

CABINET AGENDA



**TUESDAY 11 FEBRUARY 2020 AT 7.30 PM
CONFERENCE ROOM 2 - THE FORUM**

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor Williams (Leader)	Councillor G Sutton
Councillor Griffiths (Deputy Leader)	Councillor Anderson
Councillor Elliot	Councillor Banks

For further information, please contact Corporate and Democratic Support or 01442 228209

AGENDA

1. MINUTES (Pages 3 - 9)

To confirm the minutes of the meeting held on 14 January 2020.

2. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

3. DECLARATIONS OF INTEREST

To receive any declarations of interest

A member with a disclosable pecuniary interest or a personal interest in a matter who attends a meeting of the authority at which the matter is considered -

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent

and, if the interest is a disclosable pecuniary interest, or a personal interest which is also prejudicial

- (ii) may not participate in any discussion or vote on the matter (and must withdraw to the public seating area) unless they have been granted a dispensation.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Members' Register of Interests, or is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal and prejudicial interests are defined in Part 2 of the Code of Conduct for Members

[If a member is in any doubt as to whether they have an interest which should be declared they should seek the advice of the Monitoring Officer before the start of the meeting]

4. PUBLIC PARTICIPATION

An opportunity for members of the public to make statements and ask questions in accordance with the rules as to Public Participation.

5. REFERRALS TO CABINET

There were no referrals to Cabinet

6. CABINET FORWARD PLAN (Pages 10 - 11)

7. BUDGET 2020/21 (Pages 12 - 147)

8. BUDGET MONITORING Q3 (Pages 148 - 169)

9. FLEXIBLE TENANCY REVIEW (Pages 170 - 191)

10. SENIOR OFFICER PAY POLICY (Pages 192 - 212)

11. EXCLUSION OF THE PUBLIC

To consider passing a resolution in the following terms:

That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1 as amended by the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during the items in Part 2 of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that, if members of the public were present during those items, there would be disclosure to them of exempt information relating to the financial and business affairs of the Council and third party companies/organisations.

Local Government Act 1972, Schedule 12A, Part 1, paragraph 3.

12. LAND DISPOSAL (Pages 213 - 217)

MINUTES

CABINET

14 JANUARY 2020

Present:

Councillors: Williams (Leader)
Griffiths (Deputy Leader)
Elliot
G Sutton
Banks

Officers: Sally Marshall Chief Executive
James Deane Corporate Director - Finance and Operations
Mark Brookes Assistant Director – Corporate & Contracted Services
Mark Gaynor Corporate Director - Housing & Regeneration
Nigel Howcutt Assistant Director - Finance and Resources
Fiona Williamson Assistant Director - Housing
James Doe Assistant Director - Planning, Development and Regeneration

Charlie Webber Corporate & Democratic Support Officer
(Minutes)

Also in Attendance:

Councillor Tindall
Councillor Birnie

The meeting began at 7.30 pm

CA/001/20 MINUTES

Minutes of the meeting held on 10 December 2019 were agreed by Members present and signed by the Chair.

CA/002/20 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Anderson.

CA/003/20 DECLARATIONS OF INTEREST

There were no declarations of interest.

CA/004/20 PUBLIC PARTICIPATION

There was no public participation.

CA/005/20 REFERRALS TO CABINET

There were no referrals to Cabinet.

CA/006/20 CABINET FORWARD PLAN

The forward plan was noted with the following changes:

- Item 5 – 11/02/20 – Strategic Sites Design Guidance Supplementary Planning Document – move to April meeting.

CA/007/20 TREASURY MANAGEMENT 19/20 MID-YEAR REPORT

Decision

Resolved to recommend

The acceptance of the Cabinet report on mid- year treasury management performance and prudential indicators for 2019/20.

Corporate objectives

Dacorum Delivers – Optimising investment income for General Fund and Housing Revenue budgets whilst managing investment risk is fundamental to achieving the corporate objective of delivering an efficient and modern Council.

Monitoring Officer

No comments to add to the report.

Deputy S.151 Officer

This is a Deputy Section 151 Officer Report.

Advice

Councillor Birnie asked about the table in 7.2 regarding Cabinet expenditure and means of financing. He said that the original Budget had been revised and that there was a 16,000 difference. He asked how much was reserves and how much was capital receipts.

N Howcutt said that they looked at how best to use capital receipts and reserves and that they used cash or borrowing as a last option.

The recommendations were agreed.

CA/008/20 Q2 STRATEGIC RISK REGISTER

Decision

That the position on the Strategic Risk Register as at the end of quarter 2, 2019/20 be noted.

Corporate objectives

Risk management is an essential part of ensuring that the Council meets all of its corporate objectives

Section 151 officer

A S151 report with comments included in the body of the report.

Monitoring officer

No comments to add to the report.

The recommendations were agreed.

CA/009/20 HEMEL HEMPSTEAD GARDEN COMMUNITY BOARD - MEMORANDUM OF UNDERSTANDING

Decision

That:

1. the updated Strategic Memorandum of Understanding between St Albans City and District Council, Dacorum Borough Council and Hertfordshire County Council be approved.
2. responsibility is delegated to the Assistant Director, Planning, Development and Regeneration in consultation with the Portfolio Holder for Planning and Infrastructure to finalise the draft Memorandum of Understanding in consultation with the Leader of the Council and Chief Executive.
3. the progress on the Programme Plan and updated governance structure be noted.

Corporate objectives

The proposals for major development at North and East Hemel Hempstead through the Hemel Garden Communities proposals are wide-ranging and relate to all corporate objectives.

Monitoring Officer

The MOU is not a legally binding document but it does set out the key objectives for the programme which will need to be kept under continuous review as the programme develops.

The proposed governance structure appears suitable to ensure that the programme is progressed and monitored and meets the stated objectives.

Deputy S.151 Officer

The constitutional and governance requirements of the Parties remain unchanged by this MOU. DBC will still be required to seek financial approvals, if requested, in line with the DBC constitution and financial regulations.

Advice

J Doe said that there had been 2 Board meetings and that a third was taking place on 11th March.

Councillor Williams added that LEP were part of the Board but were not signatories. He said that they had recently received a letter from them in support of the Memorandum of Understanding.

The Memorandum of Understanding was agreed.

CA/010/20 BERKHAMSTED SPORTS CENTRE

Decision

1. That the Minimum Project Requirements as set out in paragraph 2 of the report are endorsed.
2. That the following be noted:-
 - (a) the governance structure for the project at paragraph 3.
 - (b) the consultation strategy for stakeholder and public consultation and the stakeholders identified in paragraph 5.
 - (c) the indicative project timeline at paragraph 6.

Resolved to recommend

3. **That a sum of £65,000 for survey costs to help mitigate potential site risks and develop a more detailed scheme proposal for further approval be agreed.**

Corporate objectives

Clean, Safe and Enjoyable Environment – Leisure provision is central to delivering a borough that people can enjoy.

A new leisure facility will help to ensure that it continues to meet the needs of current and future residents.

Monitoring Officer

There are no legal issues to highlight at this stage as the report is recommending further feasibility and site due diligence work be carried out.

Deputy S.151 Officer:

The £65K funding for the site surveys would be drawn down from the Dacorum Development Reserve in 20/21.

Pending the final feasibility work a comprehensive funding proposal for the final scheme will be developed.

Advice

M Brookes highlighted points raised at the Housing and Community Scrutiny meeting including getting the facility mix right, equality measures and the building having high environmental standards. He added that Members wanted to ensure that a meaningful consultation process took place and all feedback taken on board and said that the stakeholder consultation begins this week. He said that there had been negative feedback regarding the use of Lagley Meadows.

Councillor Williams said that he was aware of concerns over Lagley Meadow but that they should not rule anything out at consultation.

Councillor Tindall reinforced the views of Berkhamsted Town Council that Berkhamsted has the largest shortfall in open space and that they did not want a further reduction but that they did welcome development.

Councillor Williams said that the Town Council and the broader community would be consulted and emphasised the importance of a cross-community consultation.

Councillor Griffiths stated that she believed she may have unintentionally misled the Town Council when saying that no decision had been taken. She clarified that a decision had been taken to redevelop the Sports Centre but that the details of this had not yet been decided.

The recommendations were agreed.

CA/011/20 HRA BUSINESS PLAN

Decision

Resolved to recommend

- 1. The approval of the updated Housing Revenue Account Business Plan**
- 2. The approval of the revised development programme budgets as set out in Section 8.3 of the Cabinet report**

Corporate objectives

Delivering Affordable Housing

Monitoring Officer

The annual review provides a robust mechanism to monitor the business plan to ensure that it takes account of changes in government policy, law and the economy and therefore meets the Council's statutory requirements.

Deputy S.151 Officer

There are a number of inflationary assumptions inherent within the Business Plan which are liable to change over the planning period, and which could therefore pose a risk to delivery. These assumptions are kept under constant review, and this report is an update on the October Cabinet report, with all variances summarised in section 9.

The way in which the Council structures its borrowing will influence the amount of funding available in future years. Borrowing options, together with any implications for the future programme, will be presented to Members in advance.

There is the possibility of unanticipated government interventions that could impact on the HRA business plan in particular the current projections of annual rent increases which are set at is CPI +1% for next 5 years

Advice

Councillor Griffiths stated that this was not a complete review of the whole Business Plan and was just an update and that a complete review would happen when this Business Plan expired.

Councillor Birnie said that he was trying to get his head around the report and referenced the table on page 88 of the agenda. He asked whether the properties had been completed for social rent.

Councillor Griffiths confirmed that they had been completed.

Councillor Birnie asked for what period the table referred to and whether this was part of the current plan or the original plan.

Councillor Griffiths said that this was the total since they started building.

F Williamson added that this was since 2014.

Councillor Birnie asked if there was a figure for the number of properties in the pipeline.

Councillor Williams said that there were 73 under construction.

F Williamson said that 188 had been delivered to date and that there were 444 in the future programme. She said that over the next five years, with borrowing, there was an increase of 280.

Councillor Birnie asked whether the 73 under construction were included in the 444 for the future programme.

F Williamson said that the 73 under construction was additional to the 444 in the future programme.

Councillor Birnie asked about Section 5 of the Appendix and said that it did not include Strategic Housing.

F Williamson said that Strategic Housing included affordable homes.

Councillor Tindall referenced 4.4.4 and Universal Credit. He asked if it was possible for tenants to request for Housing Benefit to be paid directly to their landlord.

F Williamson said that this facility did exist but that it was a voluntary arrangement.

Councillor Williams asked whether many people took this up.

F Williamson said that she did not have an exact figure but that she could get the information to Cabinet. She added that it was a small number.

Councillor Tindall asked whether residents were notified of this when beginning a tenancy.

F Williamson confirmed that they were.

The recommendations were agreed.

The Meeting ended at 7.51 pm

CABINET FORWARD PLAN

	DATE	MATTERS FOR CONSIDERATION	Decision Making Process	Reports to Monitoring Officer/ S.151 Officer	CONTACT DETAILS	BACKGROUND INFORMATION
1.	10/03/20	Garages		20/02/20	Linda Roberts, Assistant Director of People, Performance & Innovation 01442 228979 Linda.roberts@dacorum.gov.uk	To be provided
2.	10/03/20	Private Sector Assistance Policy		20/02/20	Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To be provided
3.	10/03/20	Dacorum Borough Local Plan Strategic Options		20/02/20	James Doe, Assistant Director of Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk	To be provided
4.	10/03/20	HRA Strategic Acquisitions Policy		20/02/20	Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To be provided
5.	10/03/20	Q3 Strategic Risk Register		20/02/20	James Deane, Corporate Director Finance & Operations 01442 228278 james.deane@dacorum.gov.uk	To review the council's Strategic Risk Register
6.	21/04/20	CCTV Service (Part 2)		02/04/20	Mark Brookes, Assistant Director Corporate & Contracted Services 01442 228236 mark.brookes@dacorum.gov.uk	To consider proposals to make the CCTV service centre an accredited Alarm Receiving Centre.
7.	21/04/20	Climate Change Strategy and Action plan		02/04/20	Mark Gaynor, Corporate Director Housing & Regeneration 01442 228575 mark.gaynor@dacorum.gov.uk	To be provided
8.	21/04/20	Drug and Alcohol Support Commissioning		02/04/20	Linda Roberts, Assistant director Performance, People and Innovation 01442 228979 linda.roberts@dacorum.gov.uk Matt Rawdon, Group Manager People & Performance 01442 228513 matt.rawdon@dacorum.gov.uk	To be provided
9.	21/04/20	Private Sector Housing Strategy 2020		02/04/20	Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To be provided
10.	21/04/20	Strategic Sites Design Guidance Supplementary Planning Document		02/04/20	James Doe, Assistant Director of Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk Chris Taylor, Group Manager Strategic Planning 01442 228405 chris.taylor@dacorum.gov.uk	To set out the content of a new Supplementary Planning Document to address key issues of urban design guidance on large scale, strategic development sites within the Borough
11.	19/05/20	Dacorum Borough Local Plan		30/04/20	James Doe, Assistant Director of Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk	To be provided
12.	23/06/29	Homeless Strategy		04/06/20	Fiona Williamson, Assistant Director Housing 01442 228855 Fiona.williamson@dacorum.gov.uk	To be provided

Future Items:

- South West Herts Joint Strategic Plan (J Doe)
- The Bury museum project (J Doe) - To update Cabinet on progress on options for delivering a new museum at The Bury, and seek agreement on the next stages of the project.

Agenda Item 7



Report for:	Cabinet
Date of meeting:	11 February 2020
Part:	1
If Part II, reason:	

Title of report:	Budget 2020/21
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources James Deane, Corporate Director (Finance & Operations)
Purpose of report:	To present to Cabinet budget proposals for recommendation to Council in relation to: <ul style="list-style-type: none">• Revenue and Capital Expenditure together with the potential use of reserves• The setting of the Council Tax for 2020/21• The Treasury Management Strategy 2020/21• The Capital Strategy 2020/21• The level of fees and charges for 2020/21• Advice to Councillors on the robustness of the Budget proposals and adequacy of balances and reserves as required by the Local Government Act 2003
Recommendations	It is recommended that Cabinet recommend Council to: General Fund Revenue Estimate a) set a Dacorum Borough Council General Fund Council Tax requirement of £12.086m, and a provisional amount of £13.058m for the combined Borough Council and Parish Councils' requirement for 2020/21;

	<p>b) approve a Band D Council Tax increase of £5 (2.48%) for Dacorum Borough Council;</p> <p>c) approve the base estimates for 2020/21, as shown in Appendix A1, and the indicative budget forecasts for 2020/21 – 2023/24, as shown in Appendix A2;</p> <p>d) approve the forecast balances of Revenue Reserves as shown in Appendix J, and approve section 10 of this report as the updated Reserves Strategy;</p> <p>e) approve increases in Fees and Charges for 2020/21 as set out in Appendices C3, D3, and E3;</p> <p>f) approve and adopt the Treasury Management Strategy for 2020/21, attached at Appendix K;</p> <p>g) approve and adopt the Capital Strategy for 2020/21, attached at Appendix L;</p> <p>h) note that this budget paper, if approved by Council, will form part of the Medium Term Financial Strategy.</p> <p>Capital Programme</p> <p>i) approve the Capital Programme for 2020/21 to 2024/25, as detailed in Appendix I and Appendix M respectively;</p> <p>j) approve the financing proposals in Appendix I subject to an annual review of the financing options by the Corporate Director (Finance & Operations), in consultation with the Portfolio Holder for Finance and Resources, during the preparation of the Statement of Accounts.</p> <p>Housing Revenue Account (HRA)</p> <p>k) set dwelling rents according to the new MHCLG Rent Standard, which provides for a rent increase of CPI+1% (2.7% in total). The average dwelling rents is proposed to increase to £103.12 in 202/21, from its current level of £100.47(based on 52 weeks);</p> <p>l) approve the HRA estimate for 2020/21 as shown in Appendix F.</p> <p>Employer Terms & Conditions</p> <p>m) note that the hourly rate of all Council employees continues to exceed the rate proposed by the rates of the Living Wage Foundation, for 2019/20 (to be reviewed annually thereafter).</p> <p>Statement by Chief Finance Officer</p>
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	n) approve the statement by the Chief Finance Officer regarding the robustness of the budget estimates and level of reserves as set out in Appendix M.
Corporate objectives:	All of the Council's corporate objectives are reflected in the Budget proposals.
'Value For Money Implications'	Contained within the body of the report.
Risk Implications	Budget Risk Assessment completed within report (Appendix N).
Community Impact Assessment	Where appropriate, Community Impact Assessments for proposed budgets amendments have been undertaken by relevant service areas.
Health And Safety Implications	None arising directly from this report.
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>Under the Council's Constitution it is the responsibility of Cabinet to draw up firm proposals for the Budget, having regard to the responses to the consultation, and to present those proposals to full Council for approval. Once full Council has approved the Budget it is the responsibility of Cabinet to implement it.</p> <p>S.151 Officer:</p> <p>Comments contained in body of report. Chief Finance Officer Statement contained in Appendix N of the report.</p>
Consultees:	<p>Overview and Scrutiny Committees</p> <p>Budget Review Group</p> <p>Town and Parish Councils</p> <p>Public Engagement Forum</p> <p>Corporate Management Team</p> <p>Leadership Team</p>
Background papers:	Joint Overview and Scrutiny Reports: 3 rd December 2019, and 4 th February 2020.
Abbreviations	<p>GF – General Fund Revenue Account</p> <p>HRA – Housing Revenue Account</p> <p>MHCLG – Ministry of Housing, Communities & Local Govt.</p> <p>MTFS – Medium Term Financial Strategy</p> <p>NHB – New Homes Bonus</p> <p>OSC – Overview and Scrutiny Committee</p> <p>PWLB – Public Works Loan Board</p> <p>RSG – Revenue Support Grant</p> <p>SFA – Settlement Funding Assessment</p>

Appendices to this report are as follows:

Corporate view

- Appendix A1 – General Fund Budget Summary 2020/21
- Appendix A2 – Draft General Fund MTFS update 2020/21 – 2024/25
- Appendix B1 – Budget Change Analysis 2019/20 – 2020/21
- Appendix B2 – Budget Summary by Overview & Scrutiny Committee

Finance & Resources

- Appendix C1 – Finance & Resources Budgets Summary 2020/21
- Appendix C2 – Finance & Resources Budgets Detail 2020/21
- Appendix C3 – Finance & Resources Fees and Charges 2020/21

Housing & Community

- Appendix D1 – Housing & Community Budgets Summary 2020/21
- Appendix D2 – Housing & Community GF Budgets Detail 2020/21
- Appendix D3 – Housing & Community Fees and Charges 2020/21

Strategic Planning & Environment

- Appendix E1 – Strategic Planning & Environment Budgets Summary 2020/21
- Appendix E2 – Strategic Planning & Environment Budgets Detail 2020/21
- Appendix E3 – Strategic Planning & Environment Fees and Charges 2020/21

Housing Revenue Account

- Appendix F – Housing Revenue Account Budget 2020/21
- Appendix G – Housing Revenue Account Movements 2020/21 -2020/21

Capital Programme

- Appendix H – Capital Programme Summary of new and amended projects
- Appendix I – Capital Programme 2020/21 - 2024/25, by OSC

Reserves

- Appendix J – Statement of Earmarked Reserves

Treasury Management

- Appendix K – Treasury Management Strategy Statement 2020/21

Capital Strategy

- Appendix L – Capital Strategy 2020/21

S151 Officer

- Appendix M – Statement by the Chief Finance Officer

1. The Budget-setting process

- 1.1 The 2020/21 budget proposal and the updated Medium Term Financial Model have been produced to ensure that the Council maintains a sustainable financial position over the planning period to 2023/24. The following Council strategies and policies have informed the budget-setting process:
- The Council's Vision and Priorities, as stated in the Corporate Plan
 - The Medium Term Financial Strategy (MTFS)
 - Service Strategies and Plans
- 1.2 In accordance with the Medium Term Financial Strategy, a Budget Review Group comprising the Leader, Portfolio Holder for Finance and Resources, Chief Officers and the Assistant Director (Finance & Resources) has met to review and monitor emerging budget proposals throughout the budget preparation period.
- 1.3 There has been a series of budget briefings and planning meetings throughout the budget cycle involving Portfolio Holders and members of the Council's Leadership Team. In addition, there have been combined briefings for Overview and Scrutiny Committees in December 2019 and February 2020, during which Members undertook detailed scrutiny of the budget proposals.
- 1.4 External stakeholders have also been consulted, with a residents' consultation event in January 2020, where residents from across the borough had the opportunity to feedback on the Council's proposals for 2020/21.
- 1.5 The Council commissioned Opinion Research Services (ORS) to arrange and facilitate a consultation with a representative sample of 29 Dacorum residents. The event took place on 18 January 2020, and involved participants working in discussion groups to prioritise some broad strategic options open to the Council to address its savings targets. The full report is available on the Council's website.
- 1.6 At the end of the meeting, views were taken and 28 of the 29 attendees (97%) declared themselves satisfied with the Council's financial performance and strategy, and 26 out of 29 (90%) were supportive of the Council's proposal to increase Band D Council Tax by £5 per year.

2. The 2020/21 Local Government Finance Settlement

- 2.1 On 20 December 2019, the Secretary of State for the Ministry of Housing, Communities and Local Government, Robert Jenrick MP, made a statement to Parliament on the provisional Local Government Finance Settlement 2020/21.
- 2.2 The largest source of central government funding is the Settlement Funding Assessment (SFA), which, nationally is set to increase by 1.6% in 2020/21, to £14.8bn. Since 2016/17, when the 4-year funding deal began, the total amount of annual SFA paid by government to local authorities has reduced by 30%, £6.5bn.
- 2.3 Future levels of local authority funding are uncertain as government continues its Fair Funding Review, which will change both the total amount of funding available and the method by which it is allocated between local authorities.

Funding reforms arising from the review are planned for introduction from April 2021.

3. Dacorum's Key Funding Streams – Settlement Funding Assessment

3.1 Historically, the Council has benefitted from two elements of funding within the Local Government Finance Settlement (which together comprise the Settlement Funding Assessment (SFA)):

- Revenue Support Grant (RSG)
- Baseline Funding (the guaranteed element of Business Rates Retention)

3.2 **Revenue Support Grant** is general, unrestricted grant paid by Government to Local Authorities to support the provision of their day-to-day services. RSG is currently being phased out as Central Government continues to step back from its historical role in the Local Government finance model, instead driving an agenda of Locally Financed Expenditure in which LAs raise all funds locally, primarily through Council Tax and Business Rates growth.

3.3 The concept of 'negative RSG' was introduced to enable Government to continue reducing the level of funding paid to an authority when there was no further RSG left to reduce. The idea was that the negative RSG would net off against the Business rates funding to bring total authority funding down to a level, which, in Government's opinion, reflected its level of need.

3.4 DBC ceased to receive RSG in 2018/19, and, based on the original 4-year deal, was scheduled to pay negative RSG of £1m in 2019/20, and forecast to pay £1.64m in 2020/21. However, in both of these years Government has, as part of the annual Settlement, announced that planned negative RSG will not be payable by Councils.

3.5 It is important to note that Government only ever intended negative RSG to be a transitional tool until each authority's needs-level funding could be captured and baselined within the new Business Rates funding methodology for 2021 and beyond. At this stage, Government has previously stated that RSG will cease to exist as a funding stream.

3.6 It is prudent to assume that Government has not fundamentally changed its medium-term assessment of Dacorum's level of need, and therefore that the suspension of negative RSG is a temporary relief, and not likely to be reflected in the funding methodology beyond 2021. On this basis, it is proposed to contribute the £1.64m to reserves to support spending on future one-off pressures relating to growth across the borough. This budget allocates the £1.64m to reserves as follows:

- £500k to the Technology reserve
- £400k to the Local Development Framework reserve
- £400k to the Training and Development reserve
- £300k to a new Climate Change and Sustainability reserve
- £40k to the Parking reserve

There is more detail on these reserves in section 10 of this report.

- 3.7 **Baseline Funding** is funded by Central Government through redistributed Business Rates, and the amount is determined by Government's assessment of need within Dacorum. The provisional settlement for 2020/21 is £3.02m compared to £2.97m in 2019/20 (inflationary increase).
- 3.8 Baseline Funding is part of the Government's Business Rates Retention Scheme, which is designed to incentivise local authorities to grow their local economy by enabling them to share in any increase in Business Rates income (i.e. growth in the tax base). However, under the terms of the Scheme, the reverse is also true, i.e. that local authorities must absorb a portion of the lost business rates income arising from a contraction in the tax base.
- 3.9 There is currently a significant backlog of Business Rates valuation appeals that have been submitted by businesses across the country, including within Hertfordshire and Dacorum. The Valuation Office (VOA) is responsible for adjudicating on these appeals. Based on historical data, there is a risk that a high number of these backlogged appeals will be upheld, and that consequently Business Rates reductions will be granted to a sufficiently high number of businesses to reduce the Dacorum tax base.
- 3.10 However, annual tax base growth within the borough over the last couple of years, together with the Council having made adequate provision for successful appeals, indicates that the Council can budget for the full amount of Baseline Funding in 2020/21 plus £50k inflation and £550k of sustained economic growth across the borough over the last three years. The surplus growth from previous years has been allocated to the Funding Equalisation reserve and can be drawn down to fund a one-off shortfall in annual funding arising from an unforeseen significant in-year reduction in the tax base.
- 3.11 The Hertfordshire Business Rates Pilot, approved for 2019/20 for 1 year only, will, as expected not continue into 20/21.

4. Dacorum's Key Funding Streams – New Homes Bonus

- 4.1 The provisional NHB allocation for Dacorum in 2020/21 has been announced as £1.78m, an increase of £49k on the projected income in the Medium Term Financial Strategy.
- 4.2 Since the introduction of NHB in 2011/12, the Council has recognised its vulnerability as a funding stream and, consequently, rather than become reliant on it to support the delivery of ongoing services, has used the vast majority to support one-off expenditure and capital projects.
- 4.3 In line with previous years' strategy, it is proposed that all NHB funding in 2020/21 be transferred to the Dacorum Development reserve to fund future growth projects across the borough.

5. Dacorum's Key Funding Streams – Council Tax

- 5.1 The Council's Council Tax requirement for 2020/21 is calculated as £13.1m (provisional, inclusive of provisional parish precepts) and £12.1m (exclusive of parish precepts). The approved tax base for 2020/21 is 58,567.4 based on a collection rate of 99.4%.

- 5.2 The income due from Council Tax goes into the Collection Fund. Throughout the year, the actual number of properties (as well as allowances for exemptions, discounts or appeals) inevitably varies from the figure estimated at the start of the year. This leads to a change in the amount of Council Tax due, and therefore a surplus or deficit on the Collection Fund.
- 5.3 A surplus position of £1,231,344.56 on the Collection Fund is forecast for 31 March 2020. This surplus is shared between the Major Preceptors, i.e. the County, the Police Authority and the Borough, in proportion to their precepts for the year.
- 5.4 The proportion of this surplus that each of the Major Preceptors will receive from the Collection Fund when calculating the Council Tax for 2020/21 is as follows:

Dacorum Borough Council	£150,737.13
Hertfordshire County Council	£949,197.42
Hertfordshire Police & Crime Commissioner	£131,410.00
Total Surplus	£1,231,344.56

- 5.5 Cabinet approved the Collection Fund surplus in December 2019.
- 5.6 The Localism Act 2011 abolished Council Tax capping in England and instead allows local residents to reverse 'excessive' Council Tax increases by means of referendum. Within the 2019 Settlement, Government confirmed the referendum threshold for district councils at the higher of £5 or 2%. The proposed increase of £5.00 (2.48%) for Dacorum in 2020/21 is therefore within the threshold. This referendum threshold does not currently apply to Town and Parish Councils. The cost of holding a referendum within Dacorum is estimated to be around £80,000.

6. Local Government accounting requirements

- 6.1 The budget-setting process for the Council is governed by a number of statutory requirements. Some of the key requirements are explained, below.

Capital charges

- 6.2 Where a Service benefits from the use of a council-owned asset, the Revenue expenditure budget for that Service includes a nominal charge for the use of that asset. This is in line with standard accounting practices, and the nominal charge is known as a Capital Charge.
- 6.3 Capital Charges ensure that the 'true' cost of running a Service is captured in the budget. However, in order to ensure that this nominal charge is not passed onto the Council Tax payer, there is corresponding credit (reversing out the charge), which can be seen in the General Fund Summary (Appendix A1).
- 6.4 A rolling programme of valuations is undertaken by the Council's valuer, which ensures that the asset register is kept up-to-date, and that capital charges to Services are accurate. The Council's valuation method and calculation are subject to audit by the Council's external auditors, Grant Thornton. Any change in the use of assets, or revised valuation, or additional Capital Expenditure will affect the capital charge made to the Revenue Budget.

Prudential Code

6.5 The Council complies with the Prudential Code for controlling Local Government Capital Finance, and the Budget for 2020/21 has been prepared in the context of these plans and controls. (More details of the Prudential Code are included within the Treasury Management Strategy in Appendix K.) The key objectives of the Code are to ensure that:

- Capital Investment Plans are affordable, prudent, and sustainable;
- All external borrowings and other long term liabilities are within prudent and sustainable levels;
- Treasury Management decisions are taken in accordance with good practice and in a manner that supports prudence, affordability and sustainability;
- The Council is accountable for its decisions; and,
- The Code supports local strategic planning, local asset management planning and proper option appraisal.

7. Forecast Outturn 2019/20

7.1 Appendices C2, D2 and E2, which breakdown the proposed 2020/21 budget by Overview & Scrutiny Committee (OSC) remit, also show the forecast budget outturn for the current financial year, as at September 2019. This is included to provide Members with comparative context for the 2020/21 budget proposals.

7.2 As at January 2020, the outturn for financial year 2019/20 is a forecast variance to budget of less than 1%. If revenue underspends are identified as part of the year-end process, it is recommended that they be contributed to earmarked reserves in order to fund specified expenditure in future years. Formal approval for movements in reserves will be sought from Members as part of the year-end process. The Council's Reserves Strategy, including justifications for current balances and recommendations for future movements, can be found in section 10 of this report.

8. Budgetary assumptions 2020/21

8.1 The inflationary assumptions used to compile the 2020/21 estimates are set out below.

Inflation Factors	
Average salary Inflation (annual pay settlement) for 2020/21	2.9%
Business Rates	2.0%
Fuel	5.0%
Utility Cost increase assumptions: Gas	5.0%
Electricity	5.0%
Other Assumptions	
Return on investment	0.8%
Salary Vacancy Factor (excluding front-line Waste services)	5.0%
Growth in numbers of Band D equivalent properties	2.27%

8.2 The salary vacancy factor for the 2019/20 budget was 5%, excluding front line staff within Waste Services. Analysis of the employee related budget undertaken

during the last financial year shows that this level remains appropriate. It is therefore proposed to maintain the vacancy factor at 5% for 2020/21.

9. Revenue Income

- 9.1 In addition to the key funding streams explained in sections 3 - 5 of this report, the Council receives income from a number of sources.
- 9.2 Housing Rents received through the Council's housing stock are ring-fenced within the Housing Revenue Account (HRA) for the administration and maintenance of existing stock, and for the delivery of new buildings. More detail on the HRA budget is covered in section 13 of this report.
- 9.3 Investment Income – although interest rates have been low in recent years, increasing levels of cash balances have contributed towards investment income performing above target during 2019/20. Budgeted General Fund investment income for 2020/21 is £300k, and £192k within the HRA. This assumes an average interest rate of 0.8%.
- 9.4 Fees and Charges – Service managers have proposed changes to fees and charges for 2020/21 as detailed in Appendices C3, D3 and E3.

10. Reserves Strategy

- 10.1 The Council's Reserves Strategy is reviewed annually, and was most recently approved by Members within Section 10 of the Budget and Council Tax Setting Report (February 2019).
- 10.2 The Council holds two types of reserve, both of which are subject to audit by the Council's external auditors, Grant Thornton, as part of the year-end process. The two types of reserve are:
 - **Working balances**, which are required as a contingency against unforeseen events, and to ensure that the Council has sufficient funds available to meet its cash flow requirements. The Local Government Act 2003 requires the Section 151 Officer to report on the adequacy of financial reserves when setting the General Fund budget requirement for the year. This requirement is met within Appendix N.
 - **Earmarked reserves**, which are funds approved by Members to finance specific items of future expenditure. The Council's Financial Regulations dictate that Earmarked Reserves can be created only with Full Council approval, and subsequent transfers to and from those reserves require Full Council approval.
- 10.3 In line with the Council's approach in previous years, it is recommended that the **General Fund Working Balance** be maintained at a level between 5% and 15% of Net Service Expenditure. The proposed budget forecasts a General Fund Working Balance of £2.5m by the end of 2020/21, which equates to just under 15% of the Net Cost of Services of £20.3m (as shown in Appendix A1).
- 10.4 The **HRA Working Balance** is maintained by the Council at a level of not below 5% of turnover, as approved by Members as part of the MTFS Reserves Strategy. The proposed budget maintains the HRA Working Balance at £2.9m by the end of 2020/21, which equates to 5.1% of the £57m turnover (as shown in Appendix F).

10.5 It is recommended that Council approve the continued use of these parameters for the maintenance of both General Fund and HRA Working Balances.

General Fund Earmarked Reserves

10.6 The General Fund budget proposes a Net Cost of Service of £20.3m, as set out in Appendix A1. This includes a net contribution of £139k to earmarked reserves for non-recurring future items of expenditure (excluding Revenue Contributions to Capital). The proposed movements of General Fund earmarked reserves for revenue use in 2020/21 are as follows:

Earmarked Reserve	Net Movement to/(from) Reserves £000
Management of Change Reserve	32
Technology Reserve	500
Savings Efficiencies Reserve	(459)
On Street Car Parking Reserve	(5)
Local Development Framework Reserve	208
Dacorum Development Reserve	2,164
Climate Change and Sustainability Reserve	300
Invest to Save Reserve	94
Election Reserve	40
Training and Development Reserve	400
Housing Conditions Survey Reserve	15
Funding Equalisation Reserve	(1,000)
Pensions Reserve	(2,173)
Maylands Plus Reserve	23
Total Net Movement	139

10.7 Appendix J details the proposed movements on General Fund Earmarked Reserves. All reserves have been reviewed during the preparation of the Budget for 2020/21, and there will be a further review of the reserves position as part of the closure of accounts process for 2019/20.

10.8 The justification for balances currently held by the Council within Earmarked Reserves is shown below.

- **Civic Buildings Major Repairs Reserve**
This reserve was created as the Civic Centre Major Repairs Reserve to cover the costs arising from unplanned repairs to the Civic Centre. It is recommended that a balance of £200k be retained in this reserve in order to finance costs associated with unplanned repairs to civic buildings.
- **Capital Development Reserve**
This reserve was created in to assist with the funding of feasibility studies associated with the Council's future capital projects.
- **Earmarked Grants Reserve**
This reserve has been set up for unutilised grants from current and prior years. Local authorities are free to use all of this non-ring fenced funding as

they see fit to support the delivery of local, regional and national priorities in their areas.

- **Management of Change Reserve**

To finance any one off costs of projects required to make improvements or significant changes to services for which no budgetary provision exists, including redundancy and pension strain payments.

With continually increasing pressure on funding streams, service transformation remains high on the Council's agenda. The following transactions comprise the net contribution of £32k to the Management of Change reserve in 2020/21:

- Contribution to the reserve of £350k;
- Year 2 of a fixed term contract for a web developer (£46k);
- The second year of the apprenticeship and graduate trainee recruitment programme (£188k);
- An intern within Innovation and Improvement (£24k).
- Payroll Implementation costs (£60k)

- **Technology Reserve**

This reserve was set up to be utilised with the Management of Change reserve to invest in technology improvements that will help improve efficiency and resilience. A contribution of £500k to the reserve is proposed to fund future years' investment, to be funded by the suspension of negative RSG in 2020.

- **Savings Efficiencies Reserve**

This reserve was created in order to mitigate the risk of the Council's savings initiatives failing to complete on time, and thereby causing an in-year budgetary pressure. The reserve is funded through savings achieved ahead of the 'pre-smoothed' savings targets detailed in previous versions of the MTFS.

A draw down of £745k is planned for 2020/21 to assist with the one-off upfront payment of £6m to the Pension Fund in relation to the Council's secondary pension contribution payment. This is in conjunction with a drawdown of £2.4m from the Council's Pension Reserve, which is detailed later in the section. Achievement of other savings initiatives planned for 2020/21 will result in a net draw down from this reserve of £459k that will be replenished in 21/22.

- **On Street Car Parking Reserve**

There are statutory requirements the Council must observe in relation to income derived from certain parking activities, particularly on street car parking and penalty charge notices. Any operating surplus generated from these activities is transferred to this reserve for future re-investment in parking activities. It is recommended that a contribution of £45k be drawn down from this reserve in 2020/21 in order to fund work relating to Controlled Parking Zones. A contribution of £40k to the reserve is also proposed, to be funded by the suspension of negative RSG in 2020, resulting in a net draw down of £5k.

- **Local Development Framework Reserve**
 This reserve was created to support the development and ongoing work associated with the Council's local plan. In 2020/21, it is proposed to contribute £400k, to be funded by the suspension of negative RSG, and to draw down £192k to fund planned work on the development of Hemel Garden Communities.
- **Dacorum Development Reserve**
 This reserve was created to support regeneration and economic development initiatives across the Borough. The net contribution of £2.164m proposed for 2020/21 comprises:

 - A contribution of £1.779m from New Homes Bonus funding;
 - A contribution of £500k from the suspension of negative Revenue Support Grant;
 - Drawdown of £20k to support Armed Forces Day;
 - Drawdown of £30k to support VE day celebrations;
 - Drawdown of £65k to support feasibility studies for Berkhamsted leisure centre (previously approved).
- **Climate Change and Sustainability Reserve**
 It is recommended that this reserve is created for 20/21 to support initiatives associated with the Council's commitment to addressing climate change and sustainability issues across the borough. A contribution of £300k is proposed, to be funded through the suspension of negative RSG.
- **Planning Enforcement & Appeals Reserve**
 To meet the costs of urgent action on planning enforcement, and stabilise the financing of fluctuating annual costs of planning appeals.
- **Litigation Reserve**
 The funds within this reserve are held to support one-off costs associated with the defence against, or settlement of legal claims.
- **Vehicle Replacement Reserve**
 This reserve was created to enable the Council to make regular contributions to the capital costs associated with replacing of key fleet vehicles. Funding replacement costs through Revenue Contributions to Capital enables the Council to reduce or avoid the costs associated with borrowing. From 2020/21 onwards, annual contributions to the reserve are recommended to continue at £350k.
- **Invest to Save Reserve**
 This reserve was created in 2015/16 to support the one-off costs associated with spend to save initiatives and investing in new ways of working. A net contribution of £94k to the reserve is proposed for 2020/21:

 - A contribution of £184 to support set up costs of future initiatives that will generate revenue savings;
 - Drawdown of £20k to support training across the Council;

- Drawdown of £50k to support consultancy costs within planning with the objective of simplification of the planning process;
 - Drawdown of £20k to implement saving proposals associated with caravan storage.
- **Youth Provision Reserve**
To assist with repairs expenditure and the provision of youth provision.
 - **Election Reserve**
This reserve was created to smooth the cost of Borough Elections over a four-year period. A contribution of £40k is proposed for 2020/21 to support the cost of elections in future years.
 - **Uninsured Loss Reserve**
To cover potential liabilities which are above the budgeted amount for uninsured losses or those covered by the Council's insurance policy. As part of a re-tendering exercise in 2018, the Council undertook a detailed review of its insurance provision and risk exposure, and £500k was deemed a reasonable holding.
 - **Training and Development Reserve**
This reserve was created to finance specific development programmes for Council staff. It complements the Management of Change reserve and ensures that Officers are able to access the training required to deliver services more efficiently. A contribution of £400k to the reserve is proposed, to be funded by the suspension of negative RSG in 2020.
 - **Housing Conditions Survey Reserve**
This reserve was created to smooth the costs associated with periodic Council inspections of private dwellings. A top up of the reserve of £15k to support pressures relating to work on the private rented sector across the borough is proposed.
 - **Dacorum Rent Aid and Rent Guarantee Reserves**
These reserves are to provide assistance to clients to obtain/retain accommodation.
 - **Funding Equalisation Reserve**
Funded through annual surpluses on the Collection Fund, this reserve is essentially a means of making the necessary accounting adjustments that arise when actual collection rates differ from forecast collection rates. It also contains previous years' growth in Business Rates in order to fund potential shortfalls in future years' funding. This surpluses in this reserve will be reviewed at point Baseline Funding is reset, following the implementation of the Fair Funding Review from 2021. A draw down of £1m is proposed, to support the forecast business rates deficit in 2020/21.
 - **Pensions Reserve**
This reserve was created in 2012/13 in order to fund potential costs to the Council arising from the statutory triennial reviews of the pension scheme. The results of the December 2019 triennial review announced that the payments the Council currently makes require a slight increase, based on present assumptions, to reduce the pensions deficit within the 20-year planning horizon employed by the actuary.

Based on continuation of the current arrangement of annual payments, the actuary has announced that the Council's aggregate secondary contribution over the next 3 years must increase from the current £6m to £6.3m. However, by paying the total amount in advance, instead of via 36 monthly instalments, the Council can avoid the increase of £300k. It is therefore proposed that the full balance of the Pension Reserve is drawn down and used in conjunction with the Savings Efficiency Reserve to make the upfront payment. Both reserves will be fully replenished by 22/23 through the future years' budgeted annual amounts that will now be diverted towards reserves instead of the Pension Fund.

It is still recommended that the Council make an annual contribution of £200k to this reserve, to be reviewed at the next actuarial valuation in 2022/23.

- **Maylands Plus Reserve**

This reserve was created in 2013/14 to set aside surpluses generated at Maylands Business Centre for re-investment into Economic Development across the Borough. A contribution of £23k in 2020/21 is forecast.

Earmarked Reserves future priority areas

10.9 Priority areas that Members may wish to consider for future contributions to Earmarked Reserves, subject to outturn, include:

- **Management of Change Reserve**

This reserve has been used to fund a range of transformational projects over the last few years, as the Council seeks to deliver its services more efficiently. The continued reductions in grant from central government continue to underline the need for the Council's transformation agenda. There are a number of further projects in the pipeline, including the evolving digital agenda, and the focus on channel shift for public access to the Council's services.

- **Savings Efficiencies Reserve**

This reserve was created in order to mitigate the risk of the Council's savings initiatives failing to complete on time, and thereby causing an in-year budgetary pressure. The reserve will be funded through savings achieved ahead of the savings targets laid out in the MTFS.

Housing Revenue Account Earmarked Reserves

10.10 The Strategic Acquisition reserve is an HRA reserve held by the Council. The forecast balance at the end of 2019/20 is £4m. It is forecast that this balance will be drawn down in full in 2020/21 to support the new build capital programme within the HRA.

Capital Receipts Reserve

10.11 This reserve is utilised to finance the Capital Programme. General Fund capital balances have now been fully utilised on a range of capital projects, and the balance brought forward to 2020/21 contains receipts from the sale of HRA properties under the Right-to-Buy scheme, along with the associated 1-4-1 receipts. It is estimated that the HRA capital balances will be £11.639m as at 1st April 2020, and £7.817m as at 31st March 2021.

11. Capital Programme

11.1 The Capital Programme has been structured to enable delivery of the Council's Corporate Plan over the medium- to long-term, and the detailed capital strategy is attached in Appendix M. The Programme includes all of the capital schemes within both the General Fund and the Housing Revenue Account (HRA).

11.2 The recommended Capital Programme detailed in Appendix I is a 5-year programme encompassing £283m of capital investment across the borough. The Capital Programme in 2020/21 is £41m of which £29.7m is the HRA and £11.3m is the General Fund.

11.3 Areas of major investment within the 5-year programme include:

General Fund

- £8m investment in a 5-year programme of fleet replacement.
- £7.0m capital investment to the council's community facilities including Council-owned buildings, community infrastructure, car parks, leisure and sports premises.
- £3.8m Investment in facilitating affordable housing developments and production of additional temporary accommodation provision.
- £3.8m Capital grants and loans to voluntary organisations and Private Sector Housing grants (including Disabled Facility Grants and improvement grants). It should be noted that the Council has no discretion over the payment of Disabled Facility Grants, which are mandatory.

Housing Revenue Account

- £89m for major capital repairs and replacements of components of the Housing Stock (such as bathrooms, roofs, windows, kitchens); and,
- £113m for the New Build programme.

Financing the Capital Programme

11.4 It is recommended that the Capital Programme for 2020/21 be financed as per the table below.

Proposed Financing for Capital Programme 2020/21	
	£m
Capital Receipts and Reserves	31.6
Grants and External Funding	1.1
Revenue Contribution	6.2
Borrowing – GF	0.0
Borrowing – HRA	2.1
Total Indicative Funding	41.0

11.5 Key assumptions around the Capital Programme's primary financing streams are detailed below:

- **Capital Receipts and Reserves**

In accordance with the Council's Medium Term Financial Strategy, estimates of the likely Capital Receipts to be generated during 2020/21 and subsequent years have been made based on the Council's Asset Management Plan and the current economic climate. The level of receipts anticipated to be utilised in 20/21 is £19.6m.

The level of reserves expected to be utilised is £12m, £8m from the Major Repairs Reserve which is funded from the depreciation on the Council's housing stock and £4m from the strategic acquisitions reserve that is created in prior years to fund the build of new HRA homes.

- **Grants and External Funding**

£0.7m of general fund capital expenditure will be funded from grants and £0.4m from S106 contributions.

- **Revenue Contribution to Capital**

This refers to charges on revenue budgets in order to finance capital projects in 2020/21 the budget assumes the GF will be contributing £0.4m and the HRA £5.8m.

- **Borrowing**

The HRA is budgeted to require £2.1m of additional funds to fund their capital programme, this will be drawn from the use of cash balances. Utilising cash balances is more economical than borrowing externally but will reduce the investment income achieved by the HRA.

The Borrowing Strategy and policies are set out in Section 3 of the Treasury Management Strategy, see Appendix K.

11.6 To ensure the Council optimises its Capital Receipts and returns on existing assets, it is essential all assets be kept under review in line with the Asset Management Strategy and Medium Term Financial Strategy. Cabinet will be briefed at least annually on the performance of assets and in particular non-operational assets. The briefing will identify any potential surplus assets that do not meet the Council's needs and may be considered for formal decision for disposal.

12. Treasury Management Strategy

12.1 In accordance with the requirements of the Local Government Act 2003 the Council produces an annual Treasury Management Strategy, see Appendix K. This appendix includes:

- the reporting of prudential indicators, as required by the CIPFA Prudential Code for Capital Finance in Local Authorities (Section 2);
- the Borrowing Strategy (Section 3); and,
- the Investment Strategy in accordance with CIPFA Code of Practice on Treasury Management (Section 4).

13. Housing Revenue Account 2020/21

13.1 The HRA 'Self-Financing' regime was introduced under the Localism Act in April 2012. It replaced the previous HRA subsidy arrangements and required the Council to make a settlement payment to the Government of £354.015 million.

13.2 The Council has a duty to budget under Section 76 of the Local Government and Housing Act 1989 'to prevent a debit balance on the HRA'. The Council sets its own target balance at a minimum of 5% of total income, which for 2020/21 equates to £2.9m. The Council keeps the medium and long-term funding of housing services under regular review through updates to the HRA Business Plan.

HRA Business Plan update

13.3 The HRA Business Plan is a thirty-year plan, which encompasses both the financial and service related objectives. The long-term perspective is crucial to ensure that the service and its primary asset, the housing stock, is projected to be 'fit for purpose' throughout the whole period.

13.4 As the business plan projects forward thirty years, there will inevitably be opportunities and pressures that are difficult to predict. However, as it forms the basis of service delivery and asset management strategy, it will be regularly updated to take account of changed circumstances, tenant and Member priorities.

HRA Financial assumptions for 2020/21

13.5 The HRA business plan incorporates the following key financial assumptions, based on the draft 2020/21 HRA budget:

Budget	Assumptions
HRA Working Balance	Minimum 5% of turnover.
Major Repairs Reserve (MRR) Balance	Nil – to be fully utilised each year to fund capital works and new build
Rent	Rents for 2020/21 have been set according to the new MHCLG Rent Standard, which allows for an increase of CPI+1% (2.7% in total). New tenancies re-let at (social) formula rent.
RPI	2.4% (2020/21); 2.9% 2021/22; 3.2% (2022/23) 3.4% (subsequent years)
CPI	1.7% (2020/21); 1.9% 2021/22; 2.2% (2022/23) 2.4% (subsequent years)
New Build Programme	188 units built, 164 in progress currently, 280 in the pipeline.
Voids and Bad Debts	Voids: 0.8% of gross income Bad Debts: 1.8%
Right to Buy	Assumption of 24 for 2020/21.

13.6 An updated HRA Business Plan was approved by Council in January 2020.

14. Staff Terms and Conditions

14.1 Within the 2015/16 Budget, the Council introduced a Living Wage supplement for all affected employees, in accordance with the Living Wage Foundation.

Council agreed to review the Living Wage annually thereafter, but did not seek accreditation thereby avoiding the loss of autonomy that might entail.

14.2 The Living Wage is announced each year by the Living Wage Foundation based on a calculation by the Centre for Research in Social Policy at Loughborough University. It reflects the costs of those items identified by the University's consultation groups as necessary for a minimum acceptable standard of living.

14.3 The current 'out of London' living wage, which would apply to the Council, was announced in November 2019 as £9.30 per hour, a 30 pence increase over the previous year. All DBC staff are paid in excess of the living wage for 2020/21.

15. Summary and Conclusion

15.1 This report sets out how the Council will provide the financial resources required to achieve its priorities during the next financial year. It assumes that planned savings will be achieved and that the Capital Programme will be delivered on time and to budget.

15.2 The statement from the Chief Finance Officer at Appendix M provides assurance regarding the robustness of the 2020/21 budget and the level of the Council's reserves.

DRAFT GENERAL FUND BUDGET SUMMARY 2020/21

	Original 2019/20	Growth / (Savings)	Estimate 2020/21
	£000	£000	£000
Service Expenditure & Income			
Employees	24,625	3,595	28,220
Premises	4,448	291	4,739
Transport	1,429	121	1,550
Supplies & Services	7,348	(292)	7,056
Third-Parties	756	146	902
Transfer Payments	47,199	(50)	47,149
Capital Charges & Bad Debts	4,917	0	4,917
Income	(17,778)	(617)	(18,395)
Grants and Contributions	(51,537)	111	(51,426)
Recharge to HRA	(4,213)	(171)	(4,384)
Net Cost Of Services	17,194	3,134	20,328
Less:			
Interest Receipts	(188)	(112)	(300)
Interest Payments & MRP	970	(54)	916
Reversal of Capital Charges	(4,802)	(0)	(4,802)
Revenue Contributions to Capital	0	350	350
Net movement to/(from) Earmarked Reserves	4,464	(4,325)	139
Budget Requirement General Fund	17,638	(1,007)	16,631
Parish Precepts	816	156	972
Budget Requirement Including Parishes	18,454	(851)	17,603
Funded by:			
Revenue Support Grant/Tariff	0	0	0
Business Rates Retained	(3,789)	174	(3,615)
New Homes Bonus/Government Grants	(2,179)	400	(1,779)
Council Tax (Surplus)/Deficit	(139)	(12)	(151)
Business Rates (Surplus)/Deficit	0	1,000	1,000
Net Expenditure before Council Tax	12,347	711	13,058
Demand on the Collection Fund	(12,348)	(710)	(13,058)
Net Change in General Fund Balance	(1)	1	0
General Fund Balance B/Fwd	(2,502)		(2,503)
In year use	(1)		0
General Fund Balance C/Fwd	(2,503)		(2,503)

APPENDIX A - GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY

	Revised 2019/20	Estimate 2020/21	Estimate 2021/22	Estimate 2022/23	Estimate 2023/24
	£000	£000	£000	£000	£000
Service Expenditure & Income					
Employees	24,625	28,233	23,954	24,458	26,754
Premises	4,448	4,758	4,867	4,978	5,093
Transport	1,429	1,559	1,627	1,698	1,772
Supplies & Services	7,348	7,033	6,959	7,076	7,218
Third-Parties	756	914	852	869	887
Transfer Payments	47,199	47,149	47,149	47,149	47,149
Capital Charges & Bad Debts	4,917	4,917	4,920	4,922	4,924
Income	(69,315)	(69,842)	(70,318)	(70,874)	(71,095)
Recharge to HRA	(4,213)	(4,393)	(4,517)	(4,657)	(4,801)
Cumulative Savings	0	0	0	(604)	(1,254)
Net Cost Of Services	17,194	20,328	15,492	15,015	16,647
Less:					
Interest Receipts	(188)	(300)	(300)	(300)	(300)
Interest Payments & MRP	970	916	1,037	1,029	1,083
Reversal of Capital Charges	(4,802)	(4,802)	(4,802)	(4,802)	(4,802)
Revenue Contributions to Capital	0	350	350	350	350
Net movement to/(from) Earmarked Reserves	3,780	139	2,870	2,844	871
Budget Requirement General Fund	16,954	16,631	14,647	14,135	13,849
Parish Precepts	816	972	1,006	1,041	1,077
Budget Requirement Including Parishes	17,770	17,603	15,653	15,177	14,926
Funded by:					
Use of General Fund Balance	1	0	0	0	0
Business Rates Retained	(2,969)	(3,115)	(3,177)	(3,241)	(3,305)
(Revenue Support Grant)/Tariff	0	0	2,440	3,225	3,230
Pilot Business Rates Funding	(820)	(500)	0	0	0
New Homes Bonus	(2,179)	(1,779)	(808)	(544)	0
Council Tax (Surplus)/Deficit	(139)	(151)	0	0	0
Business Rates (Surplus)/Deficit	684	1,000	0	0	0
Net Expenditure before Council Tax	12,348	13,058	14,108	14,617	14,851
Demand on the Collection Fund	(12,348)	(13,058)	(13,516)	(13,980)	(14,460)
General Fund Balance B/Fwd	(2,502)	(2,503)	(2,503)	(2,503)	(2,503)
In year use	(1)	0	0	0	0
General Fund Balance C/Fwd	(2,503)	(2,503)	(2,503)	(2,503)	(2,503)
Total Savings Requirement		643	758	739	390
of which,					
Savings identified, and already delivered		0	0	0	0
Savings identified, but still to be delivered		(643)	(165)	(102)	0
Savings still to be identified		(0)	593	637	390

GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
EMPLOYEE EXPENDITURE

2019/20 Employee Budget		24,625
<u>Inflation</u>		
Pay award of 2.9% per annum (estimate)		613
Increments		179
Sub total - Inflation		792
<u>Growth items</u>		
Increase in pension contribution rate from 18.5% to 19.5%	Fiona Jump	200
Private Sector Housing Team Leader	Natasha Beresford	61
Climate Change Officer	Ben Hosier	60
Opposition Group Support Officer	Farida Hussain	15
Strategic Housing Pre-Tenancy Team review	Natasha Beresford	15
Fleet Services - expansion of Vehicle Repair Shop	Craig Thorpe	81
Other growth items under £15k		38
1% additional primary pension contribution not required	Fiona Jump	(200)
Sub total - Growth items		270
<u>Removal of 2019/20 one-off items (reserve / grant funded)</u>		
Borough Elections employees costs	Mark Brookes	(90)
Homeless Prevention and Assessment Team grant funded posts	Natasha Beresford	(60)
Local Development Framework fixed term posts	Chris Taylor	(146)
Short term growth required in Building Control	Sara Whelan	(60)
Waste Services - food waste project team	Craig Thorpe	(55)
Training budget funded from reserves	Matthew Rawdon	(23)
Sub total - Removal of 2019/20 one-off items		(434)
<u>2020/21 one-off items (reserve / grant funded)</u>		
Pension liability following 3 yearly actuarial review	Fiona Jump	1,500
Training budget funded from reserves	Matt Rawdon	20
Homeless Prevention and Assessment Team - 2 grant funded posts	Natasha Beresford	86
Private Sector Housing 1 year fixed term post	Natasha Beresford	50
Caravan storage - additional resource to generate additional income	Richard Rice	15
Secondary pension contribution lump sum payment	Fiona Jump	1,618
Hemel Garden Communities project team - funded from reserves	Chris Taylor	192
South West Herts Joint Strategic Plan costs - grant funded	Chris Taylor	60
Sub total - 2020/21 one-off items		3,541
<u>Efficiency savings</u>		
Customer Services operational review	Matthew Rawdon	(10)
Financial Services review	Fiona Jump	(30)
Strategic Planning review	Chris Taylor	(65)
Revenues and Benefits service review	Chris Baker	(55)
Other minor items under £15k		(16)
Sub total - Efficiency savings		(176)
<u>Other</u>		
Tree work for Housing HRA	Craig Thorpe	42
Internal movement of budget (no growth or efficiencies to services)		(440)
Sub total - Other		(398)
Total change year on year		3,595
2020/21 Employee Budget		28,220

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
PREMISES EXPENDITURE**

2019/20 Premises Budget		4,448
<u>Inflation</u>		
General inflation		80
Sub total - Inflation		80
<u>Growth items</u>		
Business Rates - impact of revaluations on DBC premises		40
Business Rates on Commercial Properties	Richard Rice	20
Water charges at garages (drainage costs)	Alan Mortimer	100
Sub total - Growth items		160
<u>Removal of 2019/20 one-off items (reserve / grant funded)</u>		
Borough Elections premises costs	Mark Brookes	(30)
Sub total - Removal of 2019/20 one-off items		(30)
<u>Other</u>		
Internal movement of budget (no growth or efficiencies to services)		81
Sub total - Other		81
Total change year on year		291
2020/21 Premises Budget		4,739

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
TRANSPORT EXPENDITURE**

2019/20 Transport Budget		1,429
<u>Inflation</u>		
General inflation		58
Sub total - Inflation		58
<u>Growth items</u>		
Insurance premiums	Fiona Jump	60
Sub total - Growth items		60
<u>Other</u>		
Waste collections from Housing Voids	Craig Thorpe	5
Internal movement of budget (no growth or efficiencies to services)		(2)
Sub total - Other		3
Total change year on year		3
2020/21 Transport Budget		1,550

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
SUPPLIES & SERVICES EXPENDITURE**

2019/20 Supplies & Services Budget		7,348
<u>Inflation</u>		
Inflation on contracted services		81
Sub total - Inflation		81
<u>Growth items</u>		
Waste Services - equipment for food waste collection from flats	Craig Thorpe	7
Building Control	Sara Whelan	12
Car Parking transaction fees	Ben Hosier	20
Sub total - Growth items		39
<u>Removal of 2019/20 one-off items (reserve / grant funded)</u>		
Water Gardens grant funded budget	Chris Taylor	(41)
Housing Conditions Survey	Natasha Beresford	(50)
Controlled Parking Zones	Ben Hosier	(56)
Strategic Planning project costs	Chris Taylor	(25)
Waste Services - one-off costs for food waste collection from flats	Craig Thorpe	(6)
Sustainability budget funded from reserves	Nigel Howcutt	(10)
Armed Forces Day	Matthew Rawdon	(20)
Sub total - Removal of 2019/20 one-off items		(208)
<u>2020/21 one-off items (reserve / grant funded)</u>		
Armed Forces Day	Matthew Rawdon	20
Caravan storage - additional resource to implement proposal	Richard Rice	5
Review and improvement of planning process	Sara Whelan	50
Leisure - feasibility work Berkhamsted Leisure Centre	Ben Hosier	65
Controlled Parking Zones	Ben Hosier	45
VE Day event	Farida Hussain	30
Sub total - 2020/21 one-off items		215
<u>Efficiency savings</u>		
ICT relocation of data centre	Ben Trueman	(10)
Planning Software maintenance	Sara Whelan	(10)
Legal expenditure	Farida Hussain	(17)
ICT Support and Maintenance efficiencies	Ben Trueman	(10)
Customer Services - ICT support and maintenance budget	Matthew Rawdon	(10)
Efficiencies in equipment budget Environmental Protection	Emma Walker	(27)
Professional fees Financial Services	Fiona Jump	(5)
Sub total - Efficiency savings		(89)
<u>Other</u>		
Tree work for Housing HRA	Alan Mortimer	5
Internal movement of budget (no growth or efficiencies to services)		(335)
Sub total - Other		(330)
Total change year on year		(292)
2020/21 Supplies & Services Budget		7,056

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
THIRD-PARTY PAYMENTS**

2019/20 Third Party Payments Budget		756
Inflation		
Contractual inflation		15
Sub total - Inflation		15
2020/21 one-off items (reserve / grant funded)		
New payroll contract implementation costs	Fiona Jump	60
Sub total - 2020/21 one-off items		60
Growth items		
Facilities Management costs of The Bury	Richard Rice	15
Building Control	Sara Whelan	28
Payroll contract	Fiona Jump	20
Sub total - Growth items		63
Other		
Internal movement of budget (no growth or efficiencies to services)		8
Sub total - Other		8
Total change year on year		146
2020/21 Third Party Payments Budget		902

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
TRANSFER PAYMENTS**

2019/20 Transfer Payments Budget		47,199
Other		
Internal movement of budget (no growth or efficiencies to services)		(50)
Sub total - Other		(50)
Total change year on year		(50)
2020/21 Transfer Payments Budget		47,149

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
INCOME**

2019/20 Income Budget		(17,778)
<u>Inflation</u>		
General inflation		(185)
Sub total - Inflation		(185)
<u>Growth items</u>		
Garages income	Alan Mortimer	200
Commercial Waste income	Craig Thorpe	180
Sub total - Growth items		380
<u>Increased income</u>		
Berkhamsted Multi-storey car park	Ben Hosier	(250)
Parking pricing review	Ben Hosier	(130)
Pricing review parking permits	Ben Hosier	(36)
Leisure contract	Ben Hosier	(308)
Additional income from Leisure contract following Business Rates Reduction	Ben Hosier	(70)
Temporary Accommodation	Natasha Beresford	(306)
Planning fee income	Sara Whelan	(50)
Playing pitches income generation Adventure Playgrounds	Matthew Rawdon	(20)
Caravan Storage income	Richard Rice	(30)
Cesspool emptying fees and charges review	Craig Thorpe	(35)
Bulky Waste charges review	Craig Thorpe	(15)
Legal income	Farida Hussain	(10)
Insurance income	Fiona Jump	(20)
Sub total - Increased income		(1,280)
<u>Other</u>		
Insurance income	Fiona Jump	(80)
Internal movement of budget (no growth or efficiencies to services)		548
Sub total - Other		468
Total change year on year		(617)
2020/21 Income Budget		(18,395)

**GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21
GRANTS, REIMBURSEMENTS AND CONTRIBUTIONS**

2019/20 Grants, Reimbursements and Contributions Budget		(51,537)
<u>Inflation</u>		
General inflation		(54)
Sub total - Inflation		(54)
<u>Removal of 2019/20 one-off items (reserve / grant funded)</u>		
Homeless Prevention and Assessment Team grant funded posts	Natasha Beresford	60
Removal of grant funding Water Gardens	Chris Taylor	51
Sub total - Removal of 2019/20 one-off items		111
<u>2020/21 one-off items (reserve / grant funded)</u>		
Homeless Prevention and Assessment Team - 2 grant funded posts	Natasha Beresford	(86)
South West Herts Joint Strategic Plan - grant income	Chris Taylor	(60)
Sub total - 2020/21 one-off items		(146)
<u>Growth items</u>		
Reduction to Benefits Administration Subsidy grant	Chris Baker	60
Waste Services Alternative Financial Model (AFM)	Craig Thorpe	160
Sub total - Growth items		220
<u>Increased income</u>		
New Cemetery site	Richard Rice	(90)
Legal income	Farida Hussain	(23)
Sponsorship of Parks and Open Spaces	Craig Thorpe	(30)
CCTV income	Ben Hosier	(10)
Sub total - Increased income		(153)
<u>Other</u>		
CCTV	Ben Hosier	19
Internal movement of budget (no growth or efficiencies to services)		114
Sub total - Other		133
Total change year on year		111
2020/21 Grants, Reimbursements and Contributions Budget		(51,426)
GENERAL FUND BUDGET CHANGE ANALYSIS 2020/21 RECHARGE TO THE HRA		
2019/20 Recharge to the HRA		(4,213)
<u>Other</u>		
Decrease HRA recharge from review of Environmental and Community Protection	Emma Walker	71
CCTV recharges to HRA	Ben Hosier	(19)
Housing Voids Garden Clearances	Craig Thorpe	(50)
Collections from Housing Voids	Craig Thorpe	(25)
Tree work for Housing	Alan Mortimer	(47)
Annual HRA inflationary uplift		(75)
Minor amendment to HRA inflationary uplift		(26)
Sub total - Other		(171)
Total change year on year		(171)
2020/21 Recharge to the HRA		(4,384)

OVERVIEW AND SCRUTINY COMMITTEE GENERAL FUND BUDGETS 2020/21				
	Finance & Resources 2020/21 (£)	Housing & Community 2020/21 (£)	Planning & Environment 2020/21 (£)	Total (£)
Employees	13,912	4,149	10,159	28,220
Premises	2,748	1,003	988	4,739
Transport	297	14	1,239	1,550
Supplies & Services	3,861	1,148	2,047	7,056
Third-Parties	789	0	113	902
Transfer Payments	47,144	5	0	47,149
Capital Charges	2,131	1,083	1,704	4,917
Income	(9,891)	(5,055)	(3,449)	(18,395)
Grants and Contributions	(48,872)	(660)	(1,893)	(51,426)
Recharges	(6,129)	(40)	1,785	(4,384)
Net Expenditure by Committee	5,989	1,647	12,692	20,328

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGETS 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £	%
Finance & Resources					
Employees	10,562,690	10,772,617	13,911,670	3,348,980	32%
Premises	2,619,912	2,799,156	2,748,178	128,266	5%
Transport	224,610	226,457	296,560	71,950	32%
Supplies & Services	3,834,200	3,962,937	3,861,040	26,840	1%
Third-Parties	672,250	709,183	788,600	116,350	17%
Capital Charges	2,130,600	2,130,600	2,130,600	0	0%
Transfer Payments	47,144,000	47,144,000	47,144,000	0	0%
Income	(8,882,785)	(9,255,547)	(9,890,580)	(1,136,720)	(13%)
Grants and Contributions	(48,820,110)	(49,090,048)	(48,872,460)	76,575	0%
Recharges	(5,975,812)	(5,911,002)	(6,128,958)	(153,147)	(2%)
Net Expenditure: Finance & Resources	3,509,555	3,488,353	5,988,650	2,479,094	71%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £	%
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Finance & Resources

Chief Executive's Unit (Sally Marshall)

Facilitating Change (Sally Marshall)

Supplies & Services	100,000	100,000	100,000	0	0%
Grants and Contributions	0	(17,500)	0	0	0%
Recharges	(100,000)	(82,500)	(100,000)	0	0%
Net Expenditure: Facilitating Change	0	0	0	0	0%

Management Team and Other Support Overheads (Sally Marshall)

Employees	459,590	471,211	474,390	14,800	+3%
Transport	620	620	630	10	+2%
Supplies & Services	11,940	4,140	11,950	10	+0%
Recharges	(472,150)	(475,971)	(486,970)	(14,820)	(3%)
Net Expenditure: Management Team and Other Support Overheads	(0)	(0)	0	0	0%

Net Expenditure: Chief Executive's Unit

0	0	0	0	+0%
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Corporate and Contracted Services

Sports Development and Community Recreation (Ben Hosier)

Premises	36,390	79,000	41,740	5,350	+15%
Supplies & Services	13,180	6,120	65,000	51,820	+393%
Third-Parties	0	5,000	0	0	+0%
Capital Charges	797,000	797,000	797,000	0	+0%
Income	(136,205)	(257,855)	(508,380)	(372,175)	(273%)
Recharges	170,550	237,978	153,903	(16,647)	(10%)
Net Expenditure: Sports Development and Community Recreation	880,915	867,243	549,263	(331,652)	(38%)

Car Parking (Ben Hosier)

Employees	83,450	84,108	85,710	2,260	+3%
Premises	443,060	383,060	452,880	9,820	+2%
Transport	1,120	1,120	1,140	20	+2%
Supplies & Services	763,790	792,790	769,800	6,010	+1%
Third-Parties	24,550	24,550	25,040	490	+2%
Capital Charges	87,800	87,800	87,800	0	+0%
Income	(2,356,440)	(2,359,440)	(2,772,710)	(416,270)	(18%)
Recharges	388,558	386,199	359,549	(29,009)	(7%)
Net Expenditure: Car Parking	(564,112)	(599,814)	(990,791)	(426,679)	(76%)

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Property Management and Office Accommodation (Ben Hosier)					
Premises	303,780	303,780	311,120	7,340	+2%
Supplies & Services	20,240	20,240	20,360	120	+1%
Third-Parties	463,740	482,740	473,010	9,270	+2%
Capital Charges	471,100	471,100	471,100	0	+0%
Income	(388,960)	(418,000)	(396,740)	(7,780)	(2%)
Recharges	(869,901)	(859,860)	(878,850)	(8,949)	(1%)
Net Expenditure: Property Management and Office Accommodation	0	0	0	0	0%

Procurement Services (Ben Hosier)					
Employees	194,770	202,519	201,560	6,790	+3%
Transport	330	330	340	10	+3%
Supplies & Services	2,640	2,640	2,660	20	+1%
Recharges	(197,740)	(205,489)	(204,560)	(6,820)	(3%)
Net Expenditure: Procurement Services	0	0	0	0	0%

Democratic Representation and Management (Farida Hussain)					
Employees	223,090	233,902	253,890	30,800	+14%
Transport	12,270	12,270	12,640	370	+3%
Supplies & Services	473,070	492,517	533,080	60,010	+13%
Income	(1,190)	(1,190)	(1,210)	(20)	(2%)
Recharges	844,259	918,784	923,023	78,764	+9%
Net Expenditure: Democratic Representation and Management	1,551,499	1,656,283	1,721,423	169,924	+11%

Corporate Management (Farida Hussain)					
Recharges	422,066	432,265	448,840	26,774	+6%
Net Expenditure: Corporate Management	422,066	432,265	448,840	26,774	+6%

Registration of Electors (Farida Hussain)					
Employees	161,270	145,293	181,790	20,520	+13%
Transport	150	150	150	0	+0%
Supplies & Services	83,310	83,310	84,460	1,150	+1%
Income	(1,630)	(1,630)	(1,660)	(30)	(2%)
Recharges	50,727	69,620	88,499	37,772	+74%
Net Expenditure: Registration of Electors	293,827	296,744	353,239	59,412	+20%

Conducting Elections (Farida Hussain)					
Employees	90,000	235,357	0	(90,000)	(100%)
Premises	30,000	58,560	0	(30,000)	(100%)
Supplies & Services	0	39,005	0	0	+0%
Grants and Contributions	0	(177,544)	0	0	+0%
Recharges	6,145	0	0	(6,145)	(100%)
Net Expenditure: Conducting Elections	126,145	155,378	0	(126,145)	(100%)

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Local Welfare Assistance Schemes (Farida Hussain)

Supplies & Services	2,520	0	2,570	50	+2%
Net Expenditure: Local Welfare Assistance Schemes	2,520	0	2,570	50	+2%

Legal Services (Farida Hussain)

Employees	465,230	451,569	471,110	5,880	+1%
Transport	1,380	1,380	1,410	30	+2%
Supplies & Services	48,420	48,420	34,360	(14,060)	(29%)
Third-Parties	0	0	10,000	10,000	+0%
Capital Charges	9,100	9,100	9,100	0	+0%
Income	(15,430)	(15,430)	(25,740)	(10,310)	(67%)
Grants and Contributions	(76,730)	(96,730)	(99,830)	(23,100)	(30%)
Recharges	(431,969)	(398,309)	(400,410)	31,560	+7%
Net Expenditure: Legal Services	0	0	0	0	+0%

Central Administration (Farida Hussain)

Employees	300,620	281,816	320,350	19,730	+7%
Transport	460	460	480	20	+4%
Supplies & Services	183,220	183,220	185,550	2,330	+1%
Third-Parties	1,080	1,080	1,100	20	+2%
Capital Charges	17,100	17,100	17,100	0	+0%
Income	(530)	(530)	(540)	(10)	(2%)
Recharges	(501,949)	(483,146)	(524,039)	(22,090)	(4%)
Net Expenditure: Central Administration	0	0	0	0	0%

Management Team and Other Support Overheads (Mark Brookes)

Employees	158,950	169,588	173,000	14,050	+9%
Transport	760	760	780	20	+3%
Supplies & Services	1,870	1,870	1,880	10	+1%
Recharges	(161,580)	(172,218)	(175,660)	(14,080)	(9%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	0	0%

Net Expenditure: Corporate and Contracted Services **2,712,859** **2,808,098** **2,084,545** **(628,314)** **(29%)**

Finance & Operations Management (James Deane)
Internal Audit (James Deane)

Third-Parties	104,110	102,715	106,190	2,080	+2%
Recharges	(104,110)	(102,715)	(106,190)	(2,080)	(2%)
Net Expenditure: Internal Audit	0	0	0	0	

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Management Team and Other Support Overheads (James Deane)

Employees	346,040	355,245	355,670	9,630	+3%
Transport	0	87	0	0	+0%
Supplies & Services	2,820	4,556	2,830	10	+0%
Recharges	(348,860)	(359,888)	(358,500)	(9,640)	(3%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	0	+0%

Net Expenditure: Finance & Operations Management 0 0 0 0 +0%

Finance & Resources (Nigel Howcutt)
Housing Benefit Payments (Chris Baker)

Capital Charges	35,000	35,000	35,000	0	+0%
Transfer Payments	23,440,000	23,440,000	23,440,000	0	+0%
Grants and Contributions	(23,673,850)	(23,673,850)	(23,673,850)	0	+0%
Other Income	(190,000)	(190,000)	(190,000)	0	+0%
Net Expenditure: Housing Benefit Payments	(388,850)	(388,850)	(388,850)	0	+0%

Housing benefits: rent rebates to HRA tenants - mandatory payments (Chris Baker)

Capital Charges	20,000	20,000	20,000	0	+0%
Transfer Payments	23,704,000	23,704,000	23,704,000	0	+0%
Grants and Contributions	(23,559,990)	(23,559,990)	(23,559,990)	0	+0%
Other Income	(160,000)	(160,000)	(160,000)	0	+0%
Net Expenditure: Housing benefits: rent rebates to HRA tenants - mandatory payments	4,010	4,010	4,010	0	+0%

Housing Benefits (Administration) (Chris Baker)

Employees	775,060	785,719	757,550	(17,510)	(2%)
Transport	2,330	2,330	2,380	50	+2%
Supplies & Services	10,180	10,180	10,180	0	+0%
Grants and Contributions	(594,450)	(641,282)	(535,240)	59,210	+10%
Recharges	961,443	839,168	983,106	21,663	+2%
Net Expenditure: Housing Benefits (Administration)	1,154,563	996,115	1,217,976	63,413	+5%

Local Tax Collection (Chris Baker)

Employees	488,470	498,575	480,070	(8,400)	(2%)
Transport	550	550	560	10	+2%
Supplies & Services	125,310	131,710	125,760	450	+0%
Grants and Contributions	(468,000)	(475,000)	(468,000)	0	+0%
Recharges	711,560	724,469	741,475	29,916	+4%
Net Expenditure: Local Tax Collection	857,890	880,305	879,865	21,976	+3%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Local Tax Collection and Benefits Support Team (Chris Baker)

Employees	337,050	348,820	347,810	10,760	+3%
Transport	5,910	5,910	5,820	(90)	(2%)
Supplies & Services	143,230	149,230	159,510	16,280	+11%
Grants and Contributions	0	(9,576)	0	0	
Recharges	(486,190)	(494,384)	(513,140)	(26,950)	(6%)
Net Expenditure: Local Tax Collection and Benefits Support Team	0	0	0	0	+0%

Corporate Management - Financial Fees and Services (Fiona Jump)

Supplies & Services	126,000	117,617	121,000	(5,000)	(4%)
Net Expenditure: Corporate Management - Financial Fees and Services	126,000	117,617	121,000	(5,000)	(4%)

Past Service Costs (Fiona Jump)

Employees	1,562,180	1,562,180	4,680,000	3,117,820	+200%
Net Expenditure: Past Service Costs	1,562,180	1,562,180	4,680,000	3,117,820	+200%

Parish Grants (Fiona Jump)

Supplies & Services	241,200	247,108	249,900	8,700	+4%
Net Expenditure: Parish Grants	241,200	247,108	249,900	8,700	+4%

Financial Services (Fiona Jump)

Employees	1,087,170	1,084,636	1,091,760	4,590	+0%
Transport	1,510	1,510	1,540	30	+2%
Supplies & Services	53,790	67,120	54,330	540	+1%
Third-Parties	20,950	20,950	101,370	80,420	+384%
Capital Charges	83,300	83,300	83,300	0	+0%
Grants and Contributions	(43,500)	(16,448)	(44,370)	(870)	(2%)
Recharges	(1,203,222)	(1,241,070)	(1,287,931)	(84,710)	(7%)
Net Expenditure: Financial Services	0	0	(0)	0	+0%

Support Services - Insurance (Fiona Jump)

Employees	54,410	54,410	63,000	8,590	+16%
Premises	761,770	761,770	809,000	47,230	+6%
Transport	175,330	175,330	246,000	70,670	+40%
Supplies & Services	468,110	446,584	368,000	(100,110)	(21%)
Income	(312,960)	(386,928)	(380,000)	(67,040)	(21%)
Recharges	(1,146,660)	(1,051,166)	(1,106,000)	40,660	+4%
Net Expenditure: Support Services - Insurance	0	0	0	0	+0%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Management Team and Other Support Overheads (Nigel Howcutt)					
Employees	244,000	244,219	314,666	70,666	+29%
Transport	550	550	560	10	+2%
Supplies & Services	23,790	44,596	13,790	(10,000)	(42%)
Recharges	(268,340)	(289,365)	(329,016)	(60,676)	(23%)
Net Expenditure: Management Team and Other Support Overheads	0	0	(0)	(0)	+0%

Allotments (Richard Rice)					
Premises	12,830	27,714	13,090	260	+2%
Supplies & Services	300	300	300	0	+0%
Income	(15,610)	(13,000)	(15,920)	(310)	(2%)
Grants and Contributions	0	(14,884)	0	0	+0%
Recharges	377	377	370	(7)	(2%)
Net Expenditure: Allotments	(2,103)	507	(2,160)	(57)	(3%)

Community Centres & Public Halls (Richard Rice)					
Employees	136,230	143,038	139,580	3,350	+2%
Premises	183,130	229,797	221,370	38,240	+21%
Supplies & Services	8,000	11,574	8,010	10	+0%
Third-Parties	0	8,928	15,060	15,060	+0%
Capital Charges	122,900	122,900	122,900	0	+0%
Income	(166,270)	(140,865)	(169,610)	(3,340)	(2%)
Recharges	180,379	174,455	195,722	15,343	+9%
Net Expenditure: Community Centres & Public Halls	464,369	549,828	533,032	68,663	+15%

Outdoor Sports & Recreation Facilities (Sports Pavilions) (Richard Rice)					
Premises	67,260	70,858	63,780	(3,480)	(5%)
Capital Charges	21,400	21,400	21,400	0	+0%
Income	(37,480)	(37,480)	(38,230)	(750)	(2%)
Recharges	2,640	2,640	2,600	(40)	(2%)
Net Expenditure: Outdoor Sports & Recreation Facilities (Sports Pavilions)	53,820	57,418	49,550	(4,270)	(8%)

Cemeteries (Richard Rice)					
Employees	304,210	294,016	313,620	9,410	+3%
Premises	81,580	86,030	75,960	(5,620)	(7%)
Transport	12,470	12,470	13,080	610	+5%
Supplies & Services	37,890	53,492	37,910	20	+0%
Capital Charges	81,400	81,400	81,400	0	+0%
Income	(450,710)	(450,710)	(459,720)	(9,010)	(2%)
Grants and Contributions	(53,590)	(53,590)	(141,180)	(87,590)	(163%)
Recharges	96,104	74,535	84,877	(11,227)	(12%)
Net Expenditure: Cemeteries	109,354	97,643	5,947	(103,407)	(95%)

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Public Conveniences (Richard Rice)

Premises	37,420	29,502	32,920	(4,500)	(12%)
Capital Charges	38,600	38,600	38,600	0	+0%
Income	(150)	(150)	(150)	0	+0%
Recharges	92,907	89,199	91,605	(1,302)	(1%)
Net Expenditure: Public Conveniences	168,777	157,150	162,975	(5,802)	(3%)

Property Management and Office Accommodation (Richard Rice)

Employees	539,250	608,277	557,020	17,770	+3%
Premises	0	3,249	0	0	
Transport	4,910	5,670	5,000	90	+2%
Supplies & Services	56,970	68,869	62,240	5,270	+9%
Income	(10,970)	(42,925)	(11,190)	(220)	(2%)
Grants and Contributions	0	(1,000)	0	0	
Recharges	(590,160)	(642,140)	(613,070)	(22,910)	(4%)
Net Expenditure: Property Management and Office Accommodation	0	0	0	0	+0%

Investment Property (Richard Rice)

Premises	662,692	765,836	726,318	63,626	+10%
Supplies & Services	8,670	9,330	8,700	30	+0%
Income	(4,988,250)	(5,129,414)	(5,108,780)	(120,530)	(2%)
Grants and Contributions	0	(2,654)	0	0	+0%
Recharges	577,375	571,126	579,524	2,149	+0%
Net Expenditure: Investment Property	(3,739,513)	(3,785,776)	(3,794,238)	(54,725)	(1%)

Net Expenditure: Finance & Resources

611,695	495,253	3,719,005	3,107,310	+282%
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Housing & Regeneration Management (Mark Gaynor)
Management Team and Other Support Overheads (Mark Gaynor)

Employees	243,270	246,795	268,780	25,510	+10%
Transport	380	1,380	390	10	+3%
Supplies & Services	3,380	2,380	3,380	0	+0%
Recharges	(247,030)	(250,555)	(272,550)	(25,520)	(10%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	0	+0%

Net Expenditure: Housing & Regeneration Management

0	0	0	0	+0%
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FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £	%
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Neighbourhood Delivery (David Austin)
Management Team and Other Support Overheads (David Austin)

Employees	165,460	168,405	171,420	5,960	+4%
Transport	230	230	230	0	+0%
Supplies & Services	1,320	1,320	1,330	10	+1%
Recharges	(167,010)	(169,955)	(172,980)	(5,970)	(4%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	0	+0%

Corporate Health & Safety (Emma Walker)

Employees	136,680	141,525	141,640	4,960	+4%
Transport	330	330	340	10	+3%
Supplies & Services	53,930	33,930	53,970	40	+0%
Recharges	(190,941)	(175,783)	(195,950)	(5,009)	(3%)
Net Expenditure: Corporate Health & Safety	0	0	0	0	+0%

Net Expenditure: Neighbourhood Delivery

0	0	0	0	+0%
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Performance and Projects (Linda Roberts)
Business Improvement (Ben Trueman)

Employees	169,260	108,876	175,860	6,600	+4%
Transport	200	200	200	0	+0%
Supplies & Services	10,780	26,780	10,990	210	+2%
Third-Parties	2,100	7,500	0	(2,100)	(100%)
Recharges	(182,340)	(143,356)	(187,050)	(4,710)	(3%)
Net Expenditure: Business Improvement	0	0	0	0	+0%

Information and Communication Technology (Ben Trueman)

Employees	838,140	823,606	866,620	28,480	+3%
Transport	1,260	1,260	1,300	40	+3%
Supplies & Services	642,110	652,110	629,990	(12,120)	(2%)
Capital Charges	345,900	345,900	345,900	0	+0%
Recharges	(1,827,408)	(1,822,878)	(1,843,811)	(16,402)	(1%)
Net Expenditure: Information and Communication Technology	0	0	0	0	+0%

Management Team and Other Support Overheads (Linda Roberts)

Employees	167,060	171,176	171,660	4,600	+3%
Recharges	(167,060)	(171,176)	(171,660)	(4,601)	(3%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	0	+0%

FINANCE & RESOURCES COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
Human Resources (Matt Rawdon)					
Employees	660,770	683,441	677,454	16,684	+3%
Transport	420	420	430	10	+2%
Supplies & Services	106,890	108,440	121,910	15,020	+14%
Third-Parties	55,720	55,720	56,830	1,110	+2%
Recharges	(638,800)	(663,021)	(671,524)	(32,724)	(5%)
Net Expenditure: Human Resources	185,000	185,000	185,100	100	+0%
Net Expenditure: Performance and Projects	185,002	184,999	185,100	100	+0%
Planning, Development and Regeneration (James Doe)					
Management Team and Other Support Overheads (James Doe)					
Employees	171,010	174,292	175,690	4,680	+3%
Transport	1,140	1,140	1,160	20	+2%
Supplies & Services	5,330	1,440	5,340	10	+0%
Recharges	(177,480)	(176,872)	(182,190)	(4,710)	(3%)
Net Expenditure: Management Team and Other Support Overheads	0	0	0	0	+0%
Net Expenditure: Planning, Development and Regeneration	0	0	0	0	+0%
Net Expenditure: Finance & Resources	3,509,555	3,488,353	5,988,650	2,479,095	+71%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Revenues				
Summons Costs		60.00	70.00	16.7%
Liability Orders		30.00	30.00	0.0%
Berkhamsted Civic Centre				
Weddings - Full Day	Day	639.00	654.00	2.3%
Extended from 11.30pm to midnight	Half Hour	66.50	68.00	2.3%
Community Use - Day	Hour	22.50	23.00	2.2%
Community Use - Monday to Thursday Evening (after 6pm)	Hour	25.00	26.00	4.0%
Community Use - Friday Evenings & Weekends	Hour	30.75	31.00	0.8%
Commercial Use - Day	Hour	27.50	28.00	1.8%
Commercial Use - Monday to Thursday Evening (after 6pm)	Hour	33.75	35.00	3.7%
Commercial Use - Friday Evenings & Weekends	Hour	40.50	41.00	1.2%
Sale of Goods - Commercial - Evenings (after 6pm)	Evening	266.00	272.00	2.3%
Sale of Goods - Commercial	Day	276.00	282.00	2.2%
Victoria Hall				
Day Fayres - inc. Assembly Room, Victoria Room and main kitchen (9am to 5.30pm)	Day	475.00	486.00	2.3%
Day Fayres - inc. Assembly Room, Victoria Room and main kitchen (9am to 5.30pm) Charity	Day	265.00	271.00	2.3%
Refundable Deposit (If required)	Per Hire	200.00	200.00	0.0%
All Events Extra Time 11:30pm - 12.00am.	Half Hour	62.50	64.00	2.4%
Assembly Room - Community Use - Day	Hour	22.50	23.00	2.2%
Assembly Room - Community Use - Evening/Weekends	Hour	24.50	25.00	2.0%
Assembly Room - Commercial Use - Day	Hour	25.75	26.00	1.0%
Assembly Room - Commercial Use - week night Monday to Thursday	Hour	32.00	33.00	3.1%
Assembly Rooms - Commercial Use - Evening/Weekends	Hour	38.00	39.00	2.6%
Everyone Active Bowls and Table Tennis	Session 2.5 hours	34.50	35.00	1.4%
Private Bowls and Table Tennis	Session 2.5 hours	34.50	35.00	1.4%
Kitchen Use - Washing Up	Day	32.50	33.00	1.5%
Kitchen Use - Full Catering	Day	62.50	64.00	2.4%
Victoria Room - Commercial Use - Weekdays to 6pm	Hour	23.00	24.00	4.3%
Victoria Room - Commercial Use - Weekdays after 6pm and Weekends	Hour	26.00	27.00	3.8%
Victoria Room - Community Use - Weekdays to 6pm	Hour	19.50	20.00	2.6%
Victoria Room - Community Use - Weekdays after 6pm and Weekends	Hour	21.50	22.00	2.3%
Albert Room - Community Use - Weekdays to 6pm	Hour	14.50	15.00	3.4%
Albert Room - Community Use - Weekdays after 6pm and Weekends	Hour	16.50	17.00	3.0%
Edward Room - Weekdays	Hour	12.00	12.00	0.0%
Edward Room Office	Hour	9.00	9.00	0.0%
Tring Park School Assembly Room	Hour	19.10	20.00	4.7%
Tring Park School Victoria Room	Hour	16.65	17.00	2.1%
Tring Park School Albert Room	Hour	10.50	11.00	4.8%
Tring U3A Table Tennis	Session 2.5 hours	34.50	35.00	1.4%
Football Season				
Adult - Including Pavilion	13 Games	854.00	874.00	2.3%
Adult - Excluding Pavilion	13 Games	611.00	625.00	2.3%
Junior (aged 11 to 18) - Including Pavilion	13 Games	442.00	452.00	2.3%
Junior (aged 11 to 18) - Excluding Pavilion	13 Games	307.00	314.00	2.3%
Mini (aged 7 to 10) - Including Pavilion	13 Games	271.00	277.00	2.2%
Mini (aged 7 to 10) - Excluding Pavilion	13 Games	187.00	191.00	2.1%
Sports Pitch Hire - Football, Baseball & Rugby				
Adult - Including Pavilion	Match	72.00	74.00	2.8%
Adult - Excluding Pavilion	Match	52.00	53.00	1.9%
Junior (aged 11 to 18) - Including Pavilion	Match	45.00	46.00	2.2%
Junior (aged 11 to 18) - Excluding Pavilion	Match	32.75	34.00	3.8%
Mini (aged 7 to 10) - Including Pavilion	Match	28.75	29.00	0.9%
Mini (aged 7 to 10) - Excluding Pavilion	Match	20.50	21.00	2.4%
Sports Pitch Hire - Cricket				
Adult - Including Pavilion	Match	72.00	74.00	2.8%
Adult - Excluding Pavilion	Match	66.00	68.00	3.0%
Adult - Weekday Evening Match Excluding Pavilion	Match	43.00	44.00	2.3%
Adult - Training (No Marking Required)	Match	33.00	34.00	3.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Casual Bowls				
Adult	Hour per person	3.00	N/A	0.0%
Adult Concessions	Hour per person	1.50	N/A	0.0%
Junior (up to 16) / OAP (60+)	Hour per person	2.00	N/A	0.0%
Shoe/Wood Hire	Per Hire	No charge	N/A	0.0%
Miscellaneous				
Hot Air Balloon Launches	Per Launch	52.50	54.00	2.9%
Allotments	Pole	6.00	6.00	0.0%
Hemel Hempstead Bowls Club	Per Annum	7,438.00	7,609.00	2.3%
Cemeteries				
Exclusive Right of Burial				
Lawn Grave 9ft x 4ft (75 Years)		1,370.00	1,402.00	2.3%
Child & Babies Section (child from 0 to 12 years)		no charge	no charge	0.0%
Muslim Wooden Lined Grave 2018/19 / Muslim Burial ERB 2019/20		1,570.00	1,606.00	2.3%
Pre Purchased				
Lawn Grave (75 Years)		2,370.00	2,425.00	2.3%
Cremated Remains Exclusive Right of Burial				
Cremated Remains Flat Tablet Memorial (75 Years)		510.00	522.00	2.4%
Cremated Remains Desk Memorial (75 Years)		510.00	522.00	2.4%
Cremated Remains 2'6" upright Memorial (75 Years)		740.00	757.00	2.3%
Cremated Remains Family Garden (75 Years)		800.00	818.00	2.3%
Pre Purchased				
Cremated Remains Flat Tablet Memorial (75 Years)		800.00	818.00	2.3%
Cremated Remains Desk Memorial (75 Years)		800.00	818.00	2.3%
Cremated Remains 2'6" upright Memorial (75 Years)		1,030.00	1,054.00	2.3%
Cremated Remains Family Garden (75 Years)		1,280.00	1,309.00	2.3%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				
Interment Fees				
Lawn Grave (Burial) - Adult		635.00	650.00	2.4%
Lawn Grave (Burial) - Child		no charge	no charge	0.0%
Woodland Burial including Tree		780.00	798.00	2.3%
Child Grave Child & Baby Section		no charge	no charge	0.0%
Cremated Remains Adult		215.00	220.00	2.3%
Cremated Remains - Double Interment - Adult		430.00	440.00	2.3%
Scattering of Remains - Adult or Child		60.00	61.00	1.7%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				
Cemeteries				
Additional Fees				
ERB (Deed) Transfer (to another)		70.00	72.00	2.9%
Use of Chapel at Tring		90.00	92.00	2.2%
Repurchase expired lease on Right of Burial (75 years)		890.00	910.00	2.2%
Repurchase expired lease on Right of Burial (75 years) Cremation Plot		30.00	31.00	3.3%
Additional Fee for out of hours interment (after 2 Mon - Thurs, after 1 Friday)		300.00	307.00	2.3%
Additional Fee for Saturday interment (Until 12.00)		300.00	307.00	2.3%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2020/21

	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Memorial Fees				
Memorial Administration Fees				
Headstone (additional or replacement)		200.00	205.00	2.5%
Child's Headstone		no charge	no charge	0.0%
Tablet or Plaque (additional or replacement)		75.00	77.00	2.7%
Desktop (additional or replacement)		75.00	77.00	2.7%
Vase (additional or replacement)		40.00	41.00	2.5%
Headstone (each inscription after the first, inc. memorial test fees)		135.00	138.00	2.2%
Desktops, Tablets and Plaques (each inscription after the first)		50.00	51.00	2.0%
Vase (each inscription after the first)		30.00	31.00	3.3%
Sanctum (10 year lease)		1,206.00	1,234.00	2.3%
Sanctum (20 year lease)		1,678.00	1,717.00	2.3%
Sanctum Renewal (5 years)		446.00	456.00	2.2%
Stamford Bench and Installation (inc. 10 year lease) - Dark Wood		1,300.00	1,330.00	2.3%
Granite Buxton Seat (inc. 10 year lease)		1,025.00	1,049.00	2.3%
Memorial Seat Extend Lease (additional 5 years)		120.00	123.00	2.5%
Granite Seat Plaque (inc. 5 year lease)		290.00	297.00	2.4%
Granite Seat Plaque Renewal (5 years)		170.00	174.00	2.4%
Rose Garden Memorial (10 years)		440.00	450.00	2.3%
Rose Garden Memorial Renewal (5 years)		330.00	338.00	2.4%
Shrub with Inscribed Marker (10 years)		240.00	246.00	2.5%
Shrub renewal (5 years)		130.00	133.00	2.3%
Standard Rose with Inscribed Marker (10 years)		300.00	307.00	2.3%
Standard Rose renewal (5 years)		150.00	153.00	2.0%
Rose with Inscribed Marker (10 years)		240.00	246.00	2.5%
Rose renewal (5 years)		130.00	133.00	2.3%
Flower Bed with Inscribed Marker (per year)		590.00	604.00	2.4%
Replacement Marker		60.00	61.00	1.7%
Octagonal Seat Plaque		290.00	297.00	2.4%
Octagonal Seat Plaque Renewal		175.00	179.00	2.3%
Tring Leather Panel Memorial		125.00	128.00	2.4%
Tring leather panel memorial renewal (5 years)		56.00	57.00	1.8%
Leaf Vaults Single (10 years) inc. leaf vase		958.00	980.00	2.3%
Leaf Vaults Double (10 years) inc. leaf vase		1,069.00	1,094.00	2.3%
Leaf Vaults renewal (5 years)		281.00	287.00	2.1%
Leaf Vase		123.00	126.00	2.4%
* All fees are pertinent to the grave owner, if non-resident fees are treble.				

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2020/21

	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Parking Services (Please note that the proposed parking charges are currently out to public consultation)				
Off Street Parking - (including VAT @ 20% where applicable)				
Wood Lane End (Previously Duxons Turn)	Up to 30 minutes	0.10	N/A	0.0%
Wood Lane End (Previously Duxons Turn)	Up to 2 Hours	0.40	0.50	25.0%
Wood Lane End (Previously Duxons Turn)	Up to 3 Hours	0.70	0.80	14.3%
Wood Lane End (Previously Duxons Turn)	Up to 4 Hours	1.00	1.20	20.0%
Wood Lane End (Previously Duxons Turn)	Up to 10 Hours	1.60	2.00	25.0%
Wood Lane End (Previously Duxons Turn)	Annual season ticket (limited to 30)	250.00	250.00	0.0%
The Gables	Up to 1 Hour	0.50	0.60	20.0%
The Gables	Up to 2 Hours	0.70	0.80	14.3%
The Gables	Up to 3 Hours	0.90	1.00	11.1%
The Gables	Up to 4 Hours	1.10	1.20	9.1%
The Gables	Up to 10 Hours	1.60	1.70	6.2%
High Street	Up to 1 Hour	0.50	0.50	0.0%
High Street	Up to 2 Hours	0.70	0.80	14.3%
High Street	Up to 3 Hours	0.90	1.00	11.1%
High Street	Up to 4 Hours	1.10	1.20	9.1%
High Street	Up to 10 Hours	1.60	1.70	6.2%
High Street	Annual resident permit	50.00	80.00	60.0%
Queensway	Up to 1 Hour	0.60	0.60	0.0%
Queensway	Up to 2 Hours	1.00	1.10	10.0%
Queensway	Up to 3 Hours	1.30	1.40	7.7%
Queensway	Up to 4 Hours	1.60	1.80	12.5%
Queensway	Up to 10 Hours	2.50	2.70	8.0%
Alexandra Road	Up to 1 Hour	0.60	0.60	0.0%
Alexandra Road	Up to 2 Hours	1.00	1.10	10.0%
Alexandra Road	Up to 3 Hours	1.30	1.40	7.7%
Alexandra Road	Up to 4 Hours	1.60	1.80	12.5%
Alexandra Road	Up to 10 Hours	2.50	2.70	8.0%
Water Gardens (North) upper deck	Up to 1 Hour	0.80	1.00	25.0%
Water Gardens (North) upper deck	Up to 2 Hours	1.40	1.60	14.3%
Water Gardens (North) upper deck	Up to 3 Hours	2.00	2.20	10.0%
Water Gardens (North) upper deck	Up to 4 Hours	2.50	2.70	8.0%
Water Gardens (North) upper deck	Up to 10 Hours	3.50	4.00	14.3%
Water Gardens (North) lower deck	Up to 1 Hour	0.80	1.00	25.0%
Water Gardens (North) lower deck	Up to 2 Hours	1.40	1.60	14.3%
Water Gardens (North) lower deck	Up to 3 Hours	2.00	2.20	10.0%
Water Gardens (North) lower deck	Up to 4 Hours	2.50	2.70	8.0%
Water Gardens (North) lower deck	Up to 10 Hours	3.50	4.00	14.3%
Water Gardens (South)	Up to 30 minutes	0.50	0.60	20.0%
Water Gardens (South)	Up to 1 Hour	1.00	1.20	20.0%
Water Gardens (South)	Up to 2 Hours	1.60	1.80	12.5%
Moor End Road	Up to 4 Hours	2.50	2.70	8.0%
Moor End Road	Up to 10 Hours	4.00	4.00	0.0%
Park Road	Up to 1 Hour	0.60	0.70	16.7%
Park Road	Up to 2 Hours	0.80	0.90	12.5%
Park Road	Up to 3 Hours	1.00	1.10	10.0%
Park Road	Up to 4 Hours	1.20	1.40	16.7%
Park Road	Up to 10 Hours	2.50	2.70	8.0%
Cowper Road	Up to 2 Hours	0.50	0.60	20.0%
Cowper Road	Up to 3 Hours	0.60	0.70	16.7%
Cowper Road	Up to 4 Hours	0.70	0.80	14.3%
Durrants Hill	Up to 30 minutes	0.10	N/A	0.0%
Durrants Hill	Up to 2 Hours	0.40	0.40	0.0%
Durrants Hill	Up to 3 Hours	0.70	0.80	14.3%
Durrants Hill	Up to 4 Hours	1.00	1.20	20.0%
Durrants Hill	Up to 10 Hours	1.60	1.70	6.2%
Durrants Hill	Annual season ticket	524.16	330.00	-37.0%
Water Lane	Up to 1 Hour	0.70	0.90	28.6%
Water Lane	Up to 2 Hours	1.30	1.60	23.1%
Water Lane	Up to 3 Hours	2.00	N/A	0.0%
Water Lane	Up to 4 Hours	2.60	N/A	0.0%
Lower Kings Road	Up to 1 Hour	0.70	N/A	0.0%
Lower Kings Road	Up to 2 Hours	1.30	N/A	0.0%
Lower Kings Road	Up to 3 Hours	2.00	N/A	0.0%
Lower Kings Road	Up to 4 Hours	2.60	N/A	0.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2020/21

	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Lower Kings Road multi-storey	Up to 1 Hour	TBA	0.80	0.0%
Lower Kings Road multi-storey	Up to 2 Hours	TBA	1.50	0.0%
Lower Kings Road multi-storey	Up to 3 Hours	TBA	2.20	0.0%
Lower Kings Road multi-storey	Up to 4 Hours	TBA	3.00	0.0%
Lower Kings Road multi-storey	Up to 10 Hours	TBA	4.00	0.0%
Lower Kings Road multi-storey	Business Permits	TBA	375.00	0.0%
The Moor temporary car park	Up to 1 Hour	0.70	N/A	0.0%
The Moor temporary car park	Up to 2 Hours	1.30	N/A	0.0%
The Moor temporary car park	Up to 3 Hours	2.00	N/A	0.0%
The Moor temporary car park	Up to 4 Hours	2.60	N/A	0.0%
Canal Fields	10 day season (limited to 20)	10.00	15.00	50.0%
St John's Well Lane	Up to 1 Hour	0.70	0.80	14.3%
St John's Well Lane	Up to 2 Hours	1.30	1.50	15.4%
St John's Well Lane	Up to 3 Hours	2.00	2.20	10.0%
St John's Well Lane	Up to 4 Hours	2.60	3.00	15.4%
St John's Well Lane	Up to 10 Hours	3.80	4.00	5.3%
The Forge	Up to 2 Hours	1.00	1.10	10.0%
The Forge	Up to 3 Hours	1.20	1.30	8.3%
The Forge	Up to 4 Hours	1.50	1.60	6.7%
The Forge	Up to 10 Hours	2.20	2.40	9.1%
The Forge	Annual season ticket	416.00	450.00	8.2%
The Forge	Annual resident permit	50.00	80.00	60.0%
Church Yard (Previously Frogmore Street East long stay)	Up to 10 Hours	2.20	2.40	9.1%
Frogmore Street (East)	Up to 2 Hours	1.00	1.10	10.0%
Frogmore Street (East)	Up to 3 Hours	1.20	1.30	8.3%
Frogmore Street (East)	Up to 4 Hours	1.50	1.60	6.7%
Frogmore Street (West)	Up to 10 Hours	2.20	2.40	9.1%
Frogmore Street (West)	Annual resident permit	50.00	80.00	60.0%
Victoria Hall	Up to 2 Hours	1.00	1.10	10.0%
Victoria Hall	Up to 3 Hours	1.20	1.30	8.3%
Victoria Hall	Up to 4 Hours	1.50	1.60	6.7%
Old School Yard (Tring Town Council car park)	Up to 2 Hours	1.00	1.10	10.0%
Old School Yard (Tring Town Council car park)	Up to 3 Hours	1.20	1.30	8.3%
Old School Yard (Tring Town Council car park)	Up to 4 Hours	1.50	1.60	6.7%
Season Ticket Changes	2nd and more in any year	7.00	N/A	0.0%
Annual resident car park permit changes	2nd and more in any year	7.00	7.00	0.0%
Bay suspension or dispensation	Per half day	10.00	N/A	0.0%
Bay suspension or dispensation	Per day	20.00	25.00	25.0%
Filming administration charge		50.00	N/A	0.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2020/21

	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
On Street Parking				
Waterhouse Street (certain lengths between Bank Court and bus station)	Up to 15 minutes	0.50	N/A	0.0%
Waterhouse Street (certain lengths between Bank Court and bus station)	Up to 30 minutes	1.00	1.00	0.0%
Shared use St John's Road cul-de-sac	Up to 1 Hour	0.50	0.50	0.0%
Shared use St John's Road cul-de-sac	Up to 2 Hours	1.00	1.00	0.0%
Shared use St John's Road cul-de-sac	Up to 3 Hours	2.00	2.00	0.0%
Shared use St John's Road cul-de-sac	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cotterells (East side opposite numbers 182-236)	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cotterells (West side adjacent to school field)	Up to 4 Hours	4.00	4.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Cemetery Hill (Opposite South Hill Church)	Up to 4 Hours	4.00	4.00	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 1 Hour	0.50	0.50	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 2 Hours	1.00	1.00	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 3 Hours	2.00	2.00	0.0%
Shared use Alexandra Road (adjacent to Christchurch)	Up to 4 Hours	4.00	4.00	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 12 minutes	0.20	0.20	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 24 minutes	0.40	0.40	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 36 minutes	0.60	0.60	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 48 minutes	0.80	0.80	0.0%
High Street Berkhamsted (20mph zone) - maximum of 60 minutes	Up to 60 minutes	1.00	1.00	0.0%
CPZ resident permit 1st	Annual	25.00	40.00	60.0%
CPZ resident permit 2nd	Annual	40.00	60.00	50.0%
CPZ resident permit 3rd	Annual	40.00	70.00	75.0%
CPZ resident permit 2nd vehicle owner blue badge holder	Annual	10.00	N/A	0.0%
CPZ resident permit motorcycle	Annual	10.00	20.00	100.0%
CPZ business permit	Annual	300.00	300.00	0.0%
CPZ resident permit changes	2nd and more in any year	7.00	N/A	0.0%
CPZ visitor permit	5 Hour x 20	12.00	13.00	8.3%
CPZ visitor permit	1 week	3.00	4.00	33.3%
CPZ visitor permit	1 Hour x 25	4.00	5.00	25.0%
CPZ visitor permit applicant Dacorum card holder	5 Hour x 20	6.00	6.50	8.3%
CPZ visitor permit applicant Dacorum card holder	1 week	1.50	N/A	0.0%
CPZ visitor permit applicant Dacorum card holder	1 Hour x 25	2.00	2.50	25.0%
CPZ visitor permit applicant 60 years old or over	5 Hour x 20	6.00	6.50	8.3%
CPZ visitor permit applicant 60 years old or over	1 week	1.50	2.00	33.3%
CPZ visitor permit postage and handling	1 to 4 books	3.00	3.00	0.0%
CPZ visitor permit postage and handling	5 to 10 books	5.00	5.00	0.0%
CPZ special permit 1st	Annual	25.00	40.00	60.0%
CPZ special permit 2nd	Annual	40.00	60.00	50.0%
CPZ special permit 3rd	Annual	40.00	70.00	75.0%
CPZ special permit changes	2nd and more in any year	7.00	N/A	0.0%
CPZ doctor health visitor (DHV) permit	Annual	20.00	40.00	100.0%
CPZ doctor health visitor (DHV) permit changes	2nd and more in any year	7.00	N/A	0.0%
Bay suspension or dispensation	Per half day	10.00	N/A	0.0%
Bay suspension or dispensation	Per day	20.00	25.00	25.0%

FINANCE & RESOURCES COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Customer Accounts				
Service Charge Enquiry Fees: Sale-on Charges to Solicitors	Per application	115.00	200.00	73.9%
Address Management				
Charge for registering new developments / properties (plots)				
1 Plot		118.00	120.00	1.7%
2 - 5 Plots		184.00	187.00	1.6%
6 - 25 Plots		389.00	396.00	1.8%
26 - 75 Plots		409.00	417.00	2.0%
76+ Plots		£875 + £5 per additional plot	£892 + £5 per additional plot	1.9%
Renaming a house or building (after initial submission)		102.00	104.00	2.0%
Amending a house number		102.00	104.00	2.0%
Division / Conversion of existing or renumbering (new postal numbers)				
1 Plot		118.00	120.00	1.7%
2 - 5 Plots		184.00	187.00	1.6%
6 - 25 Plots		389.00	396.00	1.8%
26 - 75 Plots		409.00	417.00	2.0%
Naming of a building		102.00	104.00	2.0%
Renaming / Changing of an existing street name (where requested by residents and / or Town/Parish Council)		£358 + £25 per property	£364 + £25 per property	1.7%

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGETS 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £	%
Housing & Community					
Employees	3,965,099	3,944,583	4,149,420	184,321	5%
Premises	885,880	664,720	1,002,772	116,892	13%
Transport	17,650	19,154	13,890	(3,760)	(21%)
Supplies & Services	1,280,430	1,361,744	1,147,730	(132,700)	(10%)
Capital Charges	1,083,200	1,083,200	1,083,200	0	0%
Transfer Payments	55,000	5,000	5,000	(50,000)	(91%)
Income	(4,909,470)	(4,605,210)	(5,055,090)	(145,620)	(3%)
Grants and Contributions	(692,140)	(595,390)	(660,170)	31,970	5%
Recharges	(50,252)	(39,574)	(39,576)	10,676	21%
Net Expenditure: Housing & Community	1,635,397	1,838,226	1,647,176	11,779	1%

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £	%
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Housing & Community

Corporate and Contracted Services

Community Safety (CCTV) (Ben Hosier)

Employees	402,430	394,086	414,120	11,690	+3%
Premises	94,630	94,630	96,520	1,890	+2%
Transport	230	230	230	0	+0%
Supplies & Services	11,060	11,060	11,160	100	+1%
Capital Charges	85,300	85,300	85,300	0	+0%
Grants and Contributions	(28,800)	(4,000)	(20,380)	8,420	+29%
Recharges	(483,670)	(483,670)	(533,488)	(49,818)	(10%)
Net Expenditure: Community Safety (CCTV)	81,181	97,637	53,462	(27,718)	(35%)

Regulatory Services (Licensing) (Farida Hussain)

Employees	246,820	253,824	256,290	9,470	+4%
Transport	2,660	2,660	2,710	50	+2%
Supplies & Services	19,020	19,020	15,120	(3,900)	(21%)
Income	(288,370)	(288,370)	(291,990)	(3,620)	(1%)
Grants and Contributions	(2,820)	(2,820)	(2,880)	(60)	(2%)
Recharges	91,910	86,224	102,690	10,780	+12%
Net Expenditure: Regulatory Services (Licensing)	69,220	70,539	81,940	12,720	+16%

Community Development (Parish Liaison) (Farida Hussain)

Employees	31,030	0	0	(31,030)	(100%)
Transport	280	0	0	(280)	(100%)
Supplies & Services	830	0	0	(830)	(100%)
Recharges	7,724	0	0	(7,724)	(100%)
Net Expenditure: Community Development (Parish Liaison)	39,864	0	0	(39,864)	(100%)

Net Expenditure: Corporate and Contracted Services	190,264	168,176	135,402	(54,862)	(30%)
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Housing Landlord (Fiona Williamson)

Housing Standards (Alan Mortimer)

Employees	45,340	45,950	50,520	5,180	+11%
Transport	0	1,000	0	0	
Supplies & Services	0	1,100	0	0	
Income	(34,420)	(17,210)	(35,110)	(690)	(2%)
Recharges	6,332	9,819	10,915	4,583	+72%
Net Expenditure: Housing Standards	17,252	40,659	26,325	9,073	+52%

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Garages (Alan Mortimer)					
Employees	40,290	48,440	41,840	1,550	+4%
Premises	573,970	370,513	685,440	111,470	+19%
Supplies & Services	0	5,307	0	0	
Capital Charges	719,300	719,300	719,300	0	+0%
Income	(3,770,370)	(3,385,370)	(3,570,780)	199,590	+5%
Recharges	433,199	426,226	436,950	3,751	+1%
Net Expenditure: Garages	(2,003,611)	(1,815,584)	(1,687,250)	316,361	+16%

Supporting People (Alan Mortimer)					
Recharges	7,500	7,500	7,500	0	+0%
Net Expenditure: Supporting People	7,500	7,500	7,500	0	+0%

Homelessness (Natasha Beresford)					
Employees	818,130	753,849	878,760	60,630	+7%
Premises	106,380	92,696	109,950	3,570	+3%
Transport	0	1,704	1,000	1,000	
Supplies & Services	80,300	185,399	65,300	(15,000)	(19%)
Capital Charges	115,000	115,000	115,000	0	+0%
Transfer Payments	50,000	0	0	(50,000)	(100%)
Income	(623,330)	(739,280)	(950,660)	(327,330)	(53%)
Grants and Contributions	(625,060)	(531,253)	(606,920)	18,140	+3%
Recharges	128,590	203,599	200,073	71,483	+56%
Net Expenditure: Homelessness	50,010	81,713	(187,497)	(237,507)	+475%

Housing Advice (Natasha Beresford)					
Employees	95,000	96,635	106,640	11,640	+12%
Transport	0	500	0	0	
Supplies & Services	44,550	21,603	35,230	(9,320)	(21%)
Recharges	195,211	189,062	177,280	(17,931)	(9%)
Net Expenditure: Housing Advice	334,761	307,799	319,150	(15,611)	(4%)

Housing Strategy (Natasha Beresford)					
Employees	419,810	494,463	555,320	135,510	+32%
Transport	2,670	1,250	2,720	50	+2%
Supplies & Services	62,990	64,483	18,020	(44,970)	(71%)
Transfer Payments	5,000	5,000	5,000	0	+0%
Income	(30,000)	(30,000)	(30,600)	(600)	(2%)
Recharges	135,598	134,347	139,331	3,732	+3%
Net Expenditure: Housing Strategy	596,068	669,543	689,791	93,722	+16%

Net Expenditure: Housing Landlord	(998,020)	(708,370)	(831,982)	166,038	+9%
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HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £	%
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Neighbourhood Delivery (David Austin)

Community Safety (Crime Reduction) (Emma Walker)

Employees	120,859	121,510	0	(120,859)	(100%)
Premises	3,240	3,240	0	(3,240)	(100%)
Transport	4,730	4,730	0	(4,730)	(100%)
Supplies & Services	26,700	26,700	0	(26,700)	(100%)
Capital Charges	3,200	3,200	0	(3,200)	(100%)
Recharges	6,899	(2,856)	0	(6,899)	(100%)
Net Expenditure: Community Safety (Crime Reduction)	165,628	156,525	0	(165,628)	(100%)

Net Expenditure: Neighbourhood Delivery **165,628** **156,525** **0** **(165,628)** **(100%)**

Performance and Projects (Linda Roberts)

Heritage (Matt Rawdon)

Supplies & Services	58,000	58,000	58,000	0	+0%
Net Expenditure: Heritage	58,000	58,000	58,000	0	+0%

Theatres and Public Entertainment (Matt Rawdon)

Employees	212,240	212,416	243,930	31,690	+15%
Premises	58,310	59,535	59,862	1,552	+3%
Transport	540	540	550	10	+2%
Supplies & Services	104,200	94,200	104,230	30	+0%
Capital Charges	43,100	43,100	43,100	0	+0%
Income	(79,990)	(79,990)	(81,590)	(1,600)	(2%)
Recharges	98,243	91,543	81,271	(16,972)	(17%)
Net Expenditure: Theatres and Public Entertainment	436,643	421,344	451,353	14,710	+4%

Outdoor Sports & Recreation Facilities (Adventure Playgrounds) (Matt Rawdon)

Employees	320,580	329,520	334,360	13,780	+4%
Premises	48,010	42,766	49,630	1,620	+3%
Transport	3,230	3,230	3,300	70	+2%
Supplies & Services	54,790	54,790	44,410	(10,380)	(19%)
Capital Charges	9,000	9,000	12,200	3,200	+36%
Income	(76,240)	(58,240)	(87,270)	(11,030)	(14%)
Grants and Contributions	(190)	(190)	(190)	0	+0%
Recharges	144,193	123,232	157,305	13,112	+9%
Net Expenditure: Outdoor Sports & Recreation Facilities (Adventure Playgrounds)	503,373	504,108	513,745	10,372	(0%)

HOUSING & COMMUNITY COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Community Development (Partnerships and Commissioning) (Matt Rawdon)

Employees	143,850	204,028	185,180	41,330	+29%
Transport	800	800	820	20	+3%
Supplies & Services	64,130	85,113	61,740	(2,390)	(4%)
Grants and Contributions	(30,000)	(51,857)	(24,420)	5,580	+19%
Recharges	61,080	54,764	64,255	3,175	+5%
Net Expenditure: Community Development (Partnerships and Commissioning)	239,860	292,848	287,575	47,715	+20%

Community Development (Residents Services & Neighbourhood Action) (Matt Rawdon)

Employees	275,310	218,090	258,250	(17,060)	(6%)
Premises	1,340	1,340	1,370	30	+2%
Transport	1,670	1,670	1,700	30	+2%
Supplies & Services	21,900	18,900	18,940	(2,960)	(14%)
Recharges	50,611	38,824	63,427	12,816	+25%
Net Expenditure: Community Development (Residents Services & Neighbourhood Action)	350,831	278,824	343,687	(7,144)	(11%)

General Grants, Bequests and Donations (Matt Rawdon)

Supplies & Services	624,800	624,800	624,800	0	+0%
Capital Charges	10,900	10,900	10,900	0	+0%
Recharges	53,118	31,072	53,696	578	+1%
Net Expenditure: General Grants, Bequests and Donations	688,818	666,772	689,396	578	+0%

Customer Services (Matt Rawdon)

Employees	553,580	520,623	577,950	24,370	+4%
Transport	410	410	420	10	+2%
Supplies & Services	72,970	46,970	56,110	(16,860)	(23%)
Capital Charges	97,400	97,400	97,400	0	+0%
Recharges	(724,360)	(665,403)	(731,880)	(7,520)	(1%)
Net Expenditure: Customer Services	0	(0)	(0)	(0)	+0%

Communication & Consultation (Matt Rawdon)

Employees	239,830	251,149	246,260	6,430	+3%
Transport	430	430	440	10	+2%
Supplies & Services	34,190	44,300	34,470	280	+1%
Income	(6,750)	(6,750)	(6,890)	(140)	(2%)
Grants and Contributions	(5,270)	(5,270)	(5,380)	(110)	(2%)
Recharges	(262,430)	(283,860)	(268,900)	(6,470)	(2%)
Net Expenditure: Communication & Consultation	0	(0)	0	(0)	

Net Expenditure: Performance and Projects	2,277,525	2,221,896	2,343,756	66,231	+1%
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Net Expenditure: Housing & Community	1,635,397	1,838,226	1,647,176	11,779	+1%
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HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Garages				
Garage Rent (VAT not charged to tenants but is charged to non tenants)	Per Week	13.15	13.15	0.0%
Premium garages	Per Week	14.05	14.05	0.0%
Garage Rent - Concessionary	Per Week	6.45	6.45	0.0%
Private Sector Housing				
Housing Notices (fixed charge per person)		300.00	308.00	2.7%
Licence for a standard 5 bedroom HMO (initiated with LA intervention) 5 year licence		853.00	852.00	-0.1%
Additional Bedrooms	Per Bedroom	16.00	16.00	0.0%
HMO licence fee Part 1: Initial licence fee application		599.00	601.00	0.3%
HMO licence fee Part 2: Ongoing management of 5 year licence		426.00	431.00	1.2%
Enforcement fee: Due to failure to apply to Local authority		254.00	251.00	-1.2%
Production of drawings		50.00	N/A	0.0%
Standard inspection for immigration		205.00	205.00	0.0%
Licensing				
Mobile Home Licences (Per Annum)				
Site with 1-5 mobile homes, low risk, inspected every 3 years		102.00	N/A	0.0%
Site with 1-5 mobile homes, medium risk, inspected every 2 years		180.00	N/A	0.0%
Site with 1-5 mobile homes, high risk, inspected every year		256.00	N/A	0.0%
Site with 6-10 mobile homes, low risk, inspected every 3 years		128.00	N/A	0.0%
Site with 6-10 mobile homes, medium risk, inspected every 2 years		205.00	N/A	0.0%
Site with 6-10 mobile homes, high risk, inspected every year		282.00	N/A	0.0%
Site with 11-20 mobile homes, low risk, inspected every 3 years		154.00	N/A	0.0%
Site with 11-20 mobile homes, medium risk, inspected every 2 years		230.00	N/A	0.0%
Site with 11-20 mobile homes, high risk, inspected every year		333.00	N/A	0.0%
Site with 20-50 mobile homes, low risk, inspected every 3 years		230.00	N/A	0.0%
Site with 20-50 mobile homes, medium risk, inspected every 2 years		333.00	N/A	0.0%
Site with 20-50 mobile homes, high risk, inspected every year		435.00	N/A	0.0%
Site with 50-100 mobile homes, low risk, inspected every 3 years		333.00	N/A	0.0%
Site with 50-100 mobile homes, medium risk, inspected every 2 years		435.00	N/A	0.0%
Site with 50-100 mobile homes, high risk, inspected every year		538.00	N/A	0.0%
Site with 100-150 mobile homes, low risk, inspected every 3 years		538.00	N/A	0.0%
Site with 100-150 mobile homes, medium risk, inspected every 2 years		691.00	N/A	0.0%
Site with 100-150 mobile homes, high risk, inspected every year		845.00	N/A	0.0%
Annual Fee		NEW	£42.00 + £7.95 per unit	0.0%
New Site Application				
New Licence 1-5 Units fee charged per unit	Per Unit	50.00	N/A	0.0%
New Licence 6-10 Units		300.00	N/A	0.0%
New Licence 11-20 Units		370.00	N/A	0.0%
New Licence 21-50 Units		430.00	N/A	0.0%
New Licence 51-100 Units		470.00	N/A	0.0%
New Licence 101 or more Units		490.00	N/A	0.0%
New Site Licence Application Fee		NEW	£414.00 + £7.00 per unit	0.0%
Other fees				
Variation to Licences		178.00	N/A	0.0%
Transfer of Site Licence		115.00	N/A	0.0%
Deposit Site Rules		99.00	N/A	0.0%
Deposit/Change of Site Rules		NEW	72.00	0.0%
Transfer/amendment of a Site Licence		NEW	£222.50 (+£84.00 if a site visit is required)	0.0%
Enforcement		NEW	Hourly rate of officers involved, plus any other costs such as legal fees.	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Old Town Hall Arts Centre				
Meetings / Rehearsals / Workshops / Classes (no technical support) minimum 2hr booking				
Theatre (capacity 120) - Mon - Fri (10:30 - 18:00)	Per Hour	27.00	28.00	3.7%
Theatre (capacity 120) - Mon - Fri (18:00 - 23:00)	Per Hour	32.00	33.00	3.1%
Theatre (capacity 120) - Sat - Sun (10:30 - 23:00)	Per Hour	32.00	33.00	3.1%
Theatre (capacity 120) - Mon - Sun (10.30 - 23.00) (Casual Staff are required for the event)	Additional Per Hour	NEW	10.00	0.0%
Theatre (capacity 120) - Mon - Fri (10:30 - 17:30) - Registered Charity rate	Per Hour	21.00	21.50	2.4%
Theatre (capacity 120) - Mon - Fri (18:00 - 22:30) - Registered Charity rate	Per Hour	23.00	23.50	2.2%
Theatre (capacity 120) - Sat - Sun - Registered Charity rate	Per Hour	23.00	23.50	2.2%
Theatre (capacity 120) - Mon - Sun (10.30 - 23.00) - Registered Charity rate (Casual Staff are required for the event)	Additional Per Hour	NEW	10.00	0.0%
Cellar (capacity 60-90) - Mon - Fri (10:30 - 17:30)	Per Hour	14.00	14.50	3.6%
Cellar (capacity 60-90) - Mon - Fri (18:00 - 22:30)	Per Hour	23.00	23.50	2.2%
Cellar (capacity 60-90) - Sat - Sun (10:30 - 22:30)	Per Hour	23.00	23.50	2.2%
Cellar (capacity 60-90) - Mon - Sun (10.30 - 22.30) (Casual Staff are required for the event)	Additional Per Hour	NEW	10.00	0.0%
Cellar (capacity 60-90) - Mon - Fri (10:30 - 17:30) - Registered Charity rate	Per Hour	13.00	13.50	3.8%
Cellar (capacity 60-90) - Mon - Fri (18:00 - 22:30) - Registered Charity rate	Per Hour	21.00	21.50	2.4%
Cellar (capacity 60-90) - Sat-Sun - Registered Charity rate	Per Hour	21.00	21.50	2.4%
Cellar (capacity 60-90) - Mon - Sun (10.30 - 22.30) - Registered Charity rate - (Casual Staff are required for the event)	Additional Per Hour	NEW	10.00	0.0%
Gallery (capacity 55) - Mon - Sun (18:00 - 22:30)	Per Hour	23.00	23.50	2.2%
Gallery (capacity 55) - Mon - Sun (10.30 - 22:30) (Casual Staff are required for the event)	Per Hour	NEW	10.00	0.0%
Gallery (capacity 55) - Mon - Sun (18:00 - 22:30) - Registered Charity rate	Per Hour	21.00	21.50	2.4%
Gallery (capacity 55) - Mon - Sun (10.30 - 22:30) Registered Charity rate - (Casual Staff are required for the event)	Additional Per Hour	NEW	10.00	0.0%
Private Parties (including FOH / Bar staff)				
If the hirer requires daytime rehearsal / set up - this is charged at the hourly rate				
Cellar (capacity 60-90) - Mon - Sun (18:00 - 23:00)		262.00	270.00	3.1%
Cellar (capacity 60-90) - Mon - Sun (18:00 - 23:00) - Registered Charity rate		220.00	220.00	0.0%
Gallery (capacity 55) - Mon - Sun (18:00 - 23:00)		262.00	270.00	3.1%
Gallery (capacity 55) - Mon - Sun (18:00 - 23:00) - Registered Charity rate		220.00	220.00	0.0%
There is an additional charge of £60 for technical support if deemed necessary				
Performances & Rehearsals (inc. FOH / Technical / Bar / Box Office Support)				
Theatre (capacity 120) - Mon - Sun (10.00 - 23:00)		650.00	650.00	0.0%
Theatre (capacity 120) - Mon - Sun (10.00 - 23:00) Registered Charity rate		472.00	500.00	5.9%
Cellar (capacity 30 - 60) - Mon - Sun (10:00 - 23:00)		456.00	450.00	-1.3%
Cellar (capacity 30 - 60) - Mon - Sun (10:00 - 23:00) Registered Charity rate		262.00	300.00	14.5%
Adventure Playgrounds				
Community/Voluntary Group	Per Hour	31.00	32.00	3.2%
Private Group	Per Hour	55.00	56.00	1.8%
Children's Party	Per Hour	55.00	56.00	1.8%
Training Organisation (Play) if no staff needed	Per Hour	31.00	32.00	3.2%
Training Organisation (Care)	Per Hour	51.00	52.00	2.0%
Schools	Per Hour	31.00	32.00	3.2%
Schools	Half Day	62.00	63.00	1.6%
Schools	Full Day	123.00	125.00	1.6%
Sports pitch (Chaulden AP)	Per Hour	36.00	37.00	2.8%
Sports pitch (Adeyfield AP and Grovehill & Woodhall Farm AP)	Per Hour	NEW	50.00	0.0%
Laser Tag (party hire in addition to venue)		60.00	65.00	8.3%
Sports coach and pitch		51.00	52.00	2.0%
Go carts (party hire in addition to venue)	Per Hour	51.00	52.00	2.0%
Laser Tag 30 min session	Per session per individual	5.00	6.00	20.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21						
		2019/20 Charge	2020/21 Proposed Charge			% change
			Application	Licence	Total fee	
Alcohol, entertainment and late night refreshment licences						
Club premises certificates – applications						
Application for new club premises certificate	Band A	100.00	100.00	-	100.00	0.0%
	Band B	190.00	190.00	-	190.00	0.0%
	Band C	315.00	315.00	-	315.00	0.0%
	Band D	450.00	450.00	-	450.00	0.0%
	Band E	635.00	635.00	-	635.00	0.0%
	Site under construction/development	315.00	315.00	-	315.00	0.0%
Application for full variation of club premises certificate	Band A	100.00	100.00	-	100.00	0.0%
	Band B	190.00	190.00	-	190.00	0.0%
	Band C	315.00	315.00	-	315.00	0.0%
	Band D	450.00	450.00	-	450.00	0.0%
	Band E	635.00	635.00	-	635.00	0.0%
	Site under construction/development	315.00	315.00	-	315.00	0.0%
Application for minor variation of club premises certificate		89.00	89.00	-	89.00	0.0%
Request for duplicate copy of certificate following loss/theft/damage		10.50	10.50	-	10.50	0.0%
Change of name or address on club premises certificate		10.50	10.50	-	10.50	0.0%
Change of club rules		10.50	10.50	-	10.50	0.0%
Club premises certificates – annual fees						
Annual fee (payable on anniversary of grant of certificate)	Band A	70.00	-	70.00	70.00	0.0%
	Band B	180.00	-	180.00	180.00	0.0%
	Band C	295.00	-	295.00	295.00	0.0%
	Band D	320.00	-	320.00	320.00	0.0%
	Band E	350.00	-	350.00	350.00	0.0%
	Site under construction/development	295.00	-	295.00	295.00	0.0%
Personal licences						
Application for new personal licence		37.00	37.00	-	37.00	0.0%
Duplicate copy of licence following theft/loss/damage		10.50	10.50	-	10.50	0.0%
Change of name or address		10.50	10.50	-	10.50	0.0%
Premises licences – applications						
Application for new premises licence	Band A	100.00	100.00	-	100.00	0.0%
	Band B	190.00	190.00	-	190.00	0.0%
	Band C	315.00	315.00	-	315.00	0.0%
	Band D	450.00	450.00	-	450.00	0.0%
	Band D with multiplier	900.00	900.00	-	900.00	0.0%
	Band E	635.00	635.00	-	635.00	0.0%
	Band E with multiplier	1,905.00	1,905.00	-	1,905.00	0.0%
	Site under construction/development	315.00	315.00	-	315.00	0.0%
	Exempt	No fee	No fee	No fee	No fee	0.0%
Application for full variation of premises licence	Band A	100.00	100.00	-	100.00	0.0%
	Band B	190.00	190.00	-	190.00	0.0%
	Band C	315.00	315.00	-	315.00	0.0%
	Band D	450.00	450.00	-	450.00	0.0%
	Band D with multiplier	900.00	900.00	-	900.00	0.0%
	Band E	635.00	635.00	-	635.00	0.0%
	Band E with multiplier	1,905.00	1,905.00	-	1,905.00	0.0%
	Site under construction/development	315.00	315.00	-	315.00	0.0%
	Exempt	No fee	No fee	No fee	No fee	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21						
		2019/20 Charge	2020/21 Proposed Charge			% change
			Application	Licence	Total fee	
Additional application fee for high-capacity premises (payable in addition to the standard application fee)	Capacity: 5,000–9,999	1,000.00	1,000.00	-	1,000.00	0.0%
	Capacity: 10,000–14,999	2,000.00	2,000.00	-	2,000.00	0.0%
	Capacity: 15,000–19,999	4,000.00	4,000.00	-	4,000.00	0.0%
	Capacity: 20,000–29,999	8,000.00	8,000.00	-	8,000.00	0.0%
	Capacity: 30,000–39,999	12,000.00	12,000.00	-	12,000.00	0.0%
	Capacity: 40,000–49,999	16,000.00	16,000.00	-	16,000.00	0.0%
	Capacity: 50,000–59,999	20,000.00	20,000.00	-	20,000.00	0.0%
	Capacity: 60,000–69,999	24,000.00	24,000.00	-	24,000.00	0.0%
	Capacity: 70,000–79,999	28,000.00	28,000.00	-	28,000.00	0.0%
	Capacity: 80,000–89,999	32,000.00	32,000.00	-	32,000.00	0.0%
	Capacity: 90,000+	64,000.00	64,000.00	-	64,000.00	0.0%
Application for transfer of premises licence		23.00	23.00	-	23.00	0.0%
Application for variation of premises licence to specify premises supervisor		23.00	23.00	-	23.00	0.0%
Application for minor variation of premises licence		89.00	89.00	-	89.00	0.0%
Application to substitute mandatory condition for community premises (if not made simultaneously with another application)		23.00	23.00	-	23.00	0.0%
Application for interim authority notice		23.00	23.00	-	23.00	0.0%
Request for duplicate copy of premises licence following loss/theft/damage		10.50	10.50	-	10.50	0.0%
Change of name or address on premises licence		10.50	10.50	-	10.50	0.0%
Premises licences – annual fees						
Annual fee (payable on anniversary of grant of licence)	Band A	70.00	-	70.00	70.00	0.0%
	Band B	180.00	-	180.00	180.00	0.0%
	Band C	295.00	-	295.00	295.00	0.0%
	Band D	320.00	-	320.00	320.00	0.0%
	Band D with multiplier	640.00	-	640.00	640.00	0.0%
	Band E	350.00	-	350.00	350.00	0.0%
	Band E with multiplier	1,050.00	-	1,050.00	1,050.00	0.0%
	Site under construction/development	295.00	-	295.00	295.00	0.0%
	Exempt	No fee	No fee	No fee	No fee	0.0%
Additional annual fee for high-capacity premises (payable in addition to the standard annual fee)	Capacity: 5,000–9,999	500.00	-	500.00	500.00	0.0%
	Capacity: 10,000–14,999	1,000.00	-	1,000.00	1,000.00	0.0%
	Capacity: 15,000–19,999	2,000.00	-	2,000.00	2,000.00	0.0%
	Capacity: 20,000–29,999	4,000.00	-	4,000.00	4,000.00	0.0%
	Capacity: 30,000–39,999	8,000.00	-	8,000.00	8,000.00	0.0%
	Capacity: 40,000–49,999	12,000.00	-	12,000.00	12,000.00	0.0%
	Capacity: 50,000–59,999	16,000.00	-	16,000.00	16,000.00	0.0%
	Capacity: 60,000–69,999	20,000.00	-	20,000.00	20,000.00	0.0%
	Capacity: 70,000–79,999	24,000.00	-	24,000.00	24,000.00	0.0%
	Capacity: 80,000–89,999	28,000.00	-	28,000.00	28,000.00	0.0%
	Capacity: 90,000+	32,000.00	-	32,000.00	32,000.00	0.0%
Temporary event notices						
Temporary event notice (standard) - submission fee		21.00	21.00	-	21.00	0.0%
Temporary event notice (late) - submission fee		21.00	21.00	-	21.00	0.0%
Duplicate copy of notice following theft/loss/damage		10.50	10.50	-	10.50	0.0%
Miscellaneous						
Application for provisional statement		315.00	315.00	-	315.00	0.0%
Notification of legal/financial interest in premises		21.00	21.00	-	21.00	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21					
	2019/20 Charge	2020/21 Proposed Charge			% change
		Application	Licence	Total fee	
Animal licences					
*Where licences for multiple animal activities are issued under The Animal Welfare (Licensing of Activities Involving Animals)(England) Regulations 2018, the fees will be equivalent to the higher cost activity.					
Animal boarding establishments					
Application for new animal boarding establishment licence (up to 3yrs)	373.00	368.00	219.00	587.00	57.4%
Application to renew animal boarding establishment licence (3yrs)	373.00	215.00	219.00	434.00	16.4%
Application for a new animal boarding establishment Franchise (Qualified officer inspection will be required for each premises)	373.00	215.00	372.00	587.00	57.4%
Application to renew a franchise (Qualified officer inspection will be required for each premises)	373.00	215.00	219.00	434.00	16.4%
Application to vary animal boarding establishment licence (Qualified officer inspection may be required)	88.00	143.00	55.00	198.00	125.0%
Application for new animal boarding establishment licence (home boarding)	373.00	229.00	219.00	448.00	20.1%
Application to renew animal boarding establishment licence (home boarding) (Qualified officer inspection will be required for each premises)	373.00	215.00	219.00	434.00	16.4%
Application to vary animal boarding establishment licence (home boarding) (Qualified officer inspection may be required)	88.00	143.00	55.00	198.00	125.0%
Application to vary a franchise to add premises (Qualified officer inspection will be required for each additional premises)	88.00	101.00	n/a	101.00	14.8%
Application to vary to reduce numbers or types of animals or activities.	35.00	28.00	-	28.00	-20.0%
Re-evaluation of star rating (Qualified officer inspection may be required)	44.00	28.00	-	28.00	-36.4%
Qualified officer inspection (where required)	102.00	116.00			13.7%
Veterinary inspection of premises * (where required)		Recharged at cost			
Dangerous wild animals					
Application for licence to keep dangerous wild animals (2yr) (plus cost of vet inspection)	310.00	142.00	35.00	177.00	-42.9%
Application to renew licence to keep dangerous wild animals (2yr) (plus cost of vet inspection)	310.00	142.00	35.00	177.00	-42.9%
Application to vary licence conditions (new species/increased numbers of animals)	228.00	62.00	35.00	97.00	-57.5%
Application to vary licence conditions (administrative matters only)	64.00	27.00	0.50	27.50	-57.0%
Veterinary inspection of premises *		Recharged at cost			
Dog breeding establishments					
Application for new dog breeding licence (plus cost of vet inspection) (up to 3 yrs)	273.00	370.00	219.00	589.00	115.8%
Application to renew dog breeding licence (plus cost of vet inspection) (up to 3 yrs)	273.00	217.00	219.00	436.00	59.7%
Application to vary an animal breeding establishment (inspection may be required)	88.00	41.00	78.00	119.00	35.2%
Re-evaluation of star rating (inspection may be required)	35.00	27.00	0.50	27.50	-21.4%
Application to vary licence (administrative matters only)	NEW	27.00	0.50	27.50	0.0%
Qualified officer inspection (where required)	102.00	116.00			13.7%
Veterinary inspection of premises *		Recharged at cost			

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21					
	2019/20 Charge	2020/21 Proposed Charge			% change
		Application	Licence	Total fee	
Pet shops					
Application for new pet shop licence (up to 3yrs)	372.00	368.00	219.00	587.00	57.8%
Application to renew pet shop licence(up to 3yrs)	372.00	215.00	219.00	434.00	16.7%
Application for new pet shop licence (fish only) (up to 3yrs)	372.00	368.00	219.00	587.00	57.8%
Application to renew pet shop licence (fish only) (up to 3yrs)	372.00	215.00	219.00	434.00	16.7%
Application to vary a pet shop licence (Qualified officer inspection may be required)	88.00	143.00	55.00	198.00	125.0%
Application to vary a pet shop licence - reduce animals	35.00	27.00	0.50	27.50	-21.4%
Re-evaluation of star rating (Qualified officer inspection may be required)	35.00	27.00	0.50	27.50	-21.4%
Application to vary licence (administrative matters only)	NEW	27.00	0.50	27.50	0.0%
Qualified officer inspection (where required) new	102.00		116.00		13.7%
Qualified officer inspection (where required) renewal	102.00		102.00		0.0%
Veterinary inspection of premises * (where required)		Recharged at cost			
Riding establishments					
Application for new riding establishment licence (plus cost of vet inspection)	271.00	333.00	118.00	451.00	66.4%
Application to renew riding establishment licence (plus cost of vet inspection)	271.00	215.00	118.00	333.00	22.9%
Application to vary a riding establishment licence (Inspection may be required)	88.00	41.00	55.00	96.00	9.1%
Application to vary - to reduce licensable activities or numbers of animals	35.00	27.00	0.50	27.50	-21.4%
Re-evaluation of star rating (Inspection may be required)	35.00	27.00	0.50	27.50	-21.4%
Application to vary licence (administrative matters only)	NEW	27.00	0.50	27.50	0.0%
Qualified officer inspection (where required)	102.00		116.00		13.7%
Veterinary inspection of premises *		Recharged at cost			
Keeping of Exhibition/Performing Animals					
Application for a new licence for keeping exhibition/performing animals	290.00	215.00	118.00	333.00	14.8%
Application for to renew licence for keeping exhibition/performing animals	290.00	215.00	118.00	333.00	14.8%
Application to vary licence to keep or train animals for exhibition (Qualified officer inspection may be required)	88.00	143.00	55.00	198.00	125.0%
Application to vary a licence for keeping exhibition/performing animals to reduce licensable activities or number of animal	35.00	27.00	0.50	27.50	-21.4%
Application to vary licence (administrative matters only)	NEW	27.00	0.50	27.50	0.0%
Qualified officer inspection (where required) new	102.00		116.00		13.7%
Qualified officer inspection (where required) renewal	102.00		102.00		0.0%
Veterinary inspection of premises * (where required)		Recharged at cost			
Zoos					
Application for new zoo licence (4yr) (plus cost of vet inspection)	1,901.00	1,490.00	319.00	1,809.00	-4.8%
Application to renew zoo licence (6yr) (plus cost of vet inspection)	1,421.00	890.00	319.00	1,209.00	-14.9%
Application to vary zoo licence (plus cost of vet inspection)	1,421.00	1,490.00	319.00	1,809.00	27.3%
Application to transfer zoo licence (plus cost of vet inspection)	234.00	134.00	76.00	210.00	-10.3%
Veterinary inspection of premises *		Recharged at cost			

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21						
	2019/20 Charge	2020/21 Proposed Charge			% change	
		Application	Licence	Total fee		
Betting, gambling and lottery licences						
Lottery registrations						
Registration of society for small society lotteries	40.00	40.00	-	40.00	0.0%	
Annual fee (payable on anniversary of registration)	20.00	-	20.00	20.00	0.0%	
Notices						
Temporary use notice submission fee	366.00	359.00	-	359.00	-1.9%	
Duplicate copy of temporary use notice following theft/loss/damage	16.00	15.00	-	15.00	-6.3%	
Occasional use notice submission fee	No fee	No fee	No fee	No fee	0.0%	
Permits						
Notification of 1-2 gaming machine in alcohol-licensed premises	50.00	50.00	-	50.00	0.0%	
Licensed premises gaming machine permit	Application for new permit	150.00	150.00	-	150.00	0.0%
	Application for variation of permit	100.00	100.00	-	100.00	0.0%
	Application for transfer of permit	25.00	25.00	-	25.00	0.0%
	Change of name or address	25.00	25.00	-	25.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%
	Annual fee	50.00	50.00	-	50.00	0.0%
Club gaming permit	Application for new permit (standard)	200.00	200.00	-	200.00	0.0%
	Application for new permit (fast track)	100.00	100.00	-	100.00	0.0%
	Application for variation of permit	100.00	100.00	-	100.00	0.0%
	Application for renewal of permit (standard)	200.00	200.00	-	200.00	0.0%
	Application for renewal of permit (fast track)	100.00	100.00	-	100.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%
	Annual fee	50.00	50.00	-	50.00	0.0%
Club machine permit	Application for new permit (standard)	200.00	200.00	-	200.00	0.0%
	Application for new permit (fast track)	100.00	100.00	-	100.00	0.0%
	Application for variation of permit	100.00	100.00	-	100.00	0.0%
	Application for renewal of permit (standard)	200.00	200.00	-	200.00	0.0%
	Application for renewal of permit (fast track)	100.00	100.00	-	100.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%
	Annual fee	50.00	50.00	-	50.00	0.0%
Prize gaming permit	Application for new permit	300.00	300.00	-	300.00	0.0%
	Application for renewal of permit	300.00	300.00	-	300.00	0.0%
	Change of name or address	25.00	25.00	-	25.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%
Family entertainment centre gaming machine permit	Application for new permit	300.00	300.00	-	300.00	0.0%
	Application for renewal of permit	300.00	300.00	-	300.00	0.0%
	Change of name or address	25.00	25.00	-	25.00	0.0%
	Replacement - theft/loss	15.00	15.00	-	15.00	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21						
		2019/20 Charge	2020/21 Proposed Charge			% change
			Application	Licence	Total fee	
Premises licences - applications						
Application for new premises licence (without provisional statement)	Adult gaming centre	1,128.00	1,119.00	-	1,119.00	-0.8%
	Betting (track)	1,128.00	1,119.00	-	1,119.00	-0.8%
	Betting (other)	1,128.00	1,119.00	-	1,119.00	-0.8%
	Bingo	1,128.00	1,119.00	-	1,119.00	-0.8%
	Family entertainment centre	1,128.00	1,119.00	-	1,119.00	-0.8%
Application for new premises licence (with provisional statement)	Adult gaming centre	770.00	767.00	-	767.00	-0.4%
	Betting (track)	770.00	767.00	-	767.00	-0.4%
	Betting (other)	770.00	767.00	-	767.00	-0.4%
	Bingo	770.00	767.00	-	767.00	-0.4%
	Family entertainment centre	770.00	767.00	-	767.00	-0.4%
Application for provisional statement	Adult gaming centre	1,128.00	1,119.00	-	1,119.00	-0.8%
	Betting (track)	1,128.00	1,119.00	-	1,119.00	-0.8%
	Betting (other)	1,128.00	1,119.00	-	1,119.00	-0.8%
	Bingo	1,128.00	1,119.00	-	1,119.00	-0.8%
	Family entertainment centre	1,128.00	1,119.00	-	1,119.00	-0.8%
Application for variation of premises licence	Adult gaming centre	770.00	767.00	-	767.00	-0.4%
	Betting (track)	770.00	767.00	-	767.00	-0.4%
	Betting (other)	770.00	767.00	-	767.00	-0.4%
	Bingo	770.00	767.00	-	767.00	-0.4%
	Family entertainment centre	770.00	767.00	-	767.00	-0.4%
Application for transfer of premises licence	Adult gaming centre	331.00	323.00	-	323.00	-2.4%
	Betting (track)	331.00	323.00	-	323.00	-2.4%
	Betting (other)	331.00	323.00	-	323.00	-2.4%
	Bingo	331.00	323.00	-	323.00	-2.4%
	Family entertainment centre	331.00	323.00	-	323.00	-2.4%
Application for reinstatement of premises licence	Adult gaming centre	331.00	323.00	-	323.00	-2.4%
	Betting (track)	331.00	323.00	-	323.00	-2.4%
	Betting (other)	331.00	323.00	-	323.00	-2.4%
	Bingo	331.00	323.00	-	323.00	-2.4%
	Family entertainment centre	331.00	323.00	-	323.00	-2.4%
Duplicate copy of licence following theft/loss/damage		15.00	15.00	-	15.00	0.0%
Change of name or address on premises licence		35.00	35.00	-	35.00	0.0%
Premises licences – annual fees						
Annual fee (payable 30 days after the licence takes effect, and then annually on the anniversary of the grant of the licence)	Adult gaming centre	525.00	-	486.00	486.00	-7.4%
	Betting (track)	525.00	-	486.00	486.00	-7.4%
	Betting (other)	458.00	-	486.00	486.00	6.1%
	Bingo	525.00	-	486.00	486.00	-7.4%
	Family entertainment centre	458.00	-	486.00	486.00	6.1%
Charity collections						
House-to-house collections						
Application for house to house collection licence		No fee	No fee	No fee	No fee	0.0%
Street collections						
Application for street collection licence		No fee	No fee	No fee	No fee	0.0%
Hypnotism						
Authorisation of hypnotism performance		No fee	No fee	No fee	No fee	0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21						
	2019/20 Charge	2020/21 Proposed Charge			% change	
		Application	Licence	Total fee		
Scrap metal dealers						
Application for new scrap metal site licence (3yr)	284.00	236.00	59.00	295.00	3.9%	
Application for new scrap metal collectors licence (3yr)	205.00	183.00	30.00	213.00	3.9%	
Application to renew scrap metal site licence (3yr)	267.00	219.00	59.00	278.00	4.1%	
Application to renew scrap metal collectors licence (3yr)	189.00	166.00	30.00	196.00	3.7%	
Application to vary scrap metal licence - change of licensee details	16.00	16.00	0.50	16.50	3.1%	
Application to vary scrap metal licence - change of licensed sites	80.00	82.00	0.50	82.50	3.1%	
Application to vary scrap metal licence - change of site managers	47.00	49.00	0.50	49.50	5.3%	
Application to vary scrap metal licence - site to collectors licence	30.00	30.00	0.50	30.50	1.7%	
Application to vary scrap metal licence - collectors to site licence	142.00	107.00	40.00	147.00	3.5%	
Sex establishments						
Application for new sex establishment licence	2,020.00	1,835.00	240.00	2,075.00	2.7%	
Application for renewal of sex establishment licence	1,614.00	1,422.00	240.00	1,662.00	3.0%	
Application for variation of sex establishment licence	890.00	803.00	108.00	911.00	2.4%	
Application for transfer of sex establishment licence	402.00	410.00	-	410.00	2.0%	
Skin piercing, tattooing, etc.						
Application for registration of skin piercing, etc., premises	224.00	231.00	-	231.00	3.1%	
Application for registration of skin piercing, etc., operator	106.00	109.00	-	109.00	2.8%	
Street trading						
Street trading consent (annual) (1 year)	New (1 vehicle/pitch)	627.00	398.00	248.00	646.00	3.0%
	Renewal (1 vehicle/pitch)	627.00	398.00	248.00	646.00	3.0%
	Additional fee per extra vehicle/pitch	70.00	32.00	39.00	71.00	1.4%
	Interim substitution of vehicle	24.00	24.00	-	24.00	0.0%
	Other consent variation	137.00	139.00	-	139.00	1.5%
Street trading consent (single event)	Commercial event	153.00	156.00	-	156.00	2.0%
	Community/charity event	30.00	30.00	-	30.00	0.0%
Taxis and private hire - partly subject to public consultation (where stated)						
Driver licences						
Hackney Carriage Drivers Licence (3 years) [external e-form/checks]	New	190.00	-	271.00	271.00	42.6%
	Renewal	176.00	-	219.00	219.00	24.4%
	Theft/loss of badge	19.00	19.00	-	19.00	0.0%
Private Hire Drivers Licence (3 years) [external e-form/checks]	New	190.00	-	271.00	271.00	42.6%
	Renewal	170.00	-	219.00	219.00	28.8%
	Theft/loss of badge	19.00	19.00	-	19.00	0.0%
Dual HC/PH Drivers Licence (3 years) [external e-form/checks]	New	213.00	-	296.00	296.00	39.0%
	Renewal	199.00	-	244.00	244.00	22.6%
	Renewal & Upgrade	214.00	-	236.00	236.00	10.3%
	Interim Upgrade (+£1 / unexpired month)	65.00	-	69.00	69.00	6.2%
	Theft/loss of badge (per)	19.00	19.00	-	19.00	0.0%
Disclosure & Barring Service (DBS) enhanced disclosure * [in-house]	Recharged at cost + £15 admin		Recharged at cost + £15 admin			0.0%
External identity check (DBS route 2 verification) * [in-house]	Recharged at cost		Recharged at cost			0.0%
Driving licence verification check * [in-house]	Recharged at cost		Recharged at cost			0.0%

HOUSING & COMMUNITY COMMITTEE PROPOSED FEES AND CHARGES 2020/21						
		2019/20 Charge	2020/21 Proposed Charge			
			Application	Licence	Total fee	% change
Driver knowledge tests						
Hackney carriage written local/legal test	Full test	69.00	72.00	-	72.00	4.3%
	Conditions only	39.00	40.00	-	40.00	2.6%
Private hire written local/legal test	Full test	69.00	72.00	-	72.00	4.3%
	Conditions only	39.00	40.00	-	40.00	2.6%
Dual HC/PH driver written local/legal test	Full test	69.00	72.00	-	72.00	4.3%
	Conditions only	39.00	40.00	-	40.00	2.6%
Versant English language assessment	Test fee *	Recharged at cost	Recharged at cost			0.0%
	Administration fee	14.00	14.00	-	14.00	0.0%
Operator licences - subject to public consultation						
Private hire operator licence (5 years)	New (0-3 vehicles)	410.00	-	424.00	424.00	3.4%
	New (4+ vehicles)	690.00	-	717.00	717.00	3.9%
	Renewal (1-3 vehicles)	410.00	-	424.00	424.00	3.4%
	Renewal (4+ vehicles)	690.00	-	717.00	717.00	3.9%
Vehicle licences - subject to public consultation						
Hackney carriage vehicle licence (excludes compliance test fee)	New (1 year)	279.00	-	355.00	355.00	27.2%
	Renewal (1 year)	242.00	-	262.00	262.00	8.3%
	Renewal & substitution (1 year)	242.00	-	262.00	262.00	8.3%
	Interim substitution (remaining duration)	115.00	-	126.00	126.00	9.6%
	Transfer of ownership	58.00	-	60.00	60.00	3.4%
	Theft/loss of rear plate	20.00	15.00	-	15.00	-25.0%
	Theft/loss of front plate	20.00	19.00	-	19.00	-5.0%
	Change of vehicle particulars	55.00	55.00	-	55.00	0.0%
Private hire vehicle licence (excludes compliance test fee)	New (1 year)	217.00	-	234.00	234.00	7.8%
	Renewal (1 year)	217.00	-	237.00	237.00	9.2%
	Renewal & substitution (1 yr.)	217.00	-	237.00	237.00	9.2%
	Interim substitution (remaining duration)	115.00	-	126.00	126.00	9.6%
	Transfer of ownership	58.00	-	60.00	60.00	3.4%
	Theft/loss of rear plate	20.00	20.00	-	20.00	0.0%
	Theft/loss of front plate	20.00	20.00	-	20.00	0.0%
	Change of vehicle particulars	55.00	55.00	-	55.00	0.0%
Vehicle MOT and compliance test * (payable direct to test station)	Recharged at cost	Recharged at cost			0.0%	
Specialist vehicle MOT and compliance test * (stretch limos)	Recharged at cost	Recharged at cost			0.0%	
Other fees						
Duplicate copy of licence following theft/loss/damage	15.00	15.00	-	15.00	0.0%	
Replacement internal vehicle licence plate holder	2.50	2.50	-	2.50	0.0%	
General service charges						
Photocopies (per A4 side, at officers discretion, subject to legal restrictions)	0.20	0.20	-	0.20	0.0%	
Copy of interview recording following PACE interview (per tape/disc)	16.00	16.00	-	16.00	0.0%	
Copy of public register entry (where kept and made available by statute) (per entry)	15.00	15.00	-	15.00	0.0%	
Request for duplicate copy of licence following loss/theft/damage (where not otherwise listed)	15.00	15.00	-	15.00	0.0%	
Licensing pre-application advice (per whole or part hour)	44.00	45.00	-	45.00	2.3%	

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGETS 2020/21					
	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
Strategic Planning & Environment					
Employees	10,096,885	10,226,464	10,158,600	61,715	1%
Premises	942,240	978,830	988,280	46,040	5%
Transport	1,186,960	1,362,694	1,239,220	52,260	4%
Supplies & Services	2,233,420	2,182,555	2,047,080	(186,340)	(8%)
Third-Parties	83,630	82,210	113,300	29,670	35%
Capital Charges	1,703,600	1,703,600	1,703,600	0	0%
Income	(4,114,650)	(3,711,513)	(3,449,330)	665,320	16%
Grants and Contributions	(1,895,791)	(2,059,189)	(1,893,370)	2,421	0%
Recharges	1,832,250	1,668,479	1,784,616	(47,634)	(3%)
Net Expenditure: Strategic Planning & Environment	12,068,544	12,434,131	12,691,996	623,452	5%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £	%
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Strategic Planning & Environment

Finance & Resources (Nigel Howcutt)

Open Spaces (Richard Rice)

Employees	0	193	0	0	+0%
Premises	19,340	19,338	19,450	110	+1%
Supplies & Services	550	550	550	0	+0%
Capital Charges	6,600	6,600	6,600	0	+0%
Income	(25,510)	(15,041)	(26,020)	(510)	(2%)
Grants and Contributions	(29,100)	(42,283)	(29,680)	(580)	(2%)
Recharges	1,160	1,160	1,050	(110)	(9%)
Net Expenditure: Open Spaces	(26,960)	(29,482)	(28,050)	(1,090)	(4%)

Promotion and Marketing of the Area (Town Centres) (Richard Rice)

Premises	74,140	85,960	74,910	770	+1%
Supplies & Services	1,530	1,530	1,560	30	+2%
Capital Charges	154,400	154,400	154,400	0	+0%
Recharges	249,800	249,686	261,646	11,846	+5%
Net Expenditure: Promotion and Marketing of the Area (Town Centres)	479,870	491,576	492,516	12,646	+3%

Net Expenditure: Finance & Resources

452,910	462,094	464,466	11,556	+3%
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Neighbourhood Delivery (David Austin)

Open Spaces (Craig Thorpe)

Employees	2,604,550	2,612,153	2,824,550	220,000	+8%
Premises	480,400	531,677	525,950	45,550	+9%
Transport	132,850	128,037	133,440	590	+0%
Supplies & Services	276,880	292,300	281,970	5,090	+2%
Capital Charges	432,100	432,100	432,100	0	+0%
Income	(20,400)	(49,656)	(20,670)	(270)	(1%)
Grants and Contributions	(426,731)	(449,636)	(469,930)	(43,199)	(10%)
Recharges	(1,724,026)	(1,694,226)	(1,884,944)	(160,917)	(9%)
Net Expenditure: Open Spaces	1,755,623	1,802,750	1,822,467	66,844	+4%

Animal and Public Health (Craig Thorpe)

Employees	65,290	67,422	67,960	2,670	+4%
Transport	8,970	8,970	9,420	450	+5%
Supplies & Services	60,000	36,070	52,580	(7,420)	(12%)
Income	(107,770)	(80,000)	(144,930)	(37,160)	(34%)
Recharges	79,828	83,153	89,543	9,715	+12%
Net Expenditure: Animal and Public Health	106,318	115,615	74,573	(31,745)	(30%)

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
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Environmental Services Management, Support Services and Overheads (Craig Thorpe)					
Employees	330,960	301,503	347,660	16,700	+5%
Premises	225,030	223,479	227,790	2,760	+1%
Transport	12,950	12,950	13,570	620	+5%
Supplies & Services	130,340	142,521	130,970	630	+0%
Third-Parties	14,650	13,230	14,940	290	+2%
Capital Charges	111,400	111,400	111,400	0	+0%
Income	(16,150)	(13,930)	(16,480)	(330)	(2%)
Recharges	(809,180)	(791,153)	(829,850)	(20,670)	(3%)
Net Expenditure: Environmental Services Management, Support Services and Overheads	(0)	0	0	0	+0%

Transport Services (Craig Thorpe)					
Employees	332,415	347,816	426,340	93,925	+28%
Premises	0	1,556	0	0	+0%
Transport	428,010	591,993	498,180	70,170	+16%
Supplies & Services	15,620	22,187	15,680	60	+0%
Capital Charges	5,800	5,800	5,800	0	+0%
Grants and Contributions	(5,000)	(5,000)	(5,000)	0	+0%
Recharges	(776,845)	(964,352)	(941,000)	(164,155)	(21%)
Net Expenditure: Transport Services	(0)	(0)	0	0	+0%

Street Cleansing (Non-Highway) (Craig Thorpe)					
Recharges	1,513,700	1,513,718	1,544,770	31,070	+2%
Net Expenditure: Street Cleansing (Non-Highway)	1,513,700	1,513,718	1,544,770	31,070	+2%

Household Waste and Recycling (Craig Thorpe)					
Employees	2,775,850	2,870,942	2,803,890	28,040	+1%
Transport	510,120	518,231	495,770	(14,350)	(3%)
Supplies & Services	550,050	528,980	551,080	1,030	+0%
Capital Charges	871,600	871,600	871,600	0	+0%
Income	(156,360)	(156,360)	(173,990)	(17,630)	(11%)
Grants and Contributions	(1,256,000)	(1,257,100)	(1,096,000)	160,000	+13%
Recharges	1,492,192	1,531,969	1,608,511	116,319	+8%
Net Expenditure: Household Waste and Recycling	4,787,452	4,908,262	5,060,861	273,409	+6%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
Trade Waste (Craig Thorpe)					
Employees	213,730	233,912	225,930	12,200	+6%
Transport	55,980	55,980	58,760	2,780	+5%
Supplies & Services	394,320	374,365	364,370	(29,950)	(8%)
Capital Charges	3,600	3,600	3,600	0	+0%
Income	(1,150,960)	(1,040,960)	(963,480)	187,480	+16%
Recharges	237,841	252,760	269,313	31,471	+13%
Net Expenditure: Trade Waste	(245,489)	(120,343)	(41,508)	203,981	+83%

Pest Control (Emma Walker)					
Employees	62,950	64,239	65,420	2,470	+4%
Transport	3,650	3,650	3,830	180	+5%
Supplies & Services	4,200	4,437	4,200	0	+0%
Income	(76,230)	(57,000)	(77,750)	(1,520)	(2%)
Recharges	99,299	88,559	113,797	14,499	+15%
Net Expenditure: Pest Control	93,869	103,885	109,497	15,629	+17%

Pollution Reduction (Emma Walker)					
Employees	173,620	207,854	191,220	17,600	+10%
Transport	2,820	2,870	2,880	60	+2%
Supplies & Services	20,680	25,026	20,690	10	+0%
Capital Charges	11,800	11,800	11,800	0	+0%
Income	(26,040)	(13,250)	(26,570)	(530)	(2%)
Recharges	87,989	77,554	94,121	6,132	+7%
Net Expenditure: Pollution Reduction	270,869	311,854	294,141	23,272	+9%

Animal and Public Health (Emma Walker)					
Employees	36,970	18,460	18,460	(18,510)	(50%)
Transport	1,420	1,480	1,480	60	+4%
Supplies & Services	21,470	21,480	21,480	10	+0%
Income	(7,750)	(7,900)	(7,900)	(150)	(2%)
Recharges	62,934	60,578	60,578	(2,357)	(4%)
Net Expenditure: Animal and Public Health	115,044	94,098	94,098	(20,947)	(18%)

Food Safety (Emma Walker)					
Employees	224,470	168,594	280,440	55,970	+25%
Transport	1,730	1,751	1,760	30	+2%
Supplies & Services	3,120	3,000	3,130	10	+0%
Income	(2,710)	(3,340)	(2,760)	(50)	(2%)
Recharges	109,592	98,895	114,668	5,077	+5%
Net Expenditure: Food Safety	336,202	268,900	397,238	61,037	+18%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
Health & Safety - External Support/Advice (Emma Walker)					
Employees	182,600	167,961	196,500	13,900	+8%
Transport	540	2,000	550	10	+2%
Supplies & Services	27,960	28,185	28,300	340	+1%
Income	0	(600)	0	0	+0%
Grants and Contributions	0	(200)	0	0	+0%
Recharges	(211,100)	(197,346)	(225,350)	(14,250)	(7%)
Net Expenditure: Health & Safety - External Support/Advice	0	(0)	(0)	(0)	+0%

Street Cleansing (Enforcement) (Emma Walker)					
Employees	133,220	124,873	107,610	(25,610)	(19%)
Transport	6,100	6,100	6,260	160	+3%
Supplies & Services	6,090	6,090	6,050	(40)	(1%)
Income	(3,250)	(3,250)	(3,320)	(70)	(2%)
Recharges	113,289	104,646	161,958	48,668	+43%
Net Expenditure: Street Cleansing (Enforcement)	255,449	238,459	278,558	23,108	+9%

Emergency Planning (Emma Walker)					
Employees	9,670	9,888	10,070	400	+4%
Transport	100	100	100	0	+0%
Supplies & Services	5,440	4,360	5,470	30	+1%
Third-Parties	28,300	28,300	28,870	570	+2%
Recharges	43,243	40,080	43,705	461	+1%
Net Expenditure: Emergency Planning	86,753	82,728	88,215	1,461	+2%

Net Expenditure: Neighbourhood Delivery	9,075,790	9,319,925	9,722,910	647,119	+7%
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Planning, Development and Regeneration (James Doe)

Economic Development (General) (Chris Taylor)					
Employees	183,770	190,269	119,640	(64,130)	(35%)
Premises	127,630	101,119	126,050	(1,580)	(1%)
Transport	270	670	0	(270)	(100%)
Supplies & Services	183,090	207,942	122,500	(60,590)	(33%)
Capital Charges	82,100	82,100	82,100	0	+0%
Income	(482,960)	(488,200)	(492,630)	(9,670)	(2%)
Grants and Contributions	(71,530)	(71,530)	(20,890)	50,640	+71%
Recharges	102,372	87,083	115,738	13,367	+13%
Net Expenditure: Economic Development (General)	124,742	109,453	52,508	(72,233)	(58%)

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
Market Undertakings (Chris Taylor)					
Premises	8,410	8,410	6,690	(1,720)	(20%)
Income	(27,570)	(27,570)	(28,120)	(550)	(2%)
Recharges	38,509	26,925	42,771	4,262	+11%
Net Expenditure: Market Undertakings	19,349	7,765	21,341	1,992	+10%

Support to Business and Enterprise (Chris Taylor)					
Employees	0	67	0	0	+0%
Premises	7,290	7,290	7,440	150	+2%
Supplies & Services	71,030	70,963	72,670	1,640	+2%
Capital Charges	1,900	1,900	1,900	0	+0%
Income	(31,460)	(31,460)	(32,090)	(630)	(2%)
Grants and Contributions	(13,780)	(13,780)	(14,030)	(250)	(2%)
Recharges	65,873	56,829	65,127	(746)	(1%)
Net Expenditure: Support to Business and Enterprise	100,853	91,809	101,017	164	+0%

Environmental Grants (Chris Taylor)					
Supplies & Services	7,200	7,200	7,200	0	+0%
Net Expenditure: Environmental Grants	7,200	7,200	7,200	0	+0%

Planning Policy (General) (Chris Taylor)					
Employees	853,240	992,488	1,092,830	239,590	+28%
Transport	5,420	18,842	6,530	1,110	+20%
Supplies & Services	263,820	261,530	169,080	(94,740)	(36%)
Third-Parties	8,140	8,140	8,300	160	+2%
Capital Charges	17,100	17,100	17,100	0	+0%
Grants and Contributions	(91,000)	(217,011)	(255,140)	(164,140)	(180%)
Recharges	282,857	262,037	351,614	68,758	+24%
Net Expenditure: Planning Policy (General)	1,339,577	1,343,125	1,390,314	50,738	+4%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE GENERAL FUND BUDGET DETAIL 2020/21

	Original 2019/2020 £	Forecast 2019/2020 £	Draft 2020/2021 £	Variance 2019/20 - 2020/21 £ %	
Building Control (Sara Whelan)					
Employees	605,580	337,197	0	(605,580)	(100%)
Transport	8,490	1,530	0	(8,490)	(100%)
Supplies & Services	59,370	3,178	28,000	(31,370)	(53%)
Third-Parties	0	0	28,000	28,000	+0%
Income	(597,180)	(265,646)	0	597,180	+100%
Recharges	209,460	202,241	105,152	(104,308)	(50%)
Net Expenditure: Building Control	285,720	278,501	161,152	(124,568)	(44%)
Development Control (Sara Whelan)					
Employees	1,156,540	1,342,186	1,211,310	54,770	+5%
Transport	7,440	7,440	6,590	(850)	(11%)
Supplies & Services	121,990	131,990	151,200	29,210	+24%
Capital Charges	5,200	5,200	5,200	0	+0%
Income	(1,151,350)	(1,226,350)	(1,201,620)	(50,270)	(4%)
Grants and Contributions	(2,650)	(2,650)	(2,700)	(50)	(2%)
Recharges	459,945	482,843	507,974	48,030	+10%
Net Expenditure: Development Control	597,115	740,659	677,954	80,840	+14%
Conservation and Listed Buildings Policy (Sara Whelan)					
Employees	68,320	72,906	89,510	21,190	+31%
Recharges	45,319	39,473	45,578	259	+1%
Net Expenditure: Conservation and Listed Buildings Policy	113,639	112,380	135,088	21,449	+19%
Local Land Charges (Sara Whelan)					
Employees	83,140	95,542	79,260	(3,880)	(5%)
Transport	100	100	100	0	+0%
Supplies & Services	8,670	8,670	8,350	(320)	(4%)
Third-Parties	32,540	32,540	33,190	650	+2%
Income	(231,000)	(231,000)	(231,000)	0	+0%
Recharges	58,200	55,368	68,145	9,944	+17%
Net Expenditure: Local Land Charges	(48,350)	(38,781)	(41,955)	6,394	+13%
Net Expenditure: Planning, Development and Regeneration	2,539,844	2,652,111	2,504,620	(35,224)	(1%)
Net Expenditure: Strategic Planning & Environment	12,068,544	12,434,131	12,691,996	623,452	+5%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Dog Warden Service				
Stray Dogs - Statutory Fee		25.00	25.00	0.0%
Stray Dog - Statutory Fee - Owners 1st Offence correctly microchipped and returned straight to owner - Statutory Fee only				
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 1	51.00	52.00	2.0%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 2	72.00	73.00	1.4%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 3	92.00	94.00	2.2%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 4	113.00	115.00	1.8%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 5	133.00	136.00	2.3%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 6	153.00	156.00	2.0%
Stray Dogs - Admin Fee - For correctly microchipped dog	Day 7	174.00	177.00	1.7%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 1	77.00	79.00	2.6%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 2	97.00	99.00	2.1%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 3	118.00	120.00	1.7%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 4	138.00	141.00	2.2%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 5	159.00	162.00	1.9%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 6	179.00	183.00	2.2%
Stray Dogs - Admin Fee - For incorrectly microchipped/no microchip dog	Day 7	199.00	203.00	2.0%
Kennelling	Per Day	Included above	Included above	0.0%
Micro-Chipping		15.00	15.00	0.0%
Dog Fouling Offence		80.00	N/A	0.0%
Return of Stray Dog		41.00	42.00	2.4%
Enforcement				
Abandoned Vehicle Reclaimed Fees - Cars	Daily	20.00	20.00	0.0%
Abandoned Vehicle Reclaimed Fees - Motorbikes	Daily	10.00	10.00	0.0%
Removal of AV from Private Land (land owners' agreement) admin fee		56.00	57.00	1.8%
Littering FPN (Full)		80.00	80.00	0.0%
Littering FPN (Early Repayment)		50.00	50.00	0.0%
s46/s47 EPA Offences (Full)		107.00	110.00	2.8%
s46/s47 EPA Offences (Early Repayment)		81.00	83.00	2.5%
s33 EPA Fixed Penalty Notice (Full)		384.00	400.00	4.2%
s33 EPA Fixed Penalty Notice (Early payment if paid within 10 days)		256.00	300.00	17.2%
Nuisance Vehicles / Vehicle Trading (street) (Full)		100.00	100.00	0.0%
Nuisance Vehicles / Vehicle Trading (street) (Early Repayment)		77.00	79.00	2.6%
s34 EPA Fixed Penalty Notice (Full)		300.00	306.00	2.0%
s34 EPA Fixed Penalty Notice (Early payment if paid within 10 days)		200.00	204.00	2.0%
Littering From Vehicles Outside London Regulations 2018 (Full)		100.00	100.00	0.0%
Littering From Vehicles Outside London Regulations 2018 (Early Repayment)		75.00	75.00	0.0%
Community Protection Notice (Full) FPN		100.00	100.00	0.0%
Community Protection Notice (Early Repayment)		75.00	75.00	0.0%
PSPO FPN (Full)		75.00	75.00	0.0%
PSPO FPN (Early Repayment)		75.00	N/A	0.0%
Environmental Protection				
High Hedges		465.00	500.00	7.5%
High Hedges Preliminary Investigation Fee		NEW	250.00	0.0%
LAPPC Authorisations (statutory fee defined by Defra)				
Private water supplies risk assessment (smaller supplies - Reg 10)		Bespoke price	Bespoke price	0.0%
Private water supplies risk assessment (larger supplies - Reg 9)		Bespoke price	Bespoke price	0.0%
Private water supplies desk top risk assessment		Bespoke price	Bespoke price	0.0%
Sampling Visit (fee plus analysis costs)		Bespoke price	Bespoke price	0.0%
Investigation		Bespoke price	Bespoke price	0.0%
Granting of Authorisation (fee plus analysis costs)		Bespoke price	Bespoke price	0.0%
Analysis costs (Reg 10)		Bespoke price	Bespoke price	0.0%
Analysis costs (check monitoring)		Bespoke price	Bespoke price	0.0%
Analysis costs (adult monitoring)		Bespoke price	Bespoke price	0.0%
Environmental Searches		82.00	100.00	22.0%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Food Safety				
Initial inspection of premises requiring health certificates		NEW	120.00	0.0%
Health Certificates (x2 plus site visit) - Standard Service		77.00	80.00	3.9%
Health Certificates (x2 plus site visit) - Next Day Service		NEW	120.00	0.0%
Health Certificates (additional copies up to 4)		29.00	30.00	3.4%
General Endorsement Certificate		29.00	35.00	20.7%
Food Hygiene Requested Revisits (new charge)		175.00	175.00	0.0%
3 hours Safer Food Better Business Coaching (new charge) plus 50% fee per additional person from the same business		120.00	120.00	0.0%
Food hygiene advisory visits (pre-opening/new businesses/pre inspection) with report (new charge)	Per Hour	75.00	80.00	6.7%
Health & safety advisory visits (pre-opening/new businesses/pre inspection) with report (new charge)	Per Hour	75.00	80.00	6.7%
Pest Control				
Rats (up to 3 visits)		61.00	62.00	1.6%
Rats (up to 3 visits) Dacorum Card		31.00	31.00	0.0%
Mice (up to 3 visits)		61.00	62.00	1.6%
Fleas per visit (2 bedrooms and 2 living rooms only)		56.00	57.00	1.8%
Fleas - Additional Rooms		20.00	20.00	0.0%
Wasps/hornets (1 nest killed - not removed)		49.00	50.00	2.0%
Wasps/hornets - Additional Nest		18.00	18.00	0.0%
Ants (Inside only)		72.00	73.00	1.4%
Cockroaches per visit (2 bedrooms & 2 living rooms only)		41.00	N/A	0.0%
Cockroaches - Additional Room		20.00	N/A	0.0%
Cockroaches up to 3 visits (2 bedrooms & 2 living rooms only)		NEW	90.00	0.0%
Squirrels up to 3 visits		123.00	126.00	2.4%
Squirrels - Additional Visit		NEW	26.00	0.0%
Cluster Fly (one treatment)		75.00	76.00	1.3%
Other Per hour (min 1 hr)		76.00	77.00	1.3%
Call Out Advice - No pest treated		41.00	42.00	2.4%
Glis glis - up to 4 visits		153.00	156.00	2.0%
Glis glis - Additional visit		26.00	26.00	0.0%
Glis glis - Cage deposit (refundable)		26.00	30.00	15.4%
Cesspool Emptying				
DBC (inside) - All Charges Include £100 transport charge				
Up to 1000		166.00	226.00	36.1%
Up to 2000		224.00	344.00	53.6%
Up to 3000		338.00	518.00	53.3%
Up to 4000		396.00	636.00	60.6%
Up to 5000		507.00	807.00	59.2%
Up to 6000		567.00	927.00	63.5%
Up to 8000		738.00	1,218.00	65.0%
Up to 10000		909.00	1,509.00	66.0%
Up to 12000		1,080.00	1,800.00	66.7%
DBC (outside) - All Charges Include £130 transport charge				
Up to 1000		198.00	258.00	30.3%
Up to 2000		257.00	377.00	46.7%
Up to 3000		368.00	548.00	48.9%
Up to 4000		428.00	668.00	56.1%
Up to 5000		540.00	840.00	55.6%
Up to 6000		599.00	959.00	60.1%
Up to 8000		770.00	1,250.00	62.3%
Up to 10000		941.00	1,541.00	63.8%
Up to 12000		1,112.00	1,832.00	64.7%
Waste - Bulk Collections				
Bulk Collections	Up to 3 Items	34.00	45.00	32.4%
Bulk Collections	Up to 6 Items	61.00	70.00	14.8%
Bulk Collections - Concessions	Up to 3 Items	28.00	36.00	28.6%
Bulk Collections - Concessions	Up to 6 Items	43.00	49.00	14.0%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Waste Services				
Collection of an additional green bin	Per Annum	55.00	55.00	0.0%
Delivery of additional green bin	Per bin	25.00	25.00	0.0%
Collection of a missed bin	Per bin	41.00	42.00	2.4%
* A charge will apply in the following circumstances: If the bin was either not accessible or not presented at the boundary of the property at the time that the crew attempted to collect If the bin was contaminated with non-recyclable materials If the bin was unsafe for the operator to move due to its weight or load				
Waste - Commercial				
Container Rental - 360 Litre	Per Annum	29.80	30.40	2.0%
Container Rental - 770 Litre	Per Annum	63.76	65.04	2.0%
Container Rental - 850 Paladin	Per Annum	70.56	72.00	2.0%
Container Rental - 940 Paladin	Per Annum	81.36	83.00	2.0%
Container Rental - 1100 Litre	Per Annum	95.28	97.20	2.0%
Container Rental - 1280 Litre	Per Annum	110.84	113.08	2.0%
Container Emptying - 360 Litre	Per Lift	6.22	6.34	1.9%
Container Emptying - 770 Litre	Per Lift	13.30	13.57	2.0%
Container Emptying - 850 Paladin	Per Lift	16.51	16.84	2.0%
Container Emptying - 940 Paladin	Per Lift	17.58	17.94	2.0%
Container Emptying - 1100 Litre	Per Lift	19.55	19.94	2.0%
Container Emptying - 1280 Litre	Per Lift	22.76	23.21	2.0%
Container Emptying - Schools Only - 770 Litre	Per Lift	5.32	5.43	2.1%
Container Emptying - Schools Only - 850 Paladin	Per Lift	6.23	6.36	2.1%
Container Emptying - Schools Only - 940 Paladin	Per Lift	6.96	7.10	2.0%
Container Emptying - Schools Only - 1100 Litre	Per Lift	8.15	8.32	2.0%
Container Emptying - Schools Only - 1280 Litre	Per Lift	9.49	9.68	2.0%
Commercial Waste Collections (additional empties)	Per empty	14.00	14.28	2.0%
Sacks	per 50 sacks	99.00	104.00	5.1%
Sack Sales				
Bio Sacks	Per 25 Sacks	6.50	7.00	7.7%
Bio Sacks (Dacorum Card 25% discount)	Per 25 Sacks	5.00	5.00	0.0%
Kaddy Bio Sacks	Per roll of 52	2.00	2.00	0.0%
Domestic Black Sacks	Per 10 Sacks	1.50	1.50	0.0%
Domestic Black Sacks (Dacorum Card)	Per 10 Sacks	1.00	1.00	0.0%
Weighbridge				
Weighing	Single weigh	10.50	11.00	4.8%
Weighing	Double weigh	13.50	15.00	11.1%
Street Sweeping				
Sweeping/Cleaning of non DBC land	Per Hour	43.00	44.00	2.3%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Building Control - (Fees include VAT @ 20% where applicable) Refer to Hertfordshire Building Control - HBC				
Schedule 1 - New Dwellings - Full Plans and Inspection Charges				
1 Dwelling		996.00	HBC	0.0%
2 Dwellings		1,176.00	HBC	0.0%
3 Dwellings		Quote	HBC	0.0%
4 Dwellings		Quote	HBC	0.0%
5 Dwellings		Quote	HBC	0.0%
Each Additional Dwelling		Quote	HBC	0.0%
Conversion of dwelling into 2 flats		Quote	HBC	0.0%
Conversion of dwelling into 3 flats		Quote	HBC	0.0%
Schedule 1 - New Dwellings - Building Notice				
1 Dwelling		996.00	HBC	0.0%
2 Dwellings		1,176.00	HBC	0.0%
3 Dwellings		Quote	HBC	0.0%
4 Dwellings		Quote	HBC	0.0%
5 Dwellings		Quote	HBC	0.0%
Each Additional Dwelling		Quote	HBC	0.0%
Conversion of dwelling into 2 flats		Quote	HBC	0.0%
Conversion of dwelling into 3 flats		Quote	HBC	0.0%
Schedule 2 - Extensions, Alterations, Conversions and Garages - Full Plans - Plan and Inspection Charge (by area)				
Attached Garage / Car Port less than 30m ²		Quote	HBC	0.0%
Detached Garage / Car Port 30m ² to 100m ²		Quote	HBC	0.0%
Extensions & Loft Conversions where floor area does not exceed 6m ²		540.00	HBC	0.0%
Extensions & Loft Conversions where floor area exceeds 6m ² but does not exceed 10m ²		714.00	HBC	0.0%
Extensions & Loft Conversions where floor area exceeds 10m ² but does not exceed 20m ²		780.00	HBC	0.0%
Extensions & Loft Conversions where floor area exceeds 20m ² but does not exceed 40m ²		840.00	HBC	0.0%
Extensions & Loft Conversions where floor area exceeds 40m ² but does not exceed 100m ²		1,140.00	HBC	0.0%
Conversion of a domestic garage into a habitable room(s)		420.00	HBC	0.0%
Erection or extension of a domestic garage or carport up to 100m ²		540.00	HBC	0.0%
Replacement of up to five windows/external doors of an existing dwelling		126.00	HBC	0.0%
Replacement of more than five windows/external doors of an existing dwelling		210.00	HBC	0.0%
Schedule 2 - Extensions, Alterations, Conversions and Garages - Building Notice (by area)				
Attached Garage / Car Port less than 30m ²		Quote	HBC	0.0%
Detached Garage / Car Port 30m ² to 100m ²		Quote	HBC	0.0%
Extensions & Loft Conversions where floor area does not exceed 6m ²		540.00	HBC	0.0%
Extensions & Loft Conversions where floor area exceeds 6m ² but does not exceed 10m ²		714.00	HBC	0.0%
Extensions & Loft Conversions where floor area exceeds 10m ² but does not exceed 20m ²		780.00	HBC	0.0%
Extensions & Loft Conversions where floor area exceeds 20m ² but does not exceed 40m ²		840.00	HBC	0.0%
Extensions & Loft Conversions where floor area exceeds 40m ² but does not exceed 100m ²		1,140.00	HBC	0.0%
Conversion of a domestic garage into a habitable room(s)		420.00	HBC	0.0%
Erection or extension of a domestic garage or carport up to 100m ²		540.00	HBC	0.0%
Replacement of up to five windows/external doors of an existing dwelling		126.00	HBC	0.0%
Replacement of more than five windows/external doors of an existing dwelling		210.00	HBC	0.0%
Schedule 3 - Alteration & All Other Building Works - Full Plans - Plan and Site Inspection Combined Charges (by value)				
Estimated Cost up to £1,000		240.00	HBC	0.0%
Estimated Cost between £1,001 and £2,000		318.00	HBC	0.0%
Estimated Cost between £2,001 and £5,000		348.00	HBC	0.0%
Estimated Cost between £5,001 and £10,000		444.00	HBC	0.0%
Estimated Cost between £10,001 and £20,000		540.00	HBC	0.0%
Estimated Cost £20,001 and over		Quote	HBC	0.0%
Schedule 3 - Alteration & All Other Building Works - Building Notice Domestic & Commercial (by value)				
Estimated Cost up to £1,000		240.00	HBC	0.0%
Estimated Cost between £1,001 and £2,000		318.00	HBC	0.0%
Estimated Cost between £2,001 and £5,000		348.00	HBC	0.0%
Estimated Cost between £5,001 and £10,000		444.00	HBC	0.0%
Estimated Cost between £10,001 and £20,000		540.00	HBC	0.0%
Estimated Cost £20,001 and over		Quote	HBC	0.0%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Additional Charges for Solid Fuel Appliances				
Installing a solid fuel appliance like a stove or a boiler (wood, coal, oil etc) (If installation is part of any other work like an extension, please add this to the other charge)		276.00	HBC	0.0%
Non-Domestic Extensions - Full Plans - Plan and Inspection Charges Combined				
Extension less than 6m ²		540.00	HBC	0.0%
Extensions 6m ² to 10m ²		714.00	HBC	0.0%
Extension 10m ² to 20m ²		780.00	HBC	0.0%
Extensions 20m ² to 40m ²		840.00	HBC	0.0%
Extensions 40m ² to 100m ²		1,140.00	HBC	0.0%
Non-Domestic Alteration & All Other Building Works - Full Plans - Plan and Inspection Charges Combined (by value)				
Estimated Cost up to £1,000		240.00	HBC	0.0%
Estimated Cost between £1,001 and £2,000		318.00	HBC	0.0%
Estimated Cost between £2,001 and £5,000		348.00	HBC	0.0%
Estimated Cost between £5,001 and £10,000		444.00	HBC	0.0%
Estimated Cost between £10,001 and £20,000		540.00	HBC	0.0%
Estimated Cost £20,001 and over		Quote	HBC	0.0%
Building Control - Copy Documents and Other Miscellaneous Charges				
Searching of historic records	per hour or part thereof	30.00	HBC	0.0%
Copy of Completion Certificate		25.00	HBC	0.0%
Site inspection for completion certificate (over 12 months)		60.00	HBC	0.0%
Copy of notice of decision		25.00	HBC	0.0%
Stamped approved plans	per plan	20.00	HBC	0.0%
Additional inspections for quality of building works including help with snagging list		20% of original charge	HBC	0.0%
Pre-application advice including 'Do I need permission?' (fee refunded if using Dacorum Borough Council)		40.00	HBC	0.0%
Administration charges for dangerous buildings, demolitions historic buildings		10% of cost plus £50 per hour	HBC	0.0%
Additional inspections requested by the contractor		5% of original charge	HBC	0.0%
Additional work carried out on site		Quote	HBC	0.0%
Regularisation Applications				
Applications may be submitted where work has been carried out since 11 November 1985 but not previously submitted to the Authority. The fees are equal to at least 125% of fees and are not subject to VAT.				

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Planning Fees				
Schedule 1 - Part 2 - Scale of Fees in Respect of Variations - Outline Permission				
Site Area less than 2.5 Hectares - Categories 1, 2 and 3	per 0.1 hectare	462.00	462.00	0.0%
Site Area > 2.5 Hectares Fixed Fee (plus variable fee below) - Categories 1, 2 & 3	fixed fee	11,432.00	11,432.00	0.0%
Site Area > 2.5 Hectares Variable Fee - Categories 1, 2 & 3 (max of £125,000)	per 0.1 hectares above 2.5	138.00	138.00	0.0%
Site Area less than 15 Hectares - Categories 9* and 11	per 0.1 hectare	234.00	234.00	0.0%
Site Area > 15 Hectares Fixed Fee (plus variable fee below) - Categories 9* & 11	fixed fee	34,934.00	34,934.00	0.0%
Site Area > 15 Hectares Variable Fee - Categories 9* & 11 (max of £65,000)	per 0.1 hectares above 15	138.00	138.00	0.0%
Other: Category 9 (maximum £250,000)	per 0.1 hectare	234.00	234.00	0.0%
* Category 9 fees shown above in the case of operations for the mining and working of minerals - these applications are determined by Hertfordshire County Council				
Schedule 1 - Part 2 - Scale of Fees in Respect of Variations - Full Permission or Reserved Matters				
Up to 50 Dwelling Houses - Category 1	Per Dwelling House	462.00	462.00	0.0%
Greater than 50 Dwelling Houses Fixed Fee (plus variable fee below) - Category 2	Fixed Fee	22,859.00	22,859.00	0.0%
Greater than 50 Dwelling Houses Variable Fee - Category 2 (maximum of £250,000) - Category 2	Per Dwelling House > 50	138.00	138.00	0.0%
Where no Floor space created - Category 2	Fixed Fee	234.00	234.00	0.0%
Where Floor space Created less than 40m ² - Category 2	Fixed Fee	234.00	234.00	0.0%
Where Floor space Created Between 40m ² and 75m ² - Category 2	Fixed Fee	462.00	462.00	0.0%
Where Floor space Created Between 75m ² and 3750m ² - Category 2	Per 75m ²	462.00	462.00	0.0%
Where Floor space Greater than 3750m ² Fixed Fee (plus variable fee below) - Category 2	Fixed Fee	22,859.00	22,859.00	0.0%
Where Floor space Greater than 3750m ² Variable Fee (maximum of £250,000) - Category 2	Per 75m ² > 3750m ²	138.00	138.00	0.0%
Where Floor space Created less than 465m ² - Category 3	Fixed Fee	96.00	96.00	0.0%
Where Floor space Created Between 465m ² and 540m ² - Category 3	Fixed Fee	462.00	462.00	0.0%
Where Floor space Created Between 540m ² and 4215m ² Fixed Fee (plus variable fee below) - Category 3	Fixed Fee	462.00	462.00	0.0%
Where Floor space Created Between 540m ² and 4215m ² Variable Fee - Category 3	Per 75m ² > 540m ²	462.00	462.00	0.0%
Where Floor space Created Over 4215m ² Fixed Fee (plus variable fee below) - Category 3	Fixed Fee	22,859.00	22,859.00	0.0%
Where Floor space Created Over 4215m ² Variable Fee (maximum of £250,000) - Category 3	Per 75m ² > 4215m ²	138.00	138.00	0.0%
Where Floor space Created less than 465m ² - Categories 4 & 5	Fixed Fee	96.00	96.00	0.0%
Where Floor space Created greater than 465m ² - Categories 4 & 5	Fixed Fee	2,580.00	2,580.00	0.0%
Enlargement, Improvement or Other Alteration for one Dwelling House - Category 6	Fixed Fee	206.00	206.00	0.0%
Enlargement, Improvement or Other Alteration for more than one Dwelling House - Category 6	Fixed Fee	407.00	407.00	0.0%
Site Area less than 5 Hectares - Category 5	Per 0.1 hectare	462.00	462.00	0.0%
Site Area > 5 Hectares Fixed Fee (plus variable fee below) - Category 5	Fixed Fee	22,859.00	22,859.00	0.0%
Site Area > 5 Hectares Variable Fee - Category 6 (max of £250,000)	Per 0.1 hectares above 5	138.00	138.00	0.0%
Site Area less than 7.5 Hectares - Category 8	Per 0.1 hectare	462.00	462.00	0.0%
Site Area > 7.5 Hectares Fixed Fee (plus variable fee below) - Category 8	Fixed Fee	34,934.00	34,934.00	0.0%
Site Area > 7.5 Hectares Variable Fee - Category 8 (max of £250,000)	Per 0.1 hectares above 7.5	138.00	138.00	0.0%
Operations within curtilage - Category 7a	Fixed Fee	206.00	206.00	0.0%
Car Park, Service Roads & Means of Access - Category 7b	Fixed Fee	234.00	234.00	0.0%
Change from Single Dwelling House to use as less than 50 Dwelling Houses - Category 10a	Per additional Dwelling House	462.00	462.00	0.0%
Change from Single Dwelling House to use as >50 Dwelling Houses Fixed Fee (plus variable fee below) - Category 10a	Fixed Fee	22,859.00	22,859.00	0.0%
Change from Single Dwelling House to use as >50 Dwelling Houses Variable Fee (maximum of £250,000) - Category 10a	Per each dwelling house >50	138.00	138.00	0.0%
Change of use to <50 dwelling houses (Other Cases) - Category 10b	Per additional Dwelling House	462.00	462.00	0.0%
Change of use to >50 dwelling houses (Other Cases) Fixed Fee (plus variable fee below) - Category 10a	Fixed Fee	22,859.00	22,859.00	0.0%
Change of use to >50 dwelling houses (Other Cases) Variable Fee (maximum of £250,000) - Category 10a	Per each dwelling house >50	138.00	138.00	0.0%
Change of Use not included in Categories 9 or 10	Fixed Fee	462.00	462.00	0.0%
Applications for permission in principle	Per 0.1 hectare	402.00	402.00	0.0%

STRATEGIC PLANNING & ENVIRONMENT COMMITTEE PROPOSED FEES AND CHARGES 2020/21				
	Unit Measurement	2019/20 Charge	2020/21 Proposed Charge	% Change
Schedule 2 - Other Planning Application				
Advert On Business Premises, Forecourt or curtilage		132.00	132.00	0.0%
Advert To Direct Public or Draw Attention to Business Premises not Visible		132.00	132.00	0.0%
Advert All Other Cases		462.00	462.00	0.0%
Approval/variation /discharge of condition		234.00	234.00	0.0%
Request for confirmation that conditions complied with		116.00	116.00	0.0%
Request for confirmation that conditions complied with (householder)		34.00	34.00	0.0%
Application for non material amendment- householder		34.00	34.00	0.0%
application for non material amendment-other		234.00	234.00	0.0%
Lawful development certificate - existing use		234.00	234.00	0.0%
Prior approval - Larger Home Extensions		NEW	96.00	0.0%
Prior approval - agriculture		96.00	96.00	0.0%
Prior approval - telecoms		462.00	462.00	0.0%
Prior approval - schools		96.00	96.00	0.0%
Prior approval - from agriculture to schools		96.00	96.00	0.0%
Prior approval - from agriculture to commercial use		96.00	96.00	0.0%
Prior approval - from office to residential		96.00	96.00	0.0%
Prior approval - from agriculture to residential (no associated building operations)		96.00	96.00	0.0%
Prior approval - from agriculture to residential (associated building operations)		206.00	206.00	0.0%
Prior approval - from retail to residential (no associated building operations)		96.00	96.00	0.0%
Prior approval - from retail to residential (associated building operations)		206.00	206.00	0.0%
Prior approval - temporary state funded school		96.00	96.00	0.0%
Prior approval - temporary use for film making		96.00	96.00	0.0%
Prior approval - solar PV equipment up to 1mgw		96.00	96.00	0.0%
Prior approval - collection facility within curtilage of a shop		96.00	96.00	0.0%
Land Charges (exclusive of VAT @ 20% where applicable)				
VAT will become payable on all income derived from the CON 29 R and O products as of 1 February 2016				
LLC1 and CON29R (Residential Properties)		99.00	99.00	0.0%
LLC1 and CON29R (Commercial Properties)		190.00	190.00	0.0%
LLC1 (Search of Land Charges Register only)		30.00	15.00	-50.0%
CON29R Only (Residential Properties)		69.00	84.00	21.7%
CON29O Enquiries (Except Q22 - Commons Search)		160.00	175.00	9.4%
CON29O Enquiries		12.00	12.00	0.0%
CON29O Q22 - Commons Search		20.00	20.00	0.0%
Extra parcels of land		20.00	20.00	0.0%
Pre-application charges (inclusive of VAT)				
Category A - Significant Major Development		3,600.00	3,800.00	5.6%
Category B - Very large Major Development		2,400.00	2,600.00	8.3%
Category C - Major Developments		1,200.00	1,400.00	16.7%
Category D - Minor Developments		360.00	720.00	100.0%
Category E - Minor Developments		180.00	200.00	11.1%
Category F - Householder Applications		80.00	90.00	12.5%
Plus additional meeting (inclusive of VAT)				
Category A - Significant Major Development		720.00	820.00	13.9%
Category B - Very large Major Development		490.00	560.00	14.3%
Category C - Major Developments		240.00	300.00	25.0%
Category D - Minor Developments		120.00	150.00	25.0%
Category E - Minor Developments		60.00	70.00	16.7%
Category F - Householder Applications		60.00	70.00	16.7%
Post application charges (new charges) (inclusive of VAT)				
Category A - Significant Major Development		360.00	400.00	11.1%
Category B - Very large Major Development		240.00	270.00	12.5%
Category C - Major Developments		120.00	135.00	12.5%
Category D - Minor Developments		100.00	110.00	10.0%
Category E - Minor Developments		60.00	70.00	16.7%
Category F - Householder Applications		30.00	35.00	16.7%
Planning Performance Agreement (exclusive of VAT @ 20% where applicable)				
PPA - minimum charge each PPA negotiated on complexity		2,500.00	5,000.00	100.0%
Bespoke fees costed per application				
Strategic Planning Charges for Documents				
All Strategic Planning Documents are available on the website. Printed versions can be posted upon individual request made to strategic.planning@dacorum.gov.uk.				
<i>Prices will be provided based on printing and postage costs at the time of the request.</i>				
		Recharged at cost	Recharged at cost	0.0%

DRAFT HOUSING REVENUE ACCOUNT BUDGET SUMMARY 2019/20 & 2020/21

£000	Note	2019/20			2020/21					
		Original 2019/20	Forecast Outturn	Variance	Updates from Business Plan			Other	Growth / (Savings)	Estimate 2020/21
					CPI + 1% rent increase	Interest	Depreciation			
Income										
Dwelling Rents	1	(52,536)	(52,770)	(234)	(1,658)			(241)	(1,899)	(54,435)
Non-Dwelling Rents		(102)	(102)	0					0	(102)
Tenant Service Charges	2	(1,626)	(1,476)	150				109	109	(1,517)
Leaseholder Charges	2	(487)	(552)	(65)				(106)	(106)	(593)
Interest and Investment Income	3	(435)	(435)	0		243			243	(192)
Contributions to Expenditure		(645)	(620)	25					0	(645)
Total Income		(55,831)	(55,955)	(124)	(1,658)	243	0	(238)	(1,653)	(57,484)
Expenditure										
Repairs and Maintenance		12,068	12,068	0					0	12,068
Revenue Contribution to Capital	5	5,480	5,480	0				375	375	5,855
Supervision & Management	4	12,783	12,414	(369)				1,413	1,413	14,196
Corporate and Democratic Core	4	307	307	0				28	28	335
Rent, Rates, Taxes & Other Charges		35	95	60				1	1	36
Provision for Bad Debts		975	975	0					0	975
Interest Payable		11,558	11,558	0		28			28	11,586
Depreciation	6	12,625	12,625	0			241		241	12,866
Total Expenditure		55,831	55,522	(309)	0	28	241	1,817	2,086	57,917
HRA Deficit / (Surplus)		0	(433)	(433)	(1,658)	271	241	1,579	433	433
Housing Revenue Account Balance:										
Opening Balance at 1 April		(2,892)	(2,892)	0						(2,892)
Deficit / (Surplus) for the year		0	0	0						0
Closing Balance at 31 March		(2,892)	(2,892)	0						(2,892)
Earmarked Reserves:										
Opening Balance at 1 April		(18,146)	(18,146)	0						(18,579)
Contribution from / (to) Pension Reserve	7		(433)	(433)				433	433	433
Closing Balance at 31 March		(18,146)	(18,579)	(433)						(18,146)

SUMMARY OF MAJOR MOVEMENTS IN HOUSING REVENUE ACCOUNT BUDGET 2019/20 - 2020/21

Note 1 - Dwelling Rents

2019/20 was the final year of the 4 year period of 1% rent reduction for social rents. Rents for 2020/21 have been set according to the new MHCLG Rent Standard which provides for an increase of CPI + 1% (2.7% in total). The average dwelling rent is proposed to increase from £100.47 in 2019/20 to £103.12 in 2020/21.

The rental income for 2020/21 is expected to be £241k higher than the previous year due to additional rent from new build properties (additional £242k from 73 new units at Magenta Court and Martindale Fields), less £141k from properties sold under Right to Buy (estimate of 25 units), plus an additional £140k due to an increase in the amount of Housing Benefit subsidy received towards Supported Housing.

Note 2 - Tenants' Service Charges and Leaseholder Charges

These lines offset each other due to a re-alignment of budget between tenants' charges and leaseholder charges, which is due to properties being sold under the Right to Buy scheme.

Note 3 - Interest and Investment Income

There is an decrease to the draft budget of £243k for 2020/21, to reflect a lower estimate of investment income arising from lower cash balances.

Note 4 - Supervision and Management and Corporate and Democratic Core

The draft budget includes the following assumptions:

In line with estimates for the General Fund, salaries budgets include pay inflation of 2.9%.

Growth of £260k to meet service demands including: £65k to fund two new posts in Tenants & Leaseholders to enable 5 year tenancy reviews; £80k Property and Place restructure; £45k Supported Housing Officer; £45k Housing tree officer

There is an increase to the budget for pension contributions of £868k, to account for a one-off secondary pension contribution as per the General Fund. This is funded by utilising the HRA revenue surplus of £433k from 2019/20, and from a reduced revenue contribution to capital.

There is an increase to the draft budget for 2020/21 due to revised estimates for recharges from the General Fund.

Note 5 - Revenue Contribution to Capital

The Revenue Contribution to Capital has been adjusted to balance the HRA in year. An increased contribution to capital is expected.

Note 6 - Depreciation

The budgets for depreciation have been increased to reflect an increase in capital assets as a result of the new build programme, combined with inflation in house prices.

Note 7 - Contribution from / to Pension Reserve

An overall surplus of c. £400k is expected in the HRA in financial year 2019/20. This will be utilised in 2020/21 to fund a one-off secondary pension contribution as per the General Fund.

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2020/21 - 2024/25

Summary	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Current Overall Programme	7,924	5,719	7,774	3,351	-	24,768
New Bids	3,476	19,744	25,586	6,487	1,371	56,664
Rephased and Amended Schemes	(54)	1,850	(2,183)	(600)	455	(532)
Revised Overall Programme	11,346	27,313	31,177	9,238	1,826	80,900
NEW BIDS	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
<u>FINANCE & RESOURCES</u>						
Section 151 Officer (James Deane)						
Various commercial ventures (commercially sensitive)	500	17,150	25,150	6,000	-	48,800
Commercial Assets and Property Development (Richard Rice)						
Apsley Industrial Estate Improvement Works	25	-	-	-	-	25
Bennettsgate Shopping Centre Render Improvement	-	-	-	15	-	15
Improvement Works to Market Stores	20	-	-	-	-	20
Bennetts End Community Centre Stairlift Replacement	18	-	-	-	-	18
Adeyfield Community Centre Structural Improvements	-	17	-	-	-	17
Gadebridge Park Roadway Improvements	-	-	70	-	-	70
Boiler Replacement Programme	185	140	15	22	-	362
Old Town Hall Seating Replacement	40	-	-	-	-	40
Stevenage Rise Road Resurface	33	-	-	-	-	33
Water Gardens North Car Park Drainage Improvements	-	35	-	-	-	35
Berkhamsted Civic Centre Staircase Renewal	23	-	-	-	-	23
Berkhamsted Civic Centre Improvements Works - Creation of new area	20	-	-	-	-	20
Berkhamsted Civic Centre Lift Renewal	-	20	-	-	-	20
Victoria Hall Tring lighting Upgrade Works	23	-	-	-	-	23
Footpath Improvements Kings Langley churchyard	15	-	-	-	-	15
Allotment Improvement Programme	40	40	40	-	-	120
Commercial Property Portfolio	70	-	-	-	-	70
Bellgate Roof Renewal	25	-	-	-	-	25

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2020/21 - 2024/25

NEW BIDS	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
<u>FINANCE & RESOURCES</u>						
Information, Communication and Technology (Ben Trueman)						
Replacement of Current Hardware Devices for Officers	-	-	-	450	-	450
Rolling Programme - Hardware	-	-	-	-	75	75
Software Licences - Right of Use	-	-	-	-	50	50
<u>STRATEGIC PLANNING & ENVIRONMENT</u>						
Environmental Services (Craig Thorpe)						
Upgrade of Hand Arm Vibration Monitoring System	17	-	-	-	-	17
Resurfacing Works and Building Improvement to Depot	60	-	-	-	-	60
New Wheeled Bins	-	-	-	-	10	10
Fleet Replacement Programme	-	-	-	-	100	100
Development Management and Planning (Sara Whelan)						0
3D Modelling Software for Planning	60	-	-	-	-	60
Tablets for Planning	20	-	-	-	-	20
<u>HOUSING & COMMUNITY</u>						
Procurement and Contracted Services (Ben Hosier)						
Rolling Programme - CCTV Cameras	-	-	-	-	25	25
Property & Place (Alan Mortimer)						
Disabled Facilities Grants	-	-	-	-	741	741

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2020/21 - 2024/25

NEW BIDS	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
People and Performance (Matthew Rawdon)						
Adventure Playgrounds Improvement programme	-	1,500	-	-	-	1,500
Verge Hardening Programme	100	-	-	-	350	450
Capital Grants - Community Groups	-	-	-	-	20	20
Strategic Housing (David Barrett/Natasha Beresford)						
Affordable Housing Development Fund (fully funded from 141 Capital Receipts)	2,066	787	311	-	-	3,164
Temporary Accommodation - creation of new units	50	55	-	-	-	105
Upgrade to Civica Abritas system (Housing Options)	66	-	-	-	-	66
TOTAL - NEW BIDS	3,476	19,744	25,586	6,487	1,371	56,664

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2020/21 - 2024/25

REPHASED AND AMENDED SCHEMES	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
<u>FINANCE & RESOURCES</u>						
Commercial Assets and Property Development (Richard Rice)						
Strategic Acquisitions Fund	(1,750)	1,750	-	-	-	0
Old Town Hall - Café roof and stonework renewal	60	-	-	-	-	60
Rossgate Shopping Centre - Structural Works	191	-	-	-	-	191
Commercial Assets - Shopping Centres	(400)	(200)	-	-	-	(600)
Long Chaulden Roof	55	-	-	-	-	55
Bennettsgate - Window Renewal	86	-	-	-	-	86
Procurement and Contracted Services (Ben Hosier)						
Dacorum Athletics Track	(66)	-	-	-	-	(66)
Hemel Hempstead Sports Centre - Astroturf renewal	70	-	-	-	-	70
Leisure works - Hemel Hempstead Sports Centre	270	-	-	-	-	270
Car Park Refurbishment	493	60	-	-	-	553
Information, Communication and Technology (Ben Trueman)						
Future vision of CRM	-	75	-	-	-	75
						0
<u>HOUSING & COMMUNITY</u>						
Strategic Housing (David Barrett/Natasha Beresford)						
Northend & Westerdale (Garage Development)	493	-	-	-	-	493
Procurement and Contracted Services (Ben Hosier)						
CCTV Equipment Refresh	(7)	(45)	47	40	455	490
Alarm Receiving Centre	34	-	-	-	-	34

NEW AND AMENDED GENERAL FUND CAPITAL BIDS 2020/21 - 2024/25

STRATEGIC PLANNING & ENVIRONMENT						
Environmental Services (Craig Thorpe)						
Fleet Replacement Programme	(162)					(162)
Gadebridge Park - Renovation of White Bridge	370	-	-	-	-	370
Strategic Planning & Regeneration (Chris Taylor)						
Urban Park/Education Centre (Durrants Lakes)	4	-	-	-	-	4
Town Centre Access Improvements	600	-	-	-	-	600
The Bury - Conversion into Museum and Gallery	(285)	320	0	0	0	35
The Bury - Residential Development	(110)	(110)	(2,230)	(640)	0	(3,090)
TOTAL - REPHASED AND AMENDED BIDS	(54)	1,850	(2,183)	(600)	455	(532)

DRAFT CAPITAL PROGRAMME BY OSC 2020/21 - 2024/25

Scheme		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
	<u>GENERAL FUND</u>					
	FINANCE & RESOURCES					
	Section 151 Officer (James Deane)					
1	Various commercial ventures (commercially sensitive)	500	18,900	25,150	6,000	-
		500	18,900	25,150	6,000	-
	Commercial Assets and Property Development (Richard Rice)					
2	Service Lease Domestic Properties	-	30	-	30	-
3	Old Town Hall - Cafe Roof and stonework renewal	60	-	-	-	-
4	Rossgate Shopping Centre - Structural Works	191	-	-	-	-
5	Long Chaulden Roof	55	-	-	-	-
6	Bennettsgate - Window Renewal	86	-	-	-	-
7	Commercial Assets - Shopping Centres	-	200	400	-	-
8	Apsley Industrial Estate Improvement Works	25	-	-	-	-
9	Bennettsgate Shopping Centre Render Improvement	-	-	-	15	-
10	Improvement Works to Market Stores	20	-	-	-	-
11	Bennetts End Community Centre Stairlift Replacement	18	-	-	-	-
12	Adeyfield Community Centre Structural Improvements	-	17	-	-	-
13	Gadebridge Park Roadway Improvements	-	-	70	-	-
14	Boiler Replacement Programme	185	140	15	22	-
15	Old Town Hall Seating Replacement	40	-	-	-	-
16	Stevenage Rise Road Resurface	33	-	-	-	-
17	Water Gardens North Car Park Drainage Improvements	-	35	-	-	-
18	Berkhamsted Civic Centre Staircase Renewal	23	-	-	-	-
19	Berkhamsted Civic Centre Improvements Works - Creation of new area	20	-	-	-	-
20	Berkhamsted Civic Centre Lift Renewal	-	20	-	-	-
21	Victoria Hall Tring lighting Upgrade Works	23	-	-	-	-
22	Footpath Improvements Kings Langley churchyard	15	-	-	-	-
23	Allotment Improvement Programme	40	40	40	-	-
24	Commercial Property Portfolio	70	-	-	-	-
25	Bellgate Roof Renewal	25	-	-	-	-
		929	482	525	67	-

DRAFT CAPITAL PROGRAMME BY OSC 2020/21 - 2024/25

Scheme		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
	FINANCE & RESOURCES					
	Procurement and Contracted Services (Ben Hosier)					
26	Car Park Refurbishment	653	60	-	-	-
27	Multi-functional devices refresh	-	90	-	-	-
28	Dacorum Athletics Track - Resurface Track	134	-	-	-	-
29	Hemel Hempstead Sports Centre - Astroturf renewal	70	-	-	-	-
30	Leisure works - Hemel Hempstead Sports Centre	670	-	-	-	-
		1,527	150	-	-	-
	Information, Communication and Technology (Ben Trueman)					
31	Rolling Programme - Hardware	75	75	75	75	75
32	Software Licences - Right of Use	50	50	50	50	50
33	Future vision of CRM	130	75	-	-	-
34	Replacement of Current Hardware Devices for Officers	-	-	-	450	-
		255	200	125	575	125
	TOTAL - FINANCE & RESOURCES	3,211	19,732	25,800	6,642	125

DRAFT CAPITAL PROGRAMME BY OSC 2020/21 - 2024/25

Scheme		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
STRATEGIC PLANNING & ENVIRONMENT						
Environmental Services (Craig Thorpe)						
35	New Wheeled Bins	10	10	10	10	10
36	Gadebridge Park - Renovation of White Bridge	370	-	-	-	-
37	Fleet Replacement Programme	2,149	3,471	1,710	365	100
38	Upgrade of Hand Arm Vibration Monitoring System	17	-	-	-	-
39	Resurfacing Works and Building Improvement to Depot	60	-	-	-	-
		2,606	3,481	1,720	375	110
Development Management and Planning (Sara Whelan)						
40	3D Modelling Software for Planning	60	-	-	-	-
41	Tablets for Planning	20	-	-	-	-
		80	-	-	-	-
Strategic Planning and Regeneration (Chris Taylor)						
42	Urban Park/Education Centre (Durrants Lakes)	134	-	-	-	-
43	Town Centre Access Improvements	600	-	-	-	-
44	The Bury - Conversion into Museum and Gallery	35	470	2,100	975	-
45		769	470	2,100	975	-
TOTAL - STRATEGIC PLANNING & ENVIRONMENT		3,455	3,951	3,820	375	110

DRAFT CAPITAL PROGRAMME BY OSC 2020/21 - 2024/25

Scheme		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
	HOUSING & COMMUNITY					
	People and Performance (Matthew Rawdon)					
45	Verge Hardening Programme	450	350	350	350	350
46	Adventure Playgrounds Improvement programme	-	1,500	-	-	-
47	Capital Grants - Community Groups	20	20	20	20	20
		470	1,870	370	370	370
	Procurement and Contracted Services (Ben Hosier)					
48	Rolling Programme - CCTV Cameras	25	25	25	25	25
49	Alarm Receiving Centre	34	-	-	-	-
50	CCTV equipment refresh	110	110	110	110	455
		169	135	135	135	480
	Strategic Housing (David Barrett)					
51	Northend and Westerdale (Garage Development)	493	-	-	-	-
52	Affordable Housing Development Fund (fully funded from 141 Capital Receipts)	2,691	829	311	-	-
		3,184	829	311	-	-
	Strategic Housing (Natasha Beresford)					
53	Temporary Accommodation - creation of new units	50	55	-	-	-
54	Upgrade to Civica Abritas system (Housing Options)	66	-	-	-	-
		116	55	-	-	-
	Property & Place (Alan Mortimer)					
55	Disabled Facilities Grants	741	741	741	741	741
		741	741	741	741	741
	TOTAL - HOUSING & COMMUNITY	4,680	3,630	1,557	1,246	1,591
	TOTAL - GENERAL FUND	11,346	27,313	31,177	9,238	1,826

DRAFT CAPITAL PROGRAMME BY OSC 2020/21 - 2024/25

Scheme		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
	HOUSING REVENUE ACCOUNT					
	Property & Place (Alan Mortimer)					
56	Planned Fixed Expenditure	17,225	17,023	17,066	17,100	15,068
57	DBC Commissioned Capital Works	1,366	750	985	750	750
58	Special Projects	854	-	-	-	-
		19,445	17,773	18,051	17,850	15,818
	Strategic Housing (David Barrett)					
59	New Build - General Expenditure	5,320	22,900	30,450	30,650	18,432
60	Martindale	3,803	-	-	-	-
61	Stationers Place / Magenta Court	1,130	-	-	-	-
		10,253	22,900	30,450	30,650	18,432
	TOTAL - HOUSING REVENUE ACCOUNT	29,698	40,673	48,501	48,500	34,250
	TOTAL CAPITAL PROGRAMME	41,043	67,986	79,678	57,738	36,076

DRAFT CAPITAL PROGRAMME BY OSC 2020/21 - 2024/25

		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	24/25 £'000
	CAPITAL FINANCING					
	GENERAL FUND					
	Capital Receipts and Reserves	7,020	25,050	15,500	5,000	-
	141 Capital Receipts	2,839	829	311	-	-
	Grants and Contributions	1,136	953	741	741	741
	Revenue Contributions to Capital	350	350	350	350	-
	Borrowing	0	131	14,275	3,147	1,085
	TOTAL - GENERAL FUND	11,346	27,313	31,177	9,238	1,826
	HOUSING REVENUE ACCOUNT					
	Capital Receipts and Reserves	19,334	13,830	15,601	15,655	14,985
	141 Capital Receipts	2,456	6,033	1,687	2,174	2,358
	Grants and Contributions (S106)	-	-	-	-	-
	Revenue Contributions to Capital	6,290	6,872	-	-	-
	Borrowing	1,617	13,938	31,213	30,670	16,908
	TOTAL - HOUSING REVENUE ACCOUNT	29,698	40,673	48,501	48,500	34,250
	TOTAL - CAPITAL FINANCING	41,043	67,986	79,678	57,738	36,076

General Fund Reserves Summary	Balance as at 31/03/2020 £'000	Net Reserve Movement 2020/21 £'000	Balance as at 31/03/2021 £'000	Net Reserve Movement 2021/22 £'000	Balance as at 31/03/2022 £'000	Net Reserve Movement 2022/23 £'000	Balance as at 31/03/2023 £'000	Net Reserve Movement 2023/24 £'000	Balance as at 31/03/2024 £'000
Civic Buildings Major Repairs Reserve	200		200		200		200		200
Capital Development Reserve	300		300		300		300		300
Earmarked Grants Reserve	34		34		34		34		34
Management of Change Reserve	1,056	32	1,088	156	1,244	350	1,594	350	1,944
Technology Reserve	256	500	756		756		756		756
Savings Efficiencies Reserve	921	(459)	462	831	1,293	130	1,423	174	1,597
On Street Car Parking Reserve	146	(5)	141		141		141		141
Local Development Framework Reserve	673	208	881		881		881		881
Dacorum Development Reserve	3,170	2,164	5,334	808	6,142	544	6,686		6,686
Climate Change and Sustainability Reserve	0	300	300		300		300		300
Planning Enforcement & Appeals Reserve	54		54		54		54		54
Litigation Reserve	317		317		317		317		317
Vehicle Replacement Reserve	0		0		0		0		0
Invest to Save Reserve	194	94	288	(20)	268	(20)	248	(20)	228
Youth Provision Reserve	44		44		44		44		44
Election Reserve	0	40	40	40	80	40	120	40	160
Uninsured Loss Reserve	500		500		500		500		500
Training & Development Reserve	0	400	400		400		400		400
Housing Conditions Survey Reserve	46	15	61	15	76	15	91	15	106
Dacorum Rent Aid - Guarantee Scheme	15		15		15		15		15
Rent Guarantee Scheme Reserve	15		15		15		15		15
Funding Equalisation Reserve	4,613	(1,000)	3,613		3,613		3,613		3,613
Pensions Reserve	2,173	(2,173)	0	1,017	1,017	1,762	2,779	289	3,068
Maylands Plus Reserve	69	23	92	23	115	23	138	23	161
Total Earmarked Reserves	14,796	139	14,935	2,870	17,805	2,844	20,649	871	21,520
Working Balance	2,503		2,503		2,503		2,503		2,503
Total General Fund Reserves	17,299	139	17,438	2,870	20,308	2,844	23,152	871	24,023



Dacorum Borough Council

Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement and Annual
Investment Strategy

2020/21

1. Introduction

1.1 Background

The Council is required to operate a balanced budget, which broadly means cash raised during the year will meet cash expenditure. A primary function of the Treasury Management service is to ensure cash flow is adequately planned, with cash being available when 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 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 the Council can meet its capital spending obligations. Longer term cash management may involve arranging long or short term loans, or using longer term cash flow surpluses, or restructuring debt to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity and hence the councils ability to meet spending commitments as they fall due, either on day-to-day revenue or in the medium term 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.

1.2 Clauses to be formally adopted

- a) Dacorum Borough Council will create and maintain the following for effective treasury management:
 - a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
 - Suitable treasury management principles and practices (TMPPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- b) Full Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, a mid-year review and an annual report after its close.

Responsibility is delegated to the Section 151 Officer for the implementation and regular monitoring of its treasury management policies and practices, and for the execution and administration of treasury management decisions. They will act in accordance with the policy statement and TMPPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

- c) This organisation nominates Cabinet to be responsible for ensuring effective scrutiny of the treasury management strategy, policies and monitoring before recommendation to Full Council.

1.3 Treasury Management Policy Statement

The Council defines its treasury management activities as:

The management of the organisation's borrowing, investments, cash flows, 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 Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

The Council acknowledges that effective treasury management will provide support towards the achievement of the Council's business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

1.4 Reporting requirements

Capital Strategy

The CIPFA revised 2017 Prudential and Treasury Management Codes requires all local authorities to prepare a capital 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

Treasury Management reporting

The Council is currently required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

Treasury Management Strategy Statement (this report) - The first, and most important report, 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).

A mid- year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury strategy is meeting the strategy or whether any policies require revision.

An annual treasury report – This 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. The Cabinet undertakes this role.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

1.5 Training

The CIPFA Code requires the responsible officer to ensure Councillors with responsibility for treasury management receive adequate training. The training needs of treasury management officers are periodically reviewed.

1.6 Treasury management consultants

The Council uses Link Asset Services as its external treasury management advisors. The Council recognises the value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Council will ensure the terms of their appointment and methods by which their value are assessed are properly agreed and documented, and subject to regular review.

The Council recognises responsibility for treasury management decisions remains with the organisation at all times and will ensure undue reliance is not placed upon our external service providers.

2. The Capital Prudential Indicators 2020/21 – 2022/23

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plan is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital expenditure

The first prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. The table below summarises the capital expenditure plans and financing. Any shortfall of resources results in a borrowing need. Members are asked to approve the capital expenditure forecast:

Capital expenditure	2018/19 Actual £m	2019/20 Q3 Forecast £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Non-HRA	15.348	19.072	11.346	27.313	31.177
HRA	24.725	37.987	29.698	40.673	48.501
Total	40.073	57.059	41.043	67.986	79.678
Financed by:					
Capital grants & S106	2.792	2.417	1.136	0.953	0.741
Capital receipts & reserves	28.407	45.598	31.649	45.742	33.099
Revenue contribution to Capital	8.773	5.830	6.205	7.222	0.350
Borrowing	0.1	3.214	2.052	14.069	45.488
Net financing need for the year	40.072	57.059	41.043	67.986	79.678

The financing need excludes other long-term liabilities, such as leasing arrangements. Capital Expenditure excludes loans to other bodies for Capital purposes.

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 the total capital expenditure which has not yet been paid for from either revenue or capital resources. It is a measure of the Council's underlying borrowing need. Capital expenditure, which is not immediately paid for, increases the CFR.

The CFR includes long term liabilities like finance leases. Whilst these increase the CFR, and therefore the Council's borrowing requirement, they include a borrowing facility so the Council is not required to separately borrow. The Council currently has £0.188m of finance leases within the CFR. During 2020/21 the CFR is expected to increase due to a change in accounting treatment for the leases- this will not increase external debt.

The Council is asked to approve the CFR projections below:

	2018/19 Actual £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Capital Financing Requirement					
CFR – non housing	8.665	11.633	18.306	18.110	32.055
CFR – housing	344.104	340.518	337.980	348.438	378.281
Total CFR	352.769	352.151	356.286	366.548	410.336
Movement in CFR		(0.618)	4.135	10.262	43.788

Movement in CFR is represented by					
Net financing need for the year the Capital Programme		3.214	2.052	14.069	45.488
Net financing need for the year-Loans for Capital Purposes		(0.010)	5.990	(0.010)	(0.010)
Accounting changes in lease treatments		0.000	1.000	0.000	0.000
Minimum Revenue Provision & HRA Debt Repayment		(3.822)	(4.907)	(3.797)	(1.690)
Movement in CFR		(0.618)	4.135	10.262	43.788

2.3 Minimum revenue provision (MRP) policy statement

The Council is required to pay off an element of the Capital Financing Requirement through a charge to revenue known as the minimum revenue provision (MRP). Additional voluntary payments (voluntary revenue provision - VRP) are allowed.

MHCLG regulations require the full Council to approve an MRP Statement in advance of each year. A variety of options for calculating MRP are allowed so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

The MRP policy will be:

Asset life method – MRP will be based on the estimated life of the assets, in accordance with the regulations;

This option provides for a reduction in the borrowing need over approximately the asset's life.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made.

Repayments included in finance leases are applied as MRP.

MRP Overpayments/Voluntary Revenue Provisions - MHCLG MRP Guidance allows that any charges made over the statutory minimum revenue provision (MRP), can be reclaimed in later years if deemed necessary or prudent. In order for MRP to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made. Up until the 31 March 2020, the total VRP overpayments were £0.481m.

The Council has and may provide loans to Parish Councils and other public sector bodies for capital purposes. The Capital Financing Requirement (CFR) will increase by the principal amount of the loan. The loan will be repaid in full and may include interest. The repayment of principal is classed as a capital receipt, and the CFR will reduce accordingly. As this is, a temporary arrangement and the funds will be returned in full, there is no need to set aside prudent provision to repay the debt liability in the interim period, so there is no MRP charge.

2.4 Core funds and expected investment balances

The use of funds to finance capital expenditure or 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 and anticipated day to day cash flow balances.

Year Resources	End	2018/19 Actual £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Fund balances / reserves		43.290	39.787	40.5	48.815	56.659
Capital receipts		24.334	9.250	27.375	0.500	0
Provisions		5.231	5	5	5	5
Other		0	0	0	0	0
Total core funds		72.855	54.037	72.875	54.315	61.659
Working capital			5	5	5	5
(Under)/over borrowing			6.478	-1.596	-15.680	-15.686
Expected investments			65.516	76.279	43.634	50.973

2.5 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:

2.6 Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long-term costs net of investment income) against the net revenue stream.

	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
General Fund	1.21%	1.23%	1.38%	1.36%	1.42%
HRA	20.11%	19.82%	19.60%	18.95%	20.39%

2.7 HRA ratios

	2018/19 Actual	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
HRA debt £m	344.10	340.52	335.93	332.45	362.29
HRA revenues £m	56.009	57.484	57.102	58.798	60.932
Ratio of debt to revenues %	614%	592%	588%	565%	595%
Number of HRA dwellings	10,145	10,144	10,156	10,158	10,266
Debt per dwelling £	33,919	33,568	33,077	32,728	35,290

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 the Council's cash is organised in accordance with the relevant professional codes, so sufficient cash is available to meet this service activity and the Councils 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 Current portfolio position

The overall treasury management portfolio as at 31 March 2019 and for the position as at 31 December 2019 are shown below for both borrowing and investments.

	TREASURY PORTFOLIO			
	Actual 31.3.19	Actual 31.3.19	Current 31.12.19	Current 31.12.19
Treasury investments	£000	%	£000	%
Banks	46,598	51%	45,599	45%
Building societies - rated	22,500	24%	24,500	24%
Local authorities	12,000	13%	15,500	15%
DMADF (H.M.Treasury)	0	0%	4,500	4%
money market funds	11,000	12%	11,000	11%
Total managed in house	92,098	100%	101,099	100%
Total managed externally	0	0%	0	0%
Total treasury investments	92,098	100%	101,099	100%
Treasury external borrowing				
PWLB	362,745	100%	362,383	100%
Total external borrowing	362,745	100%	362,383	100%
Net treasury investments / (borrowing)	-270,647	0	-261,284	0

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

There are a number of key indicators to ensure the Council operates its activities within well-defined limits. One is that the Council needs to ensure 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 2020/21 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures borrowing is not undertaken for revenue purposes or to generate a profit. The Council complies with this indicator.

	2018/19 Actual £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
External Debt					
Debt at 1 April	365.187	362.747	358.441	353.502	349.680
Expected change in Debt	(2.440)	(4.306)	(4.939)	(3.822)	43.783
Other long-term liabilities	0.188	0.188	1.188	1.188	1.188
Actual gross debt at 31 March	362.935	358.629	354.690	350.868	394.650
The Capital Financing Requirement	352.769	352.151	356.286	366.548	410.336
Under / (over) borrowing*	(10.166)	(6.478)	1.596	15.680	15.686

3.2 Treasury Indicators: Limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed.

- a) **The authorised limit for external debt.** This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by full Council. It reflects the level of external debt, which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

Operational boundary	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Debt	362.747	358.441	353.502	395.168
Other long term liabilities	0.188	1.188	1.188	1.188
Total	362.935	359.629	354.690	396.356

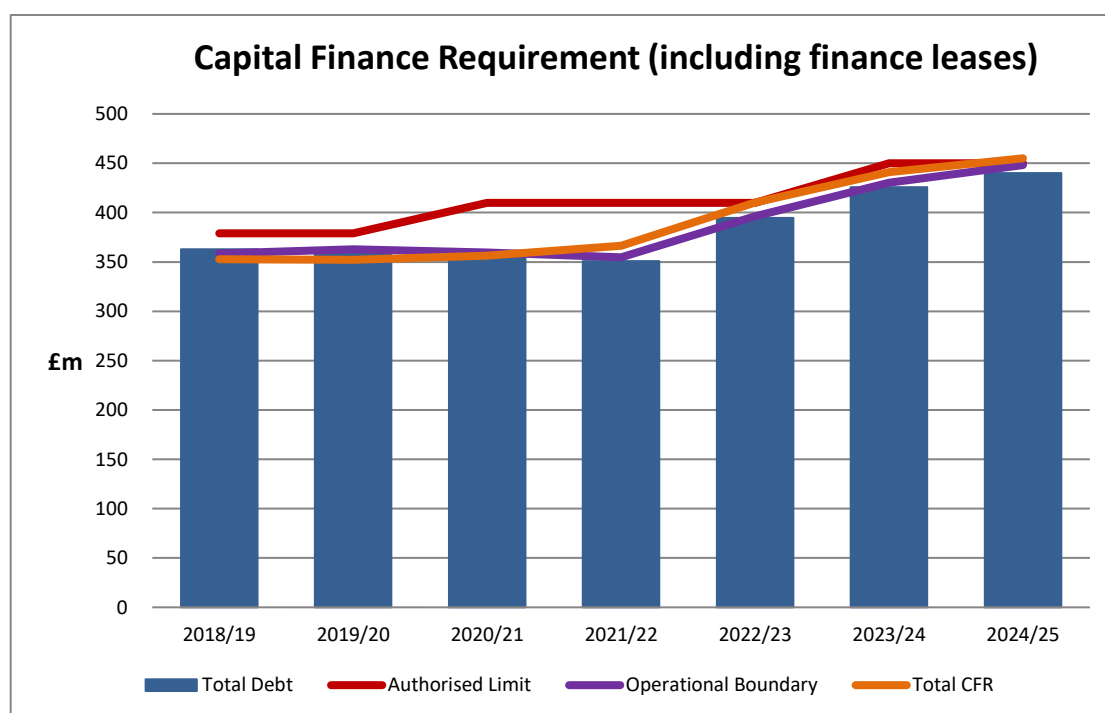
Under section 3 (1) of the Local Government Act 2003, the Government can control the total of all councils' plans or those of a specific council.

- b) The Council is asked to approve the following authorised limit:

Authorised limit	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Debt	378	400	400	400
Other long term liabilities	1	10	10	10
Total	379	410	410	410

The graph below shows projections of CFR and borrowing:

CAPITAL FINANCING REQUIREMENT including PFI and finance leases							
	Actual	Est	Est	Est	Est	Est	Est
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	£m	£m	£m	£m	£m	£m	£m
HRA CFR	344.1	340.5	338.0	348.4	378.3	406.6	420.2
GF CFR	8.7	11.6	18.3	18.1	32.1	34.5	34.8
Total CFR	352.8	352.2	356.3	366.5	410.3	441.2	455.0
External Borrowing	362.7	358.4	353.5	349.7	393.5	424.6	439.0
Other long term liabilities	0.188	0.188	1.188	1.188	1.188	1.188	1.188
Total Debt	362.9	358.6	354.7	350.9	394.7	425.8	440.2
Authorised Limit	379	379	410	410	410	450	450
Operational Boundary	358.6	362.9	359.6	354.7	396.4	430.2	448.2



3.3 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:

Maturity structure of fixed interest rate borrowing 2020/21		
	Lower	Upper
Under 12 months	0%	2.0%
12 months to 2 years	0%	2.0%
2 years to 5 years	0%	3.0%
5 years to 10 years	2%	10.0%
10 years and above	5%	90.0%
Maturity structure of variable interest rate borrowing 2020/21		
	Lower	Upper
Under 12 months	0%	1%
12 months to 2 years	0%	2%
2 years to 5 years	0%	2%
5 years to 10 years	0%	0%
10 years and above	0%	0%

3.4 Borrowing strategy

The Council is currently in a slightly over-borrowed position. This means the external debt is greater than the capital financing requirement. This is as a result of reduced capital expenditure and receipt of additional capital receipts in comparison to previous projections. The council is projected to be in an under borrowing position in 20/21 as shown in the second table in section 3.1.

The Corporate Director (Finance & Operations) will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances, specifically in relation to refinancing, delaying capital expenditure and taking on new borrowings. Any decisions will be reported to the appropriate decision making body at the next available opportunity.

3.5 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 value for money and that the Council can ensure the security of such funds.

The Council would not look to borrow more than 36 months in advance of need. Risks associated with any borrowing in advance will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.6 Prospects for Interest Rates

The Councils Treasury Advisors provided the following as their view for interest rates. The Bank Rate is that Bank of England base rate of interest.

Link Asset Services Interest Rate View														
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.30	2.40	2.40	2.50	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.10	3.20	3.20
10yr PWLB Rate	2.60	2.70	2.70	2.70	2.80	2.90	3.00	3.10	3.20	3.20	3.30	3.30	3.40	3.50
25yr PWLB Rate	3.20	3.30	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10
50yr PWLB Rate	3.10	3.20	3.30	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90	4.00	4.00

The above forecasts assume there is an agreed deal on Brexit, including agreement on the terms of trade between the UK and EU, at some point in time.

The Monetary Policy Committee (MPC) left Bank Rate unchanged at 0.75% in 2019.

3.7 Investment and borrowing rates

- Investment returns are likely to remain relatively low during 2020/21 with little increase in the following two years.
- Borrowing interest rates were on a major falling trend during the first half of 2019-20. There was an unexpected increase of 100 bps (1%) in PWLB borrowing rates in October 2019.

3.8 Debt rescheduling

The rescheduling of current borrowing in the Council's debt portfolio is unlikely to occur. The October 2019 increase in PWLB borrowing rates only applied to new borrowing rates and not to existing debt repayment rates.

If any rescheduling and or early repayment of existing debt is considered to be prudent, this will be reported to Cabinet at the earliest meeting following the completion of the repayment.

3.9 Municipal Bond Agency

It is possible the Municipal Bond Agency will be offering loans to local authorities in the future at borrowing rates lower than the Public Works Loan Board (PWLB). This Authority may make use of this new source of borrowing as and when appropriate.

4. Annual Investment Strategy

4.1 Investment policy

The Council's investment policy has regard to the following: -

MHCLG's Guidance on Local Government Investments ("the Guidance")

CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")

CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, liquidity second and then yield.

The above guidance from the MHCLG and CIPFA place 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: -

- Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of a concentrated risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- 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 Treasury advisors Link Asset Services to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
- Other information sources used will include the financial press and share prices in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- Dacorum Borough Council has defined the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in Appendix 1 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.
 - **Non-specified investments** are those with a high credit quality but lower than specified investments, 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. Once an investment is classed as non-specified, it remains non-specified all the way through to maturity i.e. an 18 month deposit would still be non-specified even if it has only 11 months left until maturity.

- Non-specified investments limit. The Council has determined that it will limit the maximum total exposure to non-specified investments as being 20% of the total investment portfolio, (see paragraph 4.3).
- Lending limits, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
- Transaction limits are set for each type of investment in Appendix 1.
- The Council will set a limit for the amount of its investments which are invested for longer than 365 days, (see paragraph 4.3).
- Investments will only be placed with counterparties from countries with a specified minimum sovereign rating, (see paragraph 4.2).
- The Council has engaged external consultants, (see paragraph 1.7), 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.
 - All investments will be denominated in sterling.
 - As a result of the change in accounting standards for 2019/20 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. (MHCLG allowed a statutory temporary override to delay implementation of IFRS 9 for five years commencing from April 2018 to allow English local authorities time to adjust their portfolio of all pooled investments. There is no currently no impact for the Council).

However, the Council 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 4.4). Regular monitoring of investment performance will be carried out during the year.

4.2 Creditworthiness policy

Dacorum uses the creditworthiness service provided by Link Asset Services. This service employs a modelling approach using credit ratings from the three main credit rating agencies.

The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- Credit Default Swaps spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit Watches and credit Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- Yellow 5 years
- Purple 2 years
- Blue 1 year (Nationalised or semi nationalised UK Banks only)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

The Link Asset Services' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalent) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of Link's creditworthiness service. If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.

In addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition the Council will use market data and market information, information on any external support for banks to help support its decision making process.

4.3 Country 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. The Section 151 Officer will determine approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch (or equivalent) as appropriate, with durations following the same colour coded criteria, as set out in 4.2. Officers will remove counterparties from this list should ratings change in accordance with this policy. Counterparties will only be added with approval from the Section 151 Officer.

4.4 Local Authority Counterparties

In light of some Local Authorities issuing s114 notices (issued by an authority's s151 office is of the view that expenditure of the authority is likely to exceed the resources available to meet that expenditure), the Council has taken advice in respect to Local Authority counterparties. This states that local authorities continue to represent a low risk investment. The Council will continue to include Local Authority counterparties in its list of potential investment counterparties.

4.5 Transactional Limits

There may be occasions that the council is in receipt of large income transactions from land and property sales etc. In instances such as these, every effort is made to ensure the council remains within the counterparty limits as set by the Treasury Management Strategy. Due to the nature of these types of transactions, a provision of 'one working day' is given in order to allow for any surplus funds to be redistributed from the Councils bank to available counterparties as per the creditworthiness policy in 4.2.

4.6 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).

Investment returns expectations: the Bank Rate is forecast to increase only slowly over the next few years to reach 1.00% by quarter 1 2023. Bank Rate forecasts for financial year ends (March) are:

- Q1 2021 0.75%
- Q1 2022 1.00%
- Q1 2023 1.00%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year are as follows:

	Now
2019/20	1.00%
2020/21	1.50%
2021/22	1.75%
2022/23	1.75%
2023/24	2.00%
Later years	2.50%

- The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening global economic picture.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.
- In the event that a Brexit deal is agreed with the EU and approved by Parliament, the balance of risks to economic growth and to increases in Bank Rate is likely to change to the upside.

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:

Upper limit for principal sums invested for longer than 365 days			
£m	2020/21	2021/22	2022/23
Principal sums invested for longer than 365 days	20% of portfolio	20% of portfolio	20% of portfolio

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 compounding of interest.

4.7 Investment risk benchmarking

These benchmarks are simple guides to minimise 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 position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported to Cabinet, with supporting reasons in the mid-year and annual report.

Security - The Council's maximum security risk benchmark for the current portfolio, when compared to historic default tables is 0.06%.

Liquidity – in respect of this area the Council seeks to maintain:

- Maximum bank overdraft - £0.25m
- Liquid deposits of at least £5m available with a week's notice.
- Weighted average life benchmark is expected to be around 100 days

Yield - local measures of yield benchmarks for investments is to achieve internal returns above the 7 day LIBID rate.

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

4.8 External fund managers

The Council does not currently use fund managers. If deemed appropriate in the future, the decision go through Cabinet for recommendation to Full Council.

4.9 Non- Treasury Investments

The Council recognises investment in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful management. Such activity may include loans to support service outcomes, investment in subsidiaries and investment property portfolios and is covered by the Council's normal approvals processes for revenue and capital expenditure.

The Council's portfolio of investment properties are managed as part of the Council's asset management strategy

Appendix 1: Credit and Counterparty Risk Management

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.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Specified Investments: All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high' quality criteria where applicable.

	* Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility	--	In-house and Fund Managers
Term deposits – UK Government (including other local authorities)	--	In-house and Fund Managers
Term deposits – banks and building societies	See 4.2	In-house and Fund Managers
Term deposits – housing associations	--	In-house and Fund Managers
UK Government Gilts	UK sovereign rating	In-house and Fund Managers
Money Market Funds (CNAV)	AAA	In-house and Fund Managers
Money Market Funds (LVNAV)	AAA	In-house and Fund Managers
Money Market Funds (VNAV)	AAA	In-house and Fund Managers
UK Government Treasury bills	UK sovereign rating	In-house and Fund Managers

Term deposits with nationalised banks and banks and building societies

	*Minimum Credit Criteria	Use	*** Max % of total investments	Max. maturity period
UK part nationalised banks	See Link's Creditworthy list	In-house and Fund Managers	12.5M per institution	12 months

Non-specified Investments: These are any investments which do not meet the specified investment criteria. A maximum of the lower of 30% of the portfolio, or £20m will be held in aggregate in non-specified investment.

	* Minimum Credit Criteria	Use	Max. maturity period
Term deposits – UK Government and Other Local Authorities	--	In-house and Fund Managers	5 years
Term deposits – housing associations	--	In-House and Fund Managers	5 years
Term deposits – banks and building societies	See 4.2	In-house and Fund Managers	5 years
Certificates of deposit issued by banks and building societies	See 4.2	In-house and Fund Managers	5 years
Fixed term deposits with variable rate and variable maturities -Structured deposits -Callable deposits -Callable range trade accounts	See 4.2	In-house and Fund Managers	5 years
Gilt Funds and Bond Funds	See 4.2	In-house and Fund Managers	5 years
UK Government gilts			5
Bonds issued by multilateral development banks	AAA	In-house and Fund Managers	5 years
Corporate Bonds	See 4.2	In-house and Fund Managers	5 years

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions. To ensure 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 2- Treasury Management Principle 1: Risk Management (Extract from Treasury Management Principles and Practices)

Treasury Management Practice 1: Risk Management

The responsible officer will, in accordance with the procedures set out in TMP6 Reporting Requirements and Management Information Arrangements:

- *Design, implement and monitor all arrangements for the identification, management and control of treasury management risk;*
- *Report at least annually on the adequacy/suitability thereof;*
- *Report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect;*

In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in this document.

1. Liquidity Risk Management

Dacorum Borough Council (DBC) will ensure it has adequate, though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available which are necessary for the achievement of its business/service objectives.

DBC will only borrow in advance of need where there is a clear business case for doing so, and will only do so for the current capital programme or to finance future debt maturities.

Liquidity risk is the risk cash will not be available when required. This can jeopardise the ability of the Council to carry out its functions, or disrupt those functions being carried out in the most cost-effective manner. The Council will ensure its cash flow forecasting gives as accurate a picture as possible of income and expenditure, and the resulting daily cash balances.

Amounts of Approved Minimum Cash Balances and Short-term Investments

The Treasury Management team shall seek to minimise the balance held in the Council's main bank accounts at the close of each working day, to minimise credit interest foregone and overdraft interest payable. Borrowing and lending shall be arranged, in conjunction with 'auto-sweeping' of balances, to achieve this aim.

Investment of Short-Term Funds

Each morning the Bank's forecast figures for the day are aggregated with any other anticipated cash flows (e.g. cash courier receipts, RTB funds flows income) to produce a consolidated forecast balance for the end of the day. Any short-term credit balance will be either:

- Transferred in to the Council's Call Account with its bankers NatWest plc (RBS);
or

- Placed in a Business Reserve Account with selected approved counterparties who offer this facility;
- Placed into a Money Market Fund.

All funds lodged in these ways are instantly available if required.

The Council receives interest if its consolidated balance on any particular night shows a credit balance.

Bank Overdraft Arrangements

A £0.25m net overdraft facility is available with the Council's bankers. Overdraft charges are only applicable if the Council's consolidated balance on any particular night is overdrawn, and charged in line with the Bank Contract.

Short-Term Borrowing Facilities

Short-term borrowing is very rarely required. If undertaken, this is done through brokers on the London Money Market, or Public Works Loan Board. Approved borrowing limits are set out in the Treasury Management Strategy Statement.

Insurance/Guarantee Facilities

There are no specific insurance or guarantee facilities as the above arrangements are regarded as adequate to cover all unforeseen occurrences.

2. Interest Rate Risk Management

DBC will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements, as described in TMP6 Reporting Requirements and Management Information Arrangements.

The Council will achieve this objective by the prudent use of its approved financing and investment instruments, methods and techniques. This will be done primarily to create stability and certainty of costs and revenues, whilst at the same time retaining a sufficient degree of flexibility to take advantage of unexpected (potentially advantageous) changes in the level or structure of interest rates. The above is subject at all times to the consideration and, if required, approval of any policy or budgetary implications.

Interest rate risk is the risk unexpected changes in interest rates expose the Council to greater costs or a shortfall in income than budgeted. The Council will seek to minimise this risk by seeking expert advice on forecasts of interest rates from treasury management consultants and discussing with them its strategy for the coming year for the investments and debt portfolios. It will also determine appropriate limits and trigger points as set out below.

The limits and strategy are set out in the annual Treasury Management Strategy Statement including details on the approved interest rate exposure limit, trigger points and guidelines for managing changes to interest rate levels and minimum/maximum proportions of variable/fixed rate debt and interest. The strategy is produced before the start of each financial year and will be periodically reviewed during the year to see whether any modifications are required in the light of actual movements in interest rates.

Forward Dealing

Consideration will be given to dealing on forward periods dependent upon market conditions. Investments may be agreed weeks or months in advance if market conditions suggest this course of action is appropriate. Any forward deals, whose maturity date is over one year hence at the time the investment is agreed, will only be undertaken with the approval of the Section 151 Officer. Occasionally investments are agreed a few days in advance for administrative convenience (e.g. due to annual leave etc).

Callable Deposits

The Council will use callable deposits. The credit criteria and maximum periods are set out in the Schedule of Specified and Non-Specified Investments included within the Treasury Management Strategy Statement.

3. Exchange Rate Risk Management

Dacorum Borough Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

Exchange rate risk is the risk unexpected changes in exchange rates expose the Council to greater costs or a shortfall in income than budgeted. The Council has a minimal exposure to exchange rate risk as it has no powers to enter into loans or investments in foreign currency for treasury management purposes. It will seek to minimise what risk it does have by using the policies below.

Approved Criteria for Managing Changes in Exchange Rate Levels

As a result of the nature of the Council's business, the Council may have an exposure to exchange rate risk from time to time. This will mainly arise from the receipt of income or the incurring of expenditure in a currency other than sterling.

The Council will adopt a full hedging strategy to control and add certainty to the sterling value of any foreign currency transactions above £10,000 in value (at the prevailing exchange rate). This will mean the Council will eliminate all material foreign exchange exposures as soon as they are identified.

Where there is a contractual obligation to receive income or make a payment in a currency other than sterling at a date in the future, forward foreign exchange transactions will be considered, with professional advice, to comply with this full

cover hedging policy for material foreign currency transactions. Unexpected receipt of foreign currency income will be converted to sterling at the earliest opportunity unless the Council has a contractual obligation to make a payment in the same currency at a date in the future. In this instance, the currency will be held on deposit to meet this expenditure commitment

4. Credit and Counterparty Risk Management

Dacorum Borough Council regards the primary objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, the Council will ensure its counterparty lists and limits reflect a prudent attitude towards counterparties with whom funds may be deposited. Furthermore, the Council will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved Instruments, Methods and Techniques and listed in the schedule to this document.

The Council also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

Credit and counterparty risk is the risk of failure by a third party to meet its contractual obligations under an investment, loan or other commitment, especially due to deterioration in its creditworthiness, which causes the Council an unexpected burden on its capital or revenue resources.

As a holder of public funds, the Council recognises its prime responsibility to always put first preserving the principal of the sums it invests. Consequently, it will optimise returns commensurate with the management of the associated risk.

Criteria to be used for Creating/Managing Approved Counterparty Lists/Limits

The Council places a strong reliance on its treasury adviser Link Asset Services to help manage credit and counterparty risk. Link has much greater market expertise and direct access to market knowledge than the Council. None the less, the Council recognises all advice provided by its treasury adviser is precisely that, and full responsibility for all counterparties used, and investments placed, rests entirely with the Council.

The three elements to managing credit and counterparty risk are:

- a) Determining ‘*Specified and ‘Non-Specified’ Investments*’ criteria;
- b) Determining ‘*Approved Lending Policy*’, which sets out minimum credit criteria, duration and monetary amount limits;
- c) Managing the *Approved Lending List* (or list of counterparties).

Specified and Non-Specified Investments

The Council will determine through its Treasury Management Strategy the credit criteria for various investment instruments in the ‘Specified’ and ‘Non-Specified’

Investments categories. Specified Investments are sterling investments of not more than one year maturity (or the ability to be repaid within one year), meeting the minimum 'high' rating criteria and require *'minimal procedural formalities'*. Non-specified investments are any other type of investment. The maximum amounts and maturity periods along with the overall limits are set out in the Treasury Management Strategy Statement.

Lending Policy

The Lending Policy is based on Link guidance. This uses different ratings combinations and allocates those meeting the minimum criteria a colour as set out in the Treasury Management Strategy Statement. The Council has allocated each of these colour bands a maximum duration and amount. Any changes to the Treasury Management Statement require approval of Full Council.

Money Market Funds

Money Market Funds will be used in line with the Council's Treasury Management Strategy. Funds used will be reviewed on at least an annual basis in March, unless market conditions, trends and external advice suggests reviews should be undertaken sooner.

Approved Lending List

The list of approved counterparties is derived from applying the limits in the Treasury Management Strategy to the weekly ratings list of deposit takers provided by Link. The list includes domestic and foreign banks, building societies, supranational institutions and multi-lateral development banks. It is supplemented by a ratings alert service for changes to the ratings of individual counterparties. If the Council uses external fund managers, they will adhere to the counterparty credit criteria and maximum individual limits set by the Council; however the fund managers may use a subset of the derived counterparty list.

The Regulatory and Financial Accounting Team is responsible for maintaining the Approved Lending List on the Council's Investment System and for ensuring any changes are communicated to the fund manager, where appropriate.

A full copy of the Council's approved counterparties, along with their individual amount and duration limits, will be included in the Treasury Management Annual Report.

5. Refinancing Risk Management

The Council will ensure its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the Council as can reasonably be achieved in the light of market conditions prevailing at the time.

The Council will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over-reliance on any one source of funding if this might jeopardise achievement of the above.

Refinancing risk is the risk when loans or other forms of capital financing mature, they cannot be refinanced where necessary on terms reflecting assumptions made in formulating the budget.

Debt / Other Capital Financing Maturity Profiling, Policies and Practices

The Council holds debt that arose from the Housing Self Financing in March 2012. This transaction was subject to detailed reports and approvals, and a specific audit. Debt has been acquired over a thirty year period as fixed term loans from the Public Works Loan Board (PWLB).

The Council acquired new borrowing in May 2015 to support General Fund Capital Expenditure. Borrowing activities and strategies and limits are identified within the Treasury Management Strategy Statement.

Projected Capital Investment Requirements

Regular updates are made to the Authority's revenue and capital budget projections. These projections identify the key capital items (both expenditure and income) forecast for forthcoming years, and this analysis is used to ensure the Council will have sufficient funds available in forthcoming years.

Capital expenditure and long-term liabilities definition will follow recommended accounting practice.

Policy Concerning Limits on Revenue Consequences of Capital Financing

The Council will consider all the resources currently available/estimated for the future together with the totality of its capital plans, revenue income and revenue forecasts for the forthcoming year and the two following years and the impact these will have on council tax and housing rent levels. It will take into account affordability in the longer term beyond this three year period. The Council will use the definitions in the Prudential Code for borrowing, capital expenditure, financing costs, investments, net borrowing, net revenue stream, and other long-term liabilities.

Whenever major capital projects are planned, a full examination is undertaken of the potential revenue impact. Issues considered include revenue costs/benefits resulting directly from the project, and the impact on revenue of interest receipts foregone as a consequence of undertaking the capital investment.

Capital Receipts Generated by the HRA

For each Right to Buy council house disposal, the Council must pay a proportion to Central Government. The Council retains the '1-4-1' receipt, which can be used to

fund 30% of new build expenditure within 3 years. Any unused '1-4-1' receipts are to be returned to Government.

The Council also has the ability to utilise 100% of its non- Right to Buy Housing receipts and a small proportion of right to buy council house sales relating to adjusted allowable debt and the local authority's share capital. Receipts under £10,000 are not subject to pooling.

6. Legal and Regulatory Risk Management

Dacorum Borough Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1[4] Credit and Counterparty Risk Management, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the Council, particularly with regard to duty of care and fees charged.

The Council also recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

Legal and regulatory risk is the risk either the Council or a third party it is dealing with in its treasury management activities, acts outside of its legal powers or regulatory requirements and as a result the Council incurs loss.

References to Relevant Statutes and Regulations

The treasury management activities of the Council shall comply fully with legal statute, guidance, Codes of Practice and the regulations of the Council. These are:

Legislation

Statutes

- Local Government Finance Act 1988 section 114 – duty on the responsible officer to issue a report if the Council is likely to get into a financially unviable position.
- Requirement to set a balanced budget - Local Government Finance Act 1992 section 32 for billing authorities and section 43 for major precepting authorities.
- Local Government Act 2003
- Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
- Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2004, 2006, 2007, 2008, 2009, 2010, 2012, 2013
- Local Authorities (Capital Finance) (Consequential, Transitional and Savings Provisions) Order 2004

- Local Government and Public Involvement in Health Act 2007 s238(2) – power to issue guidance; to be used re: MRP
- The Local Government Pension Fund Scheme (Management and Investment of Funds) Regulations 2009
- Localism Act 2011
- Accounts and Audit Regulations 2015
- Statutory Guidance on Investments 2018
- Statutory Guidance on MRP 2018

Guidance and codes of practice

- CIPFA's Treasury Management Codes of Practice and Guidance Notes 2017
- CIPFA Prudential Code for Capital Finance in Local Authorities revised 2017 & Guidance Notes 2018
- CIPFA Local Authority Capital Accounting - a reference manual for practitioners latest year Edition
- CIPFA Guide for Chief Financial Officers on Treasury Management in Local Authorities 1996
- CIPFA Standard of Professional Practice on Treasury Management 2002
- CIPFA Standard of Professional Practice on Continuous professional Development 2005
- CIPFA Standard of Professional Practice on Ethics 2006
- The Good Governance Standard for Public Services 2004
- LAAP Bulletins
- CIPFA Code of Practice on Local Authority Accounting in the United Kingdom
- PWLB circulars on Lending Policy
- The UK Money Markets Guide. Formally the Financial Conduct Authority's Code of Market Conduct

Dacorum Borough Council

- The Council's Standing Orders;
- The Council's Financial Regulations;
- The Council's Scheme of Delegation;
- The Council's Treasury Management Strategy;
- The Council's Treasury Management Practices – Principles & Practices;

Procedures for Evidencing the Council's Powers / Authorities to Counterparties

The Council's powers to borrow and invest are contained in legislation as follows:

Investing: Local Government Act 2003, section 12;

Borrowing: Local Government Act 2003, section 1;

Required Information from Counterparties Concerning their Powers / Authorities

Lending shall only be made to counterparties on the Council's Approved Lending List. This list has been compiled using advice from the Council's treasury advisers based upon credit ratings supplied by various credit agencies and the Council's own data.

Statement on the Council's Political Risks and Management of these Risks

The Chief Financial Officer shall take appropriate action with the Council, the Chief Executive and the Leader of the Council to respond to, and manage appropriately, political risks such as a change of the majority Group, in the Leader of the Council or a change of Government.

Monitoring Officer

The Monitoring officer is the Assistant Director Corporate and Contracted Services. The duty of this officer is to ensure treasury management activities of the Council are lawful.

Chief Financial Officer/ S151 Officer

The Chief Financial Officer and S151 Officer is the Corporate Director (Finance & Operations). The duty of this officer is to ensure financial affairs of the Council are conducted in a prudent manner and report to the Council if he/she has concerns as to the financial prudence of its actions or its expected financial position.

The Deputy S151 Officer is the Assistant Director (Finance & Resources), who can deputise fully for the S151 Officer.

7. Fraud, Error and Corruption, and Contingency Management

Dacorum Borough Council will ensure that it has identified any circumstances that may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

Fraud, error and corruption risk is the risk the Council may fail to employ adequate systems, procedures and other arrangements which identify and prevent losses through such occurrences. The Council will:

- a) Seek to ensure an adequate division of responsibilities and maintenance at all times of an adequate level of internal check which minimises such risks;
- b) Fully document all its treasury management activities so there can be no possible confusion as to what proper procedures are;

- c) Ensure staff will not be allowed to engage in treasury management activities until they have had proper training in procedures; and are then subject to an adequate and appropriate level of supervision
- d) Ensure records are maintained of all treasury management transactions, so there is a full audit trail and evidence of the appropriate checks being carried out.

Details of Systems and Procedures to be followed, Including Internet Services

Authority

The Council's Financial Regulations sets out the Council's delegation arrangements with regard to Treasury Management. These are summarised in *TMP5*.

Investment and Borrowing Transactions

Adequate and effective cash flow forecasting records are maintained on the Council's Investments system to support any decisions made to place investments.

A detailed register of all investments is maintained within the Council's Investments system. This system includes full details of counterparty limits, along with other information including investment amounts, value and maturity dates, interest rates, and gross interest receivable.

All transactions placed through brokers or via direct dealing are confirmed, showing details of the transaction. Written confirmation is received from both broker and borrower and checked against the dealer's records. Any discrepancies are immediately reported to the Team Leader Financial and Regulatory Accounting for resolution. The Council does not send any confirmations of its own.

Regularity and Security

All lending, for investment purposes, is only made to counterparties on the Council's Approved Lending List. This list provides individual authorisation limits for each counter party.

Investments are paid direct into the appropriate counterparty's bank account (as advised by the broker or counterparty as appropriate), and investments are repaid direct from the counterparty into the Council's General Account.

Counterparty limits are set for every institution that the Council invests with.

Brokers have been provided with a list of named Council officials who are authorised to place investments on the Council's behalf.

The Council's Bank holds a list of Council officials who are authorised signatories. The list of authorised bank account signatories has been agreed with the Council's

current bankers, and updates of this list are notified to the bank as appropriate when current authorised signatories leave, or new signatories join.

Notifications of amendments are only accepted by the bank if they are signed by an existing (non-departing) authorised signatory. The only member of the treasury management team that is an authorised signatory is the Team Leader Financial and Regulatory Accounting. There is a separation of duties in the section between the officer placing the deals and the officer checking counterparty confirmations. In addition, if an authorising officer were to create a payment transaction online, the transaction would still need the usual approval by one/two other authorising officers.

All investments are paid by CHAPS instruction through the online banking system. This is undertaken by two of the authorised bank account signatories and the officer agreeing an investment cannot be one of the signatories for that particular investment.

Checks

The Investment System balances are reconciled to the balance sheet ledger codes at the end of each month and at the financial year-end. The System includes comprehensive reconciliation checks back to the Council's banking system to ensure all investments transactions are correctly recorded and processed.

An investment income listing is produced every month and reported on the Council's performance system.

Emergency and Contingency Planning Arrangements

All computer files are backed up on the server to enable files to be accessed from remote sites.

The Council's Investment and banking systems are both internet based so can be accessed from any site or computer, subject to the user having the appropriate access and security information.

Insurance Cover Details

The Council has Crime insurance cover provided by Travelers Insurance Co Ltd. This policy covers loss resulting directly from any crime committed by any employee or any third party. The total limit of indemnity provided is £5,000,000, a policy excess of £25,000 for each and every claim applies.

The Council also has Officials Indemnity cover with Aspen Insurance UK Ltd. This provides cover in respect of the Council's legal liability to pay claimant's damages and costs for financial losses arising as a result of the negligent acts or accidental errors and omissions of Council employees, occurring in the course of their duties. The limit of indemnity is £5,000,000, a policy excess of £75,000 for each and every claim applies.

The Council has Business Interruption cover as part of its property insurance with Travelers Insurance Co Ltd. This covers additional costs of working and loss of revenue if an insured event occurs.

8. Market Risk Management

Dacorum Borough Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.

Market risk is the risk through adverse market fluctuations in the value of principal sums, the Council borrows and invests, its stated policies and objectives are compromised, against which it had failed to protect itself adequately. The Council does not currently have exposure to investments whose capital may fluctuate (gilts, Corporate Deposits), and will only undertake such activities on discussion with the S151 Officer and Portfolio Holder (Finance & Resources), and if the current Investment Strategy allows such investments.

Appendix 3: Treasury management roles and scheme of delegation

Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy;
- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;

Cabinet

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

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;
- approving the selection of external service providers and agreeing terms of appointment;

- approving the use of non-UK counterparties as appropriate;
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term time frame;
- ensuring the capital strategy is prudent, sustainable, affordable in the long term and provides value for money;
- ensuring due diligence has been carried out on all investments and is in accordance with the risk appetite of the authority.



Dacorum Borough Council

Capital Strategy

2020/21

1 Introduction

1.1 Requirements of a Capital Strategy

The 2017 update to the Prudential Code requires from 2019-20 all local authorities to produce a Capital Strategy. The purpose of the Capital Strategy is to tell a story that gives a clear and concise view of how the Council determines its priorities for capital investment, decides how much borrowing is affordable and its risk appetite and the governance arrangements in place to manage those risks.

The Capital Strategy is required to set out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to the risk, reward and impact on the achievement of outcomes.

The Capital Strategy should demonstrate that capital expenditure and investment decisions are in line with service objectives and properly take into account stewardship, value for money, prudence, sustainability and affordability.

The Capital Strategy should cover:

- Capital Expenditure
- Debt, Borrowing and Treasury Management
- Commercial Activity
- Other long-term Liabilities and Non-Treasury Investments and Debtors.
- Knowledge and Skills.

2 Capital Expenditure

2.1 Overview of the Asset Management Strategy

The Asset management strategy sets out how the Council intends to use its property portfolio to support the priorities identified in its Corporate Plan, and how it plans to improve the performance of its assets. The Council's Asset Management Strategy can be found here: <http://www.dacorum.gov.uk/docs/default-source/business/2016-asset-management-strategy-final-17-2-16.pdf?sfvrsn=0>.

The strategy also informs and supports the Council's Medium Term Financial Strategy and was approved by Cabinet in February 2016, and is due for review in 2020/2021. The Council has a significant and varied portfolio of assets, some of which provide an income stream, which is crucial to the funding/delivery of the overall Council objectives. The strategy provides a structure to asset governance and performance management which in turn helps improve Council's decision making and enhance income streams.

The strategy details the Council's focus on reducing its long-term asset maintenance costs through proactive maintenance scheduling and better cost recovery. This reduces the risk that under-investment will lead to a spike in maintenance costs or a loss of income should the assets no longer be deemed fit for purpose. Annual maintenance budgets are set as part of the Council's budget setting process.

The Council aims to act as a catalyst for regeneration and growth by maximising the use of its own assets and stimulating regeneration and growth. Regeneration and growth will potentially improve the Council's revenue streams as a result of increased business rate retention and council tax base growth. The Council weighs up the risk and benefits carefully where new projects potentially risk the loss of current income. Getting the balance right between future economic growth and the protection and enhancement of revenue income is a key issue for asset management planning.

The Asset Management Strategy includes the Council's disposals strategy. To ensure continuing efficient operation of the Council's assets, decisions on disposals of assets deemed surplus to requirements is recommended by the Property Management Board. This decision will then be referred to Corporate Management Team for review and confirmation and ultimately Members in line with Financial Regulations. Current assets under consideration for disposal at this time are investment sites and selected garages.

The Council's social housing stock is covered separately under the Housing Asset Management Strategy 2016-2020. The strategy outlines the Council's approach to managing demand and supply and the sustainability and condition of its 10,100 housing properties whilst delivering value for money. The strategy sets out plans to increase the stock to meet continuing need for quality, affordable homes in Dacorum. The Council's Housing Asset Management Strategy can be found here: <https://www.dacorum.gov.uk/docs/default-source/housing/asset-management-strategy-2016-2020.pdf?sfvrsn=8>. The Strategy will be updated during 2020/21.

2.2 The Council's policies on Capitalisation

The Council capitalises expenditure on property, plant, equipment and software, when it brings economic benefit or service potential to the Council for longer than 1 year and spend is greater than £10,000 per scheme. The Council does not capitalise borrowing costs incurred whilst assets are under construction. Further details of the Council's capitalisation policy can be found in the Council's Statement of Accounts, notes to the Core Financial Statements section: <http://www.dacorum.gov.uk/home/council-democracy/finance/annual-statement-of-accounts>.

2.3 Flexible Use of Capital Receipts

The Council has a Flexible Use of Capital Receipts Strategy. Qualifying expenditure for the flexible use of capital receipts is 'expenditure on any project

which is designed to generate ongoing revenue savings in the delivery of public services and/ or transform service delivery to reduce costs and/ or transform service delivery in a way that reduces costs or demands for services in future years for any of the public sector delivery partners.

2.4 Capital Programme approval process

As part of the annual Medium Term Financial Strategy review and budget setting process, Senior Officers are invited to submit new Capital bids using a business case template. The business case template outlines how the project will:

- Meet corporate priorities
- Revenue and Capital Requirements
- Proposed funding sources

The Council's corporate priorities for 2020-2025 are:

- A clean, safe and enjoyable environment
- Building strong vibrant communities
- Ensuring economic growth and prosperity
- Providing good quality affordable homes, in particular to those most in need
- Ensuring efficient, effective and modern service delivery.

All bids are signed off by the relevant Director and Portfolio Holder. The bids are then scrutinised by the Chief Officer Group to ensure they are affordable and support Corporate Priorities. The draft Capital Programme then goes through internal officer and member scrutiny prior to Overview and Scrutiny and Cabinet for further challenge and review. The Capital Programme then goes to full Council in February for approval.

2.5 The 2020/21-2024/25 Capital Programme

The 2020/21-2024/25 Capital Programme is summarised in the table below. The total Capital Programme for the next 5 years is £282.522m. For 2020/21, the Capital Programme is £41.043m of which £29.698m is to be spent on the Housing Revenue Account (HRA) Capital Schemes and £11.346m is to be spent on General Fund Capital Schemes. Further details of the Capital Programme can be found in Appendix I of Budget Report.

Capital expenditure	19/20	20/21	21/22	22/23	23/24	24/25	Total 20/21-24/25
	£m	£m	£m	£m	£m	£m	£m
General Fund	19.072	11.346	27.313	31.177	9.238	1.826	80.900
HRA	37.987	29.698	40.673	48.501	48.500	34.250	201.622
Total	57.059	41.043	67.986	79.678	57.738	36.076	282.522
Financed by:							
Capital grants & S106	2.417	1.136	0.953	0.741	0.741	0.741	4.312
Capital receipts & reserves	45.598	31.649	45.742	33.099	22.830	17.342	150.663
Revenue contribution to Capital	5.830	6.205	7.222	0.350	0.350	0.000	14.127
Borrowing-General Fund	3.214	0.000	0.131	14.275	3.147	1.085	18.638
Borrowing-HRA	0.000	2.052	13.938	31.213	30.670	16.908	94.781
Total	57.059	41.043	67.986	79.678	57.738	36.076	282.522

2.6 Long term view of capital expenditure plans

The Council publishes its capital programme covering a 5- year period, in line with its Medium Term Financial Strategy (MTFS). Its HRA Business Plan covers a 30 year period.

The focus for the Council over the medium term is the development of facilities for the local community, including its flagship project to develop Berkhamsted Leisure Centre. In the medium to longer term, the Council is committed to providing new homes in the Borough and has a programme of new build housing totalling just under £113m over the next 5 years.

The Council's capital expenditure programme supports the priorities identified in its Corporate Plan and delivery of the Council's services. As a government organisation governed by a political administration, the Council is subject to changes in government policy such as the implementation of mandatory 1% annual rent reductions and the removal of the HRA borrowing cap in 2018 and also changes in the political direction, including that arising from local elections held every four years. This has potential implications for the content and direction of the capital programme.

The Council is mindful of risks to the delivery and financial performance of the capital programme over the MTFS period. These include, but are not limited to:

- Inflationary changes
- Local and National political considerations
- Legislative changes
- Access to expertise

The Council projects the potential financial impact of these risks over the life of capital projects where it is possible to do so. Capital schemes are supported by relevant project boards and their financial performance is monitored on a quarterly basis.

2.7 Cost of Borrowing for Capital Expenditure

Under statute, the Council is required to make a charge to revenue in respect of prior year's expenditure on the General Fund which is funded from borrowing (internal or external) in order to repay the principal, this is known as the Minimum Revenue Provision (MRP). External borrowing also incurs interest costs. Based on the current capital programme the charge to the General Fund as per the Medium Term Financial Strategy is:

	20/21 £m	21/22 £m	22/23 £m	23/24 £m
General Fund	0.916	1.037	1.029	1.083

There is no requirement for the HRA to make a minimum revenue provision but the HRA is required to pay interest on the borrowing undertaken to fund the £354m Self Financing deal. In 2020/21 this is budgeted to be £11.586m.

2.8 Monitoring of Capital Expenditure

To mitigate the risk of overspends on Capital schemes or the Council undertaking borrowing when not required and incurring interest costs, the Council monitors Capital Expenditure against the approved budget during the financial year. The Budget Monitoring Report goes to the Corporate Management Team, then Overview and Scrutiny Committee and Cabinet on a quarterly basis. The report provides the latest forecast position and provides an explanation of reasons for slippage and underspends or pressures on each individual scheme. Cabinet is required to approve any requests for additional budget and to approve slippage of projects into future financial years.

To ensure the Council is achieving value for money when awarding tenders for Capital works, Officers must adhere to the Council's Commissioning and Procurement Standing Orders. This details the Council's procurement thresholds and can be found here: [http://www.dacorum.gov.uk/docs/default-source/Commissioning-Procurement/commissioning-and-procurement-standing-orders-\(pdf-1-469kb\).pdf?sfvrsn=0](http://www.dacorum.gov.uk/docs/default-source/Commissioning-Procurement/commissioning-and-procurement-standing-orders-(pdf-1-469kb).pdf?sfvrsn=0). Post project implementation reviews are also carried out, where appropriate, to ensure lessons learnt are taken into consideration for future relevant projects.

3 Debt, Borrowing and Treasury Management

3.1 Overview of Governance Process for Treasury Management

As per the Treasury Management Strategy, Full Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, a mid-year review and an annual report after its close, in the form prescribed in its Treasury Management Practices. Responsibility is delegated to the Section 151 Officer for the implementation and regular monitoring of its treasury management policies and practices, and for the execution and administration of treasury management decisions. Cabinet is responsible for ensuring effective scrutiny of the treasury management strategy, policies and monitoring before recommendation to Full Council.

3.2 Projection of External Debt and Internal Borrowing over the Long Term

The Treasury Management Strategy projects during 2020/21 the Council will need to utilise existing cash balances to fund £1.617m of Capital Expenditure. The Council forecasts total external debt of £354.690m at the end of 2020/21 and £394.650m at the end of 2022/23.

	2018/19 Actual £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
External Debt					
Debt at 1 April	365.187	362.747	358.441	353.502	349.680
Expected change in Debt	(2.440)	(4.306)	(4.939)	(3.822)	43.783
Other long-term liabilities	0.188	0.188	1.188	1.188	1.188
Actual gross debt at 31 March	362.935	358.629	354.690	350.868	394.650
The Capital Financing Requirement	352.769	352.151	356.286	366.548	410.336
Under / (over) borrowing*	(10.166)	(6.478)	1.596	15.680	15.686

3.3 Limits on overall borrowing

The Treasury Management Strategy sets out the following borrowing limits over the next 3 years:

Authorised limit	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Debt	378	400	400	400
Other long term liabilities	1	10	10	10
Total	379	410	410	410

3.4 Treasury Management Key Risks and Risk appetite

The Council's Treasury Management Strategy 2020/21 sets out in detail the authority's risk appetite around its treasury management activities. The Council adopts a prudent approach to the management of risk, with its investment priorities being first, security, liquidity second and then return.

The authority has adopted a prudent approach to managing risk and this is detailed in Treasury Management Strategy. This includes reducing the Council's exposure to large fixed rate sums falling due for refinancing at the same time by setting upper and lower limits for the maturity structure of borrowing.

3.5 Treasury Management Knowledge and Skills available to the Council

The Council uses Link Asset Services as its external treasury management advisors. The Council 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 ensures knowledge and skills are commensurate with the authority's risk appetite. Council officers regularly attend treasury management training provided by Link Asset Services.

4 Commercial Activity

4.1 Definition of Commercial Activity

Commercial Activity is the investment in assets including loans and property primarily for financial return which are not part of treasury management activity. Commercial Activity can also include service investments held clearly and explicitly for operational service purposes such as loans to other organisations for regeneration purposes. Commercial Activity within the Council currently includes the holding of investment properties in the commercial assets portfolio to generate rental income and in the future, DevCo.

4.2 Investment Properties

At the 31st March 2019, the Statement of Accounts showed the Council held £80.575m of Investment Properties. This was 6.3% of the Council's Long-Term Assets. Investment Properties include shops, industrial units, storage units, offices, filling stations and nurseries. Investment Properties in 2020/21 are forecast to generate gross income of £5.117m. The net income from Investment Properties is £3.757m, which helps contribute to a lower net expenditure before Council Tax. For 2020/21 the net expenditure before Council Tax is £12.941m.

The Commercial Assets and Property Development team manage the Council's Investment Properties in accordance with the Council's Asset Management Strategy. Monthly reports are sent to members using the Council's performance system (ROCKET) on the performance of the Council's investment properties. Key indicators include:

- percentage arrears on Commercial Property rents,
- percentage of Occupation in Commercial Properties,
- Investment Property income year to date budget position

The Council's Commercial Assets and Property Development team includes RICS qualified professionals to ensure the Council meet legislative requirements whilst also using that professional knowledge and expertise to maximise the potential income of the portfolio.

4.3 DevCo

The Council is currently working towards the establishment of a Development Company (DevCO) to develop residential units on the former civic centre site, with the twin objectives of:

- maximising revenue income to support provision of General Fund services; and,
- contributing to the delivery of local housing in a high-demand market

There is a capital forecast spend of £565k in 19/20 to undertake site monitoring and investigations and to progress designs to the point of planning.

4.4 Approach to risk in commercial activities

The Council holds investment assets which deliver an annual rental stream. These investment assets help the authority deliver a balanced budget over the MTFS period as well as supporting the economic objectives that the Council has for the Dacorum area.

As with its approach to treasury management, the Council adopts a prudent approach to the management of risk within its commercial activities. The Council

engages professional advice on these activities as required, either from its own staff or via external advisors. Decisions on commercial activities are made in line with the Council's constitution.

The Council monitors the performance of its commercial activities via its financial monitoring process and the use of performance indicators. This process includes both Officer and Member scrutiny.

5 Other long-term Liabilities and Non-Treasury Debtors

Any other long-liabilities that the Council undertakes are subject to member scrutiny and approval.

6 Knowledge and Skills

The Council employs a wide range of qualified professionals with expert knowledge and skills including legal professionals, RICS property experts and qualified accountants. Annual appraisals are carried out to identify training needs. The Council ensures Councillors have the required skills through the Member training programme. Where skills are not available in house, or in relation to material projects, the Council will draw on additional professional advisers as necessary, these currently include Link Asset Service for Treasury Management Services, Brazier Freeth for Commercial Property advice and various architects.

Statement by the Chief Finance Officer

1. The purpose of this statement is to comply with the requirements of the Local Government Act 2003 whereby the Chief Finance Officer, in the Council's case, the Corporate Director (Finance & Operations), must report on:
 - (a) the robustness of the estimates made for the purposes of the budget calculations and;
 - (b) the adequacy of the proposed financial reserves.
2. In recommending the budget to the Council, the Cabinet must take account of the advice of the Corporate Director (Finance & Operations) in respect of the above.
3. For 2020/21 I can advise that the budget presented to Cabinet for referral to Council is robust in its formulation and that the level of reserves and balances are adequate for the organisation.

Risks to the budget

4. In formulating my opinion the following key risks have been taken into account.

Salaries

5. The budget proposals for 2020/21 have incorporated staffing costs budgeted on a post by post basis. A reduction of 5%, known as a 'vacancy factor' has been applied to all posts with the exception of front-line staff within Waste Services. This reduction has been applied because actual salary costs in previous years have demonstrated that the time taken to recruit to vacant posts leads to underspends of around 5% by the end of the year.
6. Service efficiency improvements in recent years have meant that managers have filled vacant posts more quickly than in the past because the Service is less able to continue providing its Service when carrying a vacant post. However, the forecast outturn position for 2019/20, as at January 2020, indicates that 5% remains an appropriate vacancy factor for the Council. If staff turnover reduces significantly in 2020/21, then there will be increased pressure on the vacancy factor. This will be kept under review throughout the year.
7. There is a number of efficiency initiatives planned for delivery in 2020/21, the success of which will affect budgetary performance over the course of the year. Those relating to salaries are listed on the first page of Appendix B1, and primarily include service reviews of Strategic Planning, Revenues & Benefits, Financial Services and Customer Services. In the majority of these reviews the implementations are already underway but these projects will be closely monitored throughout the year to mitigate the risk of delays and a resultant budgetary impact.

Key income streams

8. **Car Parking Income** The budgeted level of income has been increased by £250k over 2019/20 levels to reflect the forecast income from the Berkhamsted multi-storey car park. The construction project will be closely monitored to reduce the risk of further slippage having a negative effect on the Council's future income streams.

10. **Temporary Accommodation Income** is budgeted to increase by £300k in 20/21 based on the council's increased capacity to accommodate homeless persons through two new homeless hostels and increased use of the Council's own properties. This budget will be closely monitored to ensure that the capital projects are on track and that the risk to income is minimised as far as possible.
11. **Investment Income** The budgeted level of investment income for 2020/21 has been calculated using a detailed cash flow model in conjunction with interest rates forecast from a combination of advice from Link (the Council's treasury management advisers), and rates available from counterparties permitted within the Council's current Treasury Management Strategy. However, whilst the economy remains uncertain, there is a risk that interest rates may fall, negatively impacting the amount of investment income the Council receives.
12. **Alternative Financial Model income** The Council currently receives around £450k from Hertfordshire County Council (HCC) related to recycling performance, known as the Alternative Financial Model (AFM). The budgeted level of income has been based on a number of assumptions around recycling tonnage that will be achieved by Dacorum over the course of the year, and any deviation from this could result in reductions in the amount of income from HCC. Monthly monitoring of recycling levels will enable any risks to be identified and addressed early in the financial year.
13. **Commercial Waste income**, despite being a profitable service, has in recent years come in below budget. To prevent over-reliance on an unachievable budget the overall income budget for commercial waste in 2020/21 has been reduced by £180k to bring it in line with the current year's forecast outturn. In order to protect the future of this income stream a review is currently underway to determine future options for the service. This review should be complete in time to inform 2021/22 budget-setting, and reduce the risk of under achievement.
14. **Investment property income** currently generates around £5m per year for the Council. Current indicators show that income remains strong, with arrears below target and occupancy rates above expectation. However, the retail climate is increasingly challenging, and as the highest source of commercial income for the Council, performance will be closely monitored throughout the 2020/21.
15. **Garage income** provides the second highest source of income for the Council, budgeted at around c£3.8m in 2019/20. However, performance in 2019/20 fell below budget due to occupancy rates being lower than anticipated. As a result, rent levels for 2020/21 have been frozen and the overall garage income budget reduced by £200k to bring it in line with actual performance. This approach aims to stabilise the garage income budget whilst the current review of the garage service is completed. The objectives of the review, are to determine a charging and investment mechanism that will both protect and optimise future years' income.

Capital Programme

16. Based on the profile of projects in the proposed Capital Programme, the Council has no further need to externally borrow before 2022/23. Any future borrowing will have revenue implications for the Council, which, in the context of continued reductions in government grants, will put further pressure on the Council's ability to protect its front-line services. It is increasingly important therefore that slippage and overspends in the Council's Capital Programme are minimised to enable borrowing decisions to be taken on the basis of accurate information. The Capital Programme will be kept under review throughout the year, and risks highlighted to Members as they occur.

17. The financing of the General Fund Capital Programme assumes application of capital receipts of around £52m over the period 2020/21 – 2024/25. The inherent complexity of the property deals that will deliver these receipts means that they are vulnerable to delays and/or collapse. Regular meetings of the Property Management Board should ensure a concerted approach across Council services that will mitigate this risk.

Reserves

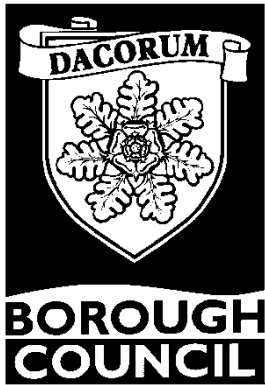
18. The reserves statement (Appendix J) shows a projected net contribution to reserves of £139k. The use of Earmarked Reserves is applied for non-recurring and planned expenditure, therefore, usage is considered robust.
19. It is recommended that the Council's current guidelines on the maintenance of Working Balances are retained, i.e. between 5% and 15% of Net Cost of Services on the General Fund, and at not less than 5% of turnover on the HRA. The General Fund Working Balance is forecast to be at the upper end of this parameter in 2020/21, at 15%, to reflect the risks associated with balancing a budget on the basis of new savings initiatives being delivered in-year.

HRA

20. The Council's highest value contract, valued at around £25m per year, is with Osborne Property Services for the Total Asset Management of the Council's housing stock. The contract includes the management of responsive repairs, planned repairs and void management. Supplier performance under this contract will continue to be monitored closely to mitigate the financial and operational risks of failure.

Brexit

21. The ongoing uncertainty around the final structure of a UK withdrawal from the EU poses a range of potential risks for local authorities which could have financial implications. These could include a scarcity of staff in certain fields of employment for both the council and its contractors, or an increased cost of borrowing depending on the response of the UK economy to any final position. In response, the Council has created a risk on the Strategic Risk Register which ensures continued monitoring of the position.



AGENDA ITEM: SUMMARY

Report for:	Cabinet
Date of meeting:	11 February 2020
PART:	1
If Part II, reason:	

Title of report:	Budget Monitoring Quarter 3 2019/20
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance and Resources Nigel Howcutt, Assistant Director (Finance & Resources) Caroline Souto, Team Leader Financial Planning & Analysis
Purpose of report:	To provide details of the projected outturn for 2019/20 as at Quarter 3 for the: <ul style="list-style-type: none"> • General Fund • Housing Revenue Account • Capital Programme
Recommendations	<ol style="list-style-type: none"> 1. Consider the budget monitoring position for each of the above accounts; 2. Recommend to Council approval of the revised capital programme to move £4.956m slippage identified at Quarter 3 into financial year 2020/21 as detailed in Appendix C; 3. Recommend to Council approval of supplementary revenue budgets funded from reserves: <ul style="list-style-type: none"> • Supplementary budget of £40k in the Neighbourhood Delivery service, funded from the Management of Change reserve, to fund interim resource to support delivery of new service initiatives • Additional budget of £30k in the Elections service, funded from drawdown of £30k from the Election reserve • Supplementary budget in the Planning service of £103k to fund the revenue costs of implementation of new Planning software, funded from the Planning & Regeneration reserve

	<ul style="list-style-type: none"> • Supplementary budget of £170k to fund costs relating to the Hand Arm Vibration legal case, to be funded from the Litigation Reserve. • Supplementary budget of £28k in Waste Services to fund consultancy work to support service improvements, funded from the Management of Change reserve • Supplementary budget of £80k in the garages employees budget to fund interim resource, funded from the Invest to Save reserve • Supplementary budget of £60k to fund one-off expenditure for a garage stock condition survey, funded from the Invest to Save reserve <p>4. Recommend to Council approval of supplementary capital budgets required to deliver several service changes as set out below:</p> <ul style="list-style-type: none"> • A capital budget of £66k to fund replacement boilers at Berkhamsted Leisure Centre • A capital budget of £55k to fund new poolside flooring at Berkhamsted Leisure Centre • Additional capital budget of £598k in the Affordable Housing Development fund, funded from Housing one-for-one ('1-4-1') receipts <p>5. Recommend to Council additional reserves drawdowns as set out below:</p> <ul style="list-style-type: none"> • Drawdown of £1,750k from the Vehicle Replacement Reserve to fund capital investment in the Council's waste fleet • Drawdown of £8k from Tring Swimming Pool reserve to fund capital works at the site. <p>6. Approve a capital virement of £900k to reallocate budget for the acquisition of Eastwick Row from the HRA New Build General budget to the Eastwick Row budget</p> <p>7. Agree the annual update of the Council's flexible use of capital receipts strategy at Appendix D of this report.</p>
Corporate objectives:	Delivering an efficient and modern council.
Implications:	<p><u>Financial</u> This report outlines the financial position for the Council for 2019/20 and so summarises the financial implications for service decisions expected to be made for the financial year.</p> <p><u>Value for Money</u></p>

	Regular budget monitoring and reporting supports the effective use of the financial resources available to the Council.
Risk Implications	This reports outlines the financial position for the Council for 2019/20 and in so doing quantifies the financial risk associated with service decisions expected to be made for the financial year.
Community Impact Assessment	The content of this report does not require a Community Impact Assessment to be undertaken.
Health And Safety Implications	There are no Health and Safety implications arising from this report.
Statutory Officer Comments:	Deputy Section 151 Officer: Comments included within the body of this report. Monitoring Officer: No comments to add to the report.
Consultees	The position reported within this report has been reviewed and discussed with relevant Council Officers.
Glossary of acronyms and any other abbreviations used in this report:	GF – General Fund HRA – Housing Revenue Account MRP- Minimum Revenue Provision

1. Executive Summary

- 1.1 The projected outturn against budget as at Quarter 3 is a general fund pressure of £148k which is a small increase of £22k quarter on quarter.
- 1.2 The HRA surplus reported at Quarter 2 has reduced slightly by £40k to £393k.
- 1.3 There has been an increase in the capital budget pressure of £600k quarter on quarter, predominantly as a result of an increase in the affordable housing grants paid to housing associations to provide affordable homes.

2. Introduction

- 2.1 The purpose of this report is to present the Council's forecast outturn for 2019/20 as at the 31 December 2019. The report covers the following budgets with associated appendices:
 - General Fund - Appendix A. A pressure against budget of £148k is forecast.
 - Housing Revenue Account (HRA) - Appendix B. A surplus of £393k is forecast.
 - Capital Programme - Appendix C. Budget re-phasing to future years of £4.9m is forecast, which is 8% of the overall programme. £2.9m is HRA and £2m is General Fund. An in year pressure on capital budgets of £1.2m is forecast.
 - Flexible Use of Capital Receipts Strategy- Appendix D.

3. General Fund Revenue Account

3.1 The General Fund revenue account records the income and expenditure associated with all Council functions, except the management of the Council's own housing stock, which is accounted for within the Housing Revenue Account (HRA).

3.2 Appendix A provides an overview of the General Fund forecast outturn position. The forecast position includes areas of both under and overspend. There is a net overall pressure of £148k, less than 1% of the net cost of services budget.

The table below outlines the service areas with a significant financial pressure:

Table 1	Key Financial Pressure	Description
Scrutiny Committee		
Housing and Community	£195k	Garage Income
Strategic Planning and Environment	£110k	Fleet Vehicle Maintenance
Strategic Planning and Environment	£200k	Planning
Strategic Planning and Environment	£170k	Commercial Waste Income

3.3 The table below provides an overview by Scrutiny area of the current forecast outturn for controllable budgets within the General Fund.

Table 2	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Finance & Resources	16,443	16,468	25	0.2%
Strategic Planning and Environment	8,406	9,033	627	7.5%
Housing & Community	537	514	(23)	(4.3%)
Total Operating Cost	25,386	26,015	629	2.5%
Investment Property	(4,317)	(4,308)	9	(0.2%)
Core Funding	(21,070)	(21,560)	(490)	2.3%
Contribution (to)/ from General Fund Working Balance	(1)	147	148	

3.4 The following sections provide an analysis of the projected outturn and major budget variances shown by Scrutiny area.

4. Finance and Resources, Investment Property and Core Funding

Table 3 Finance & Resources	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Employees	10,636	10,773	137	1.3%
Premises	1,970	2,035	65	3.3%
Transport	224	225	1	0.4%
Supplies & Services	3,953	4,077	124	3.1%
Third-Parties	672	687	15	2.2%
Transfer Payments	47,144	47,144	0	0.0%
Income	(5,360)	(5,599)	(239)	4.5%
Other Income	(47,584)	(47,584)	0	0.0%
Earmarked Reserves	4,788	4,710	(78)	(1.6%)
Total	16,443	16,468	25	0.2%

	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Investment Property	(4,317)	(4,308)	9	(0.2%)
Core Funding	(21,070)	(21,560)	(490)	2.3%
Total	(25,387)	(25,868)	(481)	1.9%

4.1 Employees - £137k pressure against budget

The forecast pressure against employee budgets includes:

- £60k agency cost within the Estates service. Agency staff have been required to fill professional property roles in the short term while recruitment to vacant posts takes place.
- £40k pressure within Neighbourhood Delivery due to interim resource to support delivery of new initiatives within the service. A drawdown from the Management of Change reserve is requested to fund this expenditure.
- £30k additional staffing cost relating to the borough election. A drawdown of £30k from the Election reserve is requested to meet this additional expenditure.

4.2 Supplies & Services - £124k pressure against budget

The forecast includes a number of relatively small pressures including:

- £25k of professional fees incurred in the Estates service in order to expediate property transactions
- £35k of additional car parking transaction fees related to income collection.
- £25k cost of professional services to assist the Revenues service to identify properties that are either missing from the rating list or are under-valued, which will lead to a higher future returns in business rates.

4.3 Income - £239k over achievement of budget

The forecast overachievement of income against budget includes:

- £120k additional income relating to the Council's leisure management contract, arising from a reduction in business rates costs to the contractor.
- £80k of additional Insurance income. This relates to Insurance costs being recovered from Housing leaseholder properties and will be passed back to the Housing Revenue Account via internal recharges.

4.4 Core Funding - £490k additional funding / reduction in expenditure

There is a combination of additional government grant income and a reduction in expenditure forecast, to yield a benefit of £490k against core funding budgets. These include:

- Increased new burdens funding of £155k, including £100k relating to the Revenues and Benefits service. This funding is not ring-fenced for a specific use and has therefore been treated as core funding. In addition £35k of Brexit funding has been received in order to prepare for withdrawal from the European Union.
- The Minimum Revenue Provision (MRP) is a minimum amount which a Council must charge against its revenue budget each year for the financing of capital expenditure which has been initially funded by borrowing. The MRP is £165k lower than budgeted for 2019/20, resulting from below-budget capital expenditure in 2018/19.
- Investment Income is forecast to exceed budget by £200k as balances of cash reserves are higher than had been anticipated due to lower than budgeted capital expenditure.
- Additional income from the HRA of £50k. This arises from work on void garden clearances previously carried out by Osborne and now undertaken by Clean, Safe and Green. As such, there is no resulting additional cost to the HRA.
- Insurance recharges to the HRA will be reduced by £80k due to additional income from Leaseholders' charges.

5. Strategic Planning and Environment

Table 4 Strategic Planning and Environment	Current Budget £000	Forecast Outturn £000	Variance	
			£000	%
Employees	10,334	10,737	403	3.9%
Premises	948	1,036	88	9.3%
Transport	1,187	1,338	151	12.7%
Supplies & Services	2,286	2,514	228	10.0%
Third-Parties	84	83	(1)	(1.2%)
Income	(6,164)	(6,082)	82	(1.3%)
Earmarked Reserves	(269)	(593)	(324)	120.4%
Total	8,406	10,737	627	7.5%

5.1 Employees - £403k pressure against budget

The forecast pressure against employee budgets includes:

- £200k additional staff and agency backfilling within Planning. The planning service have been very successful in driving new business, hence officers have had to be realigned to these new specific planning projects and additional short term agency staff have been recruited to backfill substantive posts. In addition the Planning software has been ungraded to provide a more efficient and effective service. Agency costs have been incurred to backfill staff involved in the project team. It is requested to fund these implementation costs from a drawdown from the Planning & Regeneration Project reserve of £103k.
- £90k in Waste Services due to the non-availability of split-bodied fleet earlier in the financial year resulting in additional separate rounds for co-mingled and food waste, with the associated crews, sometimes being required earlier in the financial year. New waste vehicles have now been delivered and are currently being put into operation. This has also given rise to a pressure in fuel costs of £50k.
- £60k pressure in Clean, Safe and Green. The full vacancy provision in this service is not currently being achieved. Across the council as a whole a vacancy factor of 5% is set against budgets, to allow for the time taken to recruit to vacant posts. This is broadly achieved across the wider council.

5.2 Transport - £151k pressure against budget

A pressure of £110k relates to the maintenance of ageing fleet vehicles in Waste Services, including additional short term hire costs and repair costs, and servicing of grounds maintenance vehicles. At Cabinet 21 May 2019, approval was granted to bring the repair and maintenance of vehicles and equipment back in house. This will mitigate the financial pressure in this area going forward.

Waste Services fuel costs are above budget by £50k as detailed in point 5.1.

5.3 Supplies and Services - £228k pressure against budget

In September 2019, the resolution of an ongoing legal case relating to the Council's management of Hand Arm Vibration risk between 2010 and 2016 resulted in £170k of legal costs and fine. The Council prepared for this eventuality by budgeting a £200k contribution to the Litigation Reserve in February 2019, which can now be draw down to fund these costs. A drawdown from the Litigation Reserve of £170k is requested to meet this expenditure.

A pressure of £28k has arisen in Waste Services from consultancy work to support service improvements in Commercial and Domestic waste. A drawdown from the Management of Change reserve is requested to fund this expenditure.

5.4 Income – £82k pressure against budget

Pressure of £170k in the Commercial Waste service. Despite Commercial Waste making a contribution overall towards corporate recharges, income for the service has not met the budgeted target due to the ongoing effect of loss of customers. A full review of the service including marketing and charging structure has been carried out, and service improvements are underway. A reduction to the income budget for 2020/21 has been proposed in the draft budget.

Surplus of £70k S106 income applied where applicable expenditure has taken place which meets the criteria of S106 agreements.

6. Housing and Community

Table 5 Housing and Community	Current Budget	Forecast Outturn	Variance	
	£000	£000	£000	%
Employees	3,920	3,980	60	1.5%
Premises	886	627	(259)	(29.2%)
Transport	18	17	(1)	(5.6%)
Supplies & Services	1,420	1,461	41	2.9%
Transfer Payments	55	5	(50)	(90.9%)
Income	(5,576)	(5,235)	341	(6.1%)
Earmarked Reserves	(186)	(341)	(155)	83.3%
Total	537	514	(23)	(4.3%)

6.1 Employees - £60k pressure against budget

The forecast includes temporary resources to support the Garages service whilst a detailed review is underway, at a cost of £80k. A drawdown from the Invest to Save reserve is requested to fund this expenditure.

6.2 Premises - £259k underspend against budget

The forecast underspend relates to the ongoing upkeep and maintenance costs for the Garages service. A full stock condition survey has been commissioned to determine the current state of the garage stock, and the results of this are expected later in the year. The stock condition survey has a one-off cost of £60k, to be funded from the Invest to Save reserve.

6.3 Income - £392k pressure against budget

The forecast pressure relates to the Garage service income not being achieved and is a continuation of 2018/19 position. Void rates continue at around 31%. A consolidated garage management strategy is being developed to improve occupancy levels, and progress will be reported back to Members in 2020.

7. Housing Revenue Account (HRA)

7.1 The HRA is a ring-fenced account relating to the Council's Landlord functions. A guiding principle of the HRA is that revenue raised from rents and service charges must be sufficient to fund expenditure incurred. The forecast outturn position for the HRA is shown at Appendix B.

7.2 The projected HRA balance at the end of 2019/20 is a surplus of £393k. A balanced outturn position for the HRA can be achieved by either increasing (in the case of an overall surplus) or decreasing (in the case of an overall deficit) the final revenue contribution to capital for the HRA. This will be a decision for Members to take once the final outturn position for 2019/20 is confirmed early in 2020/21.

7.3 Dwelling rents - £270k overachievement of income

The forecast overachievement of income includes the following:

- Additional income is being recovered through Housing Benefit of £140k. This relates to Housing Benefit subsidy for tenants in supported housing.
- £82k overachievement of rental income due to budget expectations on new build sites being set prudently in advance of allocations and rent levels being agreed.
- £30k surplus due to re-let properties moving to the correct rent level (known as Formula Rent).

7.4 Tenants' and Leaseholder Charges - £85k underachievement on budget

A review of tenants and leaseholder service charges has led to a forecasted deficit of £85k related to a reduction in tenants' service charges. Budgets will be realigned in the next budget setting round.

7.5 Interest and Investment Income - £102k underachievement on budget

This forecast is a more accurate reflection of the split of interest income between General Fund and HRA.

7.6 Supervision and Management - £394k underspend against budget

The forecast underspend against budget includes:

- £210k relating to vacancies across the service. Recruitment to these vacancies is currently underway.
- £80k reduction in the recharge to the HRA relating to Insurance. This relates to income from Insurance charges payable by Leaseholders.
- There are also a number of small surpluses across minor budgets in this area.

8. Flexible Use of Capital Receipts Strategy

8.1 An annual update of the Flexible Use of Capital Receipts Strategy is attached at Appendix D for review and agreement.

8.2 The key principle underpinning the strategy is stated in Government Guidance on the application of flexible receipts, i.e. that local authorities have the power to use capital receipts to fund:

'expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/ or transform service delivery to reduce costs and/ or transform service delivery in a way that reduces costs or demands for services in future years for any of the public sector delivery partners'

8.3 As identified in the current approved strategy, it is proposed that the Council uses capital receipts to fund costs associated with the implementation of the leisure management contract.

9. Capital Programme

9.1 Appendix C shows the projected capital outturn in detail by scheme.

The table below summarises the overall capital outturn position by Scrutiny committee area.

The current budget is the original budget approved by Cabinet in February 2019, plus approved amendments.

The 'rephasing' column refers to projects where expenditure is still expected to be incurred, but will now be in 2020/21 rather than 2019/20 ('slippage'), or conversely, where expenditure planned initially for 2020/21 has been incurred in 2019/20 ('accelerated spend').

The 'Variance' column refers to projects which are expected to come in under or over budget and projects which are no longer required.

	Current Budget £000	Rephasing £000	Revised Budget £000	Forecast Outturn £000	Variance £000 %	
Finance & Resources	9,274	(489)	8,785	9,227	442	4.77%
Strategic Planning and Environment	4,648	(977)	3,671	3,846	175	3.76%
Housing & Community	5,986	(574)	5,412	5,999	587	9.80%
GF Total	19,908	(2,040)	17,868	19,072	1,204	6.05%
HRA Total	40,903	(2,916)	37,987	37,987	0	0.00%
Grand Total	60,812	(4,956)	55,855	57,059	1,204	1.98%

9.2 General Fund Major Variances

There is projected rephasing of £2m into 2020/21 on the General Fund, and a forecast overspend of £1.2m.

The projected rephasing to future years includes:

- Line 96: slippage of £170k on Car Park Refurbishment Programme. This represents budget for three sites around the borough, one of which requires only minor work, to take place this financial year. The other two schemes are Alexandra Road and Hicks Road Markyate; Alexandra Road has been delayed due to drainage work requiring utilities notification, which has taken longer than expected; Hicks Road has been delayed awaiting completion of extension works to the neighbouring doctor's surgery.
- Line 148: slippage of £245k on CCTV Equipment Refresh. Tenders have been received for this work, and are currently being evaluated. Expenditure will now take place from 2020/21.
- Line 159: slippage of £295k on Garage Development Programme. The wet weather during quarter 3 has affected the level of work completed. Completion is expected in early 2020/21.
- Line 175: slippage of £370k on Gadebridge Park White Bridge. The contract for the work has been awarded, but a bespoke permit is required from the Environment Agency. Due to the length of time to obtain this permit, the work will now take place in 2020/21.
- Line 178: accelerated spend of £162k on Fleet Replacement Programme. Budget will be brought forward from 2020/21 to fund additional spend on waste services vehicles.
- Line 185: slippage of £134k on Durrants Lakes project. Negotiations are taking place with Box Moor Trust who will be carrying out the work. The expenditure will now be in 2020/21.

- Line 187: slippage of £600k on Town Centre Access Improvements (Parking Access and Movement). In September 2018 a temporary telecommunications tower was installed on the Leighton Buzzard Road close to where the new access to the Water Gardens (South) car park will be constructed. This tower has permitted development rights for 18 months. This has resulted in a delay to the project through 2019/20. Preparation is now taking place for the main delivery works to commence after the tower's planning permission expires in spring 2020.

The forecast additional capital spend has increased month on month by £0.6m to £1.2m the month on month change is as a result of:

- Line 158: Affordable Housing Development Fund: additional grant expenditure of £0.6m is expected to fund Housing Association new build schemes which have been authorised by Cabinet.
- Line 170: additional expenditure of £0.1m on Waste Services wheeled bins. New bins have an estimated useful life of greater than a year and have therefore been treated as capital expenditure.

9.3 Additional Capital Budgets

Replacement Boilers for Berkhamsted Leisure Centre: to ensure efficient operating of the heating system at Berkhamsted Leisure Centre, replacement boilers are required at a cost of £66k. A supplementary capital budget of £66k is requested to fund this.

Replacement Flooring at Berkhamsted Leisure Centre: there are a number of areas of tiling around Berkhamsted Swimming Pool where the tiling has cracked and become dangerous and it is no longer possible to patch repair those areas without causing further damage. It is therefore proposed to replace all the tiles around the pool with an improved flooring surface at a cost of £55k. A supplementary capital budget of £55k is therefore requested for this purpose.

A supplementary budget for **the Affordable Housing Development Fund** of £0.6m is requested, funded from retained receipts from the sale of Right to Buy properties, 1-4-1 receipts.

9.4 Reserve Drawdowns to fund Capital Expenditure

Vehicle Replacement reserve – a drawdown of £1,750k is requested to support the Council's vehicle replacement programme, as significant investment has taken place this financial year to purchase new waste vehicles. This is line with the rationale for setting up the vehicle replacement reserve.

It is proposed that £350k is then drawn down from the Vehicle Replacement reserve on an annual basis between 2020/21 and 2023/24 inclusive.

Tring Swimming Pool reserve – a small balance of £8k remains on this reserve. It is proposed to release this balance to fund investment at Tring Swimming pool through a Revenue Contribution to Capital.

9.5 Housing Revenue Account Major Variances

There is projected rephasing on HRA of £2.9m and a forecast balanced outturn position.

- Line 201 and 205: £0.8m of slippage on Planned Fixed Expenditure. This represents 5% of the total budget across these lines, and has occurred due to an element of compliance work now taking place in 2020/21. Works are either in progress or have been awarded, but an element of the budget will now be spent in 2020/21.
- Line 206: £0.8m of slippage on Special Projects. This scheme is to create new units at three sheltered schemes. Delays have occurred in the planning process, which will push this expenditure into 2020/21. A review of revised/increased costs proposals from the contractor and possible client changes to final project outcomes will require member sign off prior to final award and commencement on site.
- Line 210 and 220: These lines offset each other, as the budgets for land acquisitions are built in to the New Build General line. A virement of £900k is requested to re-allocate budget from the New Build General line to the Eastwick Row line.
- Line 211: slippage of £0.7m on Martindale. The site is progressing well and is still expected to complete in quarter 2 of 2020/21, however the wet weather in quarter 3 has impacted on the ability to make the scheme water tight, which has delayed internal works.
- Line 214: slippage of £0.2m on Stationers Place with underspend of £0.5m. The scheme has also been impacted by the wet weather in quarter 3. Completion is expected in quarter 1 of 2020/21.
- Line 216 and 217: overspend of £0.7m on Swing Gate Lane, due to a number of factors including planning requirements, some contamination on site, archaeological issues and client changes.

10. Conclusions and recommendations

10.1 As at Quarter 3 2019/20, there is a forecast pressure of £148k against General Fund budgets and a forecast surplus of £393k against Housing Revenue Account budgets.

10.2 As at Quarter 3 2019/20, against General Fund capital there is forecast budget rephasing of £2m and a forecast pressure of £1.2m. Against Housing Revenue Account capital schemes, budget rephasing of £2.9m is forecast and outturn is expected to be on budget.

- Members are asked note the forecast outturn position for 2019/20;
- recommend to Council the approval of the revised capital programme to move slippage identified at Quarter 3 into financial year 2020/21;


- recommend to Council the approval of supplementary revenue budgets set out in the report;
- recommend to Council the approval of the supplementary capital budgets set out in this report.
- recommend to Council the approval of the additional reserve drawdowns set out in this report.
- approve the virement set out in this report.
- agree the annual update of the Council's flexible use of capital receipts strategy.



Dacorum Borough Council

Revenue Budget Monitoring Report for December 2019 (Cost of Services Analysis By Scrutiny Committee)

	Month			Year-to-Date			Full Year		
	Budget £000	Actuals £000	Variance £000	Budget £000	Actuals £000	Variance £000	Budget £000	Forecast Outturn £000	Variance £000
Cost of Services									
Finance and Resources	612	736	124	8,658	8,482	(176)	16,443	16,468	25
Housing and Community	208	137	(71)	620	(199)	(819)	537	514	(23)
Strategic Planning and Environment	675	572	(103)	6,839	7,326	487	8,406	9,033	627
Net Cost of Services	1,495	1,445	(50)	16,117	15,609	(508)	25,386	26,015	629
Other Items									
Investment Property	(150)	(109)	41	(4,295)	(4,262)	33	(4,317)	(4,308)	9
Investment Income	(16)	(72)	(56)	(141)	(442)	(301)	(188)	(388)	(200)
Interest Payments and MRP	81	0	(81)	727	521	(206)	970	805	(165)
Parish Precept Payments	0	0	0	816	816	0	816	816	0
Government Grants	(182)	(168)	14	(1,634)	(3,355)	(1,721)	(2,179)	(2,334)	(155)
Taxation (Council Tax and Business Rates)	(1,356)	1,548	2,904	(12,207)	(21,360)	(9,153)	(16,276)	(16,276)	0
Surplus / Deficit on Provision of Services	(1,623)	1,199	2,822	(16,734)	(28,082)	(11,348)	(21,174)	(21,685)	(511)
Transfers between Reserves / Funds									
Net Recharge to the HRA	(351)	(4)	347	(3,160)	(142)	3,018	(4,213)	(4,183)	30
Net Movement on General Fund Working Balance	(128)	2,640	2,768	(535)	(12,615)	(12,080)	(1)	147	148

 Housing Revenue Account 2019/20 Outturn Revenue Budget Monitoring Report				
	Adjusted Budget	Outturn	Variance	
	£000	£000	£000	%
Income:				
Dwelling Rents	(52,536)	(52,806)	(270)	0.5%
Non-Dwelling Rents	(102)	(102)	0	0.0%
Tenants Charges	(1,626)	(1,476)	150	-9.2%
Leaseholder Charges	(487)	(553)	(66)	13.6%
Interest and Investment Income	(435)	(333)	102	-23.4%
Contribution towards Expenditure	(645)	(620)	25	-3.9%
Total Income	(55,831)	(55,890)	(59)	0.1%
Expenditure:				
Repairs & Maintenance	12,068	12,068	0	0.0%
Supervision & Management	12,783	12,389	(394)	-3.1%
Rent, Rates, Taxes & Other Charges	35	95	60	171.4%
Interest Payable	11,558	11,558	0	0.0%
Provision for Bad Debts	975	975	0	0.0%
Depreciation	12,625	12,625	0	0.0%
HRA Democratic Recharges	307	307	0	0.0%
Revenue Contribution to Capital	5,480	5,480	0	0.0%
Total Expenditure	55,831	55,497	(334)	-0.6%
Transfer to / (from) Housing Reserves	0	0	0	0.0%
HRA Deficit / (Surplus)	0	(393)	(393)	0.0%
Housing Revenue Account Balance:				
Opening Balance at 1 April 2019	(2,892)	(2,892)	0	0.0%
Deficit / (Surplus) for year	0	(393)	(393)	0.0%
Proposed Contributions to Reserves	0	0	0	
Closing Balance at 31 March 2020	(2,892)	(3,285)	(393)	

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR DECEMBER 2019

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)	
General Fund												
Finance and Resources												
Commercial Assets and Property Development												
47	Service Lease Domestic Properties	Richard Rice	30,000	0	0	0	0	30,000	22,749	30,000	0	0
48	Old Town Hall - Cafe Roof and stonework renewal	Richard Rice	0	60,000	0	(60,000)	(60,000)	0	0	0	0	0
49	Demolition of Civic Centre	Richard Rice	0	433,527	0	0	0	433,527	168,120	433,527	0	0
50	Victoria Hall Tring Staircase Renewal	Richard Rice	20,000	0	0	0	0	20,000	24,654	24,654	0	4,654
51	Bennetts End Community Centre - Replace Roof	Richard Rice	0	0	0	0	0	0	(1,509)	0	0	0
52	Adeyfield Community Centre - replace roof	Richard Rice	0	0	0	0	0	0	(4,710)	0	0	0
53	Tring Community Centre - new play area for Children's Nursery	Richard Rice	0	11,144	0	0	0	11,144	0	11,144	0	0
54	Rossgate Shopping Centre - Structural Works	Richard Rice	0	300,901	0	(190,901)	(190,901)	110,000	0	110,000	0	0
55	Leys Road - Roof	Richard Rice	0	0	0	0	0	0	(1,712)	0	0	0
56	The Denes Shopping Centre - Renew Walkway & Canopy Covering	Richard Rice	0	27,286	0	0	0	27,286	16,490	20,440	0	(6,846)
57	Grovehill Shopping Centre - renew car park	Richard Rice	30,000	0	0	0	0	30,000	0	30,000	0	0
58	58 High St (Old Town), Hemel - Remove and Rebuild Wall	Richard Rice	0	40,900	0	0	0	40,900	46,588	112,800	0	71,900
59	100 High St (Old Town), Hemel - Window Replacement	Richard Rice	0	14,000	0	0	0	14,000	0	14,000	0	0
60	Half Moon Yard - Replace soffit/facia & external facade	Richard Rice	0	18,000	0	0	0	18,000	0	0	0	(18,000)
61	Long Chaulden Roof	Richard Rice	0	55,020	0	0	0	55,020	0	0	(55,020)	0
62	Bellgate - Walkway Renovation	Richard Rice	0	66,000	0	0	0	66,000	0	66,000	0	0
63	Stoneycroft - Car Park Refurbishment	Richard Rice	55,000	0	0	0	0	55,000	0	55,000	0	0
64	Hobbs Hill - Window and Door Renewal	Richard Rice	15,000	0	0	0	0	15,000	0	0	0	(15,000)
65	Bennettsgate - Window Renewal	Richard Rice	90,000	(4,250)	0	0	0	85,750	0	0	(85,750)	0
66	Central Nursery Roof Replacement	Richard Rice	15,000	0	0	0	0	15,000	13,450	15,000	0	0
67	Northbridge Road Highway Improvements	Richard Rice	45,000	0	0	0	0	45,000	0	45,000	0	0
68	Queens Square Canopy Renewal	Richard Rice	50,000	0	0	0	0	50,000	0	50,000	0	0
69	Land Adjacent to Okeford Drive	Richard Rice	0	0	36,000	0	36,000	36,000	36,000	36,000	0	0
70	Kingshill Cemetery - Toilet Provision	Richard Rice	0	29,502	0	0	0	29,502	75,001	108,593	0	79,091
71	Heath Lane Chapel - Replace roof	Richard Rice	0	14,000	0	0	0	14,000	0	0	0	(14,000)
72	Kingshill Cemetery Infrastructure (New Burial Area)	Richard Rice	0	40,000	0	0	0	40,000	0	0	0	(40,000)
73	Bunkers Farm	Richard Rice	200,000	548,881	400,000	0	400,000	1,148,881	1,153,033	1,348,881	0	200,000
			550,000	1,654,911	436,000	(250,901)	185,099	2,390,010	1,548,153	2,511,039	(140,770)	261,799
Procurement and Contracted Services												
78	Berkhamsted Sports Centre - Roof Replacement	Ben Hosier	0	1,100	0	0	0	1,100	(4,000)	1,100	0	0
79	Hemel Hempstead Sports Centre - Roof	Ben Hosier	100,000	0	(100,000)	0	(100,000)	0	0	0	0	0
80	Dacorum Athletics Track - Resurface Track	Ben Hosier	(350,000)	550,000	0	(100,000)	(100,000)	100,000	0	66,355	(33,645)	0
81	Hemel Hempstead Sports Centre - Astrotrurf renewal	Ben Hosier	0	70,000	0	0	0	70,000	0	0	(70,000)	0
82	Berkhamsted Sports Centre - Installation of new hot water calorifiers	Ben Hosier	0	50,000	0	0	0	50,000	2,527	28,332	0	(21,668)
83	Berkhamsted Sports Centre - Building Management System	Ben Hosier	0	150,000	(150,000)	0	(150,000)	0	0	0	0	0
84	Leisure Works - Berkhamsted Swimming Pool Walls Refurbishment	Ben Hosier	33,000	0	0	0	0	33,000	32,950	32,950	0	(50)
85	Leisure Works - Jarmans Athletics Track Renew Floodlights	Ben Hosier	18,000	0	0	0	0	18,000	20,925	20,925	0	2,925
86	Leisure Works - Replacement of Disability Hoists Hemel and Berkhamsted	Ben Hosier	20,000	0	0	0	0	20,000	14,061	14,061	0	(5,939)
87	Leisure Works - Replacement of Fire Exit Door (Hemel)	Ben Hosier	20,000	0	0	0	0	20,000	33,095	33,095	0	13,095
88	Leisure Works - Replacement of Circulation Pump (Hemel)	Ben Hosier	12,000	0	0	0	0	12,000	11,668	11,668	0	(332)
89	Leisure Works - Replace Pool Cover Structure (Hemel)	Ben Hosier	64,000	0	(26,000)	0	(26,000)	38,000	0	28,000	0	(10,000)
90	Leisure Works - Replace Air Handling Unit in the Pool (Hemel)	Ben Hosier	390,000	0	0	(270,000)	(270,000)	120,000	0	0	0	(120,000)
93	Hemel Hempstead Sports Centre - Arena Seating	Ben Hosier	0	0	112,000	0	112,000	112,000	480	112,000	0	0
94	Berkhamsted Leisure Centre Improvements Works	Ben Hosier	0	0	276,000	0	276,000	276,000	0	279,000	0	3,000
95	Tring Swimming Pool	Ben Hosier	0	284,527	0	0	0	284,527	533,859	533,859	0	249,332
96	Car Park Refurbishment	Ben Hosier	260,000	303,235	0	(383,235)	(383,235)	180,000	0	10,000	(170,000)	0
97	Multi Storey Car Park Berkhamsted	Ben Hosier	1,162,093	2,456,181	0	0	0	3,618,274	2,974,135	3,618,274	0	0
99	Works to The Forum - Pigeon Proofing of Photovoltaic Panels	Ben Hosier	20,000	0	0	0	0	20,000	16,571	16,571	0	(3,429)
			1,749,093	3,865,043	112,000	(753,235)	(641,235)	4,972,901	3,636,271	4,806,190	(273,645)	106,934

CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR DECEMBER 2019

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
Finance and Resources (continued)											
Development Management and Planning											
103 Planning Software Replacement	Sara Whelan	0	64,614	0	0	0	64,614	91,826	114,614	0	50,000
		0	64,614	0	0	0	64,614	91,826	114,614	0	50,000
Finance & Governance Management											
107 Civic Zone Regeneration Upgrade (DevCo)	James Deane	650,000	(85,129)	0	0	0	564,871	96,347	564,871	0	0
		650,000	(85,129)	0	0	0	564,871	96,347	564,871	0	0
Housing & Regeneration Management											
115 The Forum (Public Service Quarter)	Mark Gaynor	0	0	0	0	0	0	(53,858)	0	0	0
116 Gade Zone	Mark Gaynor	0	0	0	0	0	0	(2,228)	0	0	0
		0	0	0	0	0	0	(56,086)	0	0	0
Information, Communication and Technology											
120 Rolling Programme - Hardware	Ben Trueman	75,000	0	45,000	0	45,000	120,000	72,872	120,000	0	0
121 Software Licences - Right of Use	Ben Trueman	50,000	0	0	0	0	50,000	8,925	50,000	0	0
122 Website Development	Ben Trueman	0	26,841	0	0	0	26,841	21,225	26,841	0	0
123 Mobile Working	Ben Trueman	45,000	0	(45,000)	0	(45,000)	0	0	0	0	0
124 Future vision of CRM	Ben Trueman	(110,000)	241,344	0	0	0	131,344	31,848	56,344	(75,000)	0
125 Improvement works to The Forum	Ben Trueman	0	94,793	0	0	0	94,793	115,354	115,354	0	20,561
		60,000	362,978	0	0	0	422,978	250,225	368,540	(75,000)	20,562
People											
129 EIS Replacement	Matt Rawdon	0	70,000	0	0	0	70,000	0	70,000	0	0
130 Self Service Kiosks	Matt Rawdon	0	0	25,000	0	25,000	25,000	0	25,000	0	0
		0	70,000	25,000	0	25,000	95,000	0	95,000	0	0
Property and Place											
134 Disabled Facilities Grants	Alan Mortimer	741,000	10,670	0	0	0	751,670	687,243	751,670	0	0
		741,000	10,670	0	0	0	751,670	687,243	751,670	0	0
Revenues, Benefits and Fraud											
138 Revenues and Benefits new servers	Chris Baker	0	12,000	0	0	0	12,000	0	15,178	0	3,178
		0	12,000	0	0	0	12,000	0	15,178	0	3,178
Totals: Finance and Resources		3,750,093	5,955,087	573,000	(1,004,136)	(431,136)	9,274,044	6,253,980	9,227,102	(489,415)	442,473

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CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR DECEMBER 2019

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)
Housing and Community											
Procurement and Contracted Services											
146 Rolling Programme - CCTV Cameras	Ben Hosier	25,000	0	0	0	0	25,000	23,255	25,000	0	0
147 Alarm Receiving Centre	Ben Hosier	0	33,627	0	0	0	33,627	0	0	(33,627)	0
148 CCTV Equipment Refresh	Ben Hosier	490,000	0	0	(245,000)	(245,000)	245,000	0	0	(245,000)	0
		515,000	33,627	0	(245,000)	(245,000)	303,627	23,255	25,000	(278,627)	0
People											
152 Verge Hardening Programme	Matt Rawdon	350,000	(106,063)	0	0	0	243,937	23,064	243,937	0	0
153 Storage Facility at Grovehill Adventure Playground	Matt Rawdon	0	25,000	0	0	0	25,000	0	25,000	0	0
154 Capital Grants - Community Groups	Matt Rawdon	20,000	0	0	0	0	20,000	15,825	20,000	0	0
		370,000	(81,063)	0	0	0	288,937	38,889	288,937	0	0
Strategic Housing											
158 Affordable Housing Development Fund	David Barrett	1,629,000	2,062,567	0	0	0	3,691,567	3,523,975	4,290,000	0	598,433
159 Northend & Westerdale (Garage Development)	David Barrett	370,000	1,407,359	0	(198,200)	(198,200)	1,579,159	794,410	1,284,029	(295,130)	0
161 Wood House - Office Space Fit Out	David Barrett	0	0	0	0	0	0	17,668	0	0	0
162 Temporary Accommodation - creation of new units	David Barrett	90,000	32,711	0	0	0	122,711	111,181	111,181	0	(11,530)
		2,089,000	3,502,637	0	(198,200)	(198,200)	5,393,437	4,447,234	5,685,210	(295,130)	586,903
Totals: Housing and Community		2,974,000	3,455,201	0	(443,200)	(443,200)	5,986,001	4,509,378	5,999,147	(573,757)	586,903
Strategic Planning and Environment											
Environmental Services											
166 Wheeled Bins & Boxes for New Properties	Craig Thorpe	10,000	0	0	0	0	10,000	112,889	125,000	0	115,000
171 Play Area Refurbishment Programme	Craig Thorpe	0	0	0	0	0	0	48,144	48,144	0	48,144
172 Waste & Recycling Service Improvements	Craig Thorpe	36,000	11,414	0	0	0	47,414	73,306	77,000	0	29,586
173 Commercial Waste Collection System	Craig Thorpe	0	1,700	0	0	0	1,700	0	0	0	(1,700)
174 Gadebridge Park - Splash Park	Craig Thorpe	0	0	0	0	0	0	(20,590)	0	0	0
175 Gadebridge Park - Renovation of White Bridge	Craig Thorpe	250,000	209,426	0	0	0	459,426	10,034	10,000	(370,000)	(79,426)
176 Cupid Green Waste Site Renovation	Craig Thorpe	100,000	0	0	0	0	100,000	9,500	120,000	0	20,000
177 Cupid Green Welfare Facilities	Craig Thorpe	90,000	0	0	0	0	90,000	55,587	121,000	0	31,000
178 Fleet Replacement Programme	Craig Thorpe	1,122,328	1,715,643	0	0	0	2,837,971	2,772,944	3,000,000	162,000	29
179 Fleet Services Renew Plant & Equipment	Craig Thorpe	46,500	155,000	60,000	0	60,000	261,500	63,889	261,500	0	0
180 Fleet Service Management System Upgrade	Craig Thorpe	34,000	(22,000)	0	0	0	12,000	13,475	24,000	0	12,000
		1,688,828	2,071,183	60,000	0	60,000	3,820,011	3,139,177	3,786,644	(208,000)	174,633
Strategic Planning and Regeneration											
184 Maylands Phase 1 Improvements	Chris Taylor	0	0	0	0	0	0	(13,844)	0	0	0
185 Urban Park/Education Centre (Durrants Lakes)	Chris Taylor	80,000	54,015	0	0	0	134,015	0	0	(134,015)	0
186 Maylands Business Centre	Chris Taylor	0	0	0	0	0	0	(9,645)	0	0	0
187 Town Centre Access Improvements	Chris Taylor	565,000	74,280	0	0	0	639,280	0	39,280	(600,000)	0
188 The Bury - Conversion into Museum and Gallery	Chris Taylor	0	55,000	0	0	0	55,000	0	20,000	(35,000)	0
		645,000	183,295	0	0	0	828,295	(23,489)	59,280	(769,015)	0
Totals: Strategic Planning and Environment		2,333,828	2,254,478	60,000	0	60,000	4,648,306	3,115,688	3,845,924	(977,015)	174,633
Totals - Fund: General Fund		9,057,921	11,664,766	633,000	(1,447,336)	(814,336)	19,908,351	13,879,046	19,072,173	(2,040,187)	1,204,009

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CAPITAL PROGRAMME MONITORING BY SCRUTINY COMMITTEE FOR DECEMBER 2019

Scheme	Budget Holder	Original Budget	Prior Year Slippage	Adj's, Supps, Virements	Adjustments (Slip. C/F)	In-Year Adjustments	Current Budget	YTD Spend	Projected Outturn	Forecast Slippage	Projected Over / (Under)	
Housing Revenue Account												
Housing and Community												
Property & Place												
201	Planned Fixed Expenditure	Alan Mortimer	12,000,000	0	0	0	0	12,000,000	6,878,090	11,832,318	(167,683)	1
202	Pain/Gain Share (Planned Fixed Expenditure)	Alan Mortimer	0	0	0	0	0	0	(22,573)	0	0	0
203	M&E Contracted Works	Alan Mortimer	700,000	0	0	0	0	700,000	577,022	700,000	0	0
204	Communal Gas & Heating	Alan Mortimer	3,000,000	0	0	0	0	3,000,000	1,907,184	3,000,000	0	0
205	DBC Commissioned Capital Works	Alan Mortimer	(439,505)	3,420,524	0	0	0	2,981,019	1,603,505	2,364,573	(616,446)	(0)
206	Special Projects	Alan Mortimer	146,000	767,853	0	(51,853)	(51,853)	862,000	4,200	60,053	(801,947)	0
			15,406,495	4,188,377	0	(51,853)	(51,853)	19,543,019	10,947,428	17,956,943	(1,586,076)	0
Strategic Housing												
210	New Build - General Expenditure	David Barrett	(326,953)	5,750,715	0	0	0	5,423,762	0	3,945,378	(318,608)	(1,159,776)
211	Martindale	David Barrett	8,221,449	2,021,510	0	(1,075,000)	(1,075,000)	9,167,959	6,064,104	8,475,499	(692,461)	1
212	Strategic Acquisitions - Housing	David Barrett	0	0	161,000	0	161,000	161,000	179,698	179,698	0	18,698
213	Kylina Court (Previously known as Wood House)	David Barrett	0	0	0	0	0	0	56,892	50,230	0	50,230
214	Stationers Place / Apsley Paper Mill	David Barrett	3,895,519	2,193,192	0	(930,000)	(930,000)	5,158,711	2,602,987	4,463,001	(200,000)	(495,710)
215	Able House	David Barrett	0	0	0	0	0	0	2,858	2,858	0	2,858
216	Swing Gate Lane	David Barrett	0	0	0	0	0	0	391,999	391,100	0	391,100
217	Swing Gate Lane Conversion	David Barrett	0	0	0	0	0	0	174,720	312,600	0	312,600
218	Bulbourne	David Barrett	800,000	34,656	0	(764,700)	(764,700)	69,956	6,265	69,956	0	0
219	Coniston Road	David Barrett	60,000	39,200	0	335,800	335,800	435,000	74,431	435,000	20,000	(20,000)
220	Eastwick Row	David Barrett	120,000	11,529	0	103,900	103,900	235,429	1,056,480	1,116,480	(18,949)	900,000
221	St Margaret's Way	David Barrett	400,000	41,148	0	(421,000)	(421,000)	20,148	0	17,000	(3,148)	0
222	Paradise Fields	David Barrett	150,000	5,739	0	0	0	155,739	46,117	155,739	0	0
223	Gaddesden Row	David Barrett	100,000	(7,668)	0	290,670	290,670	383,002	330,306	377,306	(5,696)	0
224	Randalls Ride	David Barrett	120,000	0	0	(80,000)	(80,000)	40,000	0	0	(40,000)	0
225	Garage Sites - New Build Developments	David Barrett	500,000	0	0	(400,000)	(400,000)	100,000	0	25,000	(75,000)	0
226	Wilstone	David Barrett	120,000	0	0	(110,400)	(110,400)	9,600	13,438	13,438	3,838	0
			14,160,015	10,090,021	161,000	(3,050,730)	(2,889,730)	21,360,306	11,000,293	20,030,282	(1,330,024)	(0)
	Totals: Housing and Community		29,566,510	14,278,398	161,000	(3,102,583)	(2,941,583)	40,903,325	21,947,721	37,987,225	(2,916,100)	0
	Totals - Fund: Housing Revenue Account		29,566,510	14,278,398	161,000	(3,102,583)	(2,941,583)	40,903,325	21,947,721	37,987,225	(2,916,100)	0
	Totals		38,624,431	25,943,164	794,000	(4,549,919)	(3,755,919)	60,811,676	35,826,767	57,059,398	(4,956,287)	1,204,009

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Flexible Use of Capital Receipt Strategy

1. Background

- 1.1. Guidance issued by the Secretary of State under Section 15(1) of the Local Government Act 2003 states that local authorities may finance costs associated with service reform from capital receipts. The ability to apply capital receipts in the way is referred to as the 'flexible use of capital receipts'.
- 1.2. This flexibility is currently offered to local authorities for expenditure incurred in the financial years up to and included 2020/21. This was confirmed in the Final Local Government Settlement for 2018/19. Local authorities can only use capital receipts from the disposal of property, plant and equipment assets received in the years the flexibility is offered. Local authorities may not use their existing stock of capital receipts to finance the revenue costs of reform, nor may they borrow to finance the revenue costs of service reform.
- 1.3. The guidance states that qualifying expenditure for the flexible use of capital receipts is 'expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/ or transform service delivery to reduce costs and/ or transform service delivery in a way that reduces costs or demands for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility'.
- 1.4. Local authorities are required to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy. This Strategy should list each project that plans to make use of capital receipts flexibility, together with the expected savings that the project will realise.

2. Strategy

- 2.1 The Council intends to use capital receipts to fund costs associated with the set up and implementation of the Council's leisure management contract.
- 2.2 The Council re-tendered for the provision of its leisure management services during 2017/18. The new leisure management contract arrangements went live in 2018/19. From 2019/20, the contract is delivering savings compared to the cost of the previous contract.
- 2.3 The Council does not currently intend to use capital receipts to support any other service reform over the duration of its current Medium Term Financial Strategy. Should this change, this strategy will be updated and presented before Members for approval.

3. The Prudential Code and impact on Prudential Indicators

- 3.1 The Prudential Code of Capital Finance in Local Authorities ('the Code') is the code of practice used by local authorities to support decisions taken on capital investments. The Code places a requirement on local authorities to set prudential indicators. The Council is required to consider the impact on its prudential Indicators of the proposals contained within its Flexible Use of Capital Receipts Strategy. The impact of the proposals within this strategy on the Council's prudential indicators are:

- Estimated and actual capital expenditure will increase in 2020/21 by the value of the leisure implementation cost.
- The levels of core funds available for the Council to invest will decrease by the value of the leisure implementation costs.
- The ratio of financing costs to net revenue stream in 2020/21 will increase as a result of the reduction in interest generated by the investment of the Council's core funds.

4. Monitoring the Strategy

4.1. The strategy will be monitored via the Council's financial performance monitoring framework and leisure contract management arrangement.

Agenda Item 9



Report for:	Cabinet
Date of meeting:	11 February 2020
Part:	1
If Part II, reason:	

Title of report:	
Contact:	Cllr Margaret Griffiths, Portfolio Holder for Housing Authors: Vivienne Cunningham, Lead Officer (Flexible Tenancy Project Officer) Layna Warden, Group Manager, Tenants & Leaseholders.
Purpose of report:	<ol style="list-style-type: none"> 1. To review the progress of the use of Flexible Tenancies in Dacorum and their continued use. 2. To outline proposals to cease their use and revert to secure periodic (lifetime) tenancies. 3. To detail proposals for mandatory home visits to all general needs properties on a five yearly cycle.
Recommendations	<p>That Cabinet approve</p> <ol style="list-style-type: none"> 1. To revert back to using Secure Periodic Tenancies for all Dacorum Borough Council tenants and cease the use of flexible tenancies from 1 April 2020. 2. To introduce mandatory five year visits to all general needs Dacorum Borough Council tenants. 3. To a review of the secure tenancy agreement and delegate authority to the Portfolio Holder for Housing to approve new documents once updated.
Period for post policy/project review	18 months from 1 st April 2020
Corporate objectives:	Affordable Housing Building Community Capacity Modern and Efficient Council

Implications:	<p><u>Financial</u></p> <p>The review and implementation of a new Secure tenancy agreement will incur approximately £12,000 of costs through printing, legal advice and postage. This however will be met through a reduction in court and legal costs for flexible tenancy challenges and an improvement in the condition of our homes through regular inspections.</p>
'Value for money' implications	<p><u>Value for Money</u></p> <p>Reverting back to Secure (Lifetime) tenancies will lead to stronger communities and enable tenants to progress in employment without the risk of losing their home. Overall this will lead to greater tenant satisfaction. Resources can be diverted from managing the review and appeals process and instead focus on pro-active visits to identify fraud, offer support where needed and maintain the condition of our homes.</p>
Risk implications	<p>Reverting back to Secure Tenancies will reduce risks from managing Fixed Term Tenancies. In particular from legal challenge due to the relatively new legislation. The changes proposed will comply with well-established legislation and therefore avoid the risk of non-compliance. The proposals for regular tenancy visits will improve our ability to effectively manage risks in all council properties.</p>
Community Impact Assessment	<p>Community Impact Assessment carried out November 2019</p> <p>Attached as Appendix 3</p>
Health and safety Implications	<p>There are no direct Health and Safety implications arising from this policy</p>
Deputy Monitoring Officer	<p>The Localism Act 2011 introduced a power for local authorities to offer flexible tenancies however it is not a mandatory requirement.</p>
Deputy S.151 Officer Comments	<p>The costs of implementing the recommendations are expected to be cost neutral with the reduced costs of no longer managing flexible tenancies met by an increased cost of enhanced mandatory visits.</p>
Consultees:	<p>Fiona Williamson – Assistant Director (Housing) Mark Gaynor- Corporate Director (Housing and Regeneration) CMT – Corporate Management Team HCOSC - Housing and Communities Overview and Scrutiny Committee HSMT - Housing Senior Management Team</p>

	TLC - Tenants and Leaseholders Committee Existing tenants and applicants
Background papers:	Report for Overview & Scrutiny Committee – 6/11/19 (Appendix 1) Results of Tenant Consultation Report – Nov 2019 (Appendix 2)
Glossary of acronyms and any other abbreviations used in this report:	DBC – Dacorum Borough Council OSC – Overview & Scrutiny Committee HSMT – Housing Senior Management Team FT/FTT – Flexible Tenancy/Fixed Term Tenancies HA – Housing Association MEX – Mutual Exchange ASB – Anti-Social Behaviour

1. Introduction

- 1.1. This report sets out the current position of Flexible Tenancies (FT) used by Dacorum Borough Council (DBC) Housing Service. It details the research carried out following the first completed year of reviews and makes proposals to make better use of our homes and resources.

2. Background

- 2.1. The Localism Act 2011 introduced new flexibilities for housing providers to offer social housing tenancies for a fixed term. The main rationale for the flexibilities was to make the best use of stock in the context of a shortage of supply. Fixed Term Tenancies would normally be for a period of no less than five years at the end of which, in certain circumstances, tenants would be required to move from the accommodation, thereby creating a vacancy.
- 2.2. DBC decided to adopt the use of flexible tenancies and these were introduced in April 2013 for all new DBC tenants offered a general needs tenancy. Older tenants moving into sheltered accommodation continued to be offered secure tenancies as there was a higher need for them to remain in homes that offered stability.
- 2.3. All tenancies commenced with a one year introductory period, and following this, provided there were no issues, rolled over into a five year FT. Towards the end of the five year tenancy the tenant would be visited by their Tenancy Officer to establish if they were still eligible for social housing. If the household income is above £60,000 or savings are greater than £16,000 then the tenancy will not be renewed. If the home is too big for the household's needs they will be given assistance to move and the tenancy will not be renewed.

3. Research

- 3.1. Research was carried out both nationally and locally. Many of the large Housing Associations had returned to lifetime tenancies, including Hightown HA who have a large number of properties in the local area. Our neighbouring Council at St Albans is also in the process of reviewing their use of FTs with a view to returning to Secure Tenancies.
- 3.2. The publication of the Green paper on 2nd September 2018, confirmed that the use of flexible tenancies should be decided at a local level, in order to get the right balance between providing security for individuals and communities, and making best use of the homes available. It also encouraged consideration for tenants who would be vulnerable or fleeing domestic abuse to ensure they retained secure tenancies.
- 3.3. The Housing Service has been carrying out these reviews from the summer of 2018 and has found the vast majority of tenancies to have been renewed. Further detail can be found in the report presented to the Overview & Scrutiny Committee attached as - Appendix 1.
- 3.4. The Housing Service has conducted 337 flexible tenancy visits up until the end of 2019 and 95% have been renewed for a further five years. With the level of visits required for flexible tenants, this has reduced the time available to visit existing secure tenants, causing concern that the current arrangement does not provide value for money but also reduces our ability to effectively manage risks in secure tenancies.
- 3.5. National research, backed up by our local experience, demonstrates that the original aims of moving to flexible tenancies – such as helping people into employment, making better use of stock, increasing mobility – have not happened. The negative impacts – of uncertainty for tenants, acting as a barrier to building stronger communities, increased workload for staff with no benefit – outweigh any limited benefits that may have occurred. There have also been what must have been unforeseen impacts of the legislation that, for example, means that once a fixed term tenancy ends that any rent arrears become Former Tenant Arrears, which are much more difficult to recover.
- 3.6. The Housing Service carried out a consultation with our tenants from October to early November 2019 asking for their views on flexible tenancies. The consultation was open to all tenants of DBC and also those on the housing register. The results of this consultation can be found in Appendix 2 (Results of the Flexible Tenancy Survey). Comments from those with a flexible tenancy ranged from feeling insecure in their home, worrying about the future, not wanting to invest financially in the home, to the reluctance to taking on extra hours at work in case this meant having to move out of their council property.
- 3.7. While workload of Housing Officers has considerably increased to carry out the flexible tenancy reviews, these have proven beneficial to build stronger relationships with tenants, identify any potential tenancy fraud, offer support and information about other services the council and local community groups can provide and generally confirm the tenancy is being conducted appropriately, especially in relation to the upkeep of the home. These benefits, however, can be achieved without the complication of fixed term

tenancies by ensuring that all tenants are seen regularly to check on any changes in circumstances.

4. Proposals

- 4.1. It is proposed, that DBC will no longer provide flexible tenancies and instead give all new, transferring and existing tenants a secure tenancy.
- 4.2. All general needs tenants will receive a home visit from a Housing Officer at least once every five years. It is proposed that these visits will be called a Tenancy Health Check, and officers will discuss with the tenant their current housing need and offer them advice about downsizing if appropriate. It is anticipated that we will encourage tenants to downsize when the time is right for them to do so. We will also take a visual inspection of the property and advise if anything which is their responsibility needs doing, or refer them to our Repairs Contractor.
- 4.3. The visit will also give us the opportunity to check on the tenant's welfare and spot if a tenant is experiencing any difficulty, enabling us to signpost them for help or referring to teams like the Tenancy Sustainment Team or an external agency.
- 4.4. By visiting our tenants regularly, we can build better relations with them, making them feel valued as a tenant of DBC. This building of relationships may even help reduce ASB complaints, but will certainly ensure our properties are returned to us at the end of the tenancy in better condition than they are now which will help save on the escalating void costs.
- 4.5. Dacorum Borough Council's Allocation Policy is such that only those most in need of a home are offered a council tenancy, and the decreasing number of successful RTB applications would indicate that less tenants are now in a position to purchase their home therefore still having the need of a social rented home. The Homelessness Reduction Act places a greater emphasis on preventing homelessness and our work to sustain tenancies (rather than bring them to an end) is more important than ever.
- 4.6. Our resources could be better utilised by visiting all our general needs tenants on a five yearly cycle to ensure compliance to tenancy conditions. This will provide us with a much better idea on how all our properties are being maintained and allow us to intervene earlier than we currently do now, saving on repair costs. The time spent in carrying out flexible tenancy reviews does not provide any financial benefit to the Council whereas regular home visits will.
- 4.7. Tenants whose flexible tenancy is due to end after 1st April 2020 will be given a new secure tenancy at the point their existing tenancy ends. Additionally all new tenants will be given a secure tenancy from 1st April 2020. Those who are currently mid flexible tenancy will be written to notify them they will receive a secure tenancy either at the point their tenancy is due to end or when they are formally given notice of a new secure agreement.

4.8. With a number of changes since the last tenancy agreement was drawn up in 2013 a new secure tenancy agreement will be drafted and consulted on throughout 2020 so that all DBC tenants are formally given a new secure tenancy making every tenant have the same agreement.

5. Conclusion

5.1. There is evidence that the use of Flexible Tenancies does not provide value for money, creates uncertainty with tenants and in communities and has not met its aims to increase mobility and provide social housing for those in genuine need. A number of benefits have been felt through conducting visits to these tenants and it is proposed that DBC no longer uses flexible tenancies but revert to secure tenancies for all tenants from 1st April 2020.

5.2. Regular Tenancy Health Checks will be completed at least once every 5 years to ensure an effective housing management service and to encourage discussions about downsizing and support for tenants.

6. Recommendations

That Cabinet approve

1. To revert back to using Secure Periodic Tenancies for all Dacorum Borough Council tenants and cease the use of flexible tenancies from 1 April 2020.
2. To introduce mandatory five year visits to all general needs Dacorum Borough Council tenants.
3. To a review of the secure tenancy agreement and delegate authority to the Portfolio Holder for Housing to approve new documents once updated.



Report for:	Housing and Community Overview and Scrutiny Committee
Date of meeting:	6th November 2019
Part:	1
If Part II, reason:	

Title of report:	Flexible Tenancy Review
Contact:	Cllr Margaret Griffith, Portfolio Holder for Housing Authors: Vivienne Cunningham, Lead Officer (Fixed Term Tenancies Project Officer) Layna Warden, Group Manager (Tenants and Leaseholders)
Purpose of report:	<ol style="list-style-type: none"> 1. To update members on progress with the use of flexible tenancies 2. To detail proposals with regard to continuing use of flexible tenancies 3. To set out proposals for compulsory visits to all general needs tenants at five year intervals
Recommendations	That members consider the report and comment as appropriate
Period for post policy/project review	12 months from date of report
Corporate objectives:	Affordable Housing Building Community Capacity Modern and efficient council
Implications:	<p><u>Financial</u></p> <p>There are additional costs associated with carrying out flexible tenancy reviews predominantly in officer time but also in reviewing decisions and hearings held by the Group Manager. If regular visits are introduced for all tenants a growth will be required in the need for Housing Officers to carry out more inspections however this is expected to reduce void costs, unauthorised alterations and reduce tenancy fraud.</p> <p><u>Value for money</u></p>

	There is little evidence so far that using flexible tenancies provides value for money. The proposals for regular tenancy visits will reduce void costs and are expected to provide greater benefits
Risk implications	We have a legal obligation to follow national guidance and this has been considered to ensure legislation and best practice are upheld
Community Impact Assessment	Community Impact Assessment carried out and attached as Appendix A
Health and safety Implications	Housing policies, procedures and contracts build in a requirement that all health and safety requirements are met and any higher risk matters are included in our risk register, which identifies specific mitigating actions.
Consultees:	Mark Gaynor – Director (Housing and Regeneration) Fiona Williamson - Assistant Director (Housing) Tenants and Leaseholders Committee Corporate Management Team Legal Team
Background papers:	Housing and Community Overview and Scrutiny committee report June 2018
Glossary of acronyms and any other abbreviations used in this report:	FTT – Fixed Term Tenancies (Flexible Tenancies) FT - Flexible Tenancy DBC – Dacorum Borough Council LA - Local Authority HA - Housing Association MEX – Mutual Exchange ASB – Anti-social behaviour

1. Introduction and Executive Summary

1.1. This report will explain the background with regard to Fixed Term Tenancies (FFT), their introduction and their use in Dacorum Borough Council (DBC). It will provide information on progress with flexible tenancies so far in DBC, and some of the difficulties that have been experienced using these type of tenancies.

- 1.2. The report also looks at research both locally and nationally on the effectiveness of meeting the original aims of the legislation, and what impact this has on tenants and social housing providers.
- 1.3. The report will aim to explain that should DBC cease to use flexible tenancies, what strategy would be put in place so that we continue to interact with our tenants on a regular basis.

2. Background

- 2.1. Following the introduction of the Localism Act 2011, Dacorum Borough Council decided to adopt the use of flexible tenancies and these were introduced in April 2013 for all new DBC tenants offered a general needs tenancy. It was felt older tenants moving into sheltered accommodation were doing so for a number of reasons including stability and suitability and therefore those tenants moving into our supported sheltered housing continued to be offered secure tenancies.
- 2.2. The purpose behind promoting the move to flexible tenancies was to promote better use of resources, increase tenants mobility and to provide housing for those most in need. DBC settled on a term of five years for flexible tenancies following the one year introductory period, and the tenancy would be renewable at review for a further five years if the family's circumstances remained the same and/or they did not have in-excess of £16,000 in savings or earned over £60,000.
- 2.3. If the family needed to downsize then DBC would help them move to a more suitably sized property by the end of their flexible tenancy, and if they needed to upsize then the flexible tenancy at their current property would be renewed for a further five years whilst they awaited a transfer. Those tenants that did not qualify for housing due to their savings or income would not have their flexible tenancy renewed and they would need to find alternative accommodation in the private sector by the end of their flexible tenancy.
- 2.4. Over the last 18 months reviews have been conducted and the majority of tenancies were renewed for a further five years. The reviews need to take place at least 9 months prior to expiry to allow time for any notices to be served by the statutory minimum of 6 months before the flexible tenancy ends.

3. National and Local Situation

- 3.1. Following the introduction of The Localism Act 2011, Fixed Term Tenancies were optional for all local authorities and housing associations to adopt.
- 3.2. The Housing and Planning Act 2016 intended to make it mandatory for all local authorities to use fixed term tenancies for all new tenants, however it was later announced with publication of the social housing Green paper, that fixed term tenancies made tenants feel insecure and less willing to decorate and "make home" in their properties. It was also felt that it made communities less stable by increasing the transient nature of the residents.
- 3.3. Locally, although a number of housing providers adopted fixed term/flexible tenancies at the outset they are now moving back to secure/assured tenancies. Hightown Housing Association, our largest housing association

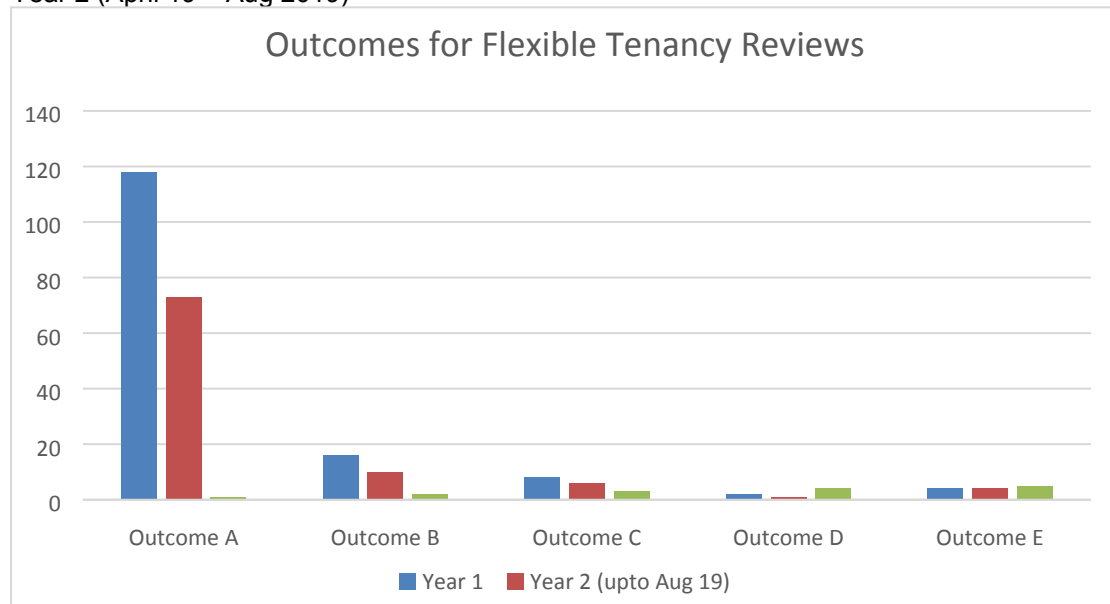
provider in Dacorum has already returned to lifetime tenancies, and St Albans District Council are currently reviewing their position with a view to returning to lifetime tenancies. Thrive Homes are continuing with theirs, although they offer them on a seven year tenure and have recently introduced yearly visits to their tenants.

3.4. There has been growing recognition of the importance of housing stability for those who rent, this was highlighted in the Green Paper 2018 following research from social housing providers and academics.

4. Current position for the Housing Service

4.1. We have carried out 259 flexible tenancies so far, from July 2018 to August 2019 and 11 of those have resulted in appeals. The cost implication so far is detailed further in point 5.

The following graph shows the outcome broken down into Year 1 (July 2018 – Mar 2019) and Year 2 (April 19 – Aug 2019)



Outcome A = No change, tenancy renewed
 Outcome B = Property too small, tenancy renewed
 Outcome C = Property too big, tenancy not renewed
 Outcome D = Savings over £16,000 and/or income over £60,000, tenancy not renewed.
 Outcome E = Joint tenant no longer at property, not renewed. Sole tenant offered at expiry.

4.2 This shows the majority of tenancies were renewed due to no change in circumstances, those that were not resulted in an appeal by the tenant/s. Of the two cases where tenancies were not reviewed due to an income above £60,000, one decision was over-turned due to medical reasons and the other proceeded to complete a Right to Buy of the home.

5. Impact on Resources

5.1. On average, each review takes around an hour and a half to collate the paperwork and complete the visit. If the tenant/s appeal the outcome, the time increases considerably due to the need to prepare the relevant paperwork, arrange a hearing with a Team Leader and Group Manager who will be

conducting the review. Additionally time is required from the Independent Reviewing Officer to assess cases when required.

5.2. The costs in officer time are shown below:

To carry out reviews	388.5 hrs	salary cost: £7855.47
To carry out appeals	44 hrs	salary cost: £889.68
Lead Officer approval	129.5 hrs	salary cost: £3170.16

5.3. While the reviews by the Housing Officers is not an issue as this allows us to build a relationship with our tenant and carry out an inspection of the home, the review process can be very distressing for tenants who are concerned about the future of their tenancy. Additionally considerable resource has been required from internal and external legal services. This is for situation including where one of the joint tenants has left the property, complications where one tenant wishes to leave (eg Domestic Abuse cases) and discussions around the correct paperwork and wording on documents needed to end a flexible tenancy.

6. Legal and current challenges

- 6.1. When joint tenants wish to end their flexible tenancy it is a requirement of the tenancy agreement that both tenants must sign. In cases where Domestic Abuse is involved this has proved to be especially difficult for the tenant wishing to flee. This can lead the tenant to continue to live in a possibly dangerous situation.
- 6.2. When a flexible tenancy is renewed and there are rent arrears in place at expiry, these arrears are then classed as a “former tenant arrear” and therefore can be more difficult to collect. This is due to a flexible tenancy being re-granted at expiry as it is not a continuation of the flexible tenancy. This scenario would also apply if there were any injunctions or court orders applied to the flexible tenancy. Essentially the slate is wiped clean for the tenant.
- 6.3. Many of our flexible tenants have entered into a mutual exchange (MEX) during the lifetime of their flexible tenancy, and some of these families have moved to a property with a “spare bedroom” as allowed in our MEX Policy. At their flexible tenancy review, we have to inform them that we will not be renewing their flexible tenancy at their new property as it is too large for them in accordance with our Allocations Policy and they have to move again. This has caused some dismay and distress to tenants; most of these tenants have lodged an appeal.
- 6.4. The current IT system (Orchard) does not have the capacity to help monitor the need for a FT review. We have to rely on reports from Orchard and use spreadsheets. This is both tiresome and open to human error, as the reports do not include those tenants that have transferred or moved by way of a MEX – these have to collated and entered manually.
- 6.5. The time taken up with FT reviews has meant that less time is available to conduct the general audits we carry out on all general needs properties, which has meant those tenants with a secure tenancy are not being visited as often.

6.6. It is possible that following the expiry of a non-renewed FT the tenant/s refuse to move out. This has not happened so far, but we would need to take legal action for an eviction. This would incur time and considerable expense with no guarantee a Judge would rule in our favour.

7. Current Position

7.1. We are currently consulting with tenants and prospective tenants for their views on flexible tenancies and we should have the results of this by the end of November. However, Tenancy Officers have reported that when visiting tenants, most have expressed some anxiety at the process of their tenancy renewal, and some were not even aware that their tenancy had an expiry date.

7.2. We feel sure that the over-riding response will be that tenants will welcome having a secure tenancy that will give them security and confidence in their home and help create more stable communities.

8. Proposals

8.1. One of the benefits of conducting the FT reviews was that we were able to identify tenants that were struggling or having difficulties, poor maintenance of the property, suspected abandonment or sub-letting. This enabled us to offer support, signpost, refer to the Tenancy Sustainment Team or take tenancy action.

8.2. The requirement to visit should be incorporated into our tenancy agreement, making it a condition of tenancy. If DBC cease to use flexible tenancies, a mandatory visit to all our general needs tenants at least once every five years for an "MOT" of sorts – checking their welfare and identifying any support needs, checking the condition of the property and identifying any unauthorised alterations, and also offering practical advice if the tenant's circumstances have changed.

8.3. Regular visits will be beneficial to tenancy management, helping to improve relations between tenant and landlord. In addition, when tenancies are terminated the properties will come back to us in a better condition and therefore save on void costs.

8.4. The Housing Service currently conduct a 6 week and a 9 month visit to all introductory tenants, so further visits will just be an extension of this practice into their secure tenancy.

9. Research

9.1. Local research has been undertaken and both Hightown HA and St Albans District Council have cited the resources required to maintain the use of FTT far outweighs their benefits. Both organisations adopted the use of FTT for better use of their stock, but like us have not found the outcomes to be what was anticipated.

9.2. Many LAs and HAs have now tried the FTT framework and found it has not best served their tenants and communities. They are now reverting back to lifetime tenancies, Many of the larger HAs (Clarion, Peabody, London Quadrant, Grand Union) have abandoned FTTs, and earlier this year

Kensington and Chelsea Borough Council also announced they would no longer be using FTTs.

9.3. The key aims behind the Government's introduction of FTT were as follows:

- Make the best use of council stock
- Increase mobility
- Target social housing for those in genuine need
- Support tenants to take up work
- Support tenants into other housing options
- Support vulnerable/young people to develop skills to maintain tenancies
- Tackle ASB and other tenancy issues

The evidence to date suggests that flexible tenancies have had a very small impact on making the best use of stock and no impact on any of the other objectives.

9.4. Research carried out by Professor Suzanne Fitzpatrick and Dr Beth Watts from Heriot Watt University in May 2018, studied the effectiveness of flexible tenancies by carrying out phases of interviews with tenants who had fixed term tenancies. This research concluded that:

- Tenants only had a vague idea on the grounds their tenancies may be terminated
- The idea that tenancies could be terminated due to a rise in income was surprising to most tenants, an idea most disapproved of.
- There was little evidence that tenants adjusted their behaviour as a result of having a fixed term tenancy.
- Most tenants were only mildly or moderately anxious about their tenancy status – although these tenants had a least 2 more years on their tenancy. It was found that it was of considerable distress to a minority – especially older tenants, families with young children or those with a disability.
- There was very little support of the idea that tenancy renewal should be linked to job searching or volunteering – indeed some shock that this could even be a consideration.

9.5. The policy recommendations presented to the government by the researchers were that the FTT policy framework should be abandoned, that the government should not bring into force the relevant sections in the Housing & Planning Act 2016 that compel local authorities to only use FTT in all new lets, but if brought into force, amendments should be made to give exemptions to those with disabilities, older tenants and those with vulnerabilities, and that LAs should have the ability to offer FTTs of up to 10 years.

9.6. The government gave credence to such research and subsequently decided not to implement the changes outlined in the Housing and Planning Act 2016. There has been a significant shift since then with a growing recognition of the importance of housing stability for all those that rent. The events at Grenfell have also influenced the need in social housing for communities and tenants to be at the forefront of our decision making processes.

- 9.7. Figures from the Right to Buy within DBC have shown a sharp decrease in sales over the last two years fallen from 89 in year ending 2017 to 29 in the last financial year. This could indicate that those now in DBC properties do not have the finances to purchase, and those with a higher income that could privately rent are reluctant to do so due to the instability in this sector. The White Paper "Fixing our Broken Housing Market" states the loss of a private sector tenancy is now the most common cause of homelessness.

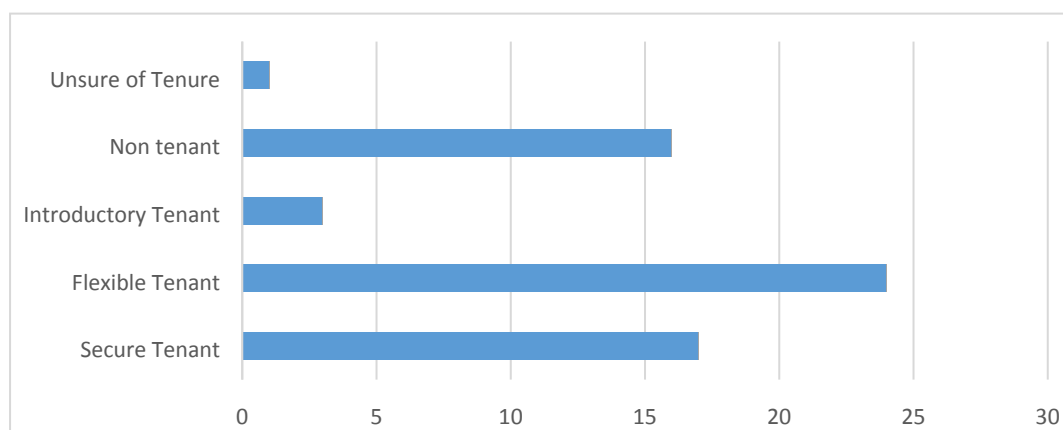
10. Conclusion

- 10.1. The current allocation policy at DBC means that only those most in need are offered properties, and realistically the proportion of those tenants whose circumstances improve enough to purchase a property, or move into the private rented sector are low. Therefore, realistically, the only properties we are likely to get back are those that need to downsize.
- 10.2. DBC already have an incentive scheme in place to assist those tenants wishing to transfer to a smaller property, and the current benefit cap also encourages tenants who are in receipt of housing benefit to downsize when the needs arises.
- 10.3. Forcing tenants to downsize into a smaller property, when available properties are scarce causes alarm and distress, and increases tenant's anxiety they will be made homeless at the end of their tenancy.
- 10.4. DBC already have in place a Tenancy Sustainment Team to assist vulnerable tenants to maintain their tenancy, mutual exchanges and transfers are promoted to increase mobility and our anti-social behaviour(ASB) policies address any ASB issues.
- 10.5. Introducing five yearly visits to each general needs property, will meet the needs of the service to improve the condition of our stock. It will provide an improved service to all our general needs tenants and help us to get to know our tenants and the community, helping us to build stronger, safer communities.
- 10.6. If the decision to cease using flexible tenancies is taken, then consideration is required as to whether we leave the current FTs to roll into periodic tenancies at their individual expiry date, or we contact all the FT tenants to come in to sign a new agreement over a set time period.

Results of the Flexible Tenancy Survey

This survey was carried out from the beginning of October to the 7th November 2019. An invitation to take part in the online survey was sent with tenant rent statements, which were sent out at the end of September. Notifications were also put on 'Moving with Dacorum' (Civica), Facebook & Twitter inviting tenants and those on the Housing Register to take part.

We received a total of 61 responses made up as follows:



All respondents with a secure tenancy were happy with their tenure type citing reasons such as stability, security and the sense of belonging to a community. Conversely, all those with a flexible tenancy were not happy with their tenure type for similar reasons stating the lack of security and stability for their family, and the constant worry of not knowing if it will be renewed at the end of the fixed term.

Those with an introductory tenancy were happy with their current tenancies, but expressed a preference for a secure tenancy at the end of it.

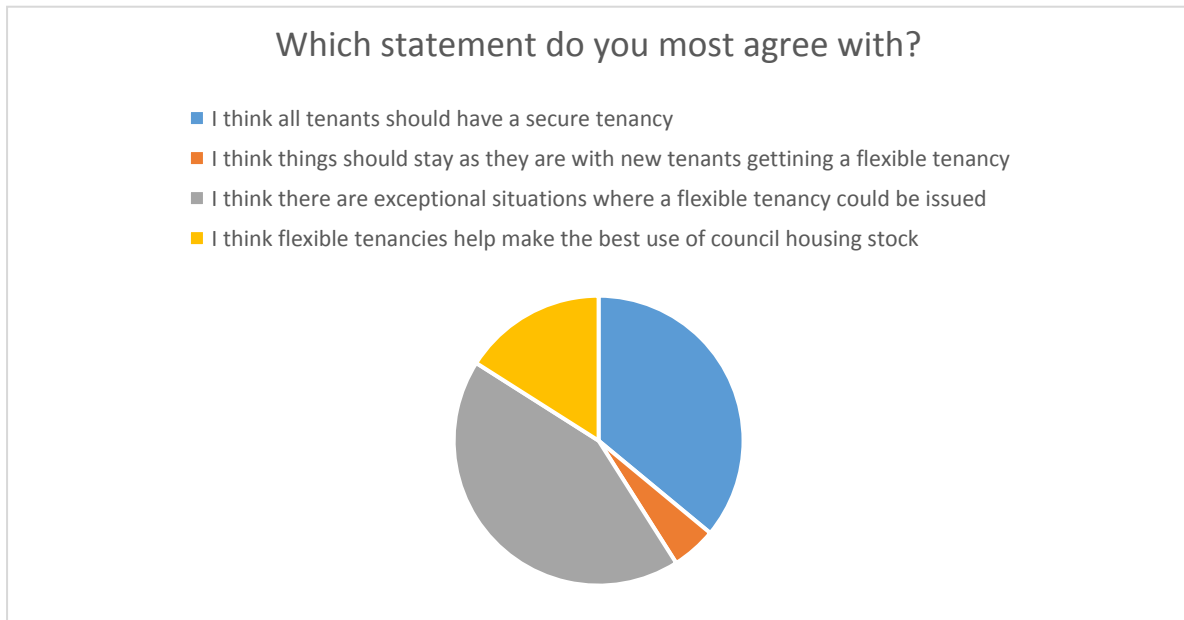
Of the 16 non-tenants who responded, 10 would prefer to have a secure tenancy should they be offered a tenancy, three were happy to have a flexible tenancy and three were unsure/had no opinion.

Interestingly, of the 61 respondents, only two were unaware of the differences in tenure – both had a secure tenancy, which may account for that result.

The survey did not present many surprises, and the comments made by respondents were similar in that security was an important factor for all tenants – those with secure tenancies appreciated the security of having somewhere to call “home” for the long-term, and were happy to decorate their homes and were putting down roots in the community where they lived.

Many of those with flexible tenancies said they had feelings of anxiety and worry. One said they were reluctant to decorate the home in case they had to move on, some said they would not want to leave the neighbourhood they lived in once their children had left home as they felt part of that community and were worried about what the future held.

The final question in the survey asked respondents which statement they most agreed with and what was interesting was that although a high percentage of respondents thought that flexible tenancies were a good use of council housing stock – freeing up properties for those in need, and that there was a place for flexible tenancies in exceptional circumstances only three people were happy to have a flexible tenancy themselves.



Although, the number of respondents was disappointingly low, what we can take from the survey is that people would prefer to have the security of a secure tenancy, even though they can see a benefit of flexible tenancies.

Dacorum BC Community Impact Assessment (CIA) Template

Policy / service / decision

Tenant & Leaseholder – Cease the use of Flexible Tenancies & revert to Secure Tenancies

Description of what is being impact assessed

What are the aims of the service, proposal, project? What outcomes do you want to achieve? What are the reasons for the proposal or change? Do you need to reference/consider any related projects?

Stakeholders; Who will be affected? Which protected characteristics is it most relevant to? Consider the public, service users, partners, staff, Members, etc

It is advisable to involve at least one colleague in the preparation of the assessment, dependent on likely level of impact

To cease the use of flexible tenancies and revert back to secure periodic tenancies. This will effect current tenants who currently hold a flexible tenancy, those secure tenants who wish to make amendments to their tenancy and those wishing to become a DBC tenant.

If adopted, this could impact on staff, dependent on how the change would be implemented

As this proposal would affect a cross-section of society it is not particular to any specific characteristic, the change would encompass all characteristics.

Evidence

What data/information have you used to assess how this policy/service/decision might impact on protected groups?

(include relevant national/local data, research, monitoring information, service user feedback, complaints, audits, consultations, CIAs from other projects or other local authorities, etc.). You should include such information in a proportionate manner to reflect the level of impact of the policy/service/decision.

Information from national reports from MHCLG, articles from Inside Housing/shelter, initial results from tenants as part of a consultation being undertaken. The proposals will improve the tenure for tenants, which is viewed as a positive. It would benefit those tenants that have vulnerabilities or disabilities as it means they would hold a “lifetime” tenancy.

Who have you consulted with to assess possible impact on protected groups? *If you have not consulted other people, please explain why? You should include such information in a proportionate manner to reflect the level of impact of the policy/service/decision.*

Housing Income, Lettings, Tenancy, Strategy, Improvement & Engagement Teams, Housing Senior management team and Portfolio Holder Cllr Margaret Griffith. Additionally current tenants and those on the housing register to gather their views. Also other Social Housing Providers.

Analysis of impact on protected groups (and others)

The Public Sector Equality Duty requires Dacorum BC to eliminate discrimination, advance equality of opportunity and foster good relations with protected groups. Consider how this policy/service/decision will achieve these aims. Using the table below, detail what considerations and potential impacts against each of these using the evidence that you have collated and your own understanding. Based on this information, make an assessment of the likely outcome, **before** you have implemented any mitigation.

- *The PCs of Marriage and Civil Partnership and Pregnancy and Maternity should be added if their inclusion is relevant for impact assessment.*
- *Use “insert below” menu layout option to insert extra rows where relevant (e.g. extra rows for different impairments within Disability).*

	Summary of impact	Negative impact / outcome	Neutral impact / outcome	Positive impact / outcome
Protected group	<i>What do you know? What do people tell you? Summary of data and feedback about service users and the wider community/ public. Who uses / will use the service? Who doesn't / can't and why? Feedback/complaints?</i>			

Age	This proposed change will not effect those older tenants in sheltered housing as they are currently given secure tenancies. The proposed change is not detrimental to any age group	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability (physical, intellectual, mental) <i>Refer to CIA Guidance Notes and Mental Illness & Learning Disability Guide</i>	The proposed change will not be detrimental to anyone in this category. It could be seen as beneficial as vulnerable tenants will have long term security of tenure should this change be implemented.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gender reassignment	No known detrimental impact to this group.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race and ethnicity	No known detrimental impact to this group	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or belief	No known detrimental impact to this group	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex	No known detrimental impact to this group	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation	No known detrimental impact to this group	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<p>Not protected characteristics but consider other factors, e.g. carers, veterans, homeless, low income, loneliness, rurality etc.</p>	<p>Refugees with limited leave to remain were considered, and it was felt there would have no detrimental effect on this group, but possible service changes may be required.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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Negative impacts / outcomes action plan

Where you have ascertained that there will potentially be negative impacts / outcomes, you are required to mitigate the impact of these. Please detail below the actions that you intend to take.

<p>Action taken/to be taken <i>(copy & paste the negative impact / outcome then detail action)</i></p>	<p>Date</p>	<p>Person responsible</p>	<p>Action complete</p>
	<p>Select date</p>		<input type="checkbox"/>
	<p>Select date</p>		<input type="checkbox"/>
	<p>Select date</p>		<input type="checkbox"/>
	<p>Select date</p>		<input type="checkbox"/>
	<p>Select date</p>		<input type="checkbox"/>

	Select date		<input type="checkbox"/>
	Select date		<input type="checkbox"/>
	Select date		<input type="checkbox"/>
If negative impacts / outcomes remain, please provide an explanation below.			
Completed by (all involved in CIA)	Vivienne Cunningham, Sue Birrell, Paula Parkins, Gemma Baker, Dwain Daniel.		
Date	29/10/19		
Signed off by (AD from different Directorate if being presented to CMT / Cabinet)	Layna Warden, GM – Tenants and Leaseholders		
Date	30/10/2019		
Entered onto CIA database - date			

To be reviewed by (officer name)	
Review date	

Agenda Item 10



Report for:	Cabinet
Date of meeting:	11 February 2020
PART:	1
If Part II, reason:	

Title of report:	Senior Officer Pay Policy
Contact:	Cllr Julie Banks – Portfolio Holder for Community and Regulatory Services Author/Responsible Officers: Sally Marshall – Chief Executive Linda Roberts – Assistant Director (Performance, People & Innovation) Matthew Rawdon – Group Manager (People and Communities)
Purpose of report:	To set the Council's pay policy for the financial year 20/21, as required by Section 38 of the Localism Act 2011.
Recommendations	(1) That Cabinet recommend Council to adopt the Pay Policy for 2020/21 as set out in appendix 1 to this report. (2) That Cabinet agree that any amendments to the Pay Policy throughout the financial year 2020/2021 which may be required as a result of legislative changes can be approved by the Chief Executive in conjunction with the Council's Monitoring Officer.
Corporate objectives:	The Council's policies in respect of pay and terms and conditions support all five of the Council's strategic objectives as part of ensuring that services to the community can be delivered to the required standards and with due regard to economy, efficiency and effectiveness

Risk Implications	There needs to be a robust procedure in place to ensure transparency of information and equality in staffing costs and remuneration.
Equalities Implications	The Pay Policy Statement adheres to national guidance on pay equality.
Health And Safety Implications	No implications from this report.
Monitoring Officer	Deputy Monitoring Officer: The Senior Pay Policy is required by virtue of section 38 of the Localism Act 2011 and this Pay Policy complies with the statutory requirement and associated guidance.
S.151 Officer Comments	Deputy S.151 Officer: No further comments to add to the report.
Consultees:	Sally Marshall (Chief Executive)
Background papers:	Pay Policy Statement 2019/20 Openness and accountability in local pay: Draft guidance under section 40 of the Localism Act (November 2011) Localism Act 2011: local government senior officer pay accountability Impact assessment (November 2011) The Code of Recommended Practice for Local Authorities on Data Transparency (September 2011) The Local Government Transparency Code 2014 DBC Employee Handbook
Glossary of acronyms and any other abbreviations used in this report:	HR – Human Resources FTE – Full Time Equivalent (employee) EIS – Employee Information System SCP – Spinal Column Point NJC – National Joint Council LGE – Local Government Employers
Appendices	Appendix 1 – Pay Policy Statement 2020/2021 Appendix 2 – Election fees for 2020/2021

Background

1. Section 38 of the Localism Act 2011 ('The Act') requires local authorities in England to prepare, approve and publish a pay policy statement. The statement must detail the authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff ('Chief Officers', as defined in the Act) and its lowest paid employees.
2. The pay policy statement must be prepared for each financial year. As soon as reasonably practicable after approving the statement it must be published in such manner as the Council thinks fit, which must include publication on the Council's website.
3. Specifically, the Act requires the publication of a pay policy statement for each financial year which must set out the authority's policies for the financial year relating to:
 - the remuneration of its chief officers
 - the remuneration of its lowest-paid employees, and
 - the relationship between:
 - (i) the remuneration of its chief officers, and
 - (ii) the remuneration of its employees who are not chief officers.
4. The statement must also provide:
 - the definition of "lowest-paid employees" and the authority's reasons for adopting that definition, and
 - a statement on the Council's policies relating to:
 - (i) the level and elements of remuneration for each chief officer
 - (ii) remuneration of chief officers on recruitment
 - (iii) increases and additions to remuneration for each chief officer
 - (iv) the use of performance-related pay for chief officers
 - (v) the use of bonuses for chief officers
 - (vi) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
 - (vii) the publication of and access to information relating to remuneration of chief officers.

5. In respect of item (vi), the Council currently has no defined approach to the payment of chief officers on ceasing to hold office, and no statement is, therefore, made in the report in relation to this.
6. It remains the case that each local authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for local tax payers. The Act only requires that authorities are more open about local pay policies and how their local pay decisions are made. It is not necessary to specify actual pay rates or terms and conditions. It also means that future decisions by a local authority relating to the pay and conditions of its chief officers must comply with the authority's approved pay policy statement.
7. Guidance relating to the statement of Pay Policy and related guidance on transparency make recommendations arising from the Hutton Review of Fair Pay in the Public Sector (final report published March 2011).
8. Members should also note that the Council is also required to publish, under the Accounts and Audit (England) Regulations 2011:
 - the number of employees whose remuneration in that year was at least £50,000, and
 - details of remuneration and job title of certain senior employees whose salary is at least £50,000.
9. In addition, under the Local Government Transparency Code 2014, the Council is required to publish a list of responsibilities (including the service and functions they are responsible for, budget held and number of staff) for senior employees whose salary exceeds £50,000.
10. The Council is not required to include the information referred to in paragraphs 8 and 9 in its Pay Policy Statement, but it is required to place the information on its website.
11. The Senior Officer Pay Policy also includes a schedule of election fees as referred to in paragraph 8 of the Policy.
12. The statutory Gender Pay Gap statistics forms part of the pay policy. This has been reported on the government website.

Recommendations

- 13 That Cabinet recommend Council to adopt the Pay Policy for 2020/21 as set out in appendix 1 to this report.
- 14 That Cabinet agree that any amendments to the Pay Policy throughout the financial year 2020/2021 which are required as a result of legislative changes can be approved by the Chief Executive in conjunction with the Council's Monitoring Officer.

Pay Policy Statement 2020/2021

1 Background

- 1.1 Section 38 of the Localism Act 2011 ('The Act') requires local authorities in England to prepare, approve and publish a pay policy statement. The statement must detail the authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff ('chief officers') and its lowest paid employees. This statement has been produced in line with the Local Government Transparency Code 2014.
- 1.2 The pay policy statement must be prepared for each financial year. As soon as reasonably practicable after approving the statement it must be published in such manner as the Council thinks fit, which must include publication on the Council's website.
- 1.3 It remains the case that each local authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for local taxpayers. The Act only requires that authorities are more open about local pay policies and how their local pay decisions are made. It is not necessary to specify actual pay rates or terms and conditions. It also means that future decisions by a local authority relating to the pay and conditions of its chief officers must comply with the authority's approved pay policy statement.

2 Pay Policy Principles

- 2.1 The provisions of the Act confirm the government's commitment to increase openness about how taxpayers' money is used, bringing together the principles of increasing accountability, transparency and fairness in the setting of local pay.
- 2.2 The Hutton Review of Fair Pay in the Public Sector (final report published March 2011) confirmed the government's decision to promote pay fairness in the public sector by reducing the gap between the lowest and highest paid in public sector organisations.
- 2.3 The Act requires Councillors to take a greater role in determining pay, ensuring that decisions are made by those who are directly accountable to local people. In addition, they must ensure that policies on the pay and reward of the most senior staff are set clearly within the context of the pay of the wider workforce.

3 Scope of Dacorum Borough Council Pay Policy Statement

- 3.1 The Council's definition of a senior manager for the purposes of this policy statement is: Chief Executive (Head of Paid Service), Corporate Directors and Assistant Directors. The term 'Chief Officer' relates to the Chief Executive and Corporate Directors only.

3.2 Council staff are employed under terms and conditions contained in the National Joint Council (NJC) for Local Government Services National Agreement on Pay and Conditions of Service. However, these are subject to a number of local agreements including a local agreement on remuneration. The following roles form the Council's Corporate Management Team:

- Chief Executive
- Corporate Director (Finance and Operations) (S151 Officer)
- Corporate Director (Housing and Regeneration)
- Assistant Director (Finance and Resources)
- Assistant Director (Housing)
- Assistant Director (Neighbourhood Delivery)
- Assistant Director (Planning, Development and Regeneration)
- Assistant Director (Performance People and Innovation)
- Assistant Director (Corporate and Contracted Services)

4 Senior Officer Salary Ranges

4.1 During 2009 and 2010, the Council undertook a Strategic Re-alignment programme, in which all senior posts (Group Manager level and above) were evaluated using the Local Government Employers (LGE) senior management evaluation scheme. This is a nationally recognised methodology, benchmarked by the LGE against other local authorities, taking into account local factors.

4.2 Continuing from this, the Council has developed its own job evaluation scheme. Each grade is then matched to a prescribed salary range. Each salary range has 3 incremental points. Increments are awarded annually in April, linked to the achievement of satisfactory performance. There are specific Chief Officer pay bands for the Corporate Directors and for the Chief Executive. These have 5 points within each band.

4.3 The senior management job evaluation scheme can only be applied to posts below Group Manager level in very exceptional circumstances. This is subject to the recruiting manager being able to demonstrate to the satisfaction of Chief Officer Group (COG) that the role is comparable to that of Group Manager in terms of any specialist skills and/or leadership qualities that are required and the significant importance of the post to the Council.

4.4 As at January 2020, the ratio between the pay of the highest paid officer and the median salary of staff is 5.6:1.

5 Remuneration Package

5.1 As well as basic salary, all senior managers are entitled to specific terms of employment, as set out in the following paragraphs.

5.2 Annual Leave

- 5.3 The leave year begins on the 1st April each year and ends on the following 31st March. Annual leave entitlement varies, dependent on spinal column point (SCP), length of local government service and the number of days contracted to work each week (see Table 1 below). Chief Officer leave allowances refer to the Chief Executive and Corporate Directors.

Table 1: Annual leave entitlements

	Working 1 day per week			Working 2 days per week			Working 3 days per week			Working 4 days per week			Working 5 days per week		
	Service in Years			Service in Years			Service in Years			Service in Years			Service in Years		
Spinal Column Point	<5	5 to <10	10 & 10+	<5	5 to <10	10 & 10+	<5	5 to <10	10 & 10+	<5	5 to <10	10 & 10+	<5	5 to <10	10 & 10+
Up to 12	4.5	5.5	5.5	9	11	11	14	16	16	18.5	21.5	21.5	23	27	27
13 to 21	4.5	5.5	5.5	9	11	11	14	16	17	18.5	21.5	22.5	23	27	28
22 to 28	5	5.5	6	10	11	11.5	15	16	17.5	20	21.5	23	25	27	29
29 to 40	5	5.5	6	10.5	11	11.5	15.5	16	17.5	21	21.5	23	26	27	29
41 & above (Assistant Directors)	6	6	6.5	11.5	11.5	13	17.5	17.5	19	23	23	25.5	29	29	32
Chief Officers	6.5	6.5	7	13	13	14	19	19	21	26	26	28	34	34	37

5.4 Cars

- 5.5 In April 2018 the lease car scheme has been replaced by a car salary sacrifice scheme. This is open to all eligible employees.
- 5.6 On the 1st April 2018 the three essential car user allowances were discontinued. Previous eligible staff roles will receive a consolidated increase in their pay equivalent to this amount (with adjustments for additional pension contributions).
- 5.7 All Chief Officers and all employees whose posts are Band 11 or above are eligible for a lease car allowance*. Chief or Senior Officers are paid a lease car allowance lump sum See Table 2 below:

Table 2: Chief Officer and senior officer car allowance

Band point	Miles.	Car Band	Amount p.a.
34 to 46	N/A	1	£2,550
34 to 46	Over 2000 per year	2	£3,200
34 to 46	Over 4000 per year	3	£3,750
47 to 72	N/A	3	£3,750
Corporate Directors	N/A	4	£4,600
Chief Executive	N/A	5	£4,800

* Lease car allowances will be consolidated into basic pay as of October 2020, so lease car payments to staff will no longer exist beyond this date.

- 5.8 All employees are also eligible for a Council Car Loan, with interest being charged at the HMRC official rates.
- 5.9 All car business mileage for senior officers can be claimed at a locally agreed rate, currently 21p per mile.

5.10 Sick Pay

- 5.11 As part of its responsibility towards its employees the Council has arrangements for ensuring that employees who are unable to work for a limited period for reasons of illness do not suffer additional hardship through loss of earnings. These payments are restricted and at the end of the defined the period the entitlement to occupational sick pay ceases. The periods of entitlement to occupational sick pay are related to length of service and apply to all employees, as shown in table 3.

Table 3: Occupational sick pay periods

Length of continuous service	Amount of sick pay
During 1 st year of service	1 month's full pay & (after completing 4 months' service) 2 months' half pay
During 2 nd year of service	2 months' full pay & 2 months' half pay
During 3 rd year of service	4 months' full pay & 4 months' half pay
During 4 th and 5 th years of service	5 months' full pay & 5 months' half pay
After 5 years' service	6 months' full pay & 6 months' half pay

6 Pensions (Local Government Pension Scheme)

- 6.1 All local government employees (including senior managers) are eligible to join the Local Government Pension Scheme (LGPS). Employee contributions are set nationally by the LGPS and are banded, according to salary level. Currently senior managers pay between 5.5% - 12.5% depending on their individual salary.
- 6.2 Employer contributions to the Local Government Pension Scheme for the Dacorum Borough Council employers fund are currently set at 18.5%.

7 Additional Payments

- 7.1 Senior managers are not entitled to claim any additional payments, such as overtime, standby or payments for working at the weekend. Senior managers attend a wide variety of evening meetings and assist with emergency phone duties on top of their normal working week. Attendance at such meetings is not compensated for and is expected as part of any senior role.
- 7.2 There is a subsistence scheme for all staff, including senior managers. The aim of the scheme is to reimburse employees fairly for travelling and subsistence necessarily incurred whilst carrying out their duties on behalf of the Council and to keep costs to a minimum.
- 7.3 All staff are entitled to make a claim for job-related subsistence if working away from the area on business. Claims for meals can only be made if staff are prevented from taking the meal at home or the workplace and this has been agreed in advance with managers. Receipts must be produced for all claims.
- 7.4 Job related subsistence rates (maximum payable) are:

Breakfast	£6.88
Lunch	£9.50
Tea	£3.76
Evening Meal	£11.77

8 Election Fees

- 8.1 Election fees are paid to senior officers in compensation for the additional duties required to management national and local elections and referendums.
- 8.2 The Returning Officer is designated as the Chief Executive in the Council's Constitution. The fees for all staff employed on election duties are either specified by the Electoral Commission for national elections or are decided locally by the Returning Officer for local elections. The fees for local elections are set out in a 'scale of expenses' agreed by the Council, after a comparison with other neighbouring authorities and whether the poll is being combined with another election.
- 8.3 The fee for the Returning Officer for national elections is determined by the number of the electorate in the area administered by that Returning Officer (as set out in s.29 of the Representation of the People's Act 1983 and updated by the Ministry of Justice prior to each election). These are enhanced by an amount set out in a 'scale of expenses' agreed by the Council if the poll is combined with another election.
- 8.4 **Returning Officer Fees** - Fee for the duly appointed Returning Officer in performing their duties under any enactment's relating to local government elections including all expenses: The Council's Returning Officer is the Chief Executive.
- 8.5 For every 1,000 electors in the electoral area/ward in which contested election is held – Borough Election: £47.50 and Town/Parish Election: £35.00.
- 8.6 For every 1,000 electors in each uncontested election - Borough Election: £20.00 and Town/Parish Election: £14.00
- 8.7 **Deputy Returning Officer Fees** - For each electoral area/ward in which contested election is held: Borough Election: £100, Town/Parish: £70. The Deputy Returning Officers are typically the Monitoring Officer and the Group Manager (Democratic Services).
- 8.8 For each uncontested election: Borough Election: £40, Town/Parish: £30.
- 8.9 Appendix 2 incorporates all election fees for 2019/2020

9 Recruitment of Senior Managers

- 9.1 Recruitment of senior managers is managed by the Council. Vacancies are advertised with the applicable salary range. The total package is set out in the recruitment pack. The recruitment of officers below Chief Officer level is undertaken by the Corporate Director for the relevant service area through a recruitment panel process involving other senior officers and if appropriate, specialist recruitment advisors.
- 9.2 The appointment of posts at Chief Executive and Corporate Director level are made by an Appointments Panel. This panel normally consists of Council Members, Chief Officers and Human Resources officers and is convened specifically to undertake the appointment of Chief Officers.

9.3 The decision on which roles attract salaries over £100,000 per annum will be initially determined by the Chief Executive, as Head of the Paid Service, and the Leader of the Council, in consultation with Human Resources. The Council's Cabinet will review the proposed salary package and make a recommendation to Full Council. Recruitment to vacancies with salary packages above £100,000 per annum will be in accordance with the Council's Recruitment and Selection Code of Practice, which requires that Cabinet Members will be included in the appointment panel.

10 Managing Pay

10.1 Starting salaries for Senior Managers

10.2 It is normal practice for all senior managers to be appointed at the bottom of the prescribed salary range. Exceptionally there may be instances where the Council may appoint above the bottom of the salary range where there is a clear rationale. Such cases will be considered and justified on a case by case basis. Consideration will be given to:

- Relativity of salaries of comparable roles
- Size and responsibilities of the post and duties to be undertaken.
- The wider recruitment market.

10.3 For employees below Chief Officer level, the decision on the salary of the post will be approved by the Corporate Director of the service (dependent on level of post) prior to an offer being made.

10.4 Pay Increases for Senior Managers

10.5 Pay increases that involve no changes to terms and conditions may take two forms:

- Pay scale increments awarded annually, subject to satisfactory performance
- Pay awards relating to cost of living increases.

10.6 Increments

10.7 The decision on whether to award an increment is made by the direct line manager of each employee following a performance review. The Leader of the Council makes the decision on pay relating to the Chief Executive.

10.8 The Individual performance of senior managers is assessed via the Council's Performance Development Review Appraisal Scheme. Each employee has an individual performance plan, setting out objectives for the coming year and expectations that are to be met with regard to the Council's High Performance Environment attitudes and behaviours. This is reviewed throughout the year and formally at the end of each year. Staff are then awarded an overall rating assessing their achievement against their objectives and the High Performance Environment standards.

10.9 Any adjustments to pay are awarded based on an individual's overall performance assessment. Increments are not awarded where performance is deemed not to have been satisfactory during the relevant year.

10.10 Where a role significantly varies within the performance year, an assessment will be undertaken using the Council's job evaluation scheme, to assess if an alteration to pay or grade is necessary. Any changes in salary for Leadership roles need approval from the Chief Executive.

10.11 Cost of living increases

10.12 Annual cost of living increases for all Council staff, except Chief Officers, are determined by the National Joint Council (NJC) for Local Government Services. The Council awards cost of living increases in line with NJC recommendations unless there are specific reasons not to do so. Annual cost of living increases for Chief Officers are determined by the Joint National Council for Chief Officers but are subject to the same considerations. These considerations may include:

- Affordability
- The conditions of the job market and the relative pay of employees, including Chief Officers, in comparison with other similar organisations
- Difficulties in recruitment and retention to specific posts.

10.13 The National Joint Council pay award for 2020/21 has yet to be agreed and the Council is awaiting a decision from the National Joint Council. (Pay scales for 2019/2020 are found in Appendix 3).

10.14 Deputising for statutory officers

10.15 The Chief Executive has the authority to award an additional responsibility allowance (ARA) to staff who deputise for the statutory officer roles of the Section 151 Officer and the Monitoring Officer where the deputy role has not been included in the job description and therefore incorporated within the job evaluation. The ARA will be calculated as a percentage of the remuneration of the relevant statutory officer and will reflect the amount of time the deputising staff undertake those additional statutory responsibilities. Typically, an ARA will be no more than £5,000 per annum.

11 Payments on Termination of Employment for Senior Managers

11.1 Redundancy and Severance Payments

11.2 An employee whose contract of employment is terminated due to redundancy will be eligible for a redundancy payment. Payments are made based on the following:

- All continuous local government service up until 2 November 2017, for the purposes of redundancy pay, will be based on a multiplier of 2 x weekly pay for each completed year of service.
- All continuous local government service after 2 November 2017, for the purposes of redundancy pay, will be based on 1.7 x weekly pay for each completed year of service.

Employees aged over 55 who are made redundant will be able to draw their pension to the date of their retirement. Employees aged under 55 will receive a redundancy payment and have their pension benefits deferred until they reach retirement age.

- 11.3 An employee whose contract of employment is terminated for any reason and there is justification for a severance payment, will be subject to approval by the relevant Corporate Director and Chief Executive taking advice from the Monitoring Officer, Human Resources and Section 151 Officer.
- 11.4 An employee who is made redundant or paid a severance payment must have a break of at least one month and one day to break their continuous service with the Authority before they can be re-employed by the Council in a different position.
- 11.5 Any proposed payment(s) as part of a severance package that results in the severance package being of a value of £100,000 or more in total, will be reviewed by the Chief Executive and the Leader of the Council in consultation with Human Resources and Legal Services and make a recommendation to Cabinet. The Cabinet will review the award and make recommendation to Full Council. Proposed severance packages under £100,000 are approved by the S151 Officer and reviewed by the Group Manager (People and Performance).
- 11.6 The government has indicated that they are considering the introduction of legislation, which will impose a cap on 'exit payments' which can be made to public sector employees who leave voluntarily.

12. Local Government Pension Scheme

- 12.1 Employees are eligible to be members of the Local Government Pension Scheme. The core pension benefits of these schemes are determined by statutory regulations.

13 Lowest paid employees

- 13.1 In line with the NJC pay award for 2019/20 the lowest SCP paid is £17,364 per annum for a full time employee, plus £874 per annum London Fringe Weighting.

14 Gender Pay Gap

- 14.1 As from 1 April 2018, all employers with 250 or more employees are required by Law to publish their gender pay gap each year on their own and the Government's website. As at January 2020, the Council's gender pay gap is as follows:

	<i>Total Number of Staff</i>	<i>Mean Hourly Rate</i>			<i>Median Hourly Rate</i>
Female	361	£15.00		Female	£13.22
Male	357	£14.66		Male	£11.96
Mean Gender Pay Gap		-2%		Median Gender Pay Gap	-11%

- 14.2 The gender pay gap for 2019/20 was -1% (mean) and -8% (median).

15 Pay Transparency

15.1 Organisation chart

In accordance with the Local Government Transparency Code 2014, the Council must publish an organisation chart covering the top three management tiers of the organisation and showing the following items of information for each member of staff included in the chart:

- Grade
- Job title
- Department and team
- Permanent or temporary
- Work contact details
- Salary in £5,000 brackets (see the senior salaries requirements below)
- Maximum salary for the grade.

15.2 Senior Salaries

In addition to the organisation chart, under the Accounts and Audit (England) Regulations 2011 and the Local Transparency Code 2014, the Council is required to publish:

- the number of employees whose remuneration in that year was at least £50,000, and
- details of remuneration and job title of certain senior employees whose salary is at least £50,000 together with a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff they are responsible for) and details of any bonuses and 'benefits in kind'.

15.3 The information referred to in paragraph 14.1 and 14.2 is not required to be contained in the Pay Policy Statement but must be placed on the Council's website. This information is located on Dacorum Borough Council's website, under the open data section.

Appendix 2

Scale of fees and expenses at Elections of Borough and Town/Parish Councillors

PART 1 - EXPENDITURE

- 1 The costs actually and necessarily incurred in respect of the following,
 - (a) For the provision of any accommodation for the purpose of the election, including heating, lighting and cleaning and compensation for damage to any such accommodation.
 - (b) For adapting and fitting up any accommodation for the purpose of the election and restoring to for its normal use, including the provision of voting compartments and any necessary furniture.
 - (c) For providing ballot boxes, including repairs.
 - (d) For the conveyance of ballot boxes and ballot papers
 - (f) For copies of the Register of Electors.
 - (g) For printing and providing ballot papers.
 - (h) For printing and providing postal vote packs
 - (i) For printing and providing official poll cards.
 - (j) For printing and providing notices, training materials and other documents required in or about the election or poll and for publishing the same.
 - (k) For general stationery, postage, telephone calls and miscellaneous matters.
 - (l) For promoting election, delivering communication strategy and encouraging voter registration

- 2

For each Presiding Officer at a polling station, to include all expenses, authorised by this scale.	£250.00
Additional sum to be paid to the Presiding Officer at each polling station where the elections are for a combined election.	25.00

- 3

For one Poll Clerk (or additional one where the number of electors exceeds 1,000) at a	£150.00
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polling station,

4	For the delivery of every 100 poll cards (Where Royal Mail or another carrier is not used)	£22.00
5	For persons employed in connection with the receipt and counting of postal ballot papers, at each election)	£15.00 per half-day session
6	For the remuneration of persons employed in connection with the verification/counting of votes (including any recounts) at Borough and Town/Parish elections:	

		<u>Verification /Counting Assistant</u>	<u>Supervisor</u>
(1)	Up to 4 hours	£70.00	£90.00
(2)	Additional fee if anticipated hours exceeded	TBA	TBA

**Senior
Verification/Count
Supervisor**

£140.00

**Verification/Count
Supervisor**

£115.00

**Polling Station
Inspector**

£100.00

**Porter /
Security**

£90.00

**Training
Facilitator**

£25 per session

Press Officer

£40.00

PART 2 - RETURNING OFFICERS FEES

For services and other expenses

Fee for the duly appointed Returning Officer in performing their duties under any enactment's relating to local government elections including all expenses other than those for which specific provision is made elsewhere in this scale:

		<u>Borough Election</u>	<u>Town/Parish Election</u>
7	For every 1,000 electors in the electoral area/ward in which contested election is held.	£47.50	£35.00
	For every 1,000 electors in each uncontested election	£20.00	£14.00

PART 3 DEPUTY RETURNING OFFICERS FEES - for services and other expenses

Fee for duly appointed Deputy Returning Officer in performing such duties as may be required by the Returning Officer under any enactment's relating to local government elections including all expenses other than those for which specific provision is made elsewhere in this scale:

		<u>Borough Election</u>	<u>Town/Parish Election</u>
8.	For each electoral area/ward in which contested election is held.	£100.00	£70.00
	For each uncontested election	£40.00	£30.00

NOTES

1. The fees and expenses set out in the Schedule come into effect on 1 January 2019 and will be increased by agreed pay inflation annually.
2. The fees shown are the gross amounts and are with certain exceptions subject to the standard rate of tax.
3. These fees are for the 'local' element of any election and will be adjusted in the case of National or Regional (or combined) Polls in line with the guidance issued by the organising body.

Appendix 3 – Pay Scales 2019/2020

Local Pay Scales

Schedule of Pay Rates Effective From 01 April 2019 (To be updated pending NJC pay negotiations)

	SCP	Salary (Excluding London Fringe Weighting)	SCP	Monthly Salary (Including London Fringe Weighting)	SCP	Hourly Rate (Excluding London Fringe Weighting)
	-	£	-	£	-	£
Band 1	05	17,364	05	1,519.83	05	9.00
Band 2	06	17,711	06	1,548.75	06	9.18
Band 3	07	18,065	07	1,578.25	07	9.36
Band 4	08	18,426	08	1,608.33	08	9.55
	09	18,795	09	1,639.08	09	9.74
Band 5	10	19,171	10	1,670.42	10	9.94
	11	19,554	11	1,702.33	11	10.14
Band 6	12	20,159	12	1,752.75	12	10.45
	13	20,865	13	1,811.58	13	10.81
	14	21,590	14	1,872.00	14	11.19
Band 7	15	22,141	15	1,917.92	15	11.48
	16	22,779	16	1,971.08	16	11.81
	17	23,247	17	2,010.08	17	12.05
Band 8	18	23,836	18	2,059.17	18	12.35
	19	24,799	19	2,139.42	19	12.85
	20	25,295	20	2,180.75	20	13.11
Band 9	21	26,317	21	2,265.92	21	13.64
	22	28,467	22	2,445.08	22	14.76
	23	29,421	23	2,524.58	23	15.25
Band 10	24	30,344	24	2,601.50	24	15.73
	25	31,238	25	2,676.00	25	16.19
	26	32,159	26	2,752.75	26	16.67
Band 11	27	33,070	27	2,828.67	27	17.14
	28	34,696	28	2,964.17	28	17.98
	29	35,610	29	3,040.33	29	18.46
Band 12	30	36,612	30	3,123.83	30	18.98
	31	37,686	31	3,213.33	31	19.53
	32	38,912	32	3,315.50	32	20.17
Band 13	33	39,941	33	3,401.25	33	20.70
	34	41,722	34	3,549.67	34	21.63
	35	42,791	35	3,638.75	35	22.18
Band 14	36	43,845	36	3,726.58	36	22.73
	37	44,919	37	3,816.08	37	23.28
	38	45,939	38	3,901.08	38	23.81
Band 15	39	47,060	39	3,994.50	39	24.39
	40	48,134	40	4,084.00	40	24.95
	41	50,060	41	4,244.50	41	25.95
Band 16	42	51,126	42	4,333.33	42	26.50

	43	52,197	43	4,422.58	43	27.06
	44	53,264	44	4,511.50	44	27.61
Band 17	45	54,352	45	4,602.17	45	28.17
	46	55,414	46	4,690.67	46	28.72
	47	56,486	47	4,780.00	47	29.28
Band 18	48	57,559	48	4,869.42	48	29.83
	49	58,634	49	4,959.00	49	30.39
	50	59,752	50	5,052.17	50	30.97
Band 19	51	60,868	51	5,145.17	51	31.55
	52	61,978	52	5,237.67	52	32.12
	53	63,088	53	5,330.17	53	32.70
Band 20	54	64,202	54	5,423.00	54	33.28
	55	65,323	55	5,516.42	55	33.86
	56	66,437	56	5,609.25	56	34.44
Band 21	57	67,765	57	5,719.92	57	35.12
	58	69,122	58	5,833.00	58	35.83
	59	70,503	59	5,948.08	59	36.54
Band 22	60	71,912	60	6,065.50	60	37.27
	61	73,352	61	6,185.50	61	38.02
	62	74,818	62	6,307.67	62	38.78
Band 23	63	76,316	63	6,432.50	63	39.56
	64	77,842	64	6,559.67	64	40.35
	65	79,399	65	6,689.42	65	41.15

LFW (London Fringe Weighting) = £874 per annum 2019/20

Excludes protected frequent car user paid at £743, £846 or £1,088 in 2019/20

Agenda Item 12

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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