that elected members are aware of the size and scope of any commercial activity in relation to the authority's overall financial position. The capital expenditure figures shown in 2.1 and the details above demonstrate the scope of this activity and, by approving these figures, consider the scale proportionate to the Authority's remaining activity.

### 3. BORROWING

The capital expenditure plans set out in Section 2 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 and the Council's capital strategy. 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.

#### 3.1 Core Funds and Expected Investment Balances

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.

<b>Year End Resources</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>£m</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
CFR	38.535	39.425	38.241	38.852	37.878
Less Leases	0	0	0	0	0
<b>Borrowing CFR</b>	<b>38.535</b>	<b>39.425</b>	<b>38.241</b>	<b>38.852</b>	<b>37.878</b>
Less Borrowing	20.000	21.500	26.500	33.500	31.500
<b>Over(-)/Under Borrowing</b>	<b>18.535</b>	<b>17.925</b>	<b>11.741</b>	<b>5.352</b>	<b>6.378</b>
General Fund Balance	-7.338	-4.096	-3.320	-3.271	-3.230
Earmarked Reserves	-18,217	-18.455	-16.163	-14.661	-14.776
Capital receipts	-1.168	-1.246	-0.955	-0.844	-0.910
Capital Grants Unapplied	-2.366	0	0	0	0
Provisions	-1.045	-1.400	-1.500	-1.600	-1.800
Working capital*	-7.362	-1.018	-1.580	-0.288	-0.288
<b>TOTAL FUND</b>	<b>-37.496</b>	<b>-26.215</b>	<b>-23.518</b>	<b>-20.664</b>	<b>-21.004</b>
<b>Expected investments (-) /Borrowing</b>	<b>-18.961</b>	<b>-8.290</b>	<b>-11.777</b>	<b>-15.312</b>	<b>-14.626</b>

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

### 3.2 Current Portfolio Position

The Council's forward projections for borrowing 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), and internal borrowing as a percentage of the CFR.

<b>£m</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
<b>External Debt</b>					
Debt at 1 April	20.000	20.000	21.500	26.500	33.500
Expected change in Debt	0	1.500	5.000	7.000	-2.000
<b>Gross external debt at 31 March</b>	<b>20.000</b>	<b>21.500</b>	<b>26.500</b>	<b>33.500</b>	<b>31.500</b>
Internal Borrowing (at 31 March)	18.535	17.925	11.741	5.352	6.378

<b>The Capital Financing Requirement</b>	<b>38.535</b>	<b>39.425</b>	<b>38.241</b>	<b>38.852</b>	<b>37.878</b>
<b>Internal Borrowing %</b>	<b>48.09</b>	<b>45.47</b>	<b>30.70</b>	<b>13.78</b>	<b>16.84</b>

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Assistant Director of Finance, Business and Property Services 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.

### 3.3 Liability Benchmark

To Compare the Council's actual borrowing against an alternative strategy, a Liability Benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as in the table in 3.2, but that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk.

<b>£m</b>	<b>2020/21 Actual</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>	<b>2024/25 Estimate</b>
<b>Borrowing CFR</b>	38.535	39.425	38.241	38.852	37.878
<b>Usable Reserves</b>	-29.089	-23.797	-20.438	-18.776	-18.916
<b>Working Capital</b>	-7.362	-1.018	-1.580	-0.288	-0.288
<b>Minimum Investment</b>	19.953	10.000	10.000	10.000	10.000
<b>Liability Benchmark</b>	<b>22.037</b>	<b>24.610</b>	<b>26.223</b>	<b>29.788</b>	<b>28.674</b>

### 3.4 Treasury Indicators: Limits to Borrowing Activity

**The operational boundary.** This is the limit beyond which external debt is not normally expected to be exceeded. 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 and the ability to fund under-borrowing by other cash resources.



Operational boundary £m	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
External Debt	21.500	26.500	33.500	31.500
<b>Operational Boundary</b>	<b>39.425</b>	<b>38.241</b>	<b>38.852</b>	<b>37.878</b>

**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.

1. 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.
2. The Council is asked to approve the following authorised limit:

Authorised limit £m	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Gross Debt*	21.500	26.500	33.500	31.500
<b>Authorised Limit</b>	<b>45.000</b>	<b>43.000</b>	<b>44.000</b>	<b>43.000</b>

\*The Authorised limit allows for external borrowing in advance of need for up to a maximum of two years and includes additional headroom of £5m for unexpected cashflow movements.

### 3.5 Prospects for Interest Rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 7<sup>th</sup> February 2022. These are forecasts for certainty rates (gilt yields plus 80 bps).

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

(A more detailed interest rate forecast and economic commentary are set out in appendices B and C)

The coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings.

The Bank Rate was increased to 0.25% in December 2021 and again to 0.50% in February 2022. The forecast now includes a further increases of 0.25% in March, May and November 2022 to end at 1.25% during the forecast period

**Significant risks to the forecasts:-**

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity.
- **Mutations** of the virus render current vaccines ineffective, and tweaked vaccines to combat these mutations are delayed, resulting in further national lockdowns or severe regional restrictions.
- **The Monetary Policy Committee** acts too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- **The Monetary Policy Committee** tightens monetary policy too late to ward off building inflationary pressures.
- **The Government** acts too quickly to cut expenditure to balance the national budget.
- **UK / EU trade arrangements** – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
- **Longer term US treasury yields** rise strongly and pull gilt yields up higher than forecast.
- **Major stock markets** e.g., in the US, become increasingly judged as being over-valued and susceptible to major price corrections. Central banks become increasingly exposed to the “moral hazard” risks of having to buy shares and corporate bonds to reduce the impact of major financial market selloffs on the general economy.
- **Geopolitical risks**, for example in Iran, North Korea, but also in Europe and Middle Eastern countries; on-going global power influence struggles between Russia/China/US. These could lead to increasing safe-haven flows.

**The balance of risks to the UK economy: -**

- The overall balance of risks to economic growth in the UK is now to the downside, including residual risks from COVID-19 and its variants - both domestically and their potential effects worldwide.
- If the UK invokes article 16 of the Brexit deal over the dislocation in trading arrangements with Northern Ireland, this has the potential to end up in a no deal Brexit.

**Forecasts for Bank Rate**

- The threat from Omicron was a wild card causing huge national concern at the time of December's MPC meeting; now it is seen as a vanquished foe disappearing in the rear-view mirror.
- The MPC shifted up a gear last week in raising Bank Rate by another 0.25% and narrowly avoiding making it a 0.50% increase by a 5-4 voting margin.
- Our forecast now expects the MPC to deliver another 0.25% increase in March; their position appears to be to go for sharp increases to get the job done and dusted.
- The March increase is likely to be followed by an increase to 1.0% in May and then to 1.25% in November.
- The MPC is currently much more heavily focused on combating inflation than on protecting economic growth.
- However, 54% energy cap cost increases from April, together with 1.25% extra employee national insurance, food inflation around 5% and council tax likely to rise in the region of 5% too - these increases are going to hit lower income families hard despite some limited assistance from the Chancellor to postpone the full impact of rising energy costs.
- Consumers are estimated to be sitting on over £160bn of excess savings left over from the pandemic so that will cushion some of the impact of the above increases. But most of those holdings are held by more affluent people whereas poorer people already spend nearly all their income before these increases hit and have few financial reserves.
- The increases are already highly disinflationary; inflation will also be on a gradual path down after April so that raises a question as to whether the MPC may shift into protecting economic growth by November, i.e., it is more debatable as to whether they will deliver another increase then.
- The BIG ISSUE – will the current spike in inflation lead to a second-round effect in terms of labour demanding higher wages, (and/or lots of people getting higher wages by changing job)?
- If the labour market remains very tight during 2022, then wage inflation poses a greater threat to overall inflation being higher for longer, and the MPC may then feel it needs to take more action.
- If the UK invokes article 16 of the Brexit deal over the dislocation in trading arrangements with Northern Ireland, this has the potential to end up in a no deal Brexit.

In summary, with the high level of uncertainty prevailing on several different fronts, it is likely that these forecasts will be revised again over the next few months - in line with what the new news is.

#### **Forecasts for PWLB Rates, Gilt and Treasury Yields**

As the interest forecast table for PWLB certainty rates above shows, there is likely to be a steady rise over the forecast period, with some degree of uplift due to rising treasury yields in the US.

Further information is included at Appendix C.

## Investment and Borrowing Rates

- **Investment returns** are expected to improve in 2022/23. However, while markets are pricing in a series of Bank Rate hikes, actual economic circumstances may see the MPC fall short of these elevated expectations.
- **Borrowing interest rates** fell to historically very low rates as a result of the COVID-19 crisis and the quantitative easing operations of the Bank of England and still remain at historically low levels. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years.
- On 25.11.20, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates which had been increased by 100 bps in October 2019. The standard and certainty margins were reduced by 100 bps but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three-year capital programme. The current margins over gilt yields are as follows: -.
  - **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
  - **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
  - **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
  - **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
  - **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
- **Borrowing for capital expenditure.** Link's long-term (beyond 10 years), forecast for Bank Rate is 2.00%. As some PWLB certainty rates are currently below 2.00%, there remains value in considering long-term borrowing from the PWLB where appropriate. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive as part of a balanced debt portfolio.
- While this authority will not be able to avoid borrowing to finance new capital expenditure, to replace maturing debt and the rundown of reserves, there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances.

### 3.6 Borrowing Strategy

The Borrowing Strategy covers the relevant prudential and treasury indicators, and the current and projected debt positions as detailed above.

The key objectives of the Council's Borrowing Strategy are;

- To ensure that future external debt is affordable and sustainable within the long term within the revenue budget constraints.
- To support schemes with a socio-economic value i.e. for the regeneration and growth of the District.
- To support significant service investment where the cost of borrowing will be offset by efficiencies and/or cost savings
- All external debt undertaken will be repaid on loan maturities

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 external loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure.

This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2022/23 treasury operations. The Assistant Director Finance, Business Support and Property Services 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 of 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 borrowing rates than that currently forecast, perhaps arising from an acceleration in the rate of increase in central rates in the 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, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

### **3.7 Policy on Borrowing in Advance of Need**

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 mid-year or annual reporting mechanism.

### **3.8 Debt Rescheduling**

Rescheduling of current borrowing in our debt portfolio is unlikely to occur as upfront redemption costs would be significant based on the maturity profiles we currently have.

However, if rescheduling was done, it will be reported to the Council, at the earliest meeting following its action.

### **3.9 New Financial Institutions as a Source of Borrowing**

In addition to borrowing from the PWLB, consideration will be given to sourcing funding at cheaper rates from the following:

- Local authorities (primarily shorter dated maturities)
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years)
- Municipal Bonds Agency

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

### **3.10 Approved sources of Long and Short Term Borrowing**

<b>On Balance Sheet</b>	<b>Fixed</b>	<b>Variable</b>
PWLB	Unlimited	25%
Municipal bond agency	Unlimited	0
Local authorities	Unlimited	0
Banks	25%	10%
Market (long-term)	25%	10%
Market (temporary)	25%	10%
Local authorities temporary	25%	N/A
Local / Community Bonds	25%	10%
Overdraft (notified in advance)		£1m
Internal (capital receipts & revenue balances)	50%	N/A
Finance leases	Unlimited	N/A

## **4.0 ANNUAL INVESTMENT STRATEGY**

### **4.1 Investment Policy – Management of Risk**

The Department of Levelling Up, Housing and Communities (DLUHC – formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy.

The Council’s investment policy has regard to the following:

- DLUHC’s Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (“the CIPFA TM Code”) 2017.
- CIPFA Treasury Management Guidance Notes 2018

The Council’s investment priorities will be security first, liquidity second, then yield (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council’s risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs. However, where appropriate (from an internal as well as external perspective), the Council will also consider the value available in periods up to 12 months with high credit rated financial institutions, as well as wider range fund options.

The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in Appendix D under the categories of ‘specified’ and ‘non-specified’ investments.
  - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity if originally they were originally classified as being non-specified investments solely due to the maturity period exceeding one year.
  - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

5. **Non-specified and loan investment limits.** The Council has determined that it will set a limit to the maximum exposure of the total treasury management investment portfolio to non-specified treasury management investments of 40%.
6. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
7. **Transaction limits** are set for each type of investment in 4.2.
8. This authority will set a limit for its investments which are invested for **longer than 365 days**, (see paragraph 4.4).
9. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
10. This authority has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
11. All investments will be denominated in **sterling**.
12. As a result of the change in accounting standards for 2022/23 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. In November 2018, MHCLG (now DLUHC), concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31 March 2023.

However, this authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

## 4.2 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.

The Assistant Director of Finance, Business Support and Property Services 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.

Credit rating information is supplied by the Link Group, 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 the longer-term bias outside the central rating view) 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.

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; and/or
  - ii. are non-UK and domiciled in a country which has a minimum sovereign Long Term rating of AAand have, as a minimum, the following Fitch, Moody's and Standard & Poor's credit ratings (where rated):
  - i. Short Term – F1
  - ii. Long Term – A
- Banks 2 – Part nationalised UK bank – Royal Bank of Scotland ring-fenced operations. This bank can be included provided they continue to be part nationalised or meet the ratings in Banks 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 invested.
- Bank subsidiary and treasury operation -. The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
- Building societies - The Council will use all societies which meet the ratings for banks outlined above;
- Money Market Funds (MMFs) CNAV – AAA

- Money Market Funds (MMFs standard) LNAV – AAA
- Money Market Funds (MMFs enhanced) VNAV – AAA
- UK Government (including gilts, Treasury Bills and the DMADF)
- Local authorities, parish councils etc.
- Housing associations
- Supranational institutions
- Local Authority Property Asset Fund (CCLA)
- Local/Community Bonds
- Corporate Bond Funds
- Covered Bonds

**Use of additional information other than credit ratings.** Additional requirements under the Code require 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, rating Watches/Outlooks) will be applied to compare the relative security of differing investment opportunities.

**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). It should be noted that in the case of Lloyds Bank, our current bankers, that as well as allowing £7.5m fixed term investment in that one institution that there is flexibility to hold, in current account balances at Lloyds Bank, up to £2m ‘cash’ on any one day:

	Fitch	Moody’s	Standard & Poors	Money Limit	Time Limit
<b>Banks 1 – up to 1 year</b>	F1	P1	A1	£7.5m per counterparty at Group level	1 year
<b>Banks 1 – over 1 year</b>	AA	Aa2	AA	£2m maximum exposure	1 year to 5 years
<b>Banks 2 – UK part nationalised</b>				£5m per counterparty at Group Level	1 year
<b>Banks 3 – Council’s own</b>				£1m	1 Day

bank if not covered by 1 or 2					
Other Local Authorities				£5m per counterparty	5 years
Housing Associations				£1m maximum exposure	6 mths
Bank of England DMADF				No limit	6 mths
Gilts/Treasury Bills – where no loss of principal if held to maturity				£5m maximum exposure	5 years
Supranational				£5m per counterparty	1 year
Quality Corporate Bonds Funds				£2m	5 years
Local Authority Property Asset Funds				£4m	5 years
Certificates of Deposit				£2m	5 years
Covered Bonds				£1m	5 years
	Fund rating			Money and/or % Limit	Time Limit
Money market funds CNAV	AAA			£7.5m per counterparty	Overnight
Money market funds LVNAV (standard)	AAA			£7.5m per counterparty	Overnight
Money market funds VNAV (Enhanced)	AAA			£5m	5 years

#### 4.3 Other Limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

- a) **Non-specified treasury management investment limit.** The Council has determined that it will limit the maximum total exposure of treasury

management investments to non-specified treasury management investments as being 40% of the total treasury management investment portfolio.

b) **Country limit.** The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA from Fitch. The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix E. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

c) Other limits. In addition:

- No more than £2m will be placed with any non-UK country at any time;
- Limits in place above will apply to a group of companies;
- Sector limits will be monitored regularly for appropriateness

#### 4.4 Investment Strategy

**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). Greater returns are usually obtainable by investing periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

#### Investment Returns Expectations.

The current forecast shown in paragraph 3.4, includes the increase in Bank Rate in December 2021.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows (the long term forecast is for periods over 10 years in the future):

Average earnings in each year	
2021/22	0.10%
2022/23	1.00%
2023/24	1.25%
2024/25	1.25%
2025/26	1.25%

Long term later years	2.00%
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- The overall balance of risks to economic growth in the UK is now to the downside, including residual risks from COVID-19 and its variants - both domestically and their potential effects worldwide.
- It is now expected that there will be a much faster pace of increases in the Bank Rate than was originally forecast as the MPC is currently more heavily focused on combating inflation than on protecting economic growth.
- PWLB certainty rates have risen sharply since the December MPC meeting. Financial markets have now built in most of the expected increases in Bank Rate into shorter dated gilt yields, whilst heightened inflation concerns have impacted the medium to long parts of the maturity curve. Consequently, the yield curve has now flattened out considerably.

Money market funds (MMFs), yields have now begun to rise across a number of market operators. This mirrors rises in the Bank Rate but because of continuing investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, at a more modest rate.

Inter-local authority lending and borrowing rates have also remained low due to the surge in the levels of cash seeking a short-term home resulting from the tail end effect of large receipts received from the Government in support to combat the COVID-19 epidemic.

### **CCLA Property Fund Issues**

The Property Fund continues to have a 90 day notice period for redemptions which will have to be taken into account when assessing the Council's cashflow forecasting.

The income from the fund stills remains attractive in this period of ultra-low interest rates.

### **Ethical Investing**

The Council continues to develop its strategy in relation to Sustainability, Climate Change and Environment. As the Council will be interested in undertaking actions to reduce climate change, the Council as an ethical investor will consider the environmental, social and governance issues (ESG) when making treasury investment decisions.

Investments will be in accordance with counterparty and creditworthiness (as detailed at 4.2

### **Treasury Investment Portfolio**

The Council is expecting to have an average investment portfolio of £13m throughout 2022/23 and expects to receive investment income totalling £0.105m as shown below:

Treasury Investment Portfolio	Average Portfolio £m	Interest Rate %	Interest £m
Liquidity Investments	10.0	0.15	0.015
Long Term Investments	3.00	3.00	0.090
<b>Total Investment Income (2022/2023)</b>	<b>13.00</b>	<b>0.08</b>	<b>0.105</b>

**Investment treasury indicator and limit** - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit:

Maximum principal sums invested > 364 & 365 days			
£m	2022/23	2023/24	2024/25
Principal sums invested > 365 days	£5m	£5m	£5m

For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits (overnight to 100 days) in order to benefit from the compounding of interest.

#### 4.5 Investment Risk Benchmarking

These benchmarks are simple guides to maximum risk, so they 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.

Security - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- 0.06% historic risk of default when compared to the whole portfolio.

Liquidity – in respect of this area the Council seeks to maintain:

- Liquid short term deposits of at least £4m available with a week's notice.
- Weighted average life benchmark is expected to be 0.25 years, with a maximum of 1 years.

Yield - local measures of yield benchmarks are;

- Investments – internal returns above the 7 day Sterling Overnight Index Average (SONIA) compounded rate

And in addition that the security benchmark for each individual year is:

	1 year	2 years	3 years	4 years	5 years
<b>Maximum</b>	<b>0.07%</b>	<b>0.19%</b>	<b>0.36%</b>	<b>0.55%</b>	<b>0.77%</b>

Note: This benchmark is an average risk of default measure, and would not constitute an expectation of loss against a particular investment.

#### **4.6 End of Year Investment Report**

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

#### **4.7 Non-Treasury Investments (Commercial Property)**

The Council has invested £21.666m (£30m budget approved) in creating a Commercial Property Portfolio, to generate a revenue return to support the future sustainability of the Council and therefore protecting the services as government funding was reduced. The net return was estimated to be £600k p.a. based on the approved £20m investment limit. The first acquisition was made in October 2017. The Council's portfolio currently consists of 6 properties, with £20.500m having been spent on these acquisitions (excludes costs) to date and the gross return for 2022/23 is estimated to be 7.73%. After taking account of management and financing costs (including MRP) a return of 3.00% is being achieved.

It is no longer anticipated that additional assets will be acquired. However, the portfolio will be managed within the current values and replacement properties acquired if existing properties are sold ensuring income levels are maintained.

The Council has a Commercial Contingency Budget of £0.2m to mitigate the risk of rental losses, and a Valuation Volatility Reserve to mitigate the risk of capital loss on disposal.

In addition the Council has set aside £1.084m as a Valuation Volatility Reserve, this reflects 5% of the purchase price. However, now that MRP will be charged annually, thus reducing outstanding borrowing, the Reserve will be reduced to 3% over the Medium Term Financial Plan.

#### **Strategy**

Working with the commercial property consultant, Cushman & Wakefield, officers have developed an investment strategy for the Council that aims to balance risk across the portfolio whilst achieving the target returns required.

However, any future additional property investments can no longer be funded from borrowing, and our own resources must be utilised to fund any

acquisitions. Currently there is no expectation that any additional properties will be acquired.

The strategy included;

1. To acquire an investment portfolio of commercial property assets in lot sizes of £1.0m to £10.0m, targeting an average lot size of circa £3.5m to £4m across the portfolio and total investment of £30.0m.
2. Authority to complete on acquisitions should be delegated to the Chief Executive in consultation with the Chief Finance Officer and Leader of the Council, provided that the purchase is within agreed criteria. All assets will be assessed against these criteria and the Chief Executive will have delegated Authority to complete on the acquisition of assets which score 50 or more out of 70. Any asset which falls below this threshold or registers a zero against any criteria may still be considered but specific justification will need to be provided and the decision to proceed taken to the Corporate Policy and Resources Committee for approval.
3. Reserves will be utilised to fund any further acquisitions. Business case modelling will be developed using an opportunity cost of capital based on debt funded through Prudential Borrowing. The business case will be made on the basis of borrowing the full amount each time to ensure that resources are able to be recycled.
4. All assets will be acquired against a target hold period of 5 to 10 years with consideration given to asset management to enhance/protect value over the period of ownership (and any additional resource required/expected in this respect) and risks relating to disposal after the proposed hold period. A proportion of the income will be allocated for risk provision. Further returns would depend on investment performance relative to target and might be achieved through release of the risk provision and/or capital returns.
5. The financial position will be thoroughly monitored throughout the hold period and adequate response made to any change in market conditions and portfolio performance. Decisions regarding the funding of acquisitions will be made by the Assistant Director, Finance, Business Support and Property Services (Section151 Officer) and will be based on:
  - An analysis of disposal value risk after an assumed hold period
  - The expectation that the asset will generate a capital return that tracks inflation or better with a provision for risk should this not be achieved
6. Access to suitably qualified/experienced resource is essential for successful delivery and management of the risks involved. Resources should be identified and ring-fenced to the activity. The property and asset team has been restructured to ensure that sufficient resources available to manage the existing assets and the new additions that would be acquired in line with this strategy.



#### 4.8 Commercial Income as a Percentage of Net Revenue Expenditure

The Council receives income from investment properties which contribute towards achieving a balanced revenue budget. The table below shows the extent to which the expenditure planned to meet service delivery objectives is dependent on achieving income from these properties over the Medium Term Financial Plan period.

%	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
<b>Net Revenue Expenditure £m</b>	14.500	15.279	15.330	15.594	16.113
<b>Commercial Income £m</b>	1.471	1.536	1.548	1.570	1.569
<b>Ratio</b>	<b>10.14%</b>	<b>10.05%</b>	<b>10.10%</b>	<b>10.07%</b>	<b>9.74%</b>

#### 4.9 Capital Investment Strategy

The Capital Investment Strategy forms a key part of the Council's overall Corporate Planning Framework. It provides a mechanism by which the Council's capital investment and financing decisions can be aligned with the Council's over-arching corporate priorities and objectives over a medium term (five year) planning horizon. The Strategy has direct links to the Treasury Management Strategy and it is therefore appropriate that the Governance and Audit Committee scrutinise and provide assurance to Council on both policies. The Capital Investment Strategy is attached at Appendix H.

#### 5 APPENDICES to the Treasury Management Strategy

- A Prudential and Treasury Indicators and MRP statement
- B Interest rate forecasts
- C Economic background
- D Treasury management practice 1 – credit and counterparty risk management
- E Approved countries for investments
- F Treasury management scheme of delegation
- G The treasury management role of the section 151 officer
- H The Capital Investment Strategy

## APPENDIX A

### THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2022/23 – 2024/25 AND MRP STATEMENT

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans

#### Capital Expenditure

Capital Expenditure By Cluster £m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
<b>Our People</b>	2.844	1.677	1.911	0.675	1.425
<b>Our Place</b>	5.909	7.452	10.424	11.771	0.718
<b>Our Council</b>	0.281	0.868	0.637	0.570	0.115
<b>Investment*</b>	0	0	0	3.000	0
<b>Total</b>	<b>9.034</b>	<b>9.997</b>	<b>12.972</b>	<b>16.016</b>	<b>2.258</b>

## Minimum Revenue Provision (MRP) Policy Statement

The Council is required to pay off an element of the accumulated General Fund capital spend funded from borrowing (the CFR) each year 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).

DLUHC regulations have been issued which require the 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;

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be:

- **Asset life method** - MRP will be charged, and therefore debt repaid over the expected useful life of the asset financed from borrowing based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);

In applying the Asset Life Method MRP should normally follow the year after the expenditure has been incurred. However, in accordance with Statutory Guidance commencement of MRP may be deferred until the asset becomes operational.

The estimated useful life of assets will not exceed 50 years except as otherwise permitted by the guidance (and supported by valuer's advice). If no useful life can be attributed to the asset, i.e. land, then the estimated useful life will be taken as 50 years

- **Asset life method – Annuity Method**  
Under this approach the debt is repaid over the expected useful life of the asset financed from borrowing. For, regeneration schemes or administrative projects, where revenue benefits are only realised in future years or increase in future years, and will be based on an appropriate rate.
- **Loan Principal Repayment as Proxy for MRP**  
The council considers that where borrowing has funded capital loan advances, the loan principal repaid (or in the event of default the realisation of security) as a capital receipt will be utilised to repay the borrowing and therefore negates the requirement to set aside an annual MRP charge.
- **Borrowing for Non-Treasury Investments**  
Where the Council has previously borrowed for the acquisition of Commercial Investment Properties the Asset Life Method will be used to calculate the MRP charge applicable on an annual basis.

- **Finance Leases**

MRP for finance leases and service concessions will be charged over the primary period of the lease, in line with the guidance.

- Voluntary MRP Overpayments** – The Council has the ability to repay additional amounts for MRP as voluntary contributions as it considers appropriate. A change introduced by the revised DLUHC MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. Up until 31 March 2021 the total VRP overpayments were £707k however, as there has been a change in our Policy to charge MRP on Commercial Investment assets, then this VRP will not be deemed an overpayment.

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

### Affordability Prudential Indicators

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:

#### a. 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.

%	2022/23	2023/24	2024/25	2025/26	2026/27
	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Net Revenue Expenditure £m</b>	<b>14.500</b>	<b>15.279</b>	<b>15.330</b>	<b>15.594</b>	<b>16.113</b>
Interest Payable £m	0.452	0.955	0.978	1.002	1.002
Interest Receivable (-) £m	0.149	0.151	0.160	0.163	0.161
MRP £m	0.898	0.945	0.945	0.945	0.945
<b>Capital Financing Charges</b>	<b>1.499</b>	<b>1.951</b>	<b>2.083</b>	<b>2.110</b>	<b>2.108</b>
<b>Ratio</b>	<b>10.34%</b>	<b>12.77%</b>	<b>13.59%</b>	<b>13.53%</b>	<b>13.08%</b>

The estimates of financing costs include current commitments and the proposals in this budget report.

Interest receivable excludes interest from loans.

## b. Incremental Impact of Capital Investment Decisions on Council Tax

This indicator identifies the revenue costs associated with proposed changes to the five year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

New schemes funded from borrowing are expected to generate income/efficiencies to support the cost of borrowing therefore £0 impact on the Tax Payer.

Incremental impact of capital investment decisions on the band D council tax:

£	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
<b>Council tax - band D</b>	0	0	0	0	0

## Treasury Indicators for Debt

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits. The Council is asked to approve the following treasury indicators and limits:

£m	2022/23	2023/24	2024/25
<b>Interest rate exposures</b>			
	<b>Upper</b>	<b>Upper</b>	<b>Upper</b>
<b>Limits on fixed interest rates:</b>			
• Debt only	100%	100%	100%
• Investments only	75%	75%	75%
<b>Limits on variable interest rates</b>			
• Debt only	25%	25%	20%
• Investments only	100%	100%	100%

<b>Maturity structure of fixed interest rate borrowing 2022/23</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	50%
<b>Maturity structure of variable interest rate borrowing 2022/23</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	0%
5 years to 10 years	0%	0%
10 years to 20 years	0%	0%
20 years to 30 years	0%	0%
30 years to 40 years	0%	0%
40 years to 50 years	0%	0%

## APPENDIX B

PWLB forecasts shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012.

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

## APPENDIX C

### ECONOMIC BACKGROUND (as at February 2022)

#### MPC meeting 4<sup>th</sup> February 2022

- After the Bank of England became the first major western central bank to put interest rates up in this upswing in December, it has quickly followed up its first 0.15% rise by another 0.25% rise to 0.50%, in the second of what is very likely to be a series of increases during 2022.
- The Monetary Policy Committee voted by a majority of 5-4 to increase Bank Rate by 25bps to 0.5% with the minority preferring to increase Bank Rate by 50bps to 0.75%. The Committee also voted unanimously for the following: -
  - to reduce the £875n stock of UK government bond purchases, financed by the issuance of central bank reserves, by ceasing to reinvest maturing assets.
  - to begin to reduce the £20bn stock of sterling non-financial investment-grade corporate bond purchases by ceasing to reinvest maturing assets and by a programme of corporate bond sales to be completed no earlier than towards the end of 2023.
- The Bank again sharply increased its forecast for inflation – to now reach a peak of 7.25% in April, well above its 2% target.
- The Bank estimated that UK GDP rose by 1.1% in quarter 4 of 2021 but, because of the effect of Omicron, GDP would be flat in quarter 1, but with the economy recovering during February and March. Due to the hit to households' real incomes from higher inflation, it revised down its GDP growth forecast for 2022 from 3.75% to 3.25%.
- The Bank is concerned at how tight the labour market is with vacancies at near record levels and a general shortage of workers - who are in a very favourable position to increase earnings by changing job.
- As in the December 2021 MPC meeting, the MPC was more concerned with combating inflation over the medium term than supporting economic growth in the short term. However, what was notable was the Bank's forecast for inflation: based on the markets' expectations that Bank Rate will rise to 1.50% by mid-2023, it forecast inflation to be only 1.6% in three years' time. In addition, if energy prices beyond the next six months fell as the futures market suggests, the Bank said CPI inflation in three years' time would be even lower at 1.25%. With calculations of inflation, the key point to keep in mind is that it is the rate of change in prices – not the level – that matters. Accordingly, even if oil and natural gas prices remain flat at their current elevated level, energy's contribution to headline inflation will drop back over the course of this year. That means the current energy contribution to CPI inflation, of 2% to 3%, will gradually fade over the next year.
- So the message to take away from the Bank's forecast is that they do not expect Bank Rate to rise to 1.5% in order to hit their target of CPI



inflation of 2%. The immediate issue is with four members having voted for a 0.50% increase in February, it would only take one member more for there to be another 0.25% increase at the March meeting.

- **The MPC's forward guidance on its intended monetary policy** on raising Bank Rate versus selling (quantitative tightening) holdings of bonds is as follows: -
  1. Raising Bank Rate as "the active instrument in most circumstances".
  2. Raising Bank Rate to 0.50% before starting on reducing its holdings.
  3. Once Bank Rate is at 0.50% it would stop reinvesting maturing gilts.
  4. Once Bank Rate had risen to at least 1%, it would start selling its holdings.

**EU.** The ECB joined with the Fed by announcing on **16th December** that it will be reducing its QE purchases - by half from October 2022, i.e., it will still be providing significant stimulus via QE purchases during the first half of 2022. The ECB did not change its rate at its **3<sup>rd</sup> February** meeting, but it was clearly shocked by the increase in inflation to 5.1% in January. The President of the ECB, Christine Lagarde, hinted in the press conference after the meeting that the ECB may accelerate monetary tightening before long and she hinted that asset purchases could be reduced more quickly than implied by the previous guidance. She also refused to reaffirm officials' previous assessment that interest rate hikes in 2022 are "very unlikely". It, therefore, now looks likely that all three major western central banks will be raising rates this year in the face of sharp increases in inflation - which is looking increasingly likely to be stubbornly high and for much longer than the previous oft repeated 'transitory' descriptions implied.

**China.** The pace of economic growth has now fallen back after the initial surge of recovery from the pandemic and China has been struggling to contain the spread of the Delta variant through using sharp local lockdowns - which depress economic growth. However, with Omicron having now spread to China, and being much more easily transmissible, lockdown strategies may not prove so successful in future. To boost flagging economic growth, The People's Bank of China cut its key interest rate in December 2021.

**Japan.** 2021 was a patchy year in combating Covid. However, recent business surveys indicate that the economy is rebounding rapidly now that the bulk of the population is fully vaccinated, and new virus cases have plunged. The Bank of Japan is continuing its very loose monetary policy but with little prospect of getting inflation back towards its target of 2% any time soon.

**World growth.** World growth was in recession in 2020 but recovered during 2021 until starting to lose momentum more recently. Inflation has been rising

due to increases in gas and electricity prices, shipping costs and supply shortages, although these should subside during 2022. It is likely that we are heading into a period where there will be a reversal of **world globalisation** and a decoupling of western countries from dependence on China to supply products, and vice versa. This is likely to reduce world growth rates from those in prior decades.

### **Forecasts for PWLB Rates, Gilt and Treasury Yields**

**Gilt yields.** Since the start of 2021, we have seen a lot of volatility in gilt yields, and hence PWLB rates. Our forecasts show little overall increase in gilt yields during the forecast period to March 2025 but there will doubtless be a lot of unpredictable volatility during this forecast period.

While monetary policy in the UK will have a major impact on gilt yields, there is also a need to consider the potential impact that rising treasury yields in America could have on gilt yields. **As an average since 2011, there has been a 75% correlation between movements in US 10-year treasury yields and UK 10-year gilt yields. This is a significant UPWARD RISK exposure to our forecasts for medium to longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison.**

**US treasury yields.** During the first part of 2021, US President Biden's, and the Democratic party's, determination to push through a \$1.9trn (equivalent to 8.8% of GDP) fiscal boost for the US economy as a recovery package from the Covid pandemic was what unsettled financial markets. This was in addition to the \$900bn support package previously passed in December 2020. Financial markets were alarmed that all this stimulus was happening at a time when: -

1. A fast vaccination programme roll-out had enabled a rapid opening up of the economy during 2021.
2. The economy was growing strongly during the first half of 2021 although it has weakened during the second half.
3. It started from a position of little spare capacity due to less severe lockdown measures than in many other countries.
4. And the Fed was still providing substantial stimulus through monthly QE purchases during 2021.

It was not much of a surprise that a combination of these factors would eventually cause an excess of demand in the economy which generated strong inflationary pressures. This has eventually been recognised by the Fed at its recent December meeting with an aggressive response to damp inflation down during 2022 and 2023.

- **At its 3<sup>rd</sup> November Fed meeting**, the Fed decided to make a start on tapering its \$120bn per month of QE purchases so that they ended next June. However, at its **15<sup>th</sup> December meeting** it doubled the pace of tapering so that they will end all purchases in February. These purchases are currently acting as downward pressure on treasury yields and so it would be expected that treasury yields will rise over the taper period, all other things being equal.

- It also forecast that it expected there would be three rate rises in 2022 of 0.25% from near zero currently, followed by three in 2023 and two in 2024. This would take rates back above 2% to a neutral level for monetary policy. It also gave up on calling the sharp rise in inflation as being 'transitory'.
- At its **26<sup>th</sup> January meeting**, the Fed became even more hawkish following inflation rising sharply even further. It indicated that rates would begin to rise very soon, i.e., it implied at its March meeting it would increase rates and start to run down its holdings of QE purchases. It also appears likely that the Fed could take action to force longer term treasury yields up by prioritising selling holdings of its longer bonds as yields at this end have been stubbornly low despite rising inflation risks. The low level of longer dated yields is a particular concern for the Fed because it is a key channel through which tighter monetary policy is meant to transmit to broader financial conditions, particularly in the US where long rates are a key driver of household and corporate borrowing costs.

There are also possible **DOWNSIDE RISKS** from the huge sums of cash that the UK populace have saved during the pandemic; when savings accounts earn little interest, it is likely that some of this cash mountain could end up being invested in bonds and so push up demand for bonds and support their prices i.e., this would help to keep their yields down. How this will interplay with the Bank of England eventually getting round to not reinvesting maturing gilts and then later selling gilts, will be interesting to monitor.

**The balance of risks to medium to long term PWLB rates: -**

- There is a balance of upward risks to forecasts for medium to long term PWLB rates.

**A New Era – A Fundamental Shift in Central Bank Monetary Policy**

One of the key results of the pandemic has been a fundamental rethinking and shift in monetary policy by major central banks like the Fed, the Bank of England and the ECB, to tolerate a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate. There is now also a greater emphasis on other targets for monetary policy than just inflation, especially on 'achieving broad and inclusive "maximum" employment in its entirety' in the US, before consideration would be given to increasing rates.

- The Fed in America has gone furthest in adopting a monetary policy based on a clear goal of allowing the inflation target to be symmetrical, (rather than a ceiling to keep under), so that inflation averages out the dips down and surges above the target rate, over an unspecified period of time.
- The Bank of England has also amended its target for monetary policy so that inflation should be 'sustainably over 2%' before starting on raising Bank Rate and the ECB now has a similar policy.
- **For local authorities, this means that investment interest rates and very short term PWLB rates will not be rising as quickly or as high as in previous decades when the economy recovers from a**

**downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion.**

- Labour market liberalisation since the 1970s has helped to break the wage-price spirals that fuelled high levels of inflation and has now set inflation on a lower path which makes this shift in monetary policy practicable. In addition, recent changes in flexible employment practices, the rise of the gig economy and technological changes, will all help to lower inflationary pressures.
- Governments will also be concerned to see interest rates stay lower as every rise in central rates will add to the cost of vastly expanded levels of national debt; (in the UK this is £21bn for each 1% rise in rates). On the other hand, higher levels of inflation will help to erode the real value of total public debt.

## APPENDIX D

### TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

The DLUHC issued Investment Guidance in 2018, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which operate 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 01/03/2010 and will apply its principles to all investment activity. In accordance with the Code, the Assistant Director of Finance, Business Support and Property Services has produced its treasury management practices (TMPs). This part, TMP 1 (1) covering investment counterparty policy requires approval each year.

Annual investment strategy – The key requirement of both the Code and 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 the 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 that 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.

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. They also include investments which were originally classed as being non-specified investments, but which would have been classified as specified investments apart from originally being for a period longer than 12 months, once the remaining period to maturity falls to under twelve months. 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

- 1) The UK Government (such as Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity).
- 2) Supranational bonds of less than one year's duration
- 3) A local authority, housing association, parish council or community council
- 4) 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 & Poors, Moody's and/or Fitch rating agencies

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies. These criteria are set out in the main report.

**NON-SPECIFIED INVESTMENTS:** These are any investments which do not meet the specified investment criteria. The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investment would include any sterling investments with:

	<b>Non Specified Investment Category</b>	<b>Limit £</b>
A	<b>Gilt Edged Securities</b> with a maturity of greater than one year. These are Government Bonds and so provide the highest security of investment and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.	£5m
B	<b>The Council's own banker</b> if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as possible	£1m
C	<b>Any Bank or Building Society</b> that has a minimum long term credit rating of AA, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).	£2m
D	Enhanced Money Market Funds AA rated	£2m
E	Corporate Bond Funds	£2m
F	Local/Community Bonds	£2m
G	Local Authority Property Asset Fund	£4m

H	Certificates of Deposit	£2m
I	Covered Bonds	£1m
J	Property Funds – The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using	£4m

This Authority will seek further advice on the appropriateness and associated risks with investments in these categories.

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 Link Asset Services 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 Assistant Director of Finance, Business Support and Property Services, and if required new counterparties which meet the criteria will be added to the list.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

## APPENDIX E

### APPROVED COUNTRIES FOR INVESTMENTS (As at 10.11.2021)

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link credit worthiness service.

#### ***Based on lowest available rating***

##### AAA

- Australia
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

##### AA+

- Canada
- Finland
- U.S.A.

##### AA

- Abu Dhabi (UAE)
- France

##### AA-

- Belgium
- Hong Kong
- Qatar
- **U.K.**



## **APPENDIX F**

### **TREASURY MANAGEMENT SCHEME OF DELEGATION**

#### **(i) Full Council**

- Receiving and reviewing reports on treasury management policies, practices and activities;
- Approval of annual Treasury Management Strategy and Mid-Year Review Treasury Management Indicators.

#### **(ii) Corporate Policy and Resources Committee**

- Approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- Approval of the division of responsibilities;
- Receiving and reviewing regular monitoring reports and acting on recommendations;
- Approving the selection of external service providers and agreeing terms of appointment.
- Mid-Year Review of Treasury Management Indicators

#### **(iii) Governance and Audit Committee**

- Review and scrutiny of the Treasury Management Strategy, policy and procedures and making recommendations to the full Council.

## APPENDIX G

### 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.
- Preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe
- Ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- 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
- Provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- 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, to include the following: -
  - Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
  - Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;

- Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;
- Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
- Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

## APPENDIX H

### CAPITAL INVESTMENT STRATEGY 2022/23 – 2026/27

#### 1. Introduction

The Council is required to approve a Capital Investment Strategy in accordance with the Prudential Code for Capital Finance in Local Authorities.

The Capital Investment Strategy provides a high level overview of how capital investment, capital financing and treasury management activity supports the provisions of services. It considers associated risks and how they are managed and ensures that future financial implications are identified to inform future year's budgets and financial sustainability.

The Strategy forms part of the Council's overall Corporate Planning Framework. It provides a mechanism by which the Council's capital investment and financing decisions can be aligned with the Council's corporate priorities and objectives over a medium term (five year) planning horizon and ensures that the revenue implications of investments are both affordable and sustainable.

The strategy provides a framework for determining the relative importance of individual capital projects. It defines how the capital programme is to be formulated, and it identifies issues and options that influence revenue and capital spending, and sets out how the resources will be managed.

Key elements of the strategy;

- Ensures investments meet our Corporate Plan objectives
- Incorporates the requirements of the Asset Management Plan
- Enables the development of a Capital Investment Programme over the medium term (5 years)
- A framework which will identify priorities for the use of resources for investment.
- Decisions are based on sound business cases.
- Risks are identified and mitigated where possible
- Directly links to the Treasury Management Strategy ensuring an affordable and sustainable Capital Investment Programme in adherence to legislation and the Prudential Code.
- Informs the Medium Term Financial Plan by identifying the revenue impacts of investment decisions.
- Incorporates an annual review to ensure the programme still meets our priorities.
- Considers innovative solutions to funding.

#### 1. Principles Supporting the Capital Investment Strategy

##### a) Strategy Principles

- The investment programme will support the Council's strategic priorities, therefore, the capital investment programme will link to all key strategic planning documents: specifically the Corporate Plan, Executive Business Plan, Medium Term Financial Plan and the Asset Management Plan.
- Schemes within the programme will be prioritised on an authority wide basis and the process of assessing investments, against specific criteria, will optimise the benefit and relative importance of potential schemes.
- Responsible Investing (RI) - investing in opportunities that seek to generate both financial value and sustainable growth,
- Socially responsible investing (SRI), also known as sustainable, socially conscious, "green" or ethical investing (ESG), as well as any investment strategy which seeks to consider both financial return and social good.

#### b) Capital Investment Policy

The Capital Investment Strategy will be underpinned by a Land and Property Investment Policy. The policy does not describe detailed operational investment activity but does describe the framework, and principal [underlying] considerations, which the Council will follow when reviewing and subsequently agreeing investment opportunities. It is designed to support the goals and objectives as outlined in the Corporate Plan, the general objectives of a UK public sector service provider and the very specific aims; goals and aspirations of the Council members; executive officers and their teams.

#### c) Finance Principles

- The overarching principal is the commitment to achieve affordable capital investments over the longer term.
- To pursue all available external funding options and opportunities for leverage of external resources.
- Ensure evaluation for value for money investments by whole life costing (where applicable) and by having robust Business Cases with full financial modelling, and appropriate due diligence in estimates in order to inform the full financial implications
- To develop partnerships, including the pursuit of shared services, joint ventures and community arrangements, where appropriate, to achieve the Council's investment aspirations and value for money.
- Monitoring and evaluation of approved budgets will form part of the quarterly budget monitoring reports.
- Monitoring and evaluation of approved Programmes and projects will form part of Performance Management.
- Encourage community engagement by informing on priorities and consultation on proposals.
- To invest in non-treasury activities to support ongoing sustainability in the delivery of services.
- Regularly review Business Cases as schemes are developed and update financial models to inform future budget impacts.

d) Asset Management Principles

**The Asset Management Policy ensures that;**

- We will take all reasonable and practical steps to ensure the health, safety and wellbeing of staff, visitors and contractors who use or visit our buildings, land or property and who use or are in contact with supporting asset infrastructure.
- We will ensure that all our buildings and land and property assets are fully compliant with current legal requirements, are fit for purpose and managed and maintained in accordance with best practice.
- We will ensure that infrastructure supporting our physical assets is safe and fully compliant with relevant legislative and regulatory requirements.
- All activity on our assets will be carried out in compliance with relevant legislative and statutory requirements.
- We will assess asset related risks and manage such risk in accordance with our corporate risk management policy or in accordance with procedures relevant to the specific asset, its use and function.
- We will retain and/or acquire physical assets which are appropriate to our business and function and dispose of those assets which are not fit for purpose or which cannot support our business or investment criteria.
- We shall continue to actively develop our asset management systems; processes and procedures in a way which is appropriate; efficient; transparent and sustainable and which supports the best management outcomes for our physical assets.
- We shall continue to train and develop staff across the asset management discipline and apply technology and innovation where practical.
- We shall seek continual improvement of our management capability and activities to ensure value for money for all stakeholders.

3. Capital Investment Priorities

The Council's proposed Capital Investment Programme 2022/23 will support the Corporate Plan's key themes;

- Our People – Health and Wellbeing, Leisure, Skills, Vulnerable Groups and Communities
- Our Place – Economic Growth, External Investment, Social Regeneration, Infrastructure, Enhanced Environment
- Our Council – Finances, Structures, Partnerships, Policies, Governance

The Council's financial planning process ensures that the decisions about the allocation of capital and revenue resources are taken to achieve a corporate and consistent approach. The key corporate documents and relevant linkages with this strategy include;

- The Corporate Plan – priorities for the medium term
- The Medium Term Financial Plan - incorporates the Financial Strategy, revenue budget financial impacts of capital investment decisions.
- The Reserves Strategy- prioritises the use of reserves for capital and revenue purposes.
- The Treasury Management Strategy (including Investment Strategy) informs the affordability and sustainability of prudent investment decisions.
- The Commercial Portfolio Strategy – informs how acquisitions of investment properties will be made on a risk based approach
- The Value for Money Strategy – Ensuring VFM is achieved from investment decisions.
- The Housing Strategy – Supporting housing growth and regeneration within the district.
- The Land and Property Investment Strategy -
- The Asset Management Policy – Investment needs of our own land and property holdings
- Service Plans – Investment need for delivery of quality services

#### 4. The Capital Investment Strategy Process

The strategic approach to revenue and capital investment decisions needs to be formalised to ensure that our resources are directed to the most appropriate schemes which both deliver our corporate priorities and which are based on sound business cases. Assessment and prioritisation of capital investments schemes are based on uniform criteria.

Therefore the Capital Investment Strategy Process has been developed which will ensure that prioritisation of investments are directed to deliver Corporate Objectives and delivery of the Executive Business Plan and Service Business Plans in addition to generating returns to support delivery of core services.

The process for includes:

- Review existing Capital Programme, timing, budget requirements etc.
- Annual review of existing Projects
- Asset Management Plan – detailed costs of required investment in property portfolio and property assets to be disposed.
- Review of asset replacement programmes
- Consideration of financing availability i.e. Earmarked Reserves, Grant funding, Capital Receipts and Prudential Borrowing
- Business Planning – identifying new schemes and projects for evaluation both capital and revenue.
- Evaluation of all proposed schemes against scoring matrix.

- Consider core service funding requirements and opportunities to invest in non-Treasury assets to generate returns

The final approved Capital Investment Programme and its financial implications, are included within the Medium Term Financial Plan, submitted to the Council annually in March for approval.

Fully costed and appraised business cases for each scheme will be presented to a relevant Board for consideration prior to any decision being made.

The Capital Programme consists of 4 levels of activity;

- Pre-Stage 1 – Business Case in preparation
- Stage 1 – Budget approved – requires full business case
- Stage 2 – Business case approved in principal or awaiting funding
- Stage 3 and Business as Usual (BAU) – Approved to spend and funding secured

The investment and the ongoing revenue implications of each scheme are ascertained from the financial implications and appraisals within the business case.

The Capital Investment Value is assessed against the capital definition, and deminimis limits (£10k).

Revenue Implications – include the impact on revenue budgets for running costs/additional staffing etc. and the impact of the cost of borrowing or loss of investment interest if capital receipts and revenue reserves are to be utilised.

## 5. Governance of the Capital Investment Programme

In accordance with the Constitution and governance arrangements, the Council reviews its capital requirements and determines its Capital Programme within the framework of the MTFP and as part of the annual budget process. Resource constraints mean the Council continually needs to prioritise expenditure in light of its aims and priorities and considers alternative solutions.

To ensure that available resources are allocated optimally, capital programme planning is determined in parallel with service and revenue budget planning processes within the frame work of the MTFP.

New programmes of expenditure will be appraised following a clearly defined Business Case gateway process.

The Council will approve in principal the Capital Investment Programme, and will approve the release of funding for replacement and renewal programmes. This is undertaken annually in March as part of budget setting and the approval of the Medium Term Financial Plan.

The Governance and Audit Committee will provide assurance on this Capital Investment Strategy.



Corporate Policy and Resources Committee will be responsible for approving release of funding for the Capital Investment Programme and will therefore receive reports for each scheme detailing the business case, cost, proposed funding and revenue implications.

Corporate Policy and Resources Committee will receive quarterly monitoring and update reports which may include details of;

- New capital investment schemes
- Slippage in programme delivery
- Programmes removed or reduced
- Virements (budget movements) between schemes
- Revisions in spend profile
- Overspending
- Capital acquisitions and disposals
- Loan advances and outstanding loan balances

Progress on specific programmes will also be monitored in relation to projects through the Performance Monitoring reporting framework.

The Programme Board will receive monthly highlight reports

The Management Team will receive quarterly monitoring reports and any exception reporting.

Budget Managers will receive monthly monitoring reports.

## 6. Capital Financing

The funding of Capital schemes can come from a number of resources, the use of external resources will take precedent;

- Prudential borrowing
- Revenue contributions and Earmarked Reserves
- Capital Receipts
- External grants and contributions (including S106 and Community Infrastructure Levies (CiL))
- Leasing
- Other sources – i.e. partnerships or private sector involvement

This strategy, the outcomes of which will inform the MTFP, is intended to consider all potential funding options available to the Council and to maximise the financial resources available for investment in corporate priorities and service provision and improvement.

To deliver our strategic objectives, especially in relation to economic and housing growth, regeneration, in addition to investment in commercial property which is designed to provide a revenue return, significant levels of investment will be required, which will result in a borrowing need.

## 7 Prudential Borrowing

The Council has discretion to undertake Prudential borrowing to fund capital projects with the full cost of that borrowing (interest and minimum revenue provision) being funded from Council revenue resources and/or capital receipts. This discretion is subject to complying with the Code's regulatory framework which essentially requires any such borrowing to be prudent, affordable and sustainable. Prudential borrowing provides an option for funding additional capital development however it has to be funded each year from within the revenue budget and by generating additional ongoing income streams from the investment.

Given the pressure on the Council's revenue budget in future years, prudent use will be made of this discretion in cases and only where there is a clear financial benefit, such as "invest to save", "invest to earn". Consideration will only be given to commercial investments where returns are expected to be higher than the revenue costs of the debt, provision of loans where principal repayments will be utilised as proxy for MRP, borrowing or major regeneration schemes which do not increase revenue expenditure levels in the longer term but provide a beneficial economic and or social impact.

The Council will remain cautious and prudent in the extent of prudential borrowing undertaken to fund new capital investment.

Where prudential borrowing is utilised to fund Capital Investment, financial implication considerations will be provided including the risks and opportunities of the investment over both the payback period and over the repayment period of any debt taken out.

## 8 Revenue Contributions and Earmarked Reserves

Our continued prudent approach is to set aside revenue resources to fund capital replacement programmes and asset management funding.

New Homes Bonus Grant will continue to be set aside for the purpose of investment in growth and regeneration (economic and housing) and this strategy has been included in the MTFP.

We will consider future Earmarking of Reserves for service investment needs, invest to save and invest to earn projects and enhancements to our own property assets, in addition to consideration of revenue contingencies, volatility and budget smoothing.

Our own resources will therefore be utilised to fund those schemes which provide a Socio-Economic return on investment, invest to save schemes which achieve efficiencies, and investment in our operational service asset needs.

## 9 Capital Receipts

Capital receipts generated from the following sources and where appropriate utilised as detailed.

- Loans principal repayments – used to repay prudential borrowing
- Receipts from Asset Disposal (operational property assets or surplus land)
- Commercial Portfolio Properties – repayment of borrowing
- Share of RTB Housing Transfer Agreement – future investment
- Insurance settlements – replacement of asset

#### 10 External Grants and contributions (incl S106 and Community Infrastructure Levy (CiL))

The Council will actively pursue grants and contributions and other innovative solutions to funding of capital investment schemes. This funding will be utilised in the first instance.

#### 11 Leasing

The use of leasing will be undertaken where alternative funding is not available for vehicles or minor equipment and the revenue budget does not allow for a full capital repayment. Where there is a robust business case then the option of leasing may be considered.

#### 12 Other Sources of Funding

There are a range of other potential funding sources which may be generated locally either by the Council itself or in partnership with others i.e. a growing number of private organisations are showing interest where clear joint benefits exist. Each case will be subject to specific financial appraisals and appropriate governance arrangements.

#### 13. Investment in Commercial Properties (Non Treasury Investments)

Any acquisition of Commercial Properties will be in accordance with the Commercial Portfolio Strategy and are being acquired to support delivery of services in a financially sustainable organisation. Up to £30m has been approved for investment in Commercial Property in support and protection of Council Services.

Appropriate experts are engaged as required.

All assets will be assessed against a set criteria and the Chief Executive and the Leader of the Council have delegated Authority to complete on the acquisition of assets which score 50 or more out of 70. Any asset which falls below this threshold or registers a zero against any criteria may still be considered but specific justification will need to be provided and the decision to proceed taken to the Corporate Policy and Resources Committee for approval.

An annual review will be undertaken of the Commercial Property Portfolio to ascertain whether its fair value is sufficient to provide security against loss against the capital investment, and therefore adequate to meet the cost of outstanding borrowing.

Under the Minimum Revenue Provision (MRP) Policy, there will be no annual MRP charge for borrowing undertaken to finance Commercial Properties. However voluntary MRP will be considered on an annual basis if appropriate.

A Valuation Volatility Earmarked Reserve has been created with a target balance of 5% of purchase price of the portfolio, which will reduce to 3% over the medium term, reflecting the introduction of an annual MRP charge to reduce outstanding prudential borrowing. This will help mitigate any financial loss of investment upon the sale of an asset should there be any shortfall against outstanding debt. A proportion of the annual revenue income generated from the investment will be allocated for risk provision.

A Commercial Contingency revenue base budget is also included within the MTFP to mitigate the risk of not achieving the desired level of yield from the Portfolio in year.

These investment assets are not deemed to be liquid over the short term but are likely to be held for the medium term of 5-10 years.

A number of prudential indicators in relation to these investments are contained within the Treasury Management Strategy and will be monitored throughout the year.

#### 14. Risk

All capital projects have a risk register, with all risks affecting the project considered.

A specific risk of capital investment is the impact on the Council's VAT partial exemption (recovery of exempt VAT up to 5% of overall VAT). If exempt VAT exceeds 5% the whole amount is then irrecoverable. Each scheme is therefore assessed for its impact

#### 15. Conclusion

The Capital Investment Strategy is a working document, which enables the Council to make informed rational capital investment decisions to achieve its corporate priorities and objectives. It provides a framework for determining the relative importance of individual projects.

The strategy will be reviewed annually to ensure that it remains relevant and effective.



**THE COUNCIL TAX REQUIREMENT 2022/23**

**1. Introduction**

- 1.1 This Council is the billing Authority for the West Lindsey area and is required to set a Council Tax that will cover not only its own requirements, but also those of the County Council, Police Authority and Town/Parish Councils.
- 1.2 The Localism Act 2011 has introduced a new requirement for a local authority to determine whether the basic amount of council tax for a financial year is excessive, in which case a local referendum would be needed. Schedule 5 of the Localism Act 2011 has inserted a new chapter 4ZA into part 1 of the Local Government Finance Act 1992. Section 52ZB sets out the steps needed to determine the level of tax which would be 'excessive'. These steps are in effect to compare the level of increase in council tax with principles set out by the Secretary of State. The Secretary of State has indicated that, for 2022/23, an increase above 2% or £5, whichever is the greater, in a district council's council tax would be excessive.
- 2 The Council's basic amount of council tax recommended for 2022/23 is £227.74 (2021/22 £222.74) a £5 increase.

**3 Council Tax levels 2022/23**

- 2.1 The level of Council Tax will vary between households throughout the District and will depend upon which band and in which Town/Parish the taxpayer lives. A full schedule of Council Taxes by Parish is attached at Appendix 11.
- 2.2 Taking account of the above council tax requirements the average Council Tax at Band D for 2022/23 will be set as follows:-

	2021/22	2022/23	Variance	
	£	£	£	%
Lincolnshire County Council	1,364.16	1,432.17	68.01	4.99%
Police	266.31	276.30	9.99	5.94%
West Lindsey District Council	222.74	227.74	5.00	2.24%
Direct Parish Precept Charges	72.57	75.19	2.62	3.61%
<b>Total Average Council Tax</b>	<b>1,925.78</b>	<b>2,011.40</b>	<b>85.62</b>	<b>4.45%</b>

- 2.3 Although the increases in Town/Parish Precepts average 3.61% the impact on the individual Town/Parish Councils will vary according to the amount by which each has increased its precept.

### 3. Recommendations - Council Tax Requirements 2022/23

- 3.1 It be noted that on 30 November 2021 the Council calculated the Council Tax Base 2022/23.
- a) for the whole Council area as 31,038.46 (30,128.37 2021/22) [Item T in the formula in Section 31b of the Local Government Finance Act 1992, as amended (the “Act”)]; and
  - b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix 11.
- 3.2 The council tax requirement for the Council’s own purposes for 2022/23 (excluding Parish precepts) is £7,068,680
- 3.3 The following amounts be calculated for the year 2022/23 in accordance with Sections 31 to 36 of the Act:
- a) £43,593,500 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Local Government Finance Act 1992. **(Gross expenditure including Parish Precepts and contribution to reserves)**
  - b) £34,191,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act. **(Total income including contribution from reserves)**
  - c) £9,402,498 being the amount by which the aggregate at 3.3(a) above exceeds the aggregate at 3.3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its **Council Tax requirement for the year (including Parish precepts)**.
  - d) £302.93 being the amount at 3.3(c) above (item R), all divided by Item T (3.1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - e) £2,333,818 being the aggregate amount of all special items **(total parish precepts)** referred to in Section 34(1) of the Act (as per the attached Appendix J)
  - f) £227.74 being the amount at 3.3(d) above less the result given by dividing the amount at 3.3(e) above by Item T (3.1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates. **(WLDC Band D average)**
- 3.4 That the amounts stated in the “Total” column of Appendix 10 to this resolution be calculated by adding to the amount at (f) above the amounts of special item or items relating to dwellings in those parts of

the Council's area mentioned in Appendix 10 divided in each case by the individual tax bases (Appendix 9) set by the Council in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate. **(Band D Council Taxes for the WLDC and individual parishes)**

- 3.5 That the amounts stated in Appendix 11 to this resolution be calculated by multiplying the aggregate of the amounts at (f) above and 3.4 above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands. **(All valuation band council taxes for WLDC and individual parishes).**
- 3.6 To note that the County Council and the Police Authority have issued precepts to the Council in accordance with Section 40 of the local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
- 3.7 That the Council, in accordance with Sections 30 to 36 of the local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2022/23 for each part of its area and for each of the categories of dwellings.

<b>Band</b>	<b>West Lindsey DC</b>	<b>Lincolnshire CC</b>	<b>Police &amp; Crime Commissioner Lincolnshire</b>	<b>Aggregate Council Tax</b>
<b>A</b>	151.83	954.78	184.20	1,290.81
<b>B</b>	177.13	1,113.91	214.90	1,505.94
<b>C</b>	202.44	1,273.04	245.60	1,721.08
<b>D</b>	227.74	1,432.17	276.30	1,936.21
<b>E</b>	278.35	1,750.43	337.70	2,366.48
<b>F</b>	328.96	2,068.69	399.10	2,796.75
<b>G</b>	379.57	2,386.95	460.50	3,227.02
<b>H</b>	455.48	2,864.34	552.60	3,872.42

- 3.8 That having calculated the aggregate in each case of the amounts at 3.5 and 3.6 above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the amounts in Appendix 12 as the levels of Council Tax for the year 2022/23 for each of the categories of dwellings shown in that Appendix.
- 3.9 To determine that the Council's basic amount of Council Tax for 2022/23 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.



4. **Recommendation**

- 4.1 That the Council approves the recommendations set out above and the levels of Council Tax for the year 2022/23 in respect of each of the areas in the District as set out in the appendices to this report.

**Parish Tax Base 2022-23**

**Appendix 9**

<b>Parish</b>	<b>2022/23 Tax Base</b>
Aisthorpe	39.84
Bardney - Apley - Stainfield	726.96
Bigby	176.00
Bishop Norton	140.67
Blyborough	33.57
Blyton	389.37
Brampton	33.85
Brattleby	51.60
Broadholme	38.54
Brocklesby	33.25
Brookenby	167.45
Broxholme	30.32
Bullington	11.68
Burton	416.54
Buslingthorpe	22.72
Cabourne	28.78
Caenby	24.79
Caistor	995.86
Cammeringham	47.91
Cherry Willingham	1394.32
Claxby	68.51
Corringham	171.38
Dunholme	756.16
East Ferry	41.37
East Stockwith	70.29
Faldingworth	186.53
Fenton	154.61
Fillingham	87.32
Fiskerton	373.44
Friesthorpe	10.58
Fulnetby	4.51
Gainsborough	4774.09
Glentham	172.08
Glentworth	117.01
Goltho	31.30
Grange de Lings	11.29
Grasby	188.60
Grayingham	60.18
Great Limber	80.39
Greetwell	345.41
Hackthorn - Cold Hanworth	86.52
Hardwick	17.86
Harpswell	23.01
Heapham	42.14
Hemswell	124.28

<b>Parish</b>	<b>2022/23 Tax Base</b>
Hemswell Cliff	168.57
Holton Beckering	45.75
Holton le Moor	62.06
Ingham	352.20
Keelby	691.02
Kettlethorpe	164.98
Kexby	116.33
Kirmond le Mire	14.20
Knaith	127.29
Langworth - Barlings - Newball	236.46
Laughton	150.75
Lea	380.10
Legsby	78.08
Linwood	37.94
Lissington	52.62
Market Rasen	1,252.40
Marton - Gate Burton	243.05
Middle Rasen	724.88
Morton	435.66
Nettleham	1572.36
Nettleton	238.81
Newton-On-Trent	138.01
Normanby-By-Spital	145.44
Normanby le Wold	18.12
North Carlton	92.81
North Kelsey	363.01
North Willingham	49.59
Northorpe	51.12
Osgodby	216.89
Owersby	98.07
Owmbly-By-Spital	116.06
Pilham	25.22
Rand	19.45
Reepham	330.40
Riby	46.62
Riseholme	123.67
Rothwell	64.06
Saxby	19.45
Saxilby - Ingleby	1533.78
Scampton	368.57
Scothern	385.87
Scotter	1169.53
Scotton	219.73
Searby cum Owmbly	81.09
Sixhills	14.68

<b>Parish</b>	<b>2022/23 Tax Base</b>
Snarford	13.91
Snelland	30.78
Snitterby	90.64
Somerby	24.85
South Carlton	36.49
South Kelsey	205.50
Spidlington	92.44
Springthorpe	59.91
Stainton le Vale	34.50
Stow	131.05
Sturton-By-Stow	506.79
Sudbrooke	726.57
Swallow	89.70
Swinhope	49.23
Tealby	277.38
Thonock	9.65
Thoresway	40.52
Thorganby	13.61
Thorpe le Fallows	6.28
Toft Newton	129.97
Torksey	288.02
Upton	165.19
Waddingham	213.71
Walesby	108.95
Walkerith	26.31
Welton	1561.67
West Firsby	10.91
West Rasen	33.08
Wickenby	82.05
Wildsworth	28.65
Willingham	199.84
Willoughton	110.68
<b>Total</b>	<b>31,038.46</b>

## APPENDIX 10

### PARISH PRECEPTS

#### (DETERMINATION OF COUNCIL TAX WHERE SPECIAL ITEMS APPLY)

PARISH	PARISH PRECEPT	PARISH COUNCIL TAX	DISTRICT COUNCIL TAX	TOTAL
	£	£	£	£
Bardney - Apley - Stainfield	72,475.00	99.70	227.74	327.44
Bigby	6,400.00	36.36	227.74	264.10
Bishop Norton	6,650.00	47.27	227.74	275.01
Blyton	37,400.00	96.05	227.74	323.79
Brattleby	1,940.00	37.60	227.74	265.34
Broadholme	500.00	12.97	227.74	240.71
Brookenby	21,600.00	128.99	227.74	356.73
Burton	4,900.00	11.76	227.74	239.50
Caistor	99,900.00	100.32	227.74	328.06
Cammeringham	900.00	18.79	227.74	246.53
Cherry Willingham	84,000.00	60.24	227.74	287.98
Claxby	5,307.00	77.46	227.74	305.20
Corringham	10,900.00	63.60	227.74	291.34
Dunholme	49,123.00	64.96	227.74	292.70
East Stockwith	4,900.00	69.71	227.74	297.45
Faldingworth	9,597.00	51.45	227.74	279.19
Fenton	5,200.00	33.63	227.74	261.37
Fillingham	5,122.00	58.66	227.74	286.40
Fiskerton	23,870.00	63.92	227.74	291.66
Gainsborough	554,258.00	116.10	227.74	343.84
Glentham	8,900.00	51.72	227.74	279.46
Glentworth	10,038.00	85.79	227.74	313.53
Grasby	4,665.00	24.73	227.74	252.47
Great Limber	9,900.00	123.15	227.74	350.89
Greetwell	11,230.00	32.51	227.74	260.25
Hackthorn - Cold Hanworth	1,905.00	22.02	227.74	249.76
Heapham	200.00	4.75	227.74	232.49
Hemswell	6,900.00	55.52	227.74	283.26
Hemswell Cliff	14,290.00	84.77	227.74	312.51
Ingham	23,347.00	66.29	227.74	294.03
Keelby	22,177.00	32.09	227.74	259.83
Kettlethorpe	9,650.00	58.49	227.74	286.23

PARISH	PARISH PRECEPT	PARISH COUNCIL TAX	DISTRICT COUNCIL TAX	TOTAL
	£	£	£	£
Kexby	1,900.00	16.33	227.74	244.07
Knaith	3,097.00	24.33	227.74	252.07
Langworth - Barlings - Newball	25,220.00	106.66	227.74	334.40
Laughton	6,330.00	41.99	227.74	269.73
Lea	19,900.00	52.35	227.74	280.09
Legsby	1,620.00	20.75	227.74	248.49
Market Rasen	138,288.00	110.42	227.74	338.16
Marton - Gate Burton	10,400.00	42.79	227.74	270.53
Middle Rasen	18,400.00	25.38	227.74	253.12
Morton	14,863.00	34.12	227.74	261.86
Nettleham	191,298.00	121.66	227.74	349.40
Nettleton	11,900.00	49.83	227.74	277.57
Newton-On-Trent	16,900.00	122.45	227.74	350.19
Normanby-By-Spital	7,717.00	53.06	227.74	280.80
North Kelsey	19,315.00	53.21	227.74	280.95
Northorpe	2,650.00	51.84	227.74	279.58
Osgodby	7,711.00	35.55	227.74	263.29
Owersby	1,900.00	19.37	227.74	247.11
Owmbly-By-Spital	9,480.00	81.68	227.74	309.42
Reepham	8,600.00	26.03	227.74	253.77
Riby	800.00	17.16	227.74	244.90
Riseholme	1,900.00	15.36	227.74	243.10
Rothwell	3,900.00	60.88	227.74	288.62
Saxby	150.00	7.71	227.74	235.45
Saxilby - Ingleby	233,130.00	152.00	227.74	379.74
Scampton	7,900.00	21.43	227.74	249.17
Scothern	30,953.00	80.22	227.74	307.96
Scotter	70,200.00	60.02	227.74	287.76
Scotton	10,900.00	49.61	227.74	277.35
Snitterby	2,959.00	32.65	227.74	260.39
South Kelsey	7,167.00	34.88	227.74	262.62
Spridlington	3,180.00	34.40	227.74	262.14
Springthorpe	900.00	15.02	227.74	242.76
Stow	4,900.00	37.39	227.74	265.13
Sturton-By-Stow	29,167.00	57.55	227.74	285.29
Sudbrooke	29,700.00	40.88	227.74	268.62
Swallow	6,866.00	76.54	227.74	304.28
Tealby	14,900.00	53.72	227.74	281.46
Toft Newton	9,900.00	76.17	227.74	303.91

PARISH	PARISH PRECEPT	PARISH COUNCIL TAX	DISTRICT COUNCIL TAX	TOTAL
	£	£	£	£
Torksey	15,900.00	55.20	227.74	282.94
Upton	7,400.00	44.80	227.74	272.54
Waddingham	8,400.00	39.31	227.74	267.05
Walesby	2,500.00	22.95	227.74	250.69
Welton	159,010.00	101.82	227.74	329.56
Wickenby	3,903.00	47.57	227.74	275.31
Willingham	13,900.00	69.56	227.74	297.30
Willoughton	7,700.00	69.57	227.74	297.31
<b>TOTAL</b>	<b>2,333,818.00</b>	<b>4,355.54</b>		

## Appendix 11

### Determination of Amounts of Council Tax for each category and dwelling in each part of the area

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Aisthorpe	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Apley	218.30	254.67	291.06	327.44	400.21	472.97	545.74	654.88	99.70
Bardney	218.30	254.67	291.06	327.44	400.21	472.97	545.74	654.88	99.70
Barlings	222.94	260.09	297.25	334.40	408.71	483.02	557.34	668.80	106.66
Bigby	176.07	205.41	234.76	264.10	322.79	381.48	440.17	528.20	36.36
Bishop Norton	183.34	213.90	244.46	275.01	336.12	397.24	458.35	550.02	47.27
Blyborough	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Blyton	215.86	251.84	287.82	323.79	395.74	467.70	539.65	647.58	96.05
Brampton	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Brattleby	176.90	206.37	235.86	265.34	324.31	383.27	442.24	530.68	37.60
Broadholme	160.48	187.22	213.97	240.71	294.20	347.69	401.19	481.42	12.97
Brocklesby	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Brookenby	237.82	277.46	317.10	356.73	436.00	515.28	594.55	713.46	128.99
Broxholme	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Bullington	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Burton	159.67	186.28	212.89	239.50	292.72	345.95	399.17	479.00	11.76
Buslingthorpe	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Cabourne	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Caenby	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Caistor	218.71	255.16	291.61	328.06	400.96	473.87	546.77	656.12	100.32
Cammeringham	164.36	191.74	219.14	246.53	301.32	356.10	410.89	493.06	18.79

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Cherry Willingham	191.99	223.98	255.99	287.98	351.98	415.97	479.97	575.96	60.24
Claxby	203.47	237.38	271.29	305.20	373.02	440.85	508.67	610.40	77.46
Cold Hanworth	166.51	194.26	222.01	249.76	305.26	360.77	416.27	499.52	22.02
Corringham	194.23	226.60	258.97	291.34	356.08	420.83	485.57	582.68	63.60
Dunholme	195.14	227.65	260.18	292.70	357.75	422.79	487.84	585.40	64.96
East Ferry	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
East Stockwith	198.30	231.35	264.40	297.45	363.55	429.65	495.75	594.90	69.71
Faldingworth	186.13	217.15	248.17	279.19	341.23	403.28	465.32	558.38	51.45
Fenton	174.25	203.29	232.33	261.37	319.45	377.54	435.62	522.74	33.63
Fillingham	190.94	222.75	254.58	286.40	350.05	413.69	477.34	572.80	58.66
Fiskerton	194.44	226.85	259.26	291.66	356.47	421.29	486.10	583.32	63.92
Friesthorpe	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Fulnetby	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Gainsborough	229.23	267.43	305.64	343.84	420.25	496.66	573.07	687.68	116.10
Gate Burton	180.36	210.41	240.48	270.53	330.65	390.77	450.89	541.06	42.79
Glentham	186.31	217.36	248.41	279.46	341.56	403.67	465.77	558.92	51.72
Glentworth	209.02	243.86	278.70	313.53	383.20	452.88	522.55	627.06	85.79
Golto	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Grange de Lings	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Grasby	168.32	196.36	224.42	252.47	308.58	364.68	420.79	504.94	24.73
Grayingham	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Great Limber	233.93	272.91	311.91	350.89	428.87	506.84	584.82	701.78	123.15
Greetwell	173.50	202.42	231.34	260.25	318.08	375.92	433.75	520.50	32.51
Hackthorn	166.51	194.26	222.01	249.76	305.26	360.77	416.27	499.52	22.02



Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Hardwick	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Harpwell	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Heapham	155.00	180.82	206.66	232.49	284.16	335.82	387.49	464.98	4.75
Hemswell	188.84	220.31	251.79	283.26	346.21	409.16	472.10	566.52	55.52
Hemswell Cliff	208.34	243.06	277.79	312.51	381.96	451.41	520.85	625.02	84.77
Holton Beckering	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Holton Le Moor	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Ingham	196.02	228.69	261.36	294.03	359.37	424.71	490.05	588.06	66.29
Keelby	173.22	202.09	230.96	259.83	317.57	375.31	433.05	519.66	32.09
Kettlethorpe	190.82	222.62	254.43	286.23	349.84	413.45	477.05	572.46	58.49
Kexby	162.72	189.83	216.96	244.07	298.31	352.55	406.79	488.14	16.33
Kirmond Le Mire	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Knaith	168.05	196.05	224.07	252.07	308.09	364.10	420.12	504.14	24.33
Langworth	222.94	260.09	297.25	334.40	408.71	483.02	557.34	668.80	106.66
Laughton	179.82	209.79	239.76	269.73	329.67	389.61	449.55	539.46	41.99
Lea	186.73	217.85	248.97	280.09	342.33	404.58	466.82	560.18	52.35
Legsby	165.66	193.27	220.88	248.49	303.71	358.93	414.15	496.98	20.75
Linwood	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Lissington	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Market Rasen	225.44	263.01	300.59	338.16	413.31	488.46	563.60	676.32	110.42
Marton	180.36	210.41	240.48	270.53	330.65	390.77	450.89	541.06	42.79
Middle Rasen	168.75	196.87	225.00	253.12	309.37	365.62	421.87	506.24	25.38
Morton	174.58	203.67	232.77	261.86	320.05	378.24	436.44	523.72	34.12
Nettleham	232.94	271.75	310.58	349.40	427.05	504.69	582.34	698.80	121.66

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Nettleton	185.05	215.89	246.73	277.57	339.25	400.94	462.62	555.14	49.83
Newball	222.94	260.09	297.25	334.40	408.71	483.02	557.34	668.80	106.66
Newton on Trent	233.46	272.37	311.28	350.19	428.01	505.83	583.65	700.38	122.45
Normanby by Spital	187.20	218.40	249.60	280.80	343.20	405.60	468.00	561.60	53.06
Normanby Le Wold	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
North Carlton	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
North Kelsey	187.30	218.52	249.74	280.95	343.38	405.82	468.25	561.90	53.21
North Willingham	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Northorpe	186.39	217.45	248.52	279.58	341.71	403.84	465.97	559.16	51.84
Osgodby	175.53	204.78	234.04	263.29	321.80	380.31	438.82	526.58	35.55
Owersby	164.74	192.20	219.66	247.11	302.02	356.94	411.85	494.22	19.37
Owmbly by Spital	206.28	240.66	275.04	309.42	378.18	446.94	515.70	618.84	81.68
Pilham	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Rand	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Reepham	169.18	197.38	225.58	253.77	310.16	366.56	422.95	507.54	26.03
Riby	163.27	190.48	217.69	244.90	299.32	353.75	408.17	489.80	17.16
Riseholme	162.07	189.08	216.09	243.10	297.12	351.15	405.17	486.20	15.36
Rothwell	192.42	224.48	256.56	288.62	352.76	416.90	481.04	577.24	60.88
Saxby	156.97	183.13	209.29	235.45	287.77	340.10	392.42	470.90	7.71
Saxilby	253.16	295.35	337.55	379.74	464.13	548.52	632.90	759.48	152.00
Scampton	166.12	193.80	221.49	249.17	304.54	359.91	415.29	498.34	21.43
Scothern	205.31	239.52	273.75	307.96	376.40	444.83	513.27	615.92	80.22
Scotter	191.84	223.81	255.79	287.76	351.71	415.66	479.60	575.52	60.02
Scotton	184.90	215.72	246.54	277.35	338.98	400.62	462.25	554.70	49.61

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Searby Cum Owmbly	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Sixhills	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Snarford	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Snelland	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Snitterby	173.60	202.52	231.46	260.39	318.26	376.12	433.99	520.78	32.65
Somerby	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
South Carlton	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
South Kelsey	175.08	204.26	233.44	262.62	320.98	379.34	437.70	525.24	34.88
Spridlington	174.76	203.89	233.02	262.14	320.39	378.65	436.90	524.28	34.40
Springthorpe	161.84	188.81	215.79	242.76	296.71	350.66	404.60	485.52	15.02
Stainfield	218.30	254.67	291.06	327.44	400.21	472.97	545.74	654.88	99.70
Stainton Le Vale	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Stow	176.76	206.21	235.68	265.13	324.05	382.97	441.89	530.26	37.39
Sturton by Stow	190.20	221.89	253.60	285.29	348.69	412.09	475.49	570.58	57.55
Sudbrooke	179.08	208.93	238.78	268.62	328.31	388.01	447.70	537.24	40.88
Swallow	202.86	236.66	270.48	304.28	371.90	439.52	507.14	608.56	76.54
Swinhope	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Tealby	187.64	218.91	250.19	281.46	344.01	406.56	469.10	562.92	53.72
Thonock	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Thoresway	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Thorganby	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Thorpe Le Fallows	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Toft Newton	202.61	236.37	270.15	303.91	371.45	438.98	506.52	607.82	76.17
Torksey	188.63	220.06	251.51	282.94	345.82	408.69	471.57	565.88	55.20

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Upton	181.70	211.97	242.26	272.54	333.11	393.67	454.24	545.08	44.80
Waddingham	178.04	207.70	237.38	267.05	326.40	385.74	445.09	534.10	39.31
Walesby	167.13	194.98	222.84	250.69	306.40	362.11	417.82	501.38	22.95
Walkerith	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Welton	219.71	256.32	292.95	329.56	402.80	476.03	549.27	659.12	101.82
West Firsby	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
West Rasen	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Wickenby	183.54	214.13	244.72	275.31	336.49	397.67	458.85	550.62	47.57
Wildsworth	151.83	177.13	202.44	227.74	278.35	328.96	379.57	455.48	0.00
Willingham	198.20	231.23	264.27	297.30	363.37	429.44	495.50	594.60	69.56
Willoughton	198.21	231.24	264.28	297.31	363.38	429.45	495.52	594.62	69.57

## Appendix 12

### Overall Levels of Council Tax 2022-23

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Aisthorpe	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Apley	1,357.28	1,583.48	1,809.70	2,035.91	2,488.34	2,940.76	3,393.19	4,071.82	99.70
Bardney	1,357.28	1,583.48	1,809.70	2,035.91	2,488.34	2,940.76	3,393.19	4,071.82	99.70
Barlings	1,361.92	1,588.90	1,815.89	2,042.87	2,496.84	2,950.81	3,404.79	4,085.74	106.66
Bigby	1,315.05	1,534.22	1,753.40	1,972.57	2,410.92	2,849.27	3,287.62	3,945.14	36.36
Bishop Norton	1,322.32	1,542.71	1,763.10	1,983.48	2,424.25	2,865.03	3,305.80	3,966.96	47.27
Blyborough	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Blyton	1,354.84	1,580.65	1,806.46	2,032.26	2,483.87	2,935.49	3,387.10	4,064.52	96.05
Brampton	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Brattleby	1,315.88	1,535.18	1,754.50	1,973.81	2,412.44	2,851.06	3,289.69	3,947.62	37.60
Broadholme	1,299.46	1,516.03	1,732.61	1,949.18	2,382.33	2,815.48	3,248.64	3,898.36	12.97
Brocklesby	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Brookenby	1,376.80	1,606.27	1,835.74	2,065.20	2,524.13	2,983.07	3,442.00	4,130.40	128.99
Broxholme	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Bullington	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Burton	1,298.65	1,515.09	1,731.53	1,947.97	2,380.85	2,813.74	3,246.62	3,895.94	11.76
Buslingthorpe	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Cabourne	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Caenby	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Caistor	1,357.69	1,583.97	1,810.25	2,036.53	2,489.09	2,941.66	3,394.22	4,073.06	100.32
Cammeringham	1,303.34	1,520.55	1,737.78	1,955.00	2,389.45	2,823.89	3,258.34	3,910.00	18.79

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Cherry Willingham	1,330.97	1,552.79	1,774.63	1,996.45	2,440.11	2,883.76	3,327.42	3,992.90	60.24
Claxby	1,342.45	1,566.19	1,789.93	2,013.67	2,461.15	2,908.64	3,356.12	4,027.34	77.46
Cold Hanworth	1,305.49	1,523.07	1,740.65	1,958.23	2,393.39	2,828.56	3,263.72	3,916.46	22.02
Corringham	1,333.21	1,555.41	1,777.61	1,999.81	2,444.21	2,888.62	3,333.02	3,999.62	63.60
Dunholme	1,334.12	1,556.46	1,778.82	2,001.17	2,445.88	2,890.58	3,335.29	4,002.34	64.96
East Ferry	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
East Stockwith	1,337.28	1,560.16	1,783.04	2,005.92	2,451.68	2,897.44	3,343.20	4,011.84	69.71
Faldingworth	1,325.11	1,545.96	1,766.81	1,987.66	2,429.36	2,871.07	3,312.77	3,975.32	51.45
Fenton	1,313.23	1,532.10	1,750.97	1,969.84	2,407.58	2,845.33	3,283.07	3,939.68	33.63
Fillingham	1,329.92	1,551.56	1,773.22	1,994.87	2,438.18	2,881.48	3,324.79	3,989.74	58.66
Fiskerton	1,333.42	1,555.66	1,777.90	2,000.13	2,444.60	2,889.08	3,333.55	4,000.26	63.92
Friesthorpe	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Fulnetby	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Gainsborough	1,368.21	1,596.24	1,824.28	2,052.31	2,508.38	2,964.45	3,420.52	4,104.62	116.10
Gate Burton	1,319.34	1,539.22	1,759.12	1,979.00	2,418.78	2,858.56	3,298.34	3,958.00	42.79
Glentham	1,325.29	1,546.17	1,767.05	1,987.93	2,429.69	2,871.46	3,313.22	3,975.86	51.72
Glentworth	1,348.00	1,572.67	1,797.34	2,022.00	2,471.33	2,920.67	3,370.00	4,044.00	85.79
Golto	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Grange de Lings	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Grasby	1,307.30	1,525.17	1,743.06	1,960.94	2,396.71	2,832.47	3,268.24	3,921.88	24.73
Grayingham	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Great Limber	1,372.91	1,601.72	1,830.55	2,059.36	2,517.00	2,974.63	3,432.27	4,118.72	123.15
Greetwell	1,312.48	1,531.23	1,749.98	1,968.72	2,406.21	2,843.71	3,281.20	3,937.44	32.51
Hackthorn	1,305.49	1,523.07	1,740.65	1,958.23	2,393.39	2,828.56	3,263.72	3,916.46	22.02

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Hardwick	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Harpswell	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Heapham	1,293.98	1,509.63	1,725.30	1,940.96	2,372.29	2,803.61	3,234.94	3,881.92	4.75
Hemswell	1,327.82	1,549.12	1,770.43	1,991.73	2,434.34	2,876.95	3,319.55	3,983.46	55.52
Hemswell Cliff	1,347.32	1,571.87	1,796.43	2,020.98	2,470.09	2,919.20	3,368.30	4,041.96	84.77
Holton Beckering	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Holton Le Moor	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Ingham	1,335.00	1,557.50	1,780.00	2,002.50	2,447.50	2,892.50	3,337.50	4,005.00	66.29
Keelby	1,312.20	1,530.90	1,749.60	1,968.30	2,405.70	2,843.10	3,280.50	3,936.60	32.09
Kettlethorpe	1,329.80	1,551.43	1,773.07	1,994.70	2,437.97	2,881.24	3,324.50	3,989.40	58.49
Kexby	1,301.70	1,518.64	1,735.60	1,952.54	2,386.44	2,820.34	3,254.24	3,905.08	16.33
Kirmond Le Mire	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Knaith	1,307.03	1,524.86	1,742.71	1,960.54	2,396.22	2,831.89	3,267.57	3,921.08	24.33
Langworth	1,361.92	1,588.90	1,815.89	2,042.87	2,496.84	2,950.81	3,404.79	4,085.74	106.66
Laughton	1,318.80	1,538.60	1,758.40	1,978.20	2,417.80	2,857.40	3,297.00	3,956.40	41.99
Lea	1,325.71	1,546.66	1,767.61	1,988.56	2,430.46	2,872.37	3,314.27	3,977.12	52.35
Legsby	1,304.64	1,522.08	1,739.52	1,956.96	2,391.84	2,826.72	3,261.60	3,913.92	20.75
Linwood	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Lissington	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Market Rasen	1,364.42	1,591.82	1,819.23	2,046.63	2,501.44	2,956.25	3,411.05	4,093.26	110.42
Marton	1,319.34	1,539.22	1,759.12	1,979.00	2,418.78	2,858.56	3,298.34	3,958.00	42.79
Middle Rasen	1,307.73	1,525.68	1,743.64	1,961.59	2,397.50	2,833.41	3,269.32	3,923.18	25.38
Morton	1,313.56	1,532.48	1,751.41	1,970.33	2,408.18	2,846.03	3,283.89	3,940.66	34.12
Nettleham	1,371.92	1,600.56	1,829.22	2,057.87	2,515.18	2,972.48	3,429.79	4,115.74	121.66

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Nettleton	1,324.03	1,544.70	1,765.37	1,986.04	2,427.38	2,868.73	3,310.07	3,972.08	49.83
Newball	1,361.92	1,588.90	1,815.89	2,042.87	2,496.84	2,950.81	3,404.79	4,085.74	106.66
Newton on Trent	1,372.44	1,601.18	1,829.92	2,058.66	2,516.14	2,973.62	3,431.10	4,117.32	122.45
Normanby by Spital	1,326.18	1,547.21	1,768.24	1,989.27	2,431.33	2,873.39	3,315.45	3,978.54	53.06
Normanby Le Wold	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
North Carlton	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
North Kelsey	1,326.28	1,547.33	1,768.38	1,989.42	2,431.51	2,873.61	3,315.70	3,978.84	53.21
North Willingham	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Northorpe	1,325.37	1,546.26	1,767.16	1,988.05	2,429.84	2,871.63	3,313.42	3,976.10	51.84
Osgodby	1,314.51	1,533.59	1,752.68	1,971.76	2,409.93	2,848.10	3,286.27	3,943.52	35.55
Owersby	1,303.72	1,521.01	1,738.30	1,955.58	2,390.15	2,824.73	3,259.30	3,911.16	19.37
Owmy by Spital	1,345.26	1,569.47	1,793.68	2,017.89	2,466.31	2,914.73	3,363.15	4,035.78	81.68
Pilham	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Rand	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Reepham	1,308.16	1,526.19	1,744.22	1,962.24	2,398.29	2,834.35	3,270.40	3,924.48	26.03
Riby	1,302.25	1,519.29	1,736.33	1,953.37	2,387.45	2,821.54	3,255.62	3,906.74	17.16
Riseholme	1,301.05	1,517.89	1,734.73	1,951.57	2,385.25	2,818.94	3,252.62	3,903.14	15.36
Rothwell	1,331.40	1,553.29	1,775.20	1,997.09	2,440.89	2,884.69	3,328.49	3,994.18	60.88
Saxby	1,295.95	1,511.94	1,727.93	1,943.92	2,375.90	2,807.89	3,239.87	3,887.84	7.71
Saxilby	1,392.14	1,624.16	1,856.19	2,088.21	2,552.26	3,016.31	3,480.35	4,176.42	152.00
Scampton	1,305.10	1,522.61	1,740.13	1,957.64	2,392.67	2,827.70	3,262.74	3,915.28	21.43
Scothern	1,344.29	1,568.33	1,792.39	2,016.43	2,464.53	2,912.62	3,360.72	4,032.86	80.22
Scotter	1,330.82	1,552.62	1,774.43	1,996.23	2,439.84	2,883.45	3,327.05	3,992.46	60.02
Scotton	1,323.88	1,544.53	1,765.18	1,985.82	2,427.11	2,868.41	3,309.70	3,971.64	49.61



Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Searby Cum Owmbly	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Sixhills	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Snarford	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Snelland	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Snitterby	1,312.58	1,531.33	1,750.10	1,968.86	2,406.39	2,843.91	3,281.44	3,937.72	32.65
Somerby	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
South Carlton	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
South Kelsey	1,314.06	1,533.07	1,752.08	1,971.09	2,409.11	2,847.13	3,285.15	3,942.18	34.88
Spridlington	1,313.74	1,532.70	1,751.66	1,970.61	2,408.52	2,846.44	3,284.35	3,941.22	34.40
Springthorpe	1,300.82	1,517.62	1,734.43	1,951.23	2,384.84	2,818.45	3,252.05	3,902.46	15.02
Stainfield	1,357.28	1,583.48	1,809.70	2,035.91	2,488.34	2,940.76	3,393.19	4,071.82	99.70
Stainton Le Vale	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Stow	1,315.74	1,535.02	1,754.32	1,973.60	2,412.18	2,850.76	3,289.34	3,947.20	37.39
Sturton by Stow	1,329.18	1,550.70	1,772.24	1,993.76	2,436.82	2,879.88	3,322.94	3,987.52	57.55
Sudbrooke	1,318.06	1,537.74	1,757.42	1,977.09	2,416.44	2,855.80	3,295.15	3,954.18	40.88
Swallow	1,341.84	1,565.47	1,789.12	2,012.75	2,460.03	2,907.31	3,354.59	4,025.50	76.54
Swinhope	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Tealby	1,326.62	1,547.72	1,768.83	1,989.93	2,432.14	2,874.35	3,316.55	3,979.86	53.72
Thonock	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Thoresway	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Thorganby	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Thorpe Le Fallows	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Toft Newton	1,341.59	1,565.18	1,788.79	2,012.38	2,459.58	2,906.77	3,353.97	4,024.76	76.17
Torksey	1,327.61	1,548.87	1,770.15	1,991.41	2,433.95	2,876.48	3,319.02	3,982.82	55.20

Parish	A	B	C	D	E	F	G	H	Parish Band D
	£	£	£	£	£	£	£	£	£
Upton	1,320.68	1,540.78	1,760.90	1,981.01	2,421.24	2,861.46	3,301.69	3,962.02	44.80
Waddingham	1,317.02	1,536.51	1,756.02	1,975.52	2,414.53	2,853.53	3,292.54	3,951.04	39.31
Walesby	1,306.11	1,523.79	1,741.48	1,959.16	2,394.53	2,829.90	3,265.27	3,918.32	22.95
Walkerith	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Welton	1,358.69	1,585.13	1,811.59	2,038.03	2,490.93	2,943.82	3,396.72	4,076.06	101.82
West Firsby	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
West Rasen	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Wickenby	1,322.52	1,542.94	1,763.36	1,983.78	2,424.62	2,865.46	3,306.30	3,967.56	47.57
Wildsworth	1,290.81	1,505.94	1,721.08	1,936.21	2,366.48	2,796.75	3,227.02	3,872.42	0.00
Willingham	1,337.18	1,560.04	1,782.91	2,005.77	2,451.50	2,897.23	3,342.95	4,011.54	69.56
Willoughton	1,337.19	1,560.05	1,782.92	2,005.78	2,451.51	2,897.24	3,342.97	4,011.56	69.57

# Pay Policy Statement

**2022/23**

January 2022

## **Introduction**

The Council recognises that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to secure and retain high quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

It is important that local authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market.

In particular, it is recognised that senior management roles in local government are complex and diverse functions in a highly politicised environment where often national and local pressure conflict. The Council's ability to continue to attract and retain high calibre leaders capable of delivering this complex agenda, particularly during times of financial challenge, is crucial.



## **Legislation**

Section 38/11 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement each financial year. This document comprises that Pay Policy Statement being recommended for adoption.

The Act and supporting statutory guidance provides details of matters that must be included in this statutory pay policy but also emphasises that each local authority has the autonomy to take its own decisions on pay and pay policies. The Pay Policy Statement must be approved formally by Full Council by the end of March each year, can be amended in year, must be published on the Council's website and must be complied with when setting the terms and conditions of chief officer employees.

The Council will comply with the National Living Wage legislation.

## **Context**

This pay policy includes a policy on:

- The level and elements of remuneration for each chief officer
- The remuneration of the lowest paid employees
- The relationship between the remuneration of chief officer and other officers; and
- Other specific aspects of chief officer remuneration and other discretionary payments

Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, enhancements of pension entitlements and termination payments.

## **Senior Officer Pay**

In this policy the senior pay group covers posts in the top tier of the organisation and any statutory officers i.e. Section 151 Officer or Monitoring Officer that are not included in the tier.

The council currently have the following number of posts at the chief officer level:-

- 1x Chief Executive
- 1x Monitoring Officer, at Assistant Director Level
- 1x Section 151 Officer, at Director Level

The policy for each group is as follows:

The council has a policy to benchmark Senior Officer salaries to ensure that the council balances the need to pay competitive salaries and to ensure value for money.

Salaries in this policy are as at 1 March 2022.

## **Chief Executive**

The salary for the above post has been established as a range of £112,000 to £125,000. This is a local grade established following an analysis of the degree of responsibility in the role, benchmarking with other comparators and the ability to recruit and retain exceptional candidates.

There are no other additional elements of remuneration in respect of overtime, flexi-time, bank holiday working, stand-by payments, bonuses etc., paid to the above senior officer, as they are expected to undertake duties outside their normal hours and working patterns without additional payment.

## **Chief Finance Officer (S151)**

The salary for this post is between £75,000 and £85,000

## **Monitoring Officer**

The salary for this post is between £61,650 - £71,925

## **Chief Officer Pay Awards**

Pay awards for Chief Officers are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Officers. The council applies the nationally negotiated pay settlement as agreed by JNC for Local Authority Chief Executives.

## **Chief Executive Recruitment**

Recruitment to the post of Chief Executive is undertaken by a committee of councillors appointed by Council.

The Council's Chief Officer Employment Committee is responsible for, amongst other things, determining the remuneration of the Chief Executive.

Rules governing the recruitment of chief officers are set out in the Council's constitution, Part 5 Rules of Procedure, Officer Employment Procedure Rules.

## **Returning Officer Fees**

Special fees are paid for Returning Officer duties which are not part of the post holder's substantive role. These fees are payable as required and can be made to any officer appointed to fulfil the statutory duties of this role. The Returning Officer for this Council is Ian Knowles who is appointed under representation of the People Act 1983. Whilst appointed by West Lindsey District Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of West Lindsey District Council. As Returning Officer a separate allowance is paid for each election for which the officer is responsible.

## **Lowest Paid Employees**

The lowest paid staff within the Council's pay structure are on Band 3. For this reason we have chosen staff employed on Band 3 as our definition of the 'lowest paid' for the purposes of this policy.

Band 3 ranges from £18,562 to £18,933 per annum (pay award pending for 2021/22).

The terms and conditions of employment for Band 3 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for Local Government Services, as set out in the Scheme of Conditions of Service (commonly known as Green Book). These are supplemented by local collective agreements reached with the trade union recognised by the council and by the rules of the council.

All posts except that of the Chief Executive, Director and Assistant Directors are evaluated using the NJC job evaluation scheme, which is recognised by employers and trade unions nationally. This scheme allows for robust measurement against set criteria resulting in fair and objective evaluations and satisfies equal pay requirements.

Each salary other than that of the Senior Management Team is set within a pay band which is made up of spinal points, staff progress through these spinal points with length of service until they reach the top point in their pay band.

The Council applies the National Joint Conditions of Service for all employees, and any nationally agreed salary increases are applied.

### **Pay Supplements**

From time to time it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract where it can be justified in accordance with council policy. The council may use the following:

Market supplements:

In order to attract and retain employees with particular experience, skills and capacity, for example when there are skills shortages locally or nationally.

Special payments:

Where an employee has taken on additional duties and responsibilities for a defined period of time, for example covering a vacancy or taking on a special project.

### **Apprentices**

The council operates an apprenticeship scheme, apprentices are employed with the council as part of a training and development scheme for a minimum of a 12 month period.

Apprentices provide an additional staffing resource to the council, however they are not a substitute for established posts; the emphasis of the apprenticeship programme is learning and development.



The salary paid to all apprentices is based on the National Minimum Wage requirement and therefore is increased in line with Government recommendations.

- Year: April 2021
- Apprentice: £4.30
- Year: April 2022
- Apprentice: £4.81

Apprentices are entitled to the apprentice rate if they're either:

- Aged under 19
- Aged 19 or over and in the first year of their apprenticeship

### **Payments/Charges and Contributions**

All officers of the Council are entitled to join the Local Government Pension Scheme (LGPS). The LGPS is a contributory scheme; employees contribute 5.5%-12.5% of their own salaries to the scheme. Employers' contributions to the LGPS vary depending upon how much is needed to ensure benefits under the Scheme are properly funded, and are set independently. The rules governing the pension scheme are contained in regulations made by Parliament.

The Council makes employer's contributions into the scheme, which are reviewed every 3 years by the actuary. The current rate is 17.2% of pensionable pay, in addition the Council makes lump sum pension deficit contribution to the local government pension fund which equates to approximately 7.7% of pensionable pay.

### **Multipliers**

The idea of publishing the ratio of the pay of an organisation's top earner to that of its median earner has been recommended in order to support the principles of Fair Pay following the 2011 report on public sector pay and the transparency agenda.

- The highest paid officer of the council is the Chief Executive at £125,000
- The ratio between the highest and lowest salary pay point is 1:6.7
- The median salary of all the Council staff is £23,541





The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

### **Discretionary Payments**

The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. The following arrangements apply:

*'Redundancy payments under regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) regulations 2006.'*

The Council calculates redundancy payments by reference to an individual's actual week's pay, rather than the statutory maximum, where it is greater than the statutory maximum. This is payable to employees made redundant with 2 or more years local government service.

#### *Severance payments under section 6*

No severance payments: Employees aged 55 and over who are retiring early in the interests of efficiency will receive immediate payment of their pension benefits with no additional years service or compensatory payments. The capital cost of the early payment of pension benefits will be met by the Council but approval is subject to the cost being met by savings over a 3 year period.

*Additional memberships for revision purposes under regulation 12 of the Local Government Pension Scheme (Benefits, Membership & Contributions) Regulations 2007. Additional payments under regulation 13 of the same legislation.*

No discretionary additional membership or payment provisions are applied. Any proposals will be considered alongside the Exit Payment Regulations.

## Re-employment

The Council's recruitment and selection policy recognises the importance of making appointments on merit, and ensuring equality of opportunity. Consequently, as a general principal, individual applicants for employment will be considered in accordance with this policy and will not be denied employment purely on the basis of having previously been employed by the council.

However, an individual in receipt of a severance payment and/or early retirement pension will not normally be immediately re-employed or re-engaged by the Council, either under a contract of employment or a contract for services. It is expected that the Council, when agreeing severance arrangements, will do so in the context of anticipated future requirements and plan its resources accordingly.

It is, however, recognised that in some limited, exceptional circumstances re-employment would be in the council's interests, in which case approval may be given by the Chief Executive in consultation with the People & OD Manager.

Where an employee retires on the grounds of ill health and later applies for employment this will be considered carefully in the context of the Equality Act and advice from the occupational health advisor.

## Disclosure

Upon approval by Full Council this Pay Policy statement will be published on the Council's website.

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West Lindsey District Council  
Guildhall, Marshall's Yard  
Gainsborough, Lincolnshire  
DN21 2NA

## APPENDIX 14

## Human Resources Statement 2022/23

Cluster	Business Units	Budgeted Full Time Equivalent
Corporate	Investment Properties	0.50
<b>Corporate Total</b>		<b>0.50</b>
Our Council	Central Purchasing & Procurement	0.05
	Change Management	7.40
	Chief Executive	1.00
	Civic Responsibilities	1.00
	Committee Administration	4.30
	Communications	5.12
	Corporate Services	0.93
	Corporate Support Services	3.45
	Crematorium	4.00
	Customer Relations	15.10
	Debtors	1.15
	Electoral Registration	2.93
	Financial Services - Accountancy	11.07
	Green Waste Service	1.00
	Health & Safety At Work	0.25
	Human Resources	4.20
	IT & Contracts Team	3.05
	Local Land Charges	3.15
	Local Tax Collection	11.41
	Markets	1.45
	Members' Costs	0.38
	Payroll	0.20
	Policy & Governance	1.00
Property Services	7.74	
Supplementary Services (Chargeable)	2.10	
Systems Development	12.29	
Trade Waste	1.10	
WLDC - Apprentices	5.81	
<b>Our Council Total</b>		<b>112.58</b>

<b>Cluster</b>	<b>Business Units</b>	<b>Budgeted Full Time Equivalent</b>
Our People	Communities	5.94
	Homelessness Prevention	5.23
	Homelessness Relief	5.23
	Housing Benefit Administration	11.98
	Housing Renewal Activity	4.35
	Housing Standards	5.25
	Leisure Centre - Gainsborough	0.05
	Policy & Strategy	3.00
	Trinity Arts Centre	4.22
	Wellbeing Delivery	8.00
<b>Our People Total</b>		<b>53.25</b>

<b>Cluster</b>	<b>Business Units</b>	<b>Budgeted Full Time Equivalent</b>
Our Place	Building Regulations - Fee Earning	3.35
	Building Regulations - Non-Fee Earning	2.75
	Car Parks	1.02
	CCTV Service	3.00
	Cemeteries	0.25
	Civil Parking Enforcement	0.33
	Commercial Services	2.20
	Community Licences	2.45
	Community Safety	2.65
	Conservation & Listed Buildings	2.05
	Development Control	18.13
	Economic Regeneration	4.51
	Emergency Planning	0.10
	Food Safety	4.59
	Gainsborough Heritage Regeneration	1.01
	Homes, Health and Wellbeing	0.95
	Mayflower 400	0.00
	Neighbourhood Planning	1.00
	Pest And Dog Control	0.05
	Planning Enforcement	2.15
	Planning Policy Activity	0.02
	Pollution Reduction	3.45
	Street Cleansing	15.75
Street Naming & Numbering	0.81	
Visitor Economy	1.00	
Waste Collection	47.90	
<b>Our Place Total</b>		<b>121.47</b>
<b>Grand Total</b>		<b>287.80</b>

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted